

INTERIM REPORT  
中期報告 2012



China Uptown Group Company Limited  
中國上城集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock code 股份代號: 2330

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. LIU Feng (*Chairman*)  
Mr. CHEN Xian (*Vice-Chairman*)  
Mr. LAU Sai Chung (*Chief Executive Officer*)  
Ms. XIA Dan

#### Independent non-executive Directors

Mr. POON Lai Yin, Michael  
Mr. CHAN Chun Fai  
Mr. NG Kwok Chu, Winfield

### AUDIT COMMITTEE

Mr. POON Lai Yin, Michael (*Chairman*)  
Mr. CHAN Chun Fai  
Mr. NG Kwok Chu, Winfield

### REMUNERATION COMMITTEE

Mr. NG Kwok Chu, Winfield (*Chairman*)  
Mr. POON Lai Yin, Michael  
Mr. CHAN Chun Fai

### NOMINATION COMMITTEE

Mr. CHAN Chun Fai (*Chairman*)  
Mr. POON Lai Yin, Michael  
Mr. NG Kwok Chu, Winfield

### COMPANY SECRETARY

Mr. FU Lui

### AUDITORS

SHINWING (HK) CPA Limited

### PRINCIPAL BANKERS

Citic Bank International Limited  
The Industrial and Commercial Bank of China, Zhuhai Branch

### LEGAL ADVISORS

#### As to Hong Kong Law

Li & Partners

#### As to PRC Law

Guangdong Zhongsheng Law Office

### 董事

#### 執行董事

劉鋒先生 (*主席*)  
陳賢先生 (*副主席*)  
劉世忠先生 (*行政總裁*)  
XIA Dan女士

#### 獨立非執行董事

潘禮賢先生  
陳振輝先生  
吳國柱先生

### 審核委員會

潘禮賢先生 (*主席*)  
陳振輝先生  
吳國柱先生

### 薪酬委員會

吳國柱先生 (*主席*)  
潘禮賢先生  
陳振輝先生

### 提名委員會

陳振輝先生 (*主席*)  
潘禮賢先生  
吳國柱先生

### 公司秘書

府磊先生

### 核數師

信永中和(香港)會計師事務所有限公司

### 主要往來銀行

中信銀行國際有限公司  
中國工商銀行(珠海市分行)

### 法律顧問

#### 有關香港法律

李偉斌律師行

#### 有關中國法律

廣東中晟律師事務所

**REGISTERED OFFICE**

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

**HEAD OFFICE AND PRINCIPAL PLACE  
OF BUSINESS**

Suite 1501, 15/F  
Tower 1, Silvercord  
30 Canton Road  
Tsimshatsui  
Kowloon  
Hong Kong

**PRINCIPAL SHARE REGISTRAR AND  
TRANSFER OFFICE**

Butterfield Bank (Cayman) Limited  
Butterfield House  
68 Fort Street  
P.O. Box 75  
Grand Cayman KY1-1107  
Cayman Islands

**HONG KONG BRANCH SHARE REGISTRAR  
AND TRANSFER OFFICE**

Union Registrars Limited  
18th Floor  
Fook Lee Commercial Centre  
Town Place  
33 Lockhart Road  
Wanchai  
Hong Kong

**WEBSITE**

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

**STOCK CODE**

2330

**註冊辦事處**

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

**總辦事處及主要營業地址**

香港  
九龍  
尖沙咀  
廣東道30號  
新港中心第一期  
15樓1501室

**主要股份登記及過戶處**

Butterfield Bank (Cayman) Limited  
Butterfield House  
68 Fort Street  
P.O. Box 75  
Grand Cayman KY1-1107  
Cayman Islands

**香港之主要股份登記及過戶處**

聯合證券登記有限公司  
香港  
灣仔  
駱克道33號  
中央廣場  
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**證券代號**

2330

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

The review of the major business segments of the Group during the period is as follows:

#### Property Development

The Group currently holds a property development project – Zhongzhu Uptown which is situated in Zhuhai, Guangdong Province, the PRC. Zhongzhu Uptown was developed in two phases. Approximately 97% properties of Zhongzhu Uptown Phase 1 were sold as at the report date. The pre-sale of Zhongzhu Uptown Phase 2 began in late 2010, and continued during 2011 and 2012.

For the six months ended 30 June 2012, total revenue attributable to the property development business amounted to approximately RMB11,436,000 (2011: RMB46,981,000).

Zhongzhu Uptown Phase 2 has completed the buildings and exterior construction as well as part of the interior decoration. The management anticipate the remaining portion of interior decoration and the construction of public area will be finished in the year, enable the delivery of the properties starting from late 2012. The pre-sales of Phase 2 began in November 2010. Up to 30 June 2012, approximately 640 residential units and 12 commercial properties were contracted for sales or reserved. Despite the stringent control of the properties market in the PRC, pre-sale of Phase 2 achieved a satisfactory result. Significant improvement is observed after the Chinese New Year of 2012. The average selling prices was significantly higher than Phase 1 as a result of the upsurge of properties price in Zhuhai in recent years.

#### Property Investment

Property investment business represents rental income and capital appreciation from investment properties held in the PRC and in Hong Kong. During the period, rental income amounted to approximately RMB3,720,000 (2011: RMB3,729,000) and gain on change in fair value of investment properties amounted to approximately RMB20,426,000 (2011: loss of RMB1,112,000).

At 30 June 2012, the investment properties represent the research and development centre in Shenzhen, the PRC with gross floor area of approximately 15,084 square metres. During the period, the Group entered into an agreement to dispose of an investment property in Hong Kong amounting to approximately RMB6,710,000. The disposal will be completed in September of the year. The management are of the view that by focusing its resources in the PRC property development and other high growth business the Group's result could be improved.

### 業務回顧

本集團在期內之主要業務分部回顧如下：

#### 物業發展

本集團目前持有一項物業發展項目－位於中國廣東省珠海市之中珠上城。中珠上城共分兩期發展。中珠上城第一期約97%物業已於報告日期出售。中珠上城第二期之預售於二零一零年底開始，並於二零一一年及二零一二年繼續預售。

截至二零一二年六月三十日止六個月，物業發展業務之總收入達約人民幣11,436,000元（二零一一年：人民幣46,981,000元）。

中珠之城第二期之興建、外部建築及部分室內裝修已完成。管理層預期室內裝修之餘下部分及公眾地方之建築將於本年度完成，以便自二零一二年年底起交付物業。第二期之預售已於二零一零年十一月開始。截至二零一二年六月三十日，約640個住宅單位及12個商用物業已訂約出售或已獲預留。儘管中國物業市場受到嚴格控制，第二期之預售仍取得令人滿意的成績，並於二零一二年農曆新年後獲得顯著的改善。由於近年珠海樓價上升，平均銷售價顯著高於第一期。

#### 物業投資

物業投資業務即持有於中國及香港之投資物業之租金收入及資本增值。期內，租金收入達約人民幣3,720,000元（二零一一年：人民幣3,729,000元），投資物業之公允值變動之收益約人民幣20,426,000元（二零一一年：虧損為人民幣1,112,000元）。

於二零一二年六月三十日，投資物業指位於中國深圳之研發中心（「研發中心」，總樓宇面積約15,084平方米）。期內，本集團訂立協議，出售一個位於香港的投資物業，達約人民幣6,710,000元。出售事項將於本年度九月完成。管理層認為，透過將資源集中於中國物業發展及其他高增長業務，本集團之業績將得到改善。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Trading

The Group's trading business represents distribution of electronic related components, mobile phone modules and imported automation products. The total revenue from the trading business during the period amounted to RMB20,114,000 (2011: RMB97,559,000) due to the weak non-smartphone mobile market. The Group is going to take various measures to diversify the product range with an objective to increase its market shares and further enhance the profit margin, including exploring the opportunity in trading and licensed distribution in smartphone business.

### Technology

The automation and mobile handset projects involve substantial capital investments and resources while market environment in the short-term to medium-term still remain uncertain and the competition is very keen. The management will continue to take a cautious and critical review on potential business opportunities, and will engage in projects only if the business risks can be certainly managed and controlled.

## MARKET OUTLOOK AND PROSPECTS

A loosening sign in the monetary policy in the PRC in the first half of 2012 is observed. However, overall liquidity, in particular the domestic financing for the real estate developers, remains tight. The People's Bank of China lowered the reserve requirement ratio during the period as well as reducing the asymmetric interest rate in July 2012. In addition, certain supportive policies have been launched by some individual local government and supportive measures are implemented to assist buyers purchasing first property for own living usage. As a result, the demand in the property market has recovered after the Chinese New Year in 2012. However, the tightening policies of the central government have not yet been loosened, which created difficulties for residential properties developers in acquiring new properties projects.

Looking forward, the management is confident in Zhuhai's real estate market. Zhuhai is one of the fastest growing cities with pleasant living environment. After the completion of the Hong Kong-Zhuhai-Macau Bridge, the local economy will be greatly enhanced.

Regarding the Zhongzhu Uptown Phase 2, since majority of the properties has already been contracted for pre-sale at a good price level and the construction works are going to be completed in a few months, the government policies and the performance of the properties markets will not significantly affect the profit and the development plans of the Phase 2.

### 貿易

本集團貿易業務包括電子相關元件、手機組件之分銷及進口自動化產品。基於非智能手機市場疲弱，期內貿易業務應佔之總收入達人民幣20,114,000元（二零一一年：人民幣97,559,000元）。本集團將會採取多個措施，把產品組合多元化，務求增加其市場佔有率及進一步提升利潤率，包括拓展智能電話之貿易及特許分銷業務機會。

### 科技

自動化和手機項目涉及大量資本投資和資源，但短期至中期之市況仍見不明朗及競爭劇烈，因此管理層將繼續採取謹慎的態度，並嚴格審視潛在的商機。當項目之商業風險可明確管理及控制時，公司將參與其中。

## 市場前景及展望

二零一二年上半年，中國的貨幣政策出現漸轉寬鬆的跡象。然而，整體資金流動性（特別是房地產發展商的國內融資）仍然緊絀。中國人民銀行於期內調低存款準備金率，並於二零一二年七月推行非對稱降息。此外，個別地方政府已推出若干鼓勵性政策，這些鼓勵性措施旨在協助買家購買首個自住物業。因此，於二零一二年農曆新年後，物業市場的需求已漸復甦。然而，中央政府的緊縮政策尚未放寬，對住宅物業發展商購買新物業項目構成困難。

展望未來，管理層對珠海的房地產市場充滿信心。珠海是發展最快城市之一，居住環境優美。港珠澳大橋落成後，將大大推動當地經濟。

至於中珠上城第二期，由於大部分物業已按理想的價格水平訂約預售，加上建築工程將於數月內完成，故政府政策及物業市場的表現對第二期的溢利及發展計劃並無重大影響。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW

For the six months ended 30 June 2012, the Group's turnover is approximately RMB35,270,000 (2011: RMB148,269,000) which represented a decrease of approximately 76% as compared to the last corresponding period. The decrease in turnover is mainly due to majority units of Zhongzhu Uptown Phase 1 were sold in previous periods while Phase 2 was still in pre-sale stage as well as the sharp decline in the electronic components and mobile phone trading business. The management believes that upon the delivery of Phase 2 properties in the later half of the year, the turnover will be dramatically boosted. The loss attributable to owners of the Company was approximately RMB14,832,000 (2011: profit of RMB26,925,000). The loss is mainly attributable to the loss arising from the change in fair value of convertible bonds amounted to approximately RMB14,430,000 (2011: gain of RMB37,397,000) and the equity-settled share-based payment expenses amounted to approximately RMB3,767,000 (2011: Nil). Excluding the effect of change in fair value of the convertible bonds and the equity-settled share-based payments, profit attributable to the owners of the Company of approximately RMB3,365,000 was recorded (2011: loss of RMB10,472,000) which was mainly caused by net effect of gain on change in fair value of investment properties of approximately RMB20,426,000 (2011: loss of RMB1,112,000) and expenses for the advertisement and other related costs for the pre-sale of Phase II of Zhongzhu Uptown of approximately RMB6,774,000 (2011: RMB6,118,000).

