莊勝百貨集團有限公司

JUNEFIELD DEPARTMENT STORE GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 758)

INTERIM REPORT 2012

CONTENTS

The board of directors (the "Board") of Junefield Department Store Group Limited (the "Company") is pleased to announce the unaudited results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2012 as below:

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the six months ended 30 June 2012

	Note	Six months ended 30 June 2012 (Unaudited) HK$'000	30 June 2011 (Unaudited) HK$'000
Revenue	5	**104,325**	125,204
Cost of sales and services		**(53,720)**	(75,894)
Gross profit		**50,605**	49,310
Other income	5	**2,659**	2,943
Selling and distribution expenses		**(682)**	(854)
Administrative expenses		**(20,594)**	(17,671)
Other operating expenses		**(6,325)**	(10,881)
Fair value gains on investment properties		**1,684**	3,327
Fair value gains/(losses), net:			
Equity investments at fair value through profit or loss – held for trading		**12,926**	(666)
Operating profit	6	**40,273**	25,508
Finance costs	7	**(1,004)**	(5,345)
Share of profit of a jointly-controlled entity		**85,123**	70,796
Profit before tax		**124,392**	90,959
Income tax expense	8	**(16,123)**	(11,178)
Profit for the period		**108,269**	79,781

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT *(continued)*

For the six months ended 30 June 2012

		Six months ended	
		30 June 2012 (Unaudited)	30 June 2011 (Unaudited)
	Note	***HK$'000***	*HK$'000*
Attributable to:			
Owners of the Company		**97,471**	74,116
Non-controlling interests		**10,798**	5,665
		108,269	79,781
Earnings per share attributable to owners of the Company	*9*		
Basic		**HK9.59 cents**	HK7.37 cents
Diluted		**HK9.37 cents**	HK7.10 cents

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2012

	Six months ended	
	30 June 2012 (Unaudited) *HK$'000*	30 June 2011 (Unaudited) *HK$'000*
Profit for the period	**108,269**	79,781
Other comprehensive income		
Change in fair value of available-for-sale investments	**(8,709)**	–
Exchange differences on translation of foreign operations	**(2,410)**	12,605
Other comprehensive income for the period, net of tax	**(11,119)**	12,605
Total comprehensive income for the period	**97,150**	92,386
Attributable to:		
Owners of the Company	**87,953**	82,459
Non-controlling interests	**9,197**	9,927
	97,150	92,386

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2012

	Note	30 June 2012 (Unaudited) HK$'000	31 December 2011 (Audited) HK$'000
Non-current assets			
Property, plant and equipment		238,775	250,328
Investment properties		41,791	40,332
Prepaid land lease payments		24,254	24,811
Other intangible asset		139,815	147,879
Investment in a jointly-controlled entity		234,120	148,996
Available-for-sale investments	11	67,959	–
Total non-current assets		746,714	612,346
Current assets			
Inventories		3,720	4,202
Accounts receivable	12	22,605	31,054
Prepayments, deposits and other receivables		9,439	6,435
Amount due from a jointly-controlled entity		–	4,502
Amounts due from related companies		10,843	11,549
Equity investments at fair value through profit or loss		33,728	15,343
Held-to-maturity investments		15,734	–
Time deposits		8,133	116,055
Cash and bank balances		27,702	29,278
Total current assets		131,904	218,418
Current liabilities			
Accounts payable	13	6,414	7,441
Other payables and accruals		69,616	90,237
Amount due to the ultimate holding company		486	27
Amounts due to related companies		8,013	3,796
Amount due to a jointly-controlled entity		1,467	–
Dividend payable to non-controlling interests		–	25,143
Tax payable		1,228	5,286
Interest-bearing other borrowing	14	6,098	6,173
Bank overdrafts		7,554	–
Total current liabilities		100,876	138,103
Net current assets		31,028	80,315

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(continued)

At 30 June 2012

	Note	30 June 2012 (Unaudited) HK$'000	31 December 2011 (Audited) HK$'000
Total assets less current liabilities		**777,742**	692,661
Non-current liabilities			
Deferred tax liabilities		**70,136**	66,962
Total non-current liabilities		**70,136**	66,962
Net assets		**707,606**	625,699
Equity			
Equity attributable to owners of the Company			
Issued capital	*15*	**101,617**	101,617
Reserves		**477,981**	405,271
		579,598	506,888
Non-controlling interests		**128,008**	118,811
Total equity		**707,606**	625,699

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2012

	Attributable to owners of the Company										
	Issued capital *HK$'000* *(note 15)*	**Share premium account** *HK$'000*	**Capital reserve** *HK$'000*	**Statutory surplus reserve** *HK$'000*	**Share option reserve** *HK$'000*	**Investments revaluation reserve** *HK$'000*	**Exchange fluctuation reserve** *HK$'000*	**Retained profits** *HK$'000*	**Total** *HK$'000*	**Non-controlling interests** *HK$'000*	**Total equity** *HK$'000*
At 1 January 2012 (audited)	101,617	70,962	19,170	11,507	5,540	–	16,589	281,503	506,888	118,811	625,699
Profit for the period	–	–	–	–	–	–	–	97,471	97,471	10,798	108,269
Loss on fair value changes of available-for-sale investments	–	–	–	–	–	(8,709)	–	–	(8,709)	–	(8,709)
Exchange difference on translation of foreign operations	–	–	–	–	–	–	(809)	–	(809)	(1,601)	(2,410)
Total comprehensive income for the period	–	–	–	–	–	(8,709)	(809)	97,471	87,953	9,197	97,150
Final 2011 dividend paid	–	–	–	–	–	–	–	(15,243)	(15,243)	–	(15,243)
At 30 June 2012 (unaudited)	101,617	70,962	19,170	11,507	5,540	(8,709)	15,780	363,731	579,598	128,008	707,606
At 1 January 2011 (audited)	100,247	67,480	19,170	5,834	7,266	–	3,996	172,347	376,340	112,536	488,876
Profit for the period	–	–	–	–	–	–	–	74,116	74,116	5,665	79,781
Exchange difference on translation of foreign operations	–	–	–	–	–	–	8,343	–	8,343	4,262	12,605
Total comprehensive income for the period	–	–	–	–	–	–	8,343	74,116	82,459	9,927	92,386
Issue of shares upon exercise of share options	770	1,958	–	–	(970)	–	–	–	1,758	–	1,758
Final 2010 dividend paid	–	–	–	–	–	–	–	(15,153)	(15,153)	–	(15,153)
At 30 June 2011 (unaudited)	101,017	69,438	19,170	5,834	6,296	–	12,339	231,310	445,404	122,463	567,867