For the first half of 2012, the Group's operating activities generated a net cash outflow of approximately RMB24,834,000 (2011: inflow of RMB240,136,000) which mainly represents the net effect of payment for the construction works for Phase 2 and receipts from the pre-sales of Phase 2. At 30 June 2012, the total amount of bank balances and cash was approximately RMB189,740,000 (31 December 2011: RMB228,991,000), including restricted bank deposits of RMB121,188,000 (31 December 2011: RMB92,298,000). At 30 June 2012, the total assets of the Group was approximately RMB1,941,947,000 (31 December 2011: RMB1,737,392,000), representing an increase of approximately 12%. The increase is mainly due to the capitalisation of the cost for construction of Zhongzhu Uptown Phase II. At 30 June 2012, the Group's total borrowings decreased to approximately RMB88,232,000 (31 December 2011: RMB99,357,000). At 30 June 2012, the gearing ratio, expressed as a percentage of total borrowings over net assets was 28% (31 December 2011: 30%). The current ratio was 1.2 (31 December 2011: 1.3).

### 財務回顧

截至二零一二年六月三十日止六個月，本集團之營業額約人民幣35,270,000元（二零一一年：人民幣148,269,000元），比去年同期減少約76%。營業額減少主要由於中珠上城一期在前期已售出大部分單位而二期仍在預售階段，以及電子零件及手機貿易業務銳減。管理層深信於本年度下旬交付二期物業後，營業額將會顯著提高。本公司之擁有人應佔虧損約人民幣14,832,000元（二零一一年：溢利為人民幣26,925,000元）。虧損主要來自可換股債券之公允值變動之虧損約人民幣14,430,000元（二零一一年：收益為人民幣37,397,000元）及以權益結算之以股份為基礎的支付開支約人民幣3,767,000元（二零一一年：無）。不包括可換股債券之公允值變動之影響及以權益結算之以股份為基礎的支付開支所錄得本公司之擁有人應佔溢利約人民幣3,365,000元（二零一一年：虧損為人民幣10,472,000元），主要由於投資物業公允值變動之收益之淨影響約人民幣20,426,000元（二零一一年：虧損為人民幣1,112,000元）及廣告開支及其他有關預售中珠上城第二期的相關成本達約人民幣6,774,000元（二零一一年：人民幣6,118,000元）。

於二零一二年上半年，本集團經營業務產生的現金流出淨額（主要指第二期建築工程付款及預售二期的收入之淨影響）約為人民幣24,834,000元（二零一一年：流入人民幣240,136,000元）。於二零一二年六月三十日，本集團的銀行結存及現金總額約人民幣189,740,000元（二零一一年十二月三十一日：人民幣228,991,000元），包括有限制銀行存款人民幣121,188,000元（二零一一年十二月三十一日：人民幣92,298,000元）。於二零一二年六月三十日，本集團的總資產值約為人民幣1,941,947,000元（二零一一年十二月三十一日：人民幣1,737,392,000元），增加約12%。增加主要由於中珠上城第二期之建築成本資本化。於二零一二年六月三十日，本集團的總借貸減少至約人民幣88,232,000元（二零一一年十二月三十一日：人民幣99,357,000元）。於二零一二年六月三十日，本集團的負債率（以借貸總額除以資產淨額計算）為28%（二零一一年十二月三十一日：30%）。流動比率為1.2（二零一一年十二月三十一日：1.3）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### CAPITAL STRUCTURE

The issued ordinary share capital of the Company at 31 December 2011 and 30 June 2012 was HK\$85,198,000 divided into 851,980,000 shares of HK\$0.10 each. At 31 December 2011 and 30 June 2012, the issued convertible redeemable preference shares was HK\$35,000,000 divided into 350,000,000 shares of HK\$0.10 each and the convertible redeemable preference A shares was HK\$11,000,000 divided into 110,000,000 shares of HK\$0.10 each. Up to 30 June 2012, none of the convertible redeemable preference shares and convertible redeemable preference A shares were converted into ordinary shares.

### FOREIGN CURRENCY EXPOSURE

The Group mainly earns revenues and incurs costs in Renminbi, United States dollars and Hong Kong dollars. The Group's monetary assets and liabilities are denominated in Renminbi, United States dollars and Hong Kong dollars. The Group currently does not have a foreign currency hedging policy. However management will monitor foreign exchange exposure closely and consider the use of hedging instruments when the need arises.

### CHARGE ON ASSETS

At 30 June 2012, certain of the Group's assets classified as held for sale, properties under development and leasehold buildings with an aggregate net carrying value of approximately RMB1,210,863,000 (31 December 2011: RMB995,884,000) were pledged to banks for securing revolving loans, general banking facilities and banking facilities of construction loan granted to certain subsidiaries of the Company. At 30 June 2012, facilities amounts of approximately RMB88,232,000 (31 December 2011: RMB99,357,000) were utilised and approximately RMB818,300 (31 December 2011: RMB810,000) were unutilised and available for the Group's future financing.

### CAPITAL AND OTHER COMMITMENTS

The Group did not have any significant capital commitments as at 30 June 2012. At the end of the reporting period, the Group had the following commitments for properties under development:

### 資本結構

於二零一一年十二月三十一日及二零一二年六月三十日，本公司的已發行普通股股本為港幣85,198,000元，分為851,980,000股每股港幣0.10元的股份。於二零一一年十二月三十一日及二零一二年六月三十日，已發行可轉換可贖回優先股為港幣35,000,000元，分為350,000,000股每股港幣0.10元的股份及可轉換可贖回優先A股為港幣11,000,000元，為110,000,000股每股港幣0.10元的股份。直至二零一二年六月三十日，可轉換可贖回優先股及可轉換可贖回優先A股仍未轉換為普通股。

### 外匯風險

本集團賺取的收入及產生的費用主要以人民幣、美元及港幣計算。本集團的貨幣資產及負債均以人民幣、美元及港幣結算。目前本集團並無任何外匯對沖政策。然而，管理層會密切監察外匯風險，並在有需要時考慮使用對沖工具。

### 資產抵押

於二零一二年六月三十日，本集團將其總賬面淨值約為人民幣1,210,863,000元（二零一一年十二月三十一日：人民幣995,884,000元）的分類為持作銷售之資產、在建物業及租賃樓宇抵押給銀行，以獲取銀行提供給本公司若干附屬公司之循環貸款、一般銀行信貸及建築工程貸款。於二零一二年六月三十日，約人民幣88,232,000元（二零一一年十二月三十一日：人民幣99,357,000元）的融資額已動用及約人民幣818,300元（二零一一年十二月三十一日：人民幣810,000元）的融資額尚未動用，可撥作本集團日後使用。

### 資本及其他承擔

於二零一二年六月三十日，本集團並無任何重大的資本承擔事項。於期結日，本集團在建物業之承擔如下：

		30.6.2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31.12.2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Contracted for but not provided	已簽約但未撥備	41,386	144,746
Authorised but not contracted for	已批准但未簽約	46,544	56,627



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### EMPLOYEE AND REMUNERATION POLICIES

At 30 June 2012, the Group employed 51 full time employees (31 December 2011: 53) in Hong Kong and the PRC. The Group's emolument policies are formulated on the basis of market trends, future plans and the performance of individuals, which will be reviewed periodically. Apart from provident fund scheme and state-managed social welfare scheme, share options will also be awarded to employees according to assessment of individuals' performance.

### LITIGATIONS AND CONTINGENT LIABILITIES

(i) On 12 December 2009, the Company received a writ of summons from Global Tide Limited ("Global Tide"). Global Tide brought civil action in the High Court of the Hong Kong Special Administrative Region against the Company for compensation and damages of approximately HK\$8,834,000 (the "Claim") in relation to the disposal of its former wholly-owned subsidiary, Magic Gain Investments Limited. Details of the Claim are set out in the announcement of the Company dated 16 December 2009.

On 31 January 2012, Global Tide filed an amended statement of claim in the High Court. Pursuant to which the claim is revised and reduced to HK\$7,967,000. The Company decided to defend against the Claim and obtained legal advice in respect of the merits of the Claim. The directors of the Company expect that there will not be any material adverse financial effect on the earnings, net assets and liabilities of the Company and its subsidiaries.

(ii) The Group provided guarantees amounted to approximately RMB299,805,000 (31 December 2011: RMB266,904,000) for the repayment of the mortgage bank loans granted to purchasers of the Group's properties. Such guarantees will be released by banks upon the delivery of the properties to the purchasers or completion of the relevant mortgage properties registration.

### INTERIM DIVIDEND

The Board does not recommend any payment of interim dividend for the six months ended 30 June 2012.

### 僱員及薪酬政策

於二零一二年六月三十日，本集團在香港及中國僱用51位（二零一一年十二月三十一日：53位）全職僱員。本集團的薪酬政策乃依據市場趨勢、未來計劃及僱員的個人表現而制訂，並定期進行檢討。除提供公積金計劃及國家管理社會福利計劃外，購股權將根據對個別僱員表現的評估向僱員授出，以作獎勵。

### 訴訟及或然負債

(i) 於二零零九年十二月十二日，本公司收到怡太有限公司（「怡太」）之訴訟狀。怡太就本公司出售其前全資附屬公司Magic Gain Investments Limited所產生之損失賠償及賠償金約港幣8,834,000元向香港特別行政區高等法院提出對本公司的民事訴訟（「索償」）。索償詳情載於本公司日期為二零零九年十二月十六日之公告。

於二零一二年一月三十一日，怡太向高等法院提呈經修訂訴訟狀。據此，有關索償金額被修訂及調低至港幣7,967,000元。本公司決定對索償進行抗辯，並將就索償之理據尋求法律意見。本公司董事預計此訴訟不會對本公司及其附屬公司的收益、淨資產及債務構成任何重大不利之財務影響。

(ii) 本集團已就授予本集團物業買家之按揭銀行貸款之還款責任提供金額約人民幣299,805,000元（二零一一年十二月三十一日：人民幣266,904,000元）之擔保。銀行將會於物業交付買家或於完成有關按揭物業之登記後解除該等擔保。

### 中期股息

董事會建議不派發截至二零一二年六月三十日止六個月之中期股息。

# DISCLOSURE OF INTERESTS

## 權益披露

### DIRECTORS' INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2012, the interests and short positions of the Directors or the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the Securities and Futures Ordinance (the "SFO")) (1) 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 (2) which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (3) which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") to be notified to the Company and the Stock Exchange, were as follows:

### 本公司董事於股份及相關股份的權益及淡倉

於二零一二年六月三十日，本公司之董事或主要行政人員於本公司及其聯繫公司（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有(1)根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及淡倉；或(2)須記入根據證券及期貨條例第352條須設立的登記冊的權益及淡倉；或(3)根據上市公司董事進行證券交易的標準守則（「標準守則」）而須通知本公司及聯交所之權益及淡倉如下：

Name of Director	董事姓名	Number of shares held		Number of options held		Approximate percentage of shareholding
		Personal Interest	Corporate Interest	Personal Interest	Total	
		個人權益	公司權益	個人權益	總數	持股概約百分比
Ms. Xia Dan (Note)	Xia Dan女士 (附註)	-	79,500,000	7,500,000	87,000,000	10.21
Mr. Lau Sai Chung	劉世忠先生	148,000	-	7,352,000	7,500,000	0.88
Mr. Chen Xian	陳賢先生	-	-	11,500,000	11,500,000	1.35
Mr. Xong Jianrui (resigned on 29 June 2012)	熊劍瑞先生 (於二零一二年六月二十九日辭任)	-	-	7,500,000	7,500,000	0.88
Mr. Poon Lai Yin, Michael	潘禮賢先生	-	-	700,000	700,000	0.08
Mr. Ng Kwok Chu, Winfield	吳國柱先生	-	-	500,000	500,000	0.06
Mr. Chan Chun Fai	陳振輝先生	-	-	500,000	500,000	0.06

Note: Ms. Xia Dan ("Ms. Xia") is taken to be interested in 79,500,000 shares held by Mega Edge International Limited which is 100% owned by Ms. Xia. By virtue of the SFO, Ms. Xia is deemed to have interest of the shares held by Mega Edge International Limited.

附註：Xia Dan女士（「Xia女士」）被視為擁有Mega Edge International Limited所持79,500,000股之100%權益。根據證券及期貨條例，Xia女士被視為擁有Mega Edge International Limited之實益控制權。

Save as disclosed above, as at 30 June 2012, none of the Directors, chief executive of the Company nor their associates had any interest or short position in shares, underlying shares or debentures of the Company or its associated corporations which were recorded in the register required to be kept under Section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一二年六月三十日，本公司董事及主要行政人員及彼等的各自聯繫人士概無於本公司或其相聯法團的股份、相關股份或債券中擁有須記入根據證券及期貨條例第352條規定須存置之登記冊或根據標準守則須知會本公司及聯交所的任何淡倉。

# DISCLOSURE OF INTERESTS

## 權益披露

### SUBSTANTIAL SHAREHOLDERS

As at 30 June 2012, so far as was known to the Directors, the following persons (other than the Directors or the chief executive of the Company) have interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of division 2 and 3 of Part XV of the SFO, or which were recorded in the register of substantial shareholder required to be kept by the Company under section 336 of the SFO:

#### (i) Long position in ordinary shares

### 主要股東

於二零一二年六月三十日，據董事所知，以下人士（本公司董事或主要行政人員除外）於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部須知會本公司或須記入根據證券及期貨條例第336條須設立的登記冊的權益或淡倉：

#### (i) 於普通股之好倉

Substantial Shareholders	Capacity and nature of interest	Number of Shares held	Approximate percentage of total issued ordinary Shares
主要股東	身份及權益性質	所持股份數目	估已發行普通股股份合計之概約百分比
Mega Edge International Limited (note)	Registered Shareholder		
Mega Edge International Limited (附註)	註冊股東	79,500,000	9.33
Ms. Wong Sio Leng	Registered Shareholder		
黃少玲女士	註冊股東	115,000,000	13.50
Mr. Ho Man Hung	Registered Shareholder		
何敏雄先生	註冊股東	224,800,000	26.39

Note: Mega Edge International Limited, which is 100% owned by Ms. Xia Dan, an executive Director of the Company. By virtue of the SFO, Ms. Xia is deemed to have interest of Shares held by Mega Edge International Limited.

附註：本公司之執行董事Xia Dan女士於Mega Edge International Limited擁有100%實益控制權。根據證券及期貨條例，Xia女士被視為擁有Mega Edge International Limited所持股份之權益。

# DISCLOSURE OF INTERESTS

## 權益披露

### (ii) Long position in underlying shares

### (ii) 於相關股份之好倉

Name	Capacity and nature of interest	Number of underlying Shares held	Approximate percentage of total issued ordinary Shares
名稱	身份及權益性質	所持相關股份數目	普通股股份合計之概約百分比
<i>Preference shares:</i>			
<i>優先股股份：</i>			
Best Contact Holdings Limited ("Best Contact") (Notes 1 and 2)	Beneficial owner		
Best Contact Holdings Limited ("Best Contact") (附註1及2)	實益擁有着	357,894,737	42.01
Mr. Xu Deliang (Note 2)	Interest of a controlled corporation		
Xu Deliang先生 (附註2)	受控制公司之權益	357,894,737	42.01
<i>Convertible bonds:</i>			
<i>可換股債券：</i>			
Seaton Limited (Note 3)	Beneficial owner		
成登有限公司 (附註3)	實益擁有着	314,917,505	36.96
Leading Front Limited (Note 3)	Interest of a controlled corporation		
Leading Front Limited (附註3)	受控制公司之權益	314,917,505	36.96
Mr. Ho Man Hung (Note 3)	Interest of a controlled corporation		
何敏雄先生 (附註3)	受控制公司之權益	314,917,505	36.96
Zilver Yuan Investment Partners Ltd. ("Zilver Yuan") (Note 4)	Beneficial owner		
銀元投資有限公司 ("銀元") (附註4)	實益擁有着	271,186,440	31.83
Bank of China Group Investment Limited ("BOCGI") (Note 4)	Interest of a controlled corporation		
中銀集團投資有限公司 ("中銀集團投資") (附註4)	受控制公司之權益	271,186,440	31.83
Bank of China Limited ("BOC") (Note 4)	Interest of a controlled corporation		
中國銀行股份有限公司 ("中國銀行") (附註4)	受控制公司之權益	271,186,440	31.83
Central Huijin Investment Ltd. ("Huijin") (Note 4)	Interest of a controlled corporation		
中央匯金投資有限責任公司 ("匯金") (附註4)	受控制公司之權益	271,186,440	31.83

# DISCLOSURE OF INTERESTS

## 權益披露

### Notes:

1. The Company entered into a subscription and option agreement on 26 May 2006 with Weina and through such agreement and the exercise of option by the Company, Weina is interested in 350,000,000 convertible redeemable preference shares of the Company and has the right to convert the aforesaid shares in 350,000,000 Shares (based on its initial conversion price). On 2 June 2009, the Company and Weina entered into a first supplemental agreement to extend the conversion period for the aforesaid shares for a further 12 months from the expiry date of the conversion period under the subscription and option agreement. By a second supplemental agreement dated 23 October 2009, the conversion period shall be extended automatically for a period of 12 months with effect from each expiry date of the said conversion period unless (i) Weina serves a written notice on the Company notifying its intention of not extending the said conversion period for a further 12 months not later than 7 days prior to the expiry date of the said conversion period, and (ii) the Company agrees not to extend the said conversion period for a further 12 months upon receiving such notice. It is also agreed that the convertible redeemable preference shares shall become transferable. On 25 May 2010, Weina transferred 225,000,000 convertible redeemable preference shares to Best Contact. On 31 August 2010, Weina further transferred 50,000,000 convertible redeemable preference shares to certain individuals. On 17 March 2011, Weina further transferred 75,000,000 convertible redeemable preference shares to Best Contact.

Moreover, the Company entered into a sale and purchase agreement on 17 November 2006 with Weina Holdings Limited and through such agreement, Weina (as designated by Weina Holdings Limited) is interested in 110,000,000 convertible redeemable preference A shares of the Company and has the right to convert the aforesaid preference A shares into 110,000,000 Shares. Weina Group Limited owns the entire issued share capital of Weina and is therefore deemed to have interests in the underlying Shares in which Weina is interested. By a supplemental agreement dated 23 October 2009, the conversion period for the aforesaid preference A shares is extended for a further 12 months from the expiry date of the conversion period; the said conversion period shall be extended automatically for a period of 12 months with effect from each expiry date of the said conversion period unless (i) Weina serves a written notice on the Company notifying its intention of not extending the said conversion period for a further 12 months not later than 7 days prior to the expiry date of the said conversion period, and (ii) the Company agrees not to extend the said conversion period for a further 12 months upon receiving such notice. It is also agreed that the convertible redeemable preference A shares shall become transferable. On 25 May 2010, Weina transferred 5,000,000 convertible redeemable preference A shares to Best Contact. On 31 August 2010, Weina further transferred 70,000,000 convertible redeemable preference A shares to certain individuals. On 17 March 2011, Weina further transferred 35,000,000 convertible redeemable preference A shares to Best Contact.

In accordance with the terms and conditions of the convertible redeemable preference shares and the convertible redeemable preference A shares, the conversion price of the convertible redeemable preference shares and the convertible redeemable preference A shares will be adjusted as a result of the issue of the Convertible Bonds to HK\$0.38.

### 附註：

1. 本公司已於二零零六年五月二十六日與榮瀚簽訂一份認購及選擇認股權協議，而透過協議及本公司行使選擇認股權，榮瀚擁有本公司350,000,000股可轉換可贖回優先股股份權益及有權將該等股份轉換為350,000,000股普通股股份（根據初步換股價）。於二零零九年六月二日，本公司與榮瀚訂立首份補充協議，將上述股份之兌換期間由認購及選擇認股權協議項下兌換期間之屆滿日期延長另外12個月。根據日期為二零零九年十月二十三日之第二份補充協議，兌換期間將由上述兌換期間之屆滿日期起自動延長12個月，除非(i)榮瀚於上述兌換期間屆滿日期前至少7日向本公司發出書面通知，指出其無意將上述兌換期間延長另外12個月，及(ii)本公司於收到上述通知後同意不會將上述兌換期間延長另外12個月。亦協定可轉換可贖回優先股股份將可轉讓他人。於二零一零年五月二十五日，榮瀚轉讓225,000,000股可轉換可贖回優先股股份至Best Contact。於二零一零年八月三十一日，榮瀚進一步轉讓50,000,000股可轉換可贖回優先股股份至若干個別人士。於二零一一年三月十七日，榮瀚進一步轉讓75,000,000股可轉換可贖回優先股股份至Best Contact。

同時，本公司已於二零零六年十一月十七日與榮瀚集團有限公司簽訂一份買賣協議，透過協議，榮瀚（由榮瀚集團有限公司指定）擁有本公司110,000,000股可轉換可贖回優先A股股份權益及有權將該等優先A股股份轉換為110,000,000股股份。榮瀚集團有限公司持有榮瀚之全部已發行股本，因此被視為於榮瀚所持相關股份中擁有權益。根據日期為二零零九年十月二十三日之補充協議，上述優先A股股份之兌換期間由兌換期間之屆滿日期延長另外12個月；上述兌換期間將由上述兌換期間之屆滿日期起自動延長12個月，除非(i)榮瀚於上述兌換期間屆滿日期前至少7日向本公司發出書面通知，指出其無意將上述兌換期間延長另外12個月，及(ii)本公司於收到上述通知後同意不會將上述兌換期間延長另外12個月。亦協定可轉換可贖回優先A股股份將可轉讓。於二零一零年五月二十五日，榮瀚轉讓5,000,000股可轉換可贖回優先A股股份予Best Contact。於二零一零年八月三十一日，榮瀚進一步轉讓70,000,000股可轉換可贖回優先A股股份至若干個別人士。於二零一一年三月十七日，榮瀚進一步轉讓35,000,000股可轉換可贖回優先A股股份至Best Contact。

根據可轉換可贖回優先股股份及可轉換可贖回優先A股股份之條款及條件，可轉換可贖回優先股股份及可轉換可贖回優先A股股份之換股價將會因發行可換股債券調整至港幣0.38元。

## DISCLOSURE OF INTERESTS 權益披露

2. Best Contact is legally and beneficially owned by Mr. Xu Deliang. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Mr. Xu Deliang is an independent third party of the substantial Shareholders and Directors.