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2012

	Six months ended	
	30 June 2012 (Unaudited) *HK$'000*	30 June 2011 (Unaudited) *HK$'000*
NET CASH INFLOW FROM OPERATING ACTIVITIES	**22,474**	41,043
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES	**(81,139)**	21,617
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	**(15,773)**	(6,748)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(74,438)**	55,912
Effect of foreign exchange rate changes, net	**(1,767)**	2,063
Cash and cash equivalents at beginning of the period	**101,324**	48,669
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**25,119**	106,644
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**27,702**	80,138
Bank overdrafts – unsecured	**(7,554)**	–
	20,148	80,138
Non-pledged time deposits with original maturity of less than three months when acquired	**4,971**	26,506
Cash and cash equivalents as stated in statement of cash flows	**25,119**	106,644

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Junefield Department Store Group Limited (the "Company") is incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and 13th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.

The principal activities of the Company and its subsidiaries (the "Group") are property investment, provision of property management and agency services, manufacture and sale of construction materials and securities investments.

In the opinion of the directors, the immediate holding company of the Company is Prime Century Investments Limited, a company incorporated in the British Virgin Islands, and the ultimate holding company of the Company is Junefield (Holdings) Limited, a company incorporated in Hong Kong.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

3. PRINCIPAL ACCOUNTING POLICIES

These condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2011.

The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2011, except as described below:

The HKICPA has issued a number of new Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations), which are generally effective for accounting periods beginning on or after 1 January 2012. The Group has adopted the following HKFRSs issued up to 30 June 2012 which are pertinent to its operations and relevant to these interim financial statements.

HKFRS 1 Amendments	Amendment to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
HKFRS 7 Amendments	Amendment to HKFRS 7 *Financial Instruments: Disclosures – Transfers of Financial Assets*
HKAS 12 Amendments	Amendments to HKAS 12 *Income Taxes – Deferred Tax: Recovery of Underlying Assets*

The adoption of the new and revised HKFRSs has had no significant financial effect on these condensed consolidated financial statements.

3. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Impact of issued but not yet effective HKFRSs

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

HKFRSs Amendments	Amendments to HKFRSs *Annual Improvements to HKFRS 2009-2011 cycle*[2]
HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans*[2]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Offsetting Financial Assets* and Financial Liabilities[2]
HKFRS 9	*Financial Instruments*[4]
HKFRS 10	*Consolidated Financial Statements*[2]
HKFRS 11	*Joint Arrangements*[2]
HKFRS 12	*Disclosure of Interests in Other Entities*[2]
HKFRS 13	*Fair Value Measurement*[2]
HKAS 1 Amendments	*Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income*[1]
HKAS 19 (2011)	*Employee Benefits*[2]
HKAS 27 (2011)	*Separate Financial Statements*[2]
HKAS 28 (2011)	*Investments in Associates and Joint Ventures*[2]
HKAS 32 Amendments	Amendments to HKAS 32 *Financial Instruments: Offsetting Financial Assets and Financial Liabilities*[3]
HK(IFRIC) – Int 20	*Stripping Costs in the Production Phase of a Surface Mine*[2]

Notes:

1 *Effective for annual periods beginning on or after 1 July 2012.*

2 *Effective for annual periods beginning on or after 1 January 2013.*

3 *Effective for annual periods beginning on or after 1 January 2014.*

4 *Effective for annual periods beginning on or after 1 January 2015.*

4. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments as follows:

(a) the property investment segment engages in property leasing and sale of properties;

(b) the property management and agency services segment provides property management and agency services;

(c) the manufacture and sale of construction materials segment engages in the manufacture and sale of slag powder;

(d) the securities investments segment engages in investments in listed securities; and

(e) the other segment comprises, principally, the Group's leasing of machinery business and consultancy services.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit before tax except that interest incomes, unallocated finance costs, dividend income, as well as head office and corporate expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the prevailing market prices.

4. SEGMENT INFORMATION *(continued)*

Segment results

An analysis of the Group's segment results by reportable segment is as follows:

For the six months ended 30 June 2012

	Property investment (Unaudited) *HK$'000*	Property management and agency services (Unaudited) *HK$'000*	Manufacture and sale of construction materials (Unaudited) *HK$'000*	Securities investments (Unaudited) *HK$'000*	Others (Unaudited) *HK$'000*	Total (Unaudited) *HK$'000*
Segment revenue:						
Sales to/revenue from external customers*	859	8,705	94,761	-	-	104,325
Segment results	1,613	1,586	33,835	12,887	-	49,921
Bank interest income and other unallocated income						1,367
Corporate and other unallocated expenses						(11,015)
Unallocated finance costs						(1,004)
Share of profit of a jointly-controlled entity						85,123
Profit before tax						124,392
Income tax expense						(16,123)
Profit for the period						108,269

* Since the amount of intersegment sales is insignificant, no reconciliation has been made.

4. SEGMENT INFORMATION *(continued)*

Segment results *(continued)*

For the six months ended 30 June 2011

	Property investment (Unaudited) *HK$'000*	Property management and agency services (Unaudited) *HK$'000*	Manufacture and sale of construction materials (Unaudited) *HK$'000*	Securities investments (Unaudited) *HK$'000*	Others (Unaudited) *HK$'000*	Total (Unaudited) *HK$'000*
Segment revenue:						
Sales to/revenue from external customers*	28,003	8,119	88,611	–	471	125,204
Segment results	9,656	(3,225)	25,292	(671)	(963)	30,089
Bank interest income and other unallocated income						2,395
Corporate and other unallocated expenses						(6,976)
Unallocated finance costs						(5,345)
Share of profit of a jointly-controlled entity						70,796
Profit before tax						90,959
Income tax expense						(11,178)
Profit for the period						79,781

* Since the amount of intersegment sales is insignificant, no reconciliation has been made.

4. SEGMENT INFORMATION *(continued)*

Geographical information

(a) Revenue from external customers

	Six months ended	
	30 June 2012	30 June 2011
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The People's Republic of China (the "PRC")	**104,325**	124,733
Peru	**–**	471
	104,325	125,204

The revenue information above is based on the location of the customers.

(b) Non-current assets

	30 June 2012	31 December 2011
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
PRC	**636,279**	571,179
Australia	**67,959**	–
Peru	**41,628**	41,044
Hong Kong	**848**	123
	746,714	612,346

The non-current assets information above is based on the location of assets.

4. SEGMENT INFORMATION *(continued)*

Information about major customers

Revenue from customers of corresponding periods contributing over 10% of total revenue of the Group is as follows:

	Six months ended	
	30 June 2012 (Unaudited) *HK$'000*	30 June 2011 (Unaudited) *HK$'000*
Customer A (Revenue attributable to manufacture and sale of construction materials segment)	**10,771**	N/A*
Customer B (Revenue attributable to manufacture and sale of construction materials segment)	**10,736**	N/A*
Customer C (Revenue attributable to property investment segment)	**N/A***	27,689
	21,507	27,689

* The corresponding revenue did not contribute over 10% of total revenue of the Group for the period.

5. REVENUE AND OTHER INCOME

An analysis of the Group's revenue and other income is as follows:

	Six months ended	
	30 June 2012 (Unaudited) *HK$'000*	30 June 2011 (Unaudited) *HK$'000*
Revenue		
Sales of construction materials	**94,761**	88,611
Property management and agency fees	**8,705**	8,119
Gross rental income	**859**	1,112
Sale of properties	**–**	27,362
	104,325	125,204
Other income		
Bank interest income	**1,068**	254
Interest income on other loans	**192**	2,141
Interest income on held-to-maturity investments	**108**	–
Others	**1,291**	548
	2,659	2,943

6. OPERATING PROFIT

The Group's operating profit is arrived at after charging:

	Six months ended	
	30 June 2012 (Unaudited) *HK$'000*	30 June 2011 (Unaudited) *HK$'000*
Employee benefits expense		
(including directors' remuneration)		
Salaries, wages and other benefits *	**15,754**	10,625
Pension scheme contributions	**1,325**	1,015
	17,079	11,640
Cost of inventories sold	**51,497**	52,591
Cost of properties held for sale	**–**	20,898
Amortisation of other intangible asset	**6,325**	6,111
Amortisation of prepaid land lease payments	**275**	266
Depreciation of property, plant and equipment #	**11,862**	10,869

* *Salaries, wages and other benefits of approximately HK$6,758,000 (six months ended 30 June 2011: HK$2,641,000), HK$8,497,000 (six months ended 30 June 2011: HK$7,461,000) and HK$499,000 (six months ended 30 June 2011: HK$523,000) were included in cost of sales, administrative expenses and selling and distribution expenses respectively.*

\# *Depreciation of approximately HK$9,736,000 (six months ended 30 June 2011: HK$9,471,000) and HK$2,126,000 (six months ended 30 June 2011: HK$1,398,000) were included in cost of sales and administrative expenses respectively.*

7. FINANCE COSTS

	Six months ended 30 June 2012 (Unaudited) HK$'000	Six months ended 30 June 2011 (Unaudited) HK$'000
Interest on bank loan and other loans wholly repayable within five years	**291**	3,466
Other finance costs		
Financial guarantee expenses	**713**	1,879
	1,004	5,345

8. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2011: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	Six months ended 30 June 2012 (Unaudited) HK$'000	Six months ended 30 June 2011 (Unaudited) HK$'000
Current tax		
Hong Kong	**–**	234
Elsewhere	**10,406**	3,803
Deferred tax charge	**5,717**	7,141
Total tax charge for the period	**16,123**	11,178

Hunan Taiji Construction Material Company Limited ("Hunan Taiji"), a subsidiary of the Group, is subject to the PRC Enterprise Income Tax ("EIT") at a rate of 25% on taxable income as reported in its financial statements for the period. Hunan Taiji is entitled to exemption from EIT for the first two profitable years commencing from the year ended 31 December 2007 and a 50% reduction from normal EIT for the three years following. Effective from 1 January 2012, EIT is provided at 25% (six months ended 30 June 2011: 12.5%) on the estimated assessable profit for the period.

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit for the period attributable to owners of the Company, and the weighted average number of ordinary shares of 1,016,167,967 (six months ended 30 June 2011: 1,005,232,055) in issue during the period.