3. On 3 December 2010, the Company entered into an acquisition agreement with Seaton Limited and through such agreement and the exercise of the conversion right of the convertible bonds, Seaton Limited is interested in 283,425,754 shares of the company (based on its initial conversion price). The acquisition was completed and the convertible bonds were issued on 1 March 2011. Reference is made to the announcement of the Company dated 7 March 2012, the conversion price of the convertible bonds was adjusted HK\$0.73035 with effect from 1 March 2012. Based on the adjusted conversion price, an aggregate number of 314,917,505 ordinary shares of the Company can be converted.

Seaton Limited is 100% owned by Leading Front Limited and Leading Front Limited is 100% owned by Mr. Ho Man Hung. Accordingly, Mr. Ho Man Hung and Leading Front Limited are deemed to be interested in the relevant convertible bonds issued by the Company to Seaton Limited.

4. On 19 September 2010, the Company entered into a subscription agreement with Zilver Yuan and through such agreement and the exercise of the conversion right of the convertible bonds, Zilver Yuan is interested in 271,186,440 shares of the company (based on its initial conversion price). The subscription is completed and the convertible bonds are issued on 1 December 2010.

Zilver Yuan is 100% owned by BOCGI and BOCGI is 100% owned by BOC. Huijin owned 67.53% capital of BOC. Accordingly, Huijin, BOC, BOCGI are deemed to be interested in the relevant convertible bonds issued by the Company to Zilver Yuan.

Save as disclosed above, no person had registered interest in the share capital of the Company that was required to be disclosed under Division 2 and 3 of the Part XV of the SFO and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Save for the shareholders as disclosed herein, the Directors are not aware of any persons, who, as at 30 June 2012, were entitled to exercise or control the exercise of 5% or more of the voting power at the general meeting of the Company and were also, a practicable matter, able to direct or influence the management of the Company.

2. Best Contact由Xu Deliang先生合法及實益擁有。就董事所知、所悉及所信並作出一切合理查詢，Xu Deliang先生為主要股東及董事之獨立第三方。

3. 於二零一零年十二月三日，本公司與成登有限公司訂立收購協議，而透過該協議及行使可換股債券的轉換權，成登有限公司於公司的283,425,754股股份中擁有權益（根據初步換股價）。收購已經完成，而可換股債券已於二零一一年三月一日發行。謹此提述本公司於二零一二年三月七日刊發的公告，可換股債券的換股價自二零一二年三月一日起調整為港幣0.73035元。根據經調整換股價，本公司合共314,917,505股普通股可予轉換。

成登有限公司由Leading Front Limited全資擁有，而Leading Front Limited則由何敏雄先生全資擁有。因此，何敏雄先生及Leading Front Limited被視為於本公司向成登有限公司發行的相關可換股債券中擁有權益。

4. 於二零一零年九月十九日，本公司與銀元訂立認購協議，而透過該協議及行使可換股債券的轉換權，銀元於公司的271,186,440股股份中擁有權益（根據初步換股價）。認購已經完成，而可換股債券已於二零一零年十二月一日發行。

銀元由中銀集團投資全資擁有，而中銀集團投資則由中國銀行全資擁有。匯金則擁有中國銀行資本的67.53%。因此，匯金、中國銀行、中銀集團投資被視為於本公司向銀元發行的相關可換股債券中擁有權益。

除上文所披露者外，概無任何人士於本公司股本中擁登記權益而須根據證券及期貨條例第XV部第2及3分部及香港聯合交易所有限公司證券上市規則（「上市規則」）之規定作出披露。

除本文所披露之股東外，董事並不知悉有任何人士於二零一二年六月三十日，有權於本公司股東大會上行使或控制行使5%或以上表決權，及實際上可直接管理本公司或影響本公司之管理。

## DISCLOSURE OF INTERESTS

### 權益披露

#### RIGHTS TO ACQUIRE COMPANY'S SECURITIES

Other than as disclosed under the sections "Share Option Scheme" below and "Directors' Interests and Short Position in Shares and Underlying Shares of the Company" above, at no time during the period under review was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

#### SHARE OPTION SCHEME

A share option scheme was adopted on 20 January 2003 and terminated on 30 November 2009, (the "Old Scheme"). A new share option scheme was adopted by the shareholders of the Company at the annual general meeting of the Company held on 30 November 2009 (the "New Scheme"). The purpose of the New Scheme is to enable the Company to grant share options to the participants who, in the sole discretion of the Board, have made or may make contribution to the Group or any invested entity as well as to provide incentives and help the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct economics interest in attaining the long term business objectives of the Group.

#### 購買公司股份的權利

除以下「購股權計劃」及上文「本公司董事於股份及相關股份的權益及淡倉」等節所披露者外，本公司或其任何附屬公司或其任何同系附屬公司於期內任何時間概無參與訂立任何安排，讓董事或本公司行政總裁或彼等各自之聯繫人士（定義見上市規則）擁有任何權利認購本公司或其任何相聯法團（定義見證券及期貨條例）之證券或藉購入本公司或任何其他法人團體之股份或債券而獲取利益。

#### 購股權計劃

本公司採納於二零零三年一月二十日通過及於二零零九年十一月三十日終止購股權計劃（「舊計劃」）。新購股權計劃已於本公司二零零九年十一月三十日舉行之股東週年大會上經本公司股東批准採納（「新計劃」）。新計劃旨在令本公司可由董事會全權酌情決定下對本集團或任何被投資實體作出或可能作出貢獻之參與者授予購股權，以及給予獎勵並協助本集團保留現有僱員及招聘額外僱員，並向其提供直接經濟利益，為達致本集團之長遠業務目標而努力。

# DISCLOSURE OF INTERESTS

## 權益披露

Particulars of the movement of the options held by each of the Directors, the employees of the Company in aggregate granted under the Old Scheme and the New Scheme during the six months period ended 30 June 2012, were as follows:

截至二零一二年六月三十日止六個月期間內，根據舊計劃及新計劃授出予本公司各董事及僱員之購股權變動，詳情載列如下：

Category of participants	Date of grant	Exercise period	Exercise price per share 每股股份 行使價 HK\$ 港幣	Number of share options 購股權數目				
				Held at 1 January 2012 於二零一二年 一月一日 持有	Granted during the period 於期內 授予	Transfer during the period 於期內 轉讓	Exercised during the period 於期內 行使	Held at 30 June 2012 於二零一二年 六月三十日 持有
<b>Share options granted under the Old Scheme</b> 於舊計劃下授出之購股權								
Mr. Chen Xian 陳賢先生	21.8.2009	21.8.2009–20.8.2012	1.18	3,500,000	–	–	–	3,500,000
Mr. Lau Sai Chung 劉世忠先生	21.8.2009	21.8.2009–20.8.2012	1.18	3,352,000	–	–	–	3,352,000
Mr. Xiong Jianrui (resigned on 29 June 2012) (Note) 熊劍瑞先生 (於二零一二年六月二十九日辭任) (附註)	21.8.2009	21.8.2009–20.8.2012	1.18	3,500,000	–	(3,500,000)	–	–
Ms. Xia Dan Xia Dan女士	21.8.2009	21.8.2009–20.8.2012	1.18	3,500,000	–	–	–	3,500,000
Mr. Poon Lai Yin, Michael 潘禮賢先生 Employee 僱員	21.8.2009	21.8.2009–20.8.2012	1.18	200,000	–	–	–	200,000
	21.8.2009	21.8.2009–20.8.2012	1.18	3,200,000	–	3,500,000	–	6,700,000
<b>Share options granted under the New Scheme</b> 於新計劃下授出之購股權								
Mr. Chen Xian 陳賢先生	18.1.2012	18.1.2012–17.1.2015	0.52	–	8,000,000	–	–	8,000,000
Mr. Lau Sai Chung 劉世忠先生	18.1.2012	18.1.2012–17.1.2015	0.52	–	4,000,000	–	–	4,000,000
Mr. Xiong Jianrui (resigned on 29 June 2012) (Note) 熊劍瑞先生 (於二零一二年六月二十九日辭任) (附註)	18.1.2012	18.1.2012–17.1.2015	0.52	–	4,000,000	(4,000,000)	–	–
Ms. Xia Dan Xia Dan女士	18.1.2012	18.1.2012–17.1.2015	0.52	–	4,000,000	–	–	4,000,000
Mr. Poon Lai Yin, Michael 潘禮賢先生	18.1.2012	18.1.2012–17.1.2015	0.52	–	500,000	–	–	500,000
Mr. Ng Kwok Chu, Winfield 吳國柱先生	18.1.2012	18.1.2012–17.1.2015	0.52	–	500,000	–	–	500,000
Mr. Chan Chun Fai 陳振輝先生	18.1.2012	18.1.2012–17.1.2015	0.52	–	500,000	–	–	500,000
Employee 僱員	18.1.2012	18.1.2012–17.1.2015	0.52	–	8,500,000	4,000,000	–	12,500,000
Other eligible participants 其他合資格參與者	19.2.2010	19.2.2010–8.2.2013	0.88	10,000,000	–	–	–	10,000,000
Total 合共				27,252,000	30,000,000	–	–	57,252,000

Note: Mr. Xiong Jianrui has resigned as executive Director of the Company on 29 June 2012, but Mr. Xiong Jianrui remains as an employee of the Company.

附註：熊劍瑞先生已於二零一二年六月二十九日辭任本公司執行董事職務，但熊劍瑞先生將繼續為本公司僱員。

During the period under review, 30,000,000 share options were granted and no share options were lapsed or exercised.

於回顧期間，30,000,000份購股權獲授出及無購股權失效或獲行使。

As at 30 June 2012, the total number of outstanding share options under the Old Scheme and the New Scheme were 17,252,000 share options and 40,000,000 share options respectively.

於二零一二年六月三十日，在舊計劃及新計劃下尚未行使購股權總數目分別為17,252,000份及40,000,000份。



# CORPORATE GOVERNANCE

## 企業管治

### COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Stock Exchange has issued the amendments on code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "Code") contained in Appendix 14 to the Listing Rules effective on 1 April 2012.

To fully comply with all the new code provisions set out in the Code contained in Appendix 14 of the Listing Rules, relevant amendments and adoptions have been made by the Company on 1 April 2012 including the adoption of a terms of reference of the Board for the corporate governance functions.

The Group is committed to achieving high standards of corporate governance to safeguard the interests of all shareholders and to enhance corporate value and accountability. Throughout the six months ended 30 June 2012, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices effective until 31 March 2012 and the Code as set out in Appendix 14 of the Listing Rules.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry, the Directors of the Company confirm that they have complied with the required standard as set out in the Model Code during the period under review.