The calculation of diluted earnings per share amount is based on the profit for the period attributable to owners of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	Six months ended	
	30 June 2012 (Unaudited) ***HK$'000***	30 June 2011 (Unaudited) *HK$'000*
Earnings		
Profit attributable to owners of the Company, used in the basic and diluted earnings per share calculation	**97,471**	74,116

	Number of shares	
	30 June 2012 (Unaudited)	30 June 2011 (Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**1,016,167,967**	1,005,232,055
Effect of dilution – weighted average number of ordinary shares:		
Share options	**24,211,700**	37,940,780
	1,040,379,667	1,043,172,835

10. DIVIDENDS

During the six months ended 30 June 2012, the final dividend in respect of the financial year ended 31 December 2011 of HK1.5 cents per share, totaling of approximately HK$15,243,000 was paid to the shareholders of the Company.

The Board declared an interim dividend of HK1 cent per share (six months ended 30 June 2011: HK1 cent) will be paid to owners of the Company whose names appear in the Register of Members on Friday, 14 September 2012.

11. AVAILABLE-FOR-SALE INVESTMENTS

	30 June 2012 (Unaudited) *HK$'000*	31 December 2011 (Audited) *HK$'000*
Unlisted equity investment, at cost *(Note (i))*	**31,642**	31,642
Impairment	**(31,642)**	(31,642)
	–	–
Listed investments, at fair value:		
– Equity securities listed in Australia *(Note (ii))*	**67,959**	–
	67,959	–

Note:

(i) The above investment in equity securities, which is designated as an available-for-sale financial asset, has no fixed maturity date or coupon rate. The PRC business licence of Wuhan Huaxin Real Estate Co., Ltd. has expired on 4 September 2007.

11. AVAILABLE-FOR-SALE INVESTMENTS *(continued)*

Note: (continued)

(ii) The listed equity investments represented investments in a mineral exploration company incorporated in Australia and whose shares are listed on the ASX Limited and the Group holds an approximately 18.7% of its equity interest. The fair value of the listed equity investments were based on quoted market prices.

12. ACCOUNTS RECEIVABLE

	30 June 2012 (Unaudited) *HK$'000*	31 December 2011 (Audited) *HK$'000*
Accounts receivable	**22,849**	31,301
Impairment	**(244)**	(247)
	22,605	31,054

Accounts receivable are due immediately from the date of billing. Payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables and overdue balances which are reviewed regularly by senior management to minimize credit risk. The accounts receivable are non-interest-bearing and mainly denominated in Renminbi ("RMB").

12. ACCOUNTS RECEIVABLE *(continued)*

An aged analysis of the Group's accounts receivable as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2012 (Unaudited) ***HK$'000***	31 December 2011 (Audited) *HK$'000*
Within 1 month	**8,578**	8,623
1 to 3 months	**12,794**	14,854
Over 3 months	**1,477**	7,824
	22,849	31,301
Impairment	**(244)**	(247)
	22,605	31,054

13. ACCOUNTS PAYABLE

An aged analysis of the Group's accounts payable as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2012 (Unaudited) ***HK$'000***	31 December 2011 (Audited) *HK$'000*
Within 1 month	**907**	219
1 to 3 months	**5,507**	7,222
	6,414	7,441

The accounts payable are non-interest-bearing and are mainly denominated in RMB.

14. INTEREST-BEARING OTHER BORROWING

	30 June 2012 (Unaudited) *HK$'000*	31 December 2011 (Audited) *HK$'000*
Unsecured other loan repayable within one year or on demand	**6,098**	6,173

The unsecured other loan is denominated in RMB, bears interest at a rate of 9.5% per annum and has no fixed terms of repayment.

15. ISSUED CAPITAL

	Number of shares *'000*	Amount *HK$'000*
Authorised:		
Ordinary shares of HK$0.10 each at 31 December 2011 (audited) and 30 June 2012 (unaudited)	25,000,000	2,500,000
Issued and fully paid:		
Ordinary shares of HK$0.10 each at 31 December 2011 (audited) and 30 June 2012 (unaudited)	1,016,167	101,617

16. BUSINESS COMBINATION

On 29 March 2012, Take Rich Investment Limited, an indirect wholly-owned subsidiary of the Company entered into the sale and purchase agreement for the acquisition of the entire issued share capital of Talent Note Limited at a total consideration of HK$68,260,000 to be settled in cash. The acquisition constituted a discloseable and connected transaction under the Listing Rules. It was approved by the shareholders of the Company at a special general meeting held on 18 June 2012. Details of which have been disclosed in the Company's circular dated 31 May 2012. The acquisition was duly completed on 21 June 2012. Talent Note Limited owns 100% equity interests in Junefield High Value Metals Investments Limited and both companies are investment holding company.

The fair values of the identifiable assets and liabilities of Talent Note Limited as at the date of acquisition and the corresponding carrying amounts immediately before the acquisition were as follows:

	Acquiree's carrying amount and fair value recognized on acquisition (Unaudited) *HK$'000*
Net assets acquired	
Available-for-sale investments	68,420
Cash and bank balances	23
Amount due to the ultimate holding company	(276)
	68,167
Transaction costs arisen from acquisition	93
	68,260
Satisfied:	
Cash	68,260

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries is as follows:

	HK$'000
Cash consideration	68,260
Cash and bank balances acquired	(23)
	68,237

Since its acquisition, Talent Note Limited and its subsidiaries contributed no turnover to the Group and loss of approximately HK$37,000 to the consolidated results for the six months ended 30 June 2012.

17. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases certain of its investment properties under operating lease arrangements, which leases negotiated for terms ranging from one to three years.

At 30 June 2012, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	30 June 2012 (Unaudited) *HK$'000*	31 December 2011 (Audited) *HK$'000*
Within one year	**1,524**	1,752
In the second to fifth years, inclusive	**348**	1,336
	1,872	3,088

(b) As lessee

The Group leases its office property under operating lease arrangements. Lease for property is negotiated for a term of two years.