### AUDIT COMMITTEE

The Company established an audit committee ("Audit Committee") with written terms of reference in compliance with the Code. The principal duties of the Audit Committee include the review and supervision of the Group's internal control procedures and review of the Group's financial information. The existing Audit Committee consists of the following members:

#### *Independent non-executive Directors*

Mr. POON Lai Yin, Michael (*Chairman*)

Mr. CHAN Chun Fai

Mr. NG Kwok Chu, Winfield

### 遵照企業管治常規守則

聯交所已頒佈上市規則附錄十四所載之企業管治守則及企業管治報告（「守則」）載列之守則條文之修訂，該等修訂於二零一二年四月一日生效。

為全面遵守上市規則附錄十四所載之守則內載列之所有新守則條文，本公司已於二零一二年四月一日作出相關修訂及規定，包括就企業管治職能採納董事會職權範圍之條款。

本集團恪守奉行高水平之企業管治標準，以保障全體股東之利益，並提高企業價值及加強問責性。截至二零一二年六月三十日止六個月，本公司已遵守於截至二零一二年三月三十一日止生效之企業管治常規守則及上市規則附錄十四所載守則內之守則條文。

### 董事進行證券交易之標準守則

本公司採納上市規則附錄十所載有關董事進行證券交易的標準守則，作為董事進行交易事宜的守則。於回顧期間，經作出明確查詢後，本公司董事確認彼等已遵守標準守則所載之標準規定。

### 審核委員會

本公司成立審核委員會（「審核委員會」），並遵照守則釐定其書面職權範圍。審核委員會的主要職責包括審閱及監察本集團之內部監控程序，審閱本集團財務資料。現有審核委員會包括以下成員：

#### *獨立非執行董事*

潘禮賢先生（*主席*）

陳振輝先生

吳國柱先生



The chief responsibilities of the Audit Committee include making recommendations to the Board on the appointment, reappointment and removal of the external auditors and to approve the remuneration and terms of engagement of the external auditors, and any questions of resignation or dismissal of such auditors; reviewing the quarterly, interim and annual reports and accounts of the Group; and supervising the financial reporting process and effectiveness of internal control system of the Group.

During the period under review, the Audit Committee reviewed and made recommendation to the Board for approval of the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2012, discussed the accounting policies and practices which may affect the Group with the management and the Company's auditors and reviewed the fees charged by the external auditors.

### REMUNERATION COMMITTEE

The Company established a remuneration committee (the "Remuneration Committee") with written terms of reference in compliance with the Code. The existing Remuneration Committee consists of the following members:

#### *Independent Non-executive Directors*

Mr. NG Kwok Chu, Winfield (*Chairman*)  
Mr. POON Lai Yin, Michael  
Mr. CHAN Chun Fai

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management, and reviewing the specific remuneration packages of all executive Directors and senior management by reference to the corporate goals and objectives resolved by the Board from time to time.

### NOMINATION COMMITTEE

The Company established a nomination committee (the "Nomination Committee") with written terms of reference in compliance with the Code. The existing Nomination Committee consists of the following members:

#### *Independent Non-executive Directors*

Mr. CHAN Chun Fai (*Chairman*)  
Mr. POON Lai Yin, Michael  
Mr. NG Kwok Chu, Winfield

審核委員會主要負責就外聘核數師之委任、重聘及罷免向董事會作出建議，並審批外聘核數師之酬金及聘任條款，以及與該等核數師之辭任或罷免有關之任何事宜；審閱季度報告、中期報告、年報及本集團賬目；以及監察財務申報程序及本集團內部監控系統是否有效。

於回顧期內，審核委員會曾審閱並建議董事會批准本集團截至二零一二年六月三十日止六個月之未經審核簡明綜合財務報表與管理層及本公司之核數師討論對本集團有影響之會計政策及實務及審閱外聘核數師支取之費用。

### 薪酬委員會

本公司成立薪酬委員會（「薪酬委員會」），並遵照企業管治守則釐定其書面職權範圍。現有薪酬委員會包括以下成員：

#### *獨立非執行董事*

吳國柱先生 (*主席*)  
潘禮賢先生  
陳振輝先生

薪酬委員會的主要職責包括就董事及高級管理層之酬金政策及架構，向董事會提出建議，並參考董事會不時決議之企業目標及目的，審閱全部執行董事及高級管理層之具體薪酬方案。

### 提名委員會

本公司成立提名委員會（「提名委員會」），並遵照企業管治守則釐定其書面職權範圍。現有提名委員會包括以下成員：

#### *獨立非執行董事*

陳振輝先生 (*主席*)  
潘禮賢先生  
吳國柱先生

## CORPORATE GOVERNANCE

### 企業管治

The Nomination Committee has adopted a written nomination procedure specifying the process and criteria for the selection and recommendation of candidates for directorship of the Company. The Nomination Committee will be based on the criteria in the procedure (such as appropriate experience, personal skills and time commitment) to identify and recommend proposed candidates to the Board.

#### PURCHASES, SALE AND REDEMPTION OF SECURITY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months period ended 30 June 2012.

#### CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the Company discloses the changes in information of the Directors as follows:

Mr. Xiong Jianrui ("Mr. Xiong") has tendered his resignation as executive Director on 29 June 2012, but Mr. Xiong will remain as an employee of the Company and is primarily responsible for the general corporate development of the Group.

Subsequent to the period end date, on 17 August 2012, Mr. Liu Feng has been appointed as executive Director and the chairman of the Company and Mr. Chen Xian has been re-designated as the vice-chairman of the Company and remained as an executive Director.

提名委員會已採納書面提名程序，列明挑選及建議本公司董事候選人之過程及準則。提名委員會將按照過程之準則（如適當經驗、個人技能及承擔時間），物色及建議董事會之擬議候選人。

#### 購買、出售及贖回證券

於截至二零一二年六月三十日止六個月期間，本公司及其附屬公司概無購買、出售或贖回本公司任何上市證券。

#### 董事資料變動

根據上市規則第13.51B(1)條，本公司披露如下之董事資料變動：

熊劍瑞先生（「熊先生」）已於二零一二年六月二十九日辭任執行董事，惟熊先生將繼續留任為本公司之員工，主要負責本集團之整體企業發展。

於報告日期後，於二零一二年八月十七日，劉鋒先生獲委任為本公司執行董事兼主席，而陳賢先生獲調任為本公司副主席及繼續擔任執行董事。

# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表審閱報告



SHINEWING (HK) CPA Limited  
43/F., The Lee Gardens  
33 Hysan Avenue  
Causeway Bay, Hong Kong

### TO THE BOARD OF DIRECTORS OF CHINA UPTOWN GROUP COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)

### INTRODUCTION

We have reviewed the condensed consolidated financial statements of China Uptown Group Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 21 to 52, which comprises the condensed consolidated statement of financial position as at 30 June 2012 and the related condensed consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

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

致中國上城集團有限公司董事會

(於開曼群島註冊成立之有限公司)

### 引言

我們已審閱於第21至52頁所載中國上城集團有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）的簡明綜合財務報表，包括於二零一二年六月三十日的簡明綜合財務狀況表與截至該日止六個月期間的相關簡明綜合全面收益表、簡明綜合權益變動表及簡明綜合現金流量表及若干附註解釋。香港聯合交易所有限公司主板證券上市規則規定，就中期財務資料編製的報告必須符合以上規則的有關條文以及香港會計師公會（「香港會計師公會」）頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。貴公司董事須負責根據香港會計準則第34號編製及列報該等簡明綜合財務報表。我們的責任是根據我們的審閱對該等簡明綜合財務報表作出結論，並按照委聘所協定之條款僅向整體董事會報告該等結論，除此之外本報告別無其他目的。我們概不就本報告的內容，對任何其他人士負上或承擔任何責任。

### 審閱範圍

我們已按照香港會計師公會所頒佈的香港審閱工作準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱工作。該等簡明綜合財務報表的審閱工作包括向專責財務及會計事宜的人員作出查詢，並就此進行分析及其他審閱程序。由於審閱的範圍遠較根據香港審核準則進行的審核為小，因此不能保證我們會知悉在審核中可能會發現的所有重大事宜。正因如此，我們不會表達審核意見。

# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表審閱報告

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

#### **SHINEWING (HK) CPA Limited**

*Certified Public Accountants*

**Wong Hon Kei, Anthony**

Practising Certificate Number: P05591

Hong Kong

30 August 2012

### 結論

根據我們的審閱結果，我們並無發現有任何事項致使我們相信該等簡明綜合財務報表在所有重大方面並無按照香港會計準則第34號編製。

信永中和（香港）會計師事務所有限公司

執業會計師

黃漢基

執業證書號碼：P05591

香港

二零一二年八月三十日

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 簡明綜合全面收益表

For the six months ended 30 June 2012

截至二零一二年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月		
		2012 二零一二年 RMB'000 人民幣千元 (unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)	
	Notes 附註			
Turnover	營業額	4	35,270	148,269
Cost of sales	銷售成本		(29,129)	(142,843)
Gross profit	毛利		6,141	5,426
Other operating income	其他營運收入		325	6,107
Selling and distribution costs	銷售及分銷成本		(5,660)	(7,223)
Administrative expenses	行政費用		(9,098)	(11,338)
Change in fair value of investment properties	投資物業公允值之變動	10	20,426	(1,112)
Change in fair value of convertible bonds	可換股債券公允值之變動	19	(14,430)	37,397
Equity-settled share-based payment expenses	以權益結算之以股份 為基礎的支付開支		(3,767)	-
Finance costs	財務成本		(5,725)	(6,082)
(Loss) profit before taxation	除稅前(虧損)溢利		(11,788)	23,175
Income tax expense	所得稅支出	5	(4,719)	(2,142)
(Loss) profit for the period	期內(虧損)溢利	6	(16,507)	21,033
Exchange differences arising on translation of financial statements of foreign operations and total other comprehensive (expense) income for the period	因換算外國業務財務報表 產生的匯兌差額 及期內其他全面(支出) 收入總額		(3,189)	5,722
Total comprehensive (expense) income for the period	期內全面(支出) 收入總額		(19,696)	26,755
(Loss) profit for the period attributable to:	期內應佔(虧損)溢利:			
Owners of the Company	本公司之擁有人		(14,832)	26,925
Non-controlling interests	非控制性權益		(1,675)	(5,892)
			(16,507)	21,033
Total comprehensive (expense) income for the period attributable to:	期內應佔全面(支出) 收入總額:			
Owners of the Company	本公司之擁有人		(18,021)	32,647
Non-controlling interests	非控制性權益		(1,675)	(5,892)
			(19,696)	26,755
(Loss) earnings per share	每股(虧損)盈利	8		
Basic	基本		RMB(1.74 cents) 人民幣(1.74仙)	RMB3.16 cents 人民幣3.16仙
Diluted	攤薄		RMB(1.74 cents) 人民幣(1.74仙)	RMB(0.48 cents) 人民幣(0.48仙)

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

As at 30 June 2012  
於二零一二年六月三十日

			30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
		Notes 附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	9	30,858	31,619
Investment properties	投資物業	10	175,800	162,025
Prepaid lease payments	租賃預付款項	10	237	240
Goodwill	商譽	11	184,231	184,231
Available-for-sale investments	可供出售投資	12	-	-
			<b>391,126</b>	<b>378,115</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		6,031	3,540
Properties under development	在建物業	13	1,186,281	971,642
Properties held for sale	待售物業		55,095	64,762
Trade and other receivables	貿易及其他應收賬款	14	71,785	62,400
Prepaid lease payments	租賃預付款項	10	6	6
Held-to-maturity investments	持有至到期日投資	12	-	-
Held-for-trading investments	持作交易用途之投資		90	219
Income tax recoverable	可收回所得稅		35,083	27,717
Restricted bank deposits	有限制銀行存款	15	121,188	92,298
Bank balances and cash	銀行結存及現金		68,552	136,693
			<b>1,544,111</b>	<b>1,359,277</b>
Assets classified as held for sale	分類為持作銷售之資產	16	6,710	-
			<b>1,550,821</b>	<b>1,359,277</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付賬款	17	1,175,240	919,642
Income tax payable	應付所得稅		809	1,176
Bank borrowings	銀行貸款		88,232	99,357
			<b>1,264,281</b>	<b>1,020,175</b>
<b>Net current assets</b>	<b>流動資產淨額</b>		<b>286,540</b>	<b>339,102</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>677,666</b>	<b>717,217</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

As at 30 June 2012  
於二零一二年六月三十日

			30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Ordinary share capital	普通股股本	18	81,232	81,232
Convertible redeemable preference shares	可轉換可贖回優先股		184,653	184,653
Reserves	儲備		(24,773)	(10,519)
<b>Equity attributable to owners of the Company</b>	<b>本公司之擁有人應佔權益</b>		<b>241,112</b>	<b>255,366</b>
<b>Non-controlling interests</b>	<b>非控制性權益</b>		<b>73,830</b>	<b>75,505</b>
<b>Total equity</b>	<b>權益總額</b>		<b>314,942</b>	<b>330,871</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Convertible bonds	可換股債券	19	328,588	311,260
Consideration payable	應付代價	20	-	44,645
Deferred taxation	遞延稅項		34,136	30,441
			<b>362,724</b>	<b>386,346</b>
			<b>677,666</b>	<b>717,217</b>



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

		Attributable to owners of the Company 本公司之擁有人應佔											
		Ordinary share capital	Share premium	Convertible redeemable preference shares 可轉換 可轉換	Capital reserve	Share options reserve	Exchange translation reserve	General reserve	Other reserve	Accumulated losses	Total	Non- controlling interests 非控制性 權益	Total
		普通股股本 RMB'000 人民幣千元	股本溢價 RMB'000 人民幣千元	可贖回優先股 RMB'000 人民幣千元	資本儲備 RMB'000 人民幣千元 (Note (a)) (附註(a))	購股權儲備 RMB'000 人民幣千元	換算儲備 RMB'000 人民幣千元	一般儲備 RMB'000 人民幣千元 (Note (b)) (附註(b))	其他儲備 RMB'000 人民幣千元 (Note (c)) (附註(c))	累計虧損 RMB'000 人民幣千元	總額 RMB'000 人民幣千元	非控制性 權益 RMB'000 人民幣千元	總額 RMB'000 人民幣千元
At 1 January 2011 (audited)	於二零一一年一月一日 (經審核)	81,232	386,529	184,653	13,841	14,378	(173)	9,487	-	(358,215)	331,732	154,733	486,465
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	26,925	26,925	(5,892)	21,033
Exchange differences arising on translation of financial statements of foreign operations	因換算外國業務財務報表產生的匯兌差額	-	-	-	-	5,722	-	-	-	-	5,722	-	5,722
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	5,722	-	-	-	26,925	32,647	(5,892)	26,755
Acquisition of non-controlling interests	收購非控制性權益	-	-	-	-	-	-	-	(110,800)	-	(110,800)	(75,293)	(186,093)
At 30 June 2011 (unaudited)	於二零一一年六月三十日 (未經審核)	81,232	386,529	184,653	13,841	14,378	5,549	9,487	(110,800)	(331,290)	253,579	73,548	327,127
At 1 January 2012 (audited)	於二零一二年一月一日 (經審核)	81,232	386,529	184,653	13,841	13,988	11,732	9,487	(110,800)	(335,296)	255,366	75,505	330,871
Loss for the period	期內虧損	-	-	-	-	-	-	-	-	(14,832)	(14,832)	(1,675)	(16,507)
Exchange differences arising on translation of financial statements of foreign operations	因換算外國業務財務報表產生的匯兌差額	-	-	-	-	-	(3,189)	-	-	-	(3,189)	-	(3,189)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	-	-	(3,189)	-	-	(14,832)	(18,021)	(1,675)	(19,696)
Recognition of equity-settled share-based payments (note 21)	確認以權益結算之股份為基礎的支付 (附註21)	-	-	-	-	3,767	-	-	-	-	3,767	-	3,767
At 30 June 2012 (unaudited)	於二零一二年六月三十日 (未經審核)	81,232	386,529	184,653	13,841	17,755	8,543	9,487	(110,800)	(350,128)	241,112	73,830	314,942

### Notes:

- (a) The capital reserve represents the effect of the reorganisation of the Group through which the Company becomes the holding company of all group companies comprising the Group and capitalisation of shareholders' loans by a subsidiary.
- (b) As stipulated by regulations in the People's Republic of China (the "PRC"), certain subsidiaries in the PRC are required to appropriate 10% of their after-tax profit (after offsetting prior year losses) to a general reserve fund until the balance of the fund reaches 50% of its registered capital and thereafter any further appropriation is optional. The general reserve fund can be utilised to offset prior year losses, or for conversion into registered capital on the condition that the general reserve fund shall be maintained at a minimum of 25% of the registered capital after such utilisation.
- (c) The other reserve represents the difference between the consideration paid and the carrying values of non-controlling interests acquired during the period ended 30 June 2011.

### 附註：

- (a) 資本儲備包括本集團因重組(本公司因而成為組成本集團之所有集團公司之控股公司)及將一間附屬公司之股東貸款資本化所產生之影響。
- (b) 按中華人民共和國(「中國」)法規規定,某國內附屬公司須從其除稅後溢利(經抵銷過去年度之虧損)中撥出10%列入一般儲備,直至該儲備金餘額達至其註冊資本之50%,而其後之撥款則可隨意作出。一般儲備金可用作抵銷過去年度之虧損,或轉至註冊資本,惟需在作出該等使用後,一般儲備金最少仍維持於註冊資本25%之水平。
- (c) 其他儲備為截至二零一一年六月三十日止期間已付代價及非控制性權益賬面值之差額。

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)
Net cash (used in) from operating activities	經營活動(所用)所得現金淨額	(24,834)	240,136
Net cash used in investing activities	投資活動所用現金淨額	(28,592)	(83,900)
Net cash used in financing activities	融資活動所用現金淨額	(14,759)	(132,719)
Net (decrease) increase in cash and cash equivalents	現金及現金等值項目之 (減少)增加淨額	(68,185)	23,517
Effect on foreign exchange rate changes	匯率變動之影響	44	(344)
Cash and cash equivalents at 1 January	於一月一日之現金及 現金等值項目	136,693	123,028
Cash and cash equivalents at 30 June, represented by bank balances and cash	於六月三十日之現金及 現金等值項目,其中包括 銀行結存及現金	68,552	146,201

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

### 1. GENERAL

China Uptown Group Company Limited (the “Company”) is incorporated in the Cayman Islands as an exempt company with limited liability. The shares of the Company are listed on the Main Board of 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 disclosed in the “Corporate Information” section to the interim report.

Other than the subsidiaries established in the People’s Republic of China (the “PRC”) whose functional currency is Renminbi (“RMB”), the functional currency of the Company and the remaining subsidiaries are Hong Kong dollars (“HK\$”).

The Group adopted RMB as its presentation currency as the directors of the Company consider that the major operations are in the PRC and it is appropriate to present the condensed consolidated financial statements in RMB.

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are property development, property investment, trading of electronic components, mobile phone modules and automation products, and the provision of technical and consultancy services including the provision of automation products on a project basis.

### 2. BASIS OF PREPARATION

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

### 3. PRINCIPAL ACCOUNTING POLICIES

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

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2012 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2011.

### 1. 一般資料

中國上城集團有限公司（「本公司」）乃於開曼群島註冊成立之獲豁免有限公司。本公司股份在香港聯合交易所有限公司（「聯交所」）主板上市。

本公司之註冊辦事處及主要營業地址已於本中報中的「公司資料」一節披露。

除於中華人民共和國（「中國」）成立之附屬公司之功能貨幣為人民幣（「人民幣」）外，本公司及其餘附屬公司之功能貨幣均為港幣（「港幣」）。

由於本公司董事認為主要營運均於中國及於簡明綜合財務報表以人民幣呈列乃屬適當，故本集團採納人民幣為其呈列貨幣。

本公司之主要活動為投資控股，而旗下附屬公司主要從事物業發展、物業投資、電子零件、手機組件及自動化產品貿易及提供技術及顧問服務（其中包括工程項目所需提供的自動化產品）。

### 2. 編製基準

簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈的香港會計準則第34號（「香港會計準則第34號」）「中期財務報告」以及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十六之適用披露規定而編製。

### 3. 主要會計政策

簡明綜合財務報表乃根據過往成本慣例編製，惟投資物業及若干財務工具按公允值計量（如適用）。

除下文所述者，截至二零一二年六月三十日止六個月之簡明綜合財務報表所採納之會計政策及計算方式與編製本集團截至二零一一年十二月三十一日止年度之年度財務報表所採納者貫徹一致。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA:

Amendments to HKFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax – Recovery of Underlying Assets

Except for the below, the directors of the Company anticipate that the application of the above new or revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or on the disclosures set out in these condensed consolidated financial statements.

#### Amendments to HKAS 12 Deferred Tax – Recovery of Underlying Assets

Under the amendments to HKAS 12 *Deferred Tax – Recovery of Underlying Assets*, investment properties that are measured using the fair value model in accordance with HKAS 40 *Investment Property* are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances. This presumption is rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over times, rather than through sale.

The Group measures its investment properties using the fair value model. As a result of the application of the amendments to HKAS 12, the directors reviewed the Group's investment property portfolios and concluded that the Group's investment properties, which are located in the PRC, are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, and that the presumption set out in the amendments to HKAS 12 is rebutted.

The investment properties, which are located in Hong Kong, were not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, and is not subject to any income taxes. The presumption set out in the amendments to HKAS 12 is not rebutted.

As a result of the application of the amendments to HKAS 12, the Group does not recognise any deferred taxes on changes in fair value of the investment properties located in Hong Kong. Based on the best estimation of the directors of the Company, the Group is not subject to any income taxes on disposal of its investment properties. Previously, the Group recognised deferred taxes on changes in fair value of investment properties on the basis that the entire carrying amounts of the properties were recovered through use.

### 3. 主要會計政策 (續)

本中期期內，本集團首次採納以下香港會計師公會頒佈之香港財務報告準則（「香港財務報告準則」）之修訂本：

香港財務報告準則第1號（修訂本）	嚴重高通脹及剔除首次採用者之固定日期
香港財務報告準則第7號（修訂本）	財務工具：披露 – 轉讓財務資產
香港會計準則第12號（修訂本）	遞延稅項：收回相關資產

除下文所述者，本公司董事預期，本中期期內採納上述新訂或經修訂香港財務報告準則並無對簡明綜合財務報表所呈報金額及／或簡明綜合財務報表所作披露造成任何重大影響。

#### 香港會計準則第12號（修訂本）「遞延稅項：收回相關資產」

根據香港會計準則第12號（修訂本）「遞延稅項：收回相關資產」，按照香港會計準則第40號「投資物業」採用公允值模式計量之投資物業，在計量遞延稅項時先假定其可透過出售投資物業而收回，除非這假定在某些情況下被推翻。如該投資物業為應折舊資產，且以隨時間（而不是通過出售）實質地消耗該投資物業所包含之全部經濟利益之商業模式而持有，則該假設可被推翻。

本集團之投資物業採用公允值模式計量。為了應用香港會計準則第12號（修訂本），董事審查本集團之投資物業組合，並認為本集團位於中國之投資物業以隨時間實質地消耗該投資物業所包含之全部經濟利益之商業模式而持有，而香港會計準則第12號（修訂本）所載之假設乃被推翻。

位於香港之投資物業並非以隨時間實質地消耗該投資物業所包含之全部經濟利益之商業模式而持有，並毋需交付任何所得稅。香港會計準則第12號（修訂本）所載之假設並未被推翻。

在應用香港會計準則第12號（修訂本）下，本集團並未確認位於香港之投資物業因公允值變動產生之遞延稅項。根據本公司董事之最佳估計，本集團於出售其物業時毋需交付任何所得稅。此前，本集團在按物業賬面值通過使用回收之基礎並已就投資物業因公允值變動涉及之遞延稅項作出確認。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Amendments to HKAS 12 Deferred Tax – Recovery of Underlying Assets (Continued)

The amendments to HKAS 12 have been applied retrospectively, resulting in the Group's deferred tax liabilities arising from the change in fair value of investment properties being decreased by approximately RMB261,000 as at 31 December 2011, with the corresponding adjustment being recognised in accumulated losses. In addition, the application of the amendments has resulted in the Group's income tax expense for the six months ended 30 June 2012 and 30 June 2011 being reduced by approximately RMB256,000 and approximately RMB97,000 respectively and hence resulted in the loss for the six months ended 30 June 2012 being decreased by RMB256,000 and profit for the six months ended 30 June 2011 being increased by approximately RMB97,000.