At 30 June 2012, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	30 June 2012 (Unaudited) *HK$'000*	31 December 2011 (Audited) *HK$'000*
Within one year	**400**	800

18. CAPITAL COMMITMENTS

As at 30 June 2012, the Group had no capital commitments (31 December 2011: Nil).

19. OUTSTANDING LITIGATIONS

(1) In May 2011, International Management Company Limited ("IMC", an indirectly wholly owned subsidiary of the Company) received the civil case judgment dated 5 May 2011 issued by the Intermediate People's Court of Wuhan City, Hubei Province, the PRC（中華人民共和國湖北省武漢市中級人民法院）(the "PRC Intermediate Court"), pursuant to which the PRC Intermediate Court accepted the plaintiff's application to withdraw its claim against IMC and a former subsidiary of the Group for an outstanding investment fund of RMB20 million together with the interests of RMB21.63 million due to seeking for new evidence by the plaintiff. In June 2012, IMC received a summons to appear in court on 20 September 2012 for further evidence exchange.

Based on the legal opinion of the Group's PRC legal advisors, the directors of the Company are of the opinion that the action can be successfully defended and therefore no provision has been made in the financial statements.

(2) In 2011, Wuhan Huaxin Management Ltd. ("WHM", an indirectly 51%-owned subsidiary of the Company) received a civil case judgment issued by the People's Court of Jianhan District, Wuhan City, Hubei Province, the PRC（中華人民共和國湖北省武漢市江漢區人民法院）(the "PRC Court"), pursuant to which the PRC Court mandatorily enforced WHM to repay certain claimants against Wuhan Huaxin Real Estate Co., Ltd. ("WHRED", the Group's available-for-sale investment) amounted to RMB11,660,173 (approximately HK$14,020,000) (the "Compensation") and executed to debit the sums directly from WHM's bank account. WHM has already filed a written objection with the PRC Court to challenge against both the judgment and the mandatory execution for the reason that WHM was not a directly related company to WHRED.

Based on the legal opinion from the Group's PRC legal advisors, the directors are of the opinion that WHM should not be liable for any repayment liabilities incurred by WHRED since both WHM and WHRED are separate entities under the PRC law and should not have any joint and several liabilities. Therefore, WHM should have the right to claim against the PRC Court for refund of the full amount. Since the outcome of the claim for the refund of the full sum is uncertain, the Compensation paid was charged to the consolidated income statement for the year ended 31 December 2011. Up to the date of this report, there is no update from the PRC Court.

20. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these interim financial statements, the Group had the following material transactions with related parties during the period:

(a) Significant transactions with related parties

		Six months ended	
		30 June 2012 (Unaudited)	30 June 2011 (Unaudited)
	Note	***HK$'000***	*HK$'000*
Income			
Property management fee received from a jointly-controlled entity	*(i)*	**1,710**	1,570
Rental incomes received from a related company	*(ii)*	**480**	–
Expenses			
Logistics services fee charged by a related company	*(iii)*	**5,442**	5,083
Purchases of raw materials from a related company	*(iv)*	**2,217**	2,138
Rental expenses paid to the ultimate holding company	*(v)*	**400**	400
Financial guarantee expenses paid to related companies	*(vi)*	**712**	1,879

Notes:

(i) The Group provided property management services to its jointly-controlled entity.

(ii) Rental income from Beijing Junefield Sogo Department Store（北京莊勝崇光百貨商場）("Beijing Junefield Sogo"), a company of which Mr. Zhou Chu Jian He, the chairman of the Company, has control over its operations and financial activities. The monthly rentals were mutually agreed between the contracting parties.

20. RELATED PARTY TRANSACTIONS *(continued)*

(a) Significant transactions with related parties *(continued)*

Notes: (continued)

(iii) Lianyuan Logistics Company Limited（湖南漣鋼物流有限公司）("Lianyuan Logistics") provided logistics services to Hunan Taiji. As at the date of this interim report, Hunan Taiji and Lianyuan Logistics are still in negotiations for a new logistics services agreement for the year ending 31 December 2012 and prior to entering into of any new contract, the terms under the logistics services agreement dated 29 November 2010 for the transportation of the granulated steel slag at RMB7.98 per ton (Value Added Tax ("VAT") inclusive) (subject to adjustments upon change of government policy on fuel cost and other related costs) were and are still adopted.

(iv) Hualing Steel Company Limited（華菱漣源鋼鐵有限公司）("Hualing Steel") acts as the supplier of Hunan Taiji for the supply of the required granulated steel slag for production. Pursuant to the joint venture agreement dated 30 June 2006, Lianyuan Steel Group Limited（漣源鋼鐵集團有限公司）("Lianyuan Steel"), the joint venturer of Hunan Taiji, should procure Hualing Steel to enter into the materials supply agreement with Hunan Taiji to supply granulated steel slag to Hunan Taiji at a unit price of RMB4 per ton (VAT inclusive). As at the date of this interim report, Hunan Taiji and Hualing Steel are still in negotiations for a new supply agreement for the year ending 31 December 2012 and prior to entering into of any new supply agreement, the terms under the materials supply agreement dated 26 December 2008 made between Hunan Taiji and Hualing Steel for the year ended 31 December 2009 were and are still adopted.

(v) Rental expenses paid to the ultimate holding company, the monthly rentals were mutually agreed between the contracting parties.

(vi) Hunan Taiji has agreed to pay a guarantee fee equivalent to 1% on the outstanding bank loan amount to each of Beijing Junefield Sogo and Lianyuan Steel in return for the guarantees provided by them in favour of the bank for the provision of the loan during the guarantee period under the loan agreement. The guarantee fees were paid for the second half of 2011 and settled in cash.