The effect of changes in accounting policies on deferred tax liabilities on investment properties was set off against the respective changes in deferred tax assets related to the tax loss recognised. Hence, no effect on the Group's (i) financial results for the current and prior periods; (ii) financial position as at 1 January 2011 and 31 December 2011; and (iii) the basic and diluted earnings per share for the six months ended 30 June 2012 and 2011.

### 4. TURNOVER AND SEGMENT INFORMATION

Turnover represents the net amounts received and receivable for goods sold by the Group to outside customers less sales related taxes.

Information reported to the board of directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

Property development	–	Development of properties in the PRC.
Property investment	–	Rental income arising from investment properties situated in the PRC and in Hong Kong.
Trading	–	Trading of electronic components, mobile phone modules and automation products.
Technology	–	Provision of technical and consultancy services including the provision of automation products on a project basis.

### 3. 主要會計政策 (續)

#### 香港會計準則第12號 (修訂本)「遞延稅項：收回相關資產」(續)

香港會計準則第12號 (修訂本) 已追溯應用，故本集團於二零一一年十二月三十一日來自投資物業公允值變動之遞延稅項負債減少約人民幣261,000元，相應調整已於累計虧損內確認。此外，採用該等修訂本令本集團截至二零一二年六月三十日及二零一一年六月三十日止六個月之所得稅支出分別減少約人民幣256,000元及約人民幣97,000元。因此，截至二零一二年六月三十日止六個月之虧損減少人民幣256,000元及截至二零一一年六月三十日止六個月之溢利增加約人民幣97,000元。

會計政策變動對投資物業之遞延稅項負債之影響乃抵銷與已確認稅務虧損相關之遞延稅項資產之各項變動。因此，概無對本集團(i)本期間及過往期間之財務業績；(ii)於二零一一年一月一日及二零一一年十二月三十一日之財務狀況；及(iii)截至二零一二年及二零一一年六月三十日止六個月之每股基本及攤薄盈利造成影響。

### 4. 營業額及分部資料

營業額指本集團出售予外界客戶貨品並扣除銷售稅之已收及應收淨額。

就資源分配及分類表現評估向本公司董事會 (即主要營運決策者) 所呈報之資料，側重於交付或提供之產品或服務之類型。

根據香港財務報告準則第8號，本集團報告分部如下所示：

物業發展	–	於中國之物業發展。
物業投資	–	於中國及香港之投資物業的租金收入。
貿易	–	電子零件、手機組件及自動化產品貿易。
科技	–	提供技術及顧問服務及包括工程項目所需提供的自動化產品。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

### 4. TURNOVER AND SEGMENT INFORMATION

(Continued)

#### (a) Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segment for the six months ended 30 June:

### 4. 營業額及分部資料 (續)

#### (a) 分部收入及業績

本集團截至六月三十日止六個月之收入及業績之分析按可報告及營運分部呈列如下：

		Property development		Property investment		Trading		Technology		Consolidated	
		物業發展	物業發展	物業投資	物業投資	貿易	貿易	科技	科技	合併	合併
		2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
		二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Turnover	營業額	11,436	46,981	3,720	3,729	20,114	97,559	-	-	35,270	148,269
Segment profit (loss)	分部溢利(虧損)	(4,606)	(9,609)	23,152	3,391	(1,024)	2,276	-	-	17,522	(3,942)
Change in fair value of convertible bonds	可換股債券 公允值之變動									(14,430)	37,397
Change in fair value of held-for-trading investments	持作交易用途之 投資公允值變動									(131)	(523)
Discount received on early settlement of consideration payable	就提早償還應付 代價收取之折扣									-	993
Equity-settled share-based payment expense	以權益結算之 以股份為基礎 的支付開支									(3,767)	-
Interest income	利息收入									308	662
Unallocated corporate expenses	未分配公司開支									(5,565)	(5,330)
Finance costs	財務成本									(5,725)	(6,082)
(Loss) profit before taxation	除稅前(虧損)溢利									(11,788)	23,175

Segment profit/loss represent the profit/loss of each segment without allocation of change in fair value of convertible bonds, change in fair value of held-for-trading investments, discount received on early settlement of consideration payable, equity-settled share-based payment expense, interest income, central administration costs, directors' emoluments and finance costs. This is the measure reported to the chief operating decision maker (board of directors) of the Group for the purposes of resource allocation and performance assessment.

分部溢利/虧損指的是每項分部的溢利/虧損，未計可換股債券公允值變動、持作交易用途之投資公允值變動、就提早償還應付代價收取之折扣、以權益結算之以股份為基礎的支付開支、利息收入、中央行政費用、董事薪酬及財務成本。此乃呈報本集團的主要經營決策者(董事會)用於資源分配及分部表現評估的措施。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2012  
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### 4. TURNOVER AND SEGMENT INFORMATION (Continued)

#### (b) Segment assets

The following is an analysis of the Group's assets by reportable segment:

#### (b) 分部資料

本集團資產之分析按可報告分部呈列如下：

	Property development 物業發展		Property investment 物業發展		Trading 貿易		Technology 科技		Consolidated 合併	
	At 30 June 2012	At 31 December 2011	At 30 June 2012	At 31 December 2011	At 30 June 2012	At 31 December 2011	At 30 June 2012	At 31 December 2011	At 30 June 2012	At 31 December 2011
	於 二零一二年 六月三十日	於 二零一一年 十二月三十一日	於 二零一二年 六月三十日	於 二零一一年 十二月三十一日	於 二零一二年 六月三十日	於 二零一一年 十二月三十一日	於 二零一二年 六月三十日	於 二零一一年 十二月三十一日	於 二零一二年 六月三十日	於 二零一一年 十二月三十一日
	RMB'000 (unaudited)	RMB'000 (audited)	RMB'000 (unaudited)	RMB'000 (audited)	RMB'000 (unaudited)	RMB'000 (audited)	RMB'000 (unaudited)	RMB'000 (audited)	RMB'000 (unaudited)	RMB'000 (audited)
	(未經審核)	(經審核)	(未經審核)	(經審核)	(未經審核)	(經審核)	(未經審核)	(經審核)	(未經審核)	(經審核)
Segment assets	1,488,371	1,273,395	182,791	162,306	15,105	13,325	-	-	1,686,267	1,449,026
Unallocated corporate assets										
- Income tax recoverable									35,083	27,717
- Held-for-trading investments									90	219
- Restricted bank deposits									121,188	92,298
- Bank balances and cash									68,552	136,693
- Others									30,767	31,439
Consolidated total assets									1,941,947	1,737,392

For the purpose of monitoring segment performance and allocating resources between segments, all assets are allocated to reportable segments other than income tax recoverable, held-for-trading investments, restricted bank deposits and bank balances and cash. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

為監控分部之間的分部表現和分配資源的目的，除了持作交易用途之投資、有限制銀行存款、銀行結存及現金，所有資產要分配到可報告分部。可報告分部共用之資產乃按各可報告分部所得收入之基準作分配。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

### 5. INCOME TAX EXPENSE

### 5. 所得稅支出

		For the six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)
Current tax	當期稅項		
Hong Kong Profits Tax	香港所得稅	-	156
PRC Enterprise Income Tax ("PRC EIT")	中國企業所得稅 (「中國企業所得稅」)	877	2,723
		877	2,879
PRC Land Appreciation Tax ("LAT")	中國土地增值稅 (「土地增值稅」)		
- Current year	- 本年度	96	989
		973	3,868
Deferred taxation	遞延稅項	3,746	(1,726)
		4,719	2,142

- (a) Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the six months ended 30 June 2012 and 2011.

No Hong Kong Profits Tax has been provided for in the condensed consolidated financial statements for the six months ended 30 June 2012 as no assessable profit was derived from Hong Kong during the period.

Hong Kong Profits Tax has been provided for in the condensed consolidated financial statements for the six months ended 30 June 2011 as the assessable profits of the Group was partially setoff against tax losses brought forward.

- (a) 香港利得稅按截至二零一二年及二零一一年六月三十日止六個月之估計應課稅利潤以稅率16.5%計算。

由於截至二零一二年六月三十日止六個月並無錄得來自香港之應課稅利潤，故並無於該期間之簡明綜合財務報表作出香港利得稅撥備。

由於部份應課稅利潤為本集團稅項虧損所抵銷，故於截至二零一一年六月三十日止六個月之簡明綜合財務報表作出香港利得稅撥備。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

### 5. INCOME TAX EXPENSE (Continued)

- (b) Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of certain subsidiaries of the Company was 25% for both periods.
- (c) The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at progressive rates ranging from 30% to 60% on the appreciation value, with certain allowable deductions including land costs and the relevant property development expenditures. According to the State Administration of Taxation's official circulars, LAT shall be payable provisionally upon sales of the properties, followed by final ascertainment of the gain at the completion of the properties development.
- (d) Pursuant to the PRC EIT Law, withholding tax is imposed on dividends declared by PRC subsidiaries of the Group in respect of profits earned from 1 January 2008 onwards.

At 30 June 2012 and 31 December 2011, no deferred taxation has been provided for the portion of profits that are expected to be distributed by the PRC subsidiaries and no deferred taxation has been provided for the remaining profits as the Group is able to control the timing of the distribution in the foreseeable future.