20. RELATED PARTY TRANSACTIONS *(continued)*

(b) Compensation of key management personnel of the Group

	Six months ended	
	30 June 2012 (Unaudited)	30 June 2011 (Unaudited) (Restated)
	HK$'000	*HK$'000*
Short-term employee benefits	**1,481**	942
Post-employment benefits	**14**	14
	1,495	956

21. COMPARATIVE FIGURES

Certain comparative figures have been restated to conform to the current period's presentation.

22. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The unaudited condensed consolidated interim financial statements were approved and authorised for issue by the Board on 27 August 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

The consolidated revenue and consolidated profit attributable to owners of the Company for the period ended 30 June 2012 amounted to approximately HK$104,325,000 and HK$97,471,000, representing a corresponding decrease of 17% and increase of 32% over HK$125,204,000 and HK$74,116,000 respectively compared to the same period last year.

Notwithstanding the growth for the economy in the People's Republic of China (the "PRC") showed signs of a slowdown, the contribution of results from the manufacture and sale of construction materials business and the jointly-controlled entity remained stable in the first half of 2012.

Operations Review and Prospects

Construction materials business

During the period under review, the Group's indirect 60%-owned subsidiary, Hunan Taiji Construction Material Co., Ltd. ("Hunan Taiji"), recorded a turnover and profit of approximately HK$94,761,000 (six months ended 30 June 2011: HK$88,611,000) and HK$25,429,000 (six months ended 30 June 2011: HK$18,644,000), representing increases of 7% and 36% respectively over the same period last year.

Despite the average selling price of granulated slag powder declined since the fourth quarter of 2011, it became stable in the second quarter of 2012 but remained at a similar level when compared to the same period last year. Nevertheless, Hunan Taiji still performed satisfactorily in the first half of 2012 mainly due to the savings of loan interests and guarantee fees after the early repayment of a bank loan in December 2011. It is expected that the profit contribution from this sector will be optimistic towards the second half of 2012.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Operations Review and Prospects *(continued)*

Retail business in Wuhan

The Group's share of profit from the indirect 49%-owned jointly-controlled entity amounted to approximately HK$85,123,000 (six months ended 30 June 2011: HK$70,796,000), representing an increase of 20% over the same period last year. With the support of relating policies in boosting the domestic demands in the PRC market, the purchasing powers in Wuhan are still strong. The jointly-controlled entity recorded a sales growth of 13% over the same period last year and remained the major profit contributor for the Group. In the meantime, the Group is confident of the performance of this jointly-controlled entity for the second half of 2012 amid the highly competitive sector of department store in Wuhan.

Investment properties in Beijing

During the period under review, the income from property leasing in Beijing, the PRC was approximately HK$859,000 (six months ended 30 June 2011: HK$641,000), representing an increase of 34% over the corresponding period of 2011 due to the increase in number of office units being let out and this sector also recorded fair value gains of HK$1,684,000 (six months ended 30 June 2011: HK$3,327,000) in respect of the revaluation of investment properties. This sector recorded a net profit of approximately HK$1,491,000 (six months ended 30 June 2011: HK$8,766,000), representing a significant decrease of 83% over the same period last year due to there was no profit generated from sale of properties during the period under review (six months ended 30 June 2011: profit of approximately HK$6,464,000). The Group expects the investment properties currently held on hand will generate a stable cash flow and will continue looking for potential investment properties to enlarge its property portfolio in the PRC.

Property management and agency services business

During the period under review, this sector recorded a turnover of approximately HK$8,705,000 (six months ended 30 June 2011: HK$8,119,000), representing a slight increase of 7% over the same period last year. It achieved a net profit of approximately HK$1,278,000 (six months ended 30 June 2011: loss of approximately HK$3,658,000). Without taking into account the mandatory enforcement of payments to certain claimants against the Group's available-for-sale investment in 2011, the profit of this segment increased by 15% over the same period last year.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Operations Review and Prospects *(continued)*

Securities investments

In the first half of 2012, the Group successfully acquired 33,750,000 fully paid ordinary shares of Latin Resources Limited ("Latin Resources"), representing approximately 18.7% of its existing issued share capital by acquiring the entire equity interests of Talent Note Limited and off-market. Latin Resources is a mineral exploration company incorporated in Australia and whose shares are listed on the ASX Limited and principally engages in identifying and defining mineral resources in Latin America with a specific focus on Peru. Currently, the Group also has passive interests in a number of other mining business related companies listing in Canada and Hong Kong. The Group is of the view that future prospects of mineral or natural resources related sectors are promising and believes that investing in these mining companies will be able to generate favorable returns to the Group in a long run.

Overall, a total net unrealised gain of approximately HK$12,926,000 (six months ended 30 June 2011: loss of approximately HK$666,000) and an unrealised loss of approximately HK$8,709,000 (six months ended 30 June 2011: Nil), arising from changes in the fair value of the securities investments, reflected in the consolidated income statement and the statement of other comprehensive income respectively for the period under review.

Prospects

Looking ahead, in view of the support of relating policies in boosting the domestic demands and the ongoing urbanization process in the PRC market, it is expected that both the retail and department store and the manufacture and sale of construction materials businesses will continue to benefit. For the securities investments, the Group is of the view that the value of quality stocks will be reflected in the long run.

The Group proactively explores investment opportunities in the PRC and overseas markets under the growth strategies in order to broaden its current income base and to increase value for the shareholders. Currently, the Group has a good cash flow position and low gearing ratio which enables the Group to seize suitable investment opportunities from time to time.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Material Acquisitions and Disposals of Subsidiaries, Associated Companies and Jointly-Controlled Entities

On 29 March 2012, Take Rich Investment Limited, an indirect wholly-owned subsidiary of the Company entered into the sale and purchase agreement for the acquisition of the entire issued share capital of Talent Note Limited at a total consideration of HK$68,260,000 to be settled in cash, details of which have been disclosed in the Company's circular dated 31 May 2012. The acquisition was duly completed on 21 June 2012.

Save as disclosed above, the Group had no material acquisition and disposal of subsidiaries, associated companies and jointly-controlled entities during the period under review.

Liquidity and Financial Resources

The Group's bank balances and short term deposits which are mainly denominated in Hong Kong dollars, United States dollars and Renminbi ("RMB"), amounted to approximately HK$35,835,000 as at 30 June 2012 (31 December 2011: HK$145,333,000).

As at 30 June 2012, the Group's borrowings included bank overdrafts of approximately HK$7,554,000 (31 December 2011: Nil) which are unsecured, denominated in Hong Kong dollars and bear interest at 5.25% per annum and an unsecured other loan of approximately HK$6,098,000 (31 December 2011: HK$6,173,000) is denominated in RMB and interest-bearing at 9.5% per annum with no fixed term of repayment. The gearing ratio of the Group, as a ratio of borrowings to total assets, was 0.02 (31 December 2011: 0.01).

As at 30 June 2012, the Group had net assets of approximately HK$707,606,000 (31 December 2011: HK$625,699,000) with total assets of approximately HK$878,618,000 (31 December 2011: HK$830,764,000) and total liabilities of approximately HK$171,012,000 (31 December 2011: HK$205,065,000). The current ratio of the Group, which equals to current assets divided by current liabilities, was 1.31 (31 December 2011: 1.58).

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Liquidity and Financial Resources *(continued)*

The directors believe that the Group currently has sufficient financial resources for its operations. The Group will remain cautious and closely monitor its liquidity management from time to time.

Capital Commitments

As at 30 June 2012, the Group had no capital commitments (31 December 2011: Nil).

Charge of Assets

The Group did not have any pledge or charge on assets as at 30 June 2012 (31 December 2011: Nil).

Outstanding Litigations

Details of outstanding litigations are shown in note 19 to the interim financial statements.

Exchange Rate Exposure

During the period under review, the business activities of the Group were mainly denominated in Hong Kong dollars, RMB and Peruvian Soles. The Board does not consider that the Group is significantly exposed to any foreign currency exchange risk. For the six months ended 30 June 2012, the Group did not commit to any financial instruments to hedge its potential exchange rate exposure.

Employee and Remuneration Policy

As at 30 June 2012, the Group had about 295 employees (six months ended 30 June 2011: 289 employees) of whom 11 (six months ended 30 June 2011: 9) are based in Hong Kong and 284 (six months ended 30 June 2011: 280) based in the PRC and overseas. The number of employees employed by the Group varies from time to time depending on the industry need. The employees are remunerated under the employment term which is based on industry practice. The remuneration policy and package of the Group's employees are periodically reviewed by the Company's Remuneration Committee and approved by the executive directors. Apart from the pension funds, discretionary bonuses and share options are awarded to certain employees according to the assessment of individual performance.

SUPPLEMENTARY INFORMATION

Directors' and Chief Executives' Interests in Securities

As at 30 June 2012, the interests and short positions of the directors and the chief executives of the Company 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 (the "SFO")) which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

(a) Long position in shares

Name of director	Number of shares held	Percentage of the Company's issued share capital
Mr. Zhou Chu Jian He	697,837,417 *(Note)*	68.67
Mr. Ng Man Chung, Siman	7,008,000	0.69
Mr. Zhang Xiaobing	5,000,000	0.49
Mr. Lam Man Sum, Albert	1,700,000	0.17
Mr. Chan Kwok Wai	1,000,000	0.10
Mr. Leung Man Kit	266,000	0.03

Note: These 697,837,417 shares are held by Prime Century Investments Limited ("PCI"), a company wholly-owned by Junefield (Holdings) Limited ("JHL"). Mr. Zhou Chu Jian He is the beneficial owner of the entire issued share capital of JHL.

SUPPLEMENTARY INFORMATION *(continued)*

Directors' and Chief Executives' Interests in Securities *(continued)*

(b) Long position in underlying shares – share options

The following directors of the Company have personal interests in options to subscribe for shares of the Company:

			Number of share options				
Name	Date of grant	Exercisable period	Balance as at 1 January 2012	Granted during the period	Exercised during the period	Balance as at 30 June 2012	Exercise price per share *HK$*
Mr. Zhou Chu Jian He	6 July 2009	6 July 2009 – 5 July 2019	9,980,000	–	–	9,980,000	0.229
Mr. Liu Zhongsheng	6 July 2009	6 July 2009 – 5 July 2019	5,000,000	–	–	5,000,000	0.229
Mr. Leung Man Kit	6 July 2009	6 July 2009 – 5 July 2019	4,500,000	–	–	4,500,000	0.229
Mr. Chan Kwok Wai	6 July 2009	6 July 2009 – 5 July 2019	4,000,000	–	–	4,000,000	0.229
Mr. Lam Man Sum, Albert	6 July 2009	6 July 2009 – 5 July 2019	3,300,000	–	–	3,300,000	0.229
			26,780,000	–	–	26,780,000	

Note: The cash consideration paid by each of the directors for the grant of share option is HK$1.00.

Save as disclosed above, as at 30 June 2012, so far as is known to the directors and the chief executives of the Company, no other person had interests or short positions in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO), which were recorded in the register as required to be kept by the Company under section 352 of the SFO or as otherwise pursuant to the Model Code, notified to the Company and the Stock Exchange.

SUPPLEMENTARY INFORMATION *(continued)*

Substantial Shareholders' Interests in Securities

As at 30 June 2012, so far as is known to the directors and the chief executives of the Company, the interests or short positions of the persons (other than directors or chief executives of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Name	**Capacity and nature of interest**	**Number of shares**	**Percentage of the Company's issued share capital**
PCI *(Note)*	Directly beneficially owned	697,837,417	68.67
JHL *(Note)*	Through a controlled corporation	697,837,417	68.67

Note: These 697,837,417 shares are held by PCI, a company wholly-owned by JHL. Mr. Zhou Chu Jian He is the beneficial owner of the entire issued share capital of JHL.

Save as disclosed above, as at 30 June 2012, the Company had not been notified of any person (other than the directors or chief executives of the Company) having any interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

Share Option Scheme

The Company has adopted the current share option scheme (the "Share Option Scheme") at a special general meeting of the Company held on 29 June 2009 and terminated the former share option scheme at the same meeting.

The total number of shares available for issue (save for those granted but yet to be exercised) under the Share Option Scheme is 39,376,796 representing approximately 3.9% of the Company's issued share capital as at the date of this report.

SUPPLEMENTARY INFORMATION *(continued)*

Share Option Scheme *(continued)*

The principal terms of the Share Option Scheme have been set out in the 2011 annual report. During the period under review, details of the movements of the outstanding share options granted under the Share Option Scheme are as follows:

			Number of share options				
	Date of grant	Exercisable period	Balance as at 1 January 2012	Granted during the period *(Note 2)*	Exercised during the period *(Note 2)*	Balance as at 30 June 2012	Exercise price per share *HK$*
Directors *(Note 1)*			26,780,000	–	–	26,780,000	0.229
Other participants in aggregate	6 July 2009	6 July 2009 – 5 July 2019	17,200,000	–	–	17,200,000	0.229
			43,980,000	–	–	43,980,000	

Notes:

1. Movements of the share options granted to the directors of the Company are shown under the section headed "Directors' and Chief Executives' Interests in Securities" of this report.

2. No share options have been granted, exercised, forfeited or cancelled during the six months ended 30 June 2012.

Audit Committee

The Audit Committee was established on 10 November 1999, which comprises three independent non-executive directors, namely Mr. Chan Kwok Wai (chairman of the Audit Committee). Mr. Leung Man Kit and Mr. Lam Man Sum, Albert. The Audit Committee has discussed with the management of the Company on the accounting principles and practices adopted by the Group, internal controls (excluded the jointly-controlled entity) and financial reporting matters. The Audit Committee has also reviewed and discussed with the management and auditors about the consolidated financial statements of the Group for the six months ended 30 June 2012.

SUPPLEMENTARY INFORMATION *(continued)*

Remuneration Committee

The Remuneration Committee was established on 15 July 2005, which comprises three independent non-executive directors, namely Mr. Leung Man Kit (chairman of the Remuneration Committee), Mr. Chan Kwok Wai and Mr. Lam Man Sum, Albert.

Nomination Committee

The Nomination Committee was established on 29 March 2012, which comprises two executive directors, namely Mr. Zhou Chu Jian He (chairman of the Nomination Committee) and Mr. Liu Zhongsheng, and three independent non-executive directors, namely Mr. Leung Man Kit, Mr. Chan Kwok Wai and Mr. Lam Man Sum, Albert.

Corporate Governance Code

In the opinion of the directors, the Company has complied with the Code on Corporate Governance Practices (effective until 31 March 2012) and the Corporate Governance Code (effective from 1 April 2012) ("CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") during the period under review, save as:

Under code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting. Mr. Zhou Chu Jian He, the Chairman of the Board, did not attend the annual general meeting of the Company held on 25 May 2012 (the "AGM") due to other business engagement. The Deputy Chairman of the Board, the chairman of the Audit Committee and the chairman of the Remuneration Committee were present at the AGM to answer the shareholders' questions. In addition, one non-executive director of the Company was unable to attend the AGM as provided for in code provision A.6.7 of the CG Code due to business engagement.

Directors' Securities Transaction

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding the directors' securities transactions. The Company has made specific enquiry of all directors whether they have complied with the Model Code and all directors confirmed that they have complied with the Model Code for the six months ended 30 June 2012.

Update on Directors' Information Pursuant to Rule 13.51B(1) of the Listing Rules

Mr. Leung Man Kit, an independent non-executive director of the Company, was appointed as independent non-executive director of China Huiyuan Juice Group Limited, a company being listed on the main board of the Stock Exchange, on 29 June 2012.

SUPPLEMENTARY INFORMATION *(continued)*

Purchase, Sale or Redemption of the Company's Listed Securities

During the period under review, the Company has not redeemed any of its shares and neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares.

Interim Dividends

The Board has resolved the payment of an interim dividend of HK1 cent per ordinary share of the Company for the six months ended 30 June 2012 (six months ended 30 June 2011: HK1 cent), amounting to approximately HK$10,162,000 (six months ended 30 June 2011: HK$10,102,000), to the shareholders whose names appear on the Register of Members on Friday, 14 September 2012. Dividend warrants are expected to be dispatched on or about Tuesday, 25 September 2012.

Closure of Register of Members

The Register of Members of the Company will be closed from Thursday, 13 September 2012 to Friday, 14 September 2012, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 12 September 2012.

Board of Directors

As at the date of this report, the Board comprises six executive directors, namely Mr. Zhou Chu Jian He (Chairman), Mr. Ng Man Chung, Siman (Deputy Chairman), Mr. Liu Zhongsheng (Chief Executive Officer), Mr. Zhang Xiaobing, Mr. Xiang Xianhong and Mr. Lei Shuguang; one non-executive director, namely Mr. Jorge Edgar Jose Muñiz Ziches; and three independent non-executive directors, namely Mr. Leung Man Kit, Mr. Chan Kwok Wai and Mr. Lam Man Sum, Albert.

By Order of the Board
Zhou Chu Jian He
Chairman

Hong Kong, 27 August 2012