### 5. 所得稅支出 (續)

- (b) 根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法的執行規定，本公司若干附屬公司於兩個期間按25%稅率繳納稅項。
- (c) 土地增值稅撥備是按有關中國稅務法例及規例所載之規定作出估計。土地增值稅乃按增值額以30%至60%的遞增稅率作出撥備，當中有若干費用包括土地成本及相關物業發展支出已作扣減。根據國家稅務總局的官方通函，於出售物業後應預先繳納土地增值稅，在完成物業發展之後再對有關增值數額作出最終核定。
- (d) 根據中國的企業所得稅法，自二零零八年一月一日起，對於本集團的中國附屬公司已宣派與所賺取盈利相關的股息需要徵收預扣稅。

於二零一二年六月三十日及二零一一年十二月三十一日，本集團並無就由中國附屬公司預期分派之部分盈利作出遞延稅項撥備。由於本集團於可見未來能夠控制分派的時間，故並無就剩餘利潤作出遞延稅項撥備。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 6. (LOSS) PROFIT FOR THE PERIOD

### 6. 期內(虧損)溢利

		For the six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)
(Loss) profit for the period has been arrived at after charging (crediting):	已扣除(計入)以下各項期內(虧損)溢利:		
Amortisation of prepaid lease payments	租賃預付款項之攤銷	3	3
Change in fair value of held-for-trading investments	持作交易用途之投資公允值變動	131	523
Cost of inventories recognised as expenses (included in cost of sales)	確認為支出的存貨成本(計入銷售成本)	30,231	147,677
Depreciation of property, plant and equipment	物業、機器及設備之折舊	930	966
Impairment loss recognised in respect of properties held for sale (included in cost of sales)	待售物業已確認之減值虧損(計入銷售成本)	-	3,880
Bad debt recovered	已收回壞賬	-	(1,676)
Discount received for early settlement of consideration payables (note 20)	就提早償還應付代價收取之折扣(附註20)	-	(993)
Gain on disposal of investment properties	出售投資物業之收益	-	(2,544)
Interest income	利息收入	(308)	(662)
Reversal of impairment loss recognised in respect of inventories	存貨已確認之減值虧損撥回	(10)	-
Reversal of impairment loss recognised in respect of properties held for sale (included in cost of sales)	待售物業已確認之減值虧損撥回(計入銷售成本)	(1,339)	(5,200)

### 7. INTERIM DIVIDEND

No dividends were paid, declared or proposed during the interim period. The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2012 (six months ended 30 June 2011: nil).

### 7. 中期股息

於中期期內，並無支付、宣派或擬派任何股息。本公司董事不建議派發截至二零一二年六月三十日止六個月之中期股息(截至二零一一年六月三十日止六個月：無)。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

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### 8. (LOSS) EARNINGS PER SHARE

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

(Loss) earnings figures are calculated as follows:

### 8. 每股(虧損)盈利

本公司之擁有人應佔每股基本及攤薄(虧損)盈利乃根據以下數據計算：

(虧損)盈利數據計算如下：

		For the six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (unaudited) (未經審核)
<b>(Loss) earnings</b>	<b>(虧損) 盈利</b>		
(Loss) earnings for the purpose of basic (loss) earnings per share for the period attributable to the owners of the Company	就期間本公司之擁有人應佔每股基本(虧損)盈利而言之(虧損)盈利	(14,832)	26,925
Effect of dilutive potential ordinary shares:	攤薄潛在普通股之影響：		
Interest on convertible bonds	可換股債券之利息	-	2,688
Change in fair value of convertible bonds	可換股債券之公允值變動	-	(37,397)
Loss for the purpose of diluted loss per share	就每股攤薄虧損而言之虧損	(14,832)	(7,784)
		2012 二零一二年 '000 千股	2011 二零一一年 '000 千股
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	普通股加權平均數(就每股基本(虧損)盈利而言)	851,980	851,980
Effect of dilutive potential ordinary shares:	攤薄潛在普通股之影響：		
Share options issued by the Company (note a)	本公司發行之購股權(附註a)	30,000	-
Conversion of convertible bonds (note b)	轉換可換股債券(附註b)	-	271,186
Conversion of convertible redeemable preference shares	轉換可贖回優先股	484,211	484,211
Weighted average number of ordinary shares for the purpose of diluted loss per share	普通股加權平均數(就每股攤薄虧損而言)	1,366,191	1,607,377

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2012

截至二零一二年六月三十日止六個月

### 8. (LOSS) EARNINGS PER SHARE (Continued)

Notes:

- (a) The computation of diluted loss per share does not assume the exercise of the Company's outstanding share options as the exercise price of these options was higher than the average market price of the Company's shares for the six months ended 30 June 2011.
- (b) The computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds as the exercise price of these convertible bonds was higher than the average market price of the Company's shares for the six months ended 30 June 2012.

Diluted loss per share was the same as the basic loss per share for the six months ended 30 June 2012 since the conversion of the Company's share options and convertible redeemable preference shares has an anti-dilutive effect to the loss per share.

### 9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2012, the Group acquired assets with a cost of approximately RMB10,000 (2011: nil).

On 11 January 2006, the Group obtained a court order from the People's Intermediate Court of Shenzhen to freeze certain buildings of the Group with a carrying value of approximately RMB11,811,000 (31 December 2011: RMB11,964,000) ("Freeze Buildings") as a result of certain litigations against a subsidiary of the Group in relation to certain alleged guarantees and overdue bank borrowings ("Outstanding Amounts"). During the year ended 31 December 2010, such litigations were concluded and the Group undergone debt restructuring in the form of issuing convertible bonds to settle Outstanding Amounts (note 19a).

During the year ended 31 December 2011, the relevant seizure had been released and the assets were no longer frozen by the relevant authorities as at 30 June 2012 and 31 December 2011.

As at 30 June 2012, the Group is in the progress of applying for the building ownership certificates of the Freeze Buildings. Subsequently, the Group has obtained the building ownership certificates of the Freeze Buildings before the date of approval of these condensed consolidated financial statements.

### 8. 每股(虧損)盈利(續)

附註：

- (a) 由於截至二零一一年六月三十日止六個月，本公司未行使購股權的行使價高於本公司股份平均市價，故計算每股攤薄虧損時並無假設該等購股權獲行使。
- (b) 由於截至二零一二年六月三十日止六個月，本公司未轉換可換股債券的轉換價高於本公司股份平均市價，故計算每股攤薄虧損時並無假設該等可換股債券獲轉換。

截至二零一二年六月三十日止六個月的每股攤薄虧損與每股基本虧損相同，原因為轉換本公司購股權及可轉換可贖回優先股對之每股虧損具反攤薄影響。

### 9. 物業、機器及設備

截至二零一二年六月三十日止六個月，本集團收購資產成本約人民幣10,000元(二零一一年：無)。

於二零零六年一月十一日，由於本集團一間附屬公司因作出相關擔保及銀行透支借貸(「尚欠金額」)而招致若干訴訟，本集團收到由深圳中級人民法院發出之法院命令要求凍結本集團賬面值約人民幣11,811,000元(二零一一年十二月三十一日：人民幣11,964,000元)之若干建築物(「凍結物業」)。截至二零一零年十二月三十一日止年度，該訴訟已經完結及本集團正透過發行可換股債券方式進行債務重組，以支付尚欠金額(附註19a)。

截至二零一一年十二月三十一日止年度，有關封查已經解除，且有關資產於二零一二年六月三十日及二零一一年十二月三十一日亦已獲相關機關解封。

於二零一二年六月三十日，本集團凍結物業之房產證正在申請中。其後，本集團於該等簡明綜合財務報表審批日前已取得凍結物業之房產證。

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## 簡明綜合財務報表附註

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### 10. INVESTMENT PROPERTIES/PREPAID LEASE PAYMENTS

During the six months ended 30 June 2011, the Group disposed of certain investment properties with an aggregate carrying amount of HK\$52,600,000 (equivalent to approximately RMB44,184,000) (2012: nil), resulting a gain on disposal of approximately HK\$3,029,000 (equivalent to approximately RMB2,544,000) (2012: nil).

The Group's investment properties as at the end of the reporting periods were valued by an independent professional valuer, Vigers Appraisal & Consulting Limited ("Vigers"). The fair value of the investment properties is determined by direct comparison approach assuming sale of property in its existing state by making reference to comparable sales transactions as available in relevant market. The resulting increase in fair value of investment properties of approximately RMB20,426,000 has been recognised directly in profit or loss for the six months ended 30 June 2012 (1 January 2011 to 31 December 2011: increase of approximately RMB12,999,000).

On 11 January 2006, the Group obtained a court order from the People's Intermediate Court of Shenzhen to freeze certain buildings of the Group which are included in investment properties with a carrying value of approximately RMB179,396,000 as at 30 June 2012 (31 December 2011: RMB155,700,000) ("Freeze Investment Properties") and prepaid lease payments with a carrying value of approximately RMB243,000 as at 30 June 2012 (31 December 2011: RMB246,000) as a result of certain litigations against a subsidiary of the Group in relation to certain alleged guarantees and overdue bank borrowings ("Outstanding Amounts"). During the year ended 31 December 2010, such litigations were concluded and the Group undergone debt restructuring in the form of issuing convertible bonds to settle Outstanding Amounts (note 19a).

During the year ended 31 December 2011, the relevant seizure had been released and the assets were no longer frozen by the relevant authorities as at 30 June 2012 and 31 December 2011.

As at 30 June 2012, the Group is in the progress of applying for the building ownership certificates of the Freeze Investment Properties. Subsequently, the Group has obtained the building ownership certificates of the Freeze Investment Properties before the date of approval of these condensed consolidated financial statements.

### 10. 投資物業／租賃預付款項

於截至二零一一年六月三十日止六個月，本集團出售若干總賬面值為港幣52,600,000元（相等於約人民幣44,184,000元）的投資物業，因而錄得出售收益約港幣3,029,000元（相等於約人民幣2,544,000元）（二零一二年：無）。

本集團於期結日之投資物業已經威格斯資產評估顧問有限公司（「威格斯」）估值。投資物業之公允值，假設物業以現時狀況出售，參照有關市場可用的可作比較的市場交易，以直接比較法釐定。投資物業之公允值增加約人民幣20,426,000元（二零一一年一月一日至二零一一年十二月三十一日：增加約人民幣12,999,000元）已直接計入截至二零一二年六月三十日止六個月之損益。

於二零零六年一月十一日，由於本集團一間附屬公司有關作出若干擔保及銀行透支借貸（「尚欠金額」）而招致若干訴訟，本集團收到由深圳中級人民法院發出之法院命令凍結本集團包括在投資物業內於二零一二年六月三十日賬面值約人民幣179,396,000元（二零一一年十二月三十一日：人民幣155,700,000元）之若干建築物（「凍結物業」）及包括在租賃預付款項內於二零一二年六月三十日賬面值約人民幣243,000元（二零一一年十二月三十一日：人民幣246,000元）。截至二零一零年十二月三十一日止年度，該等訴訟已經完結及本集團正透過發行可換股債券方式進行債務重組，以支付尚欠金額（附註19a）。

截至二零一一年十二月三十一日止年度，有關封查已經解除，且有關資產於二零一二年六月三十日及二零一一年十二月三十一日已獲相關機關解封。

於二零一二年六月三十日，本集團凍結物業之房產證正在申請中。其後，本集團於該等簡明綜合財務報表審批日前已取得凍結物業之房產證。

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### 11. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL

#### (a) GOODWILL

COST	成本
At 1 January 2011, 31 December 2011 and 30 June 2012	於二零一一年一月一日、 二零一一年十二月三十一日及 二零一二年六月三十日
	184,231
CARRYING VALUE	賬面值
At 30 June 2012 and 31 December 2011	於二零一二年六月三十日及 二零一一年十二月三十一日
	184,231

#### (b) IMPAIRMENT TESTING ON GOODWILL

For the purpose of impairment testing, goodwill set out above has been allocated to one individual cash generating unit, the property development segment.

The directors of the Company are of the opinion that, based on the business valuation report of the property development segment as at 30 June 2012 issued by Norton Appraisals Limited ("Norton"), an independent professional valuer not connected to the Group, the recoverable amount of the property development segment exceeds its carrying amount in the condensed consolidated statement of financial position and therefore, no impairment loss is necessary.

The recoverable amount of the cash generating unit is determined from the income-based approach calculation as extracted from Norton's valuation report for the recoverable amount as at 30 June 2012. The Group prepared cash flow forecast derived from the most recent available financial budgets approved by management and extrapolated over eighteen months (31 December 2011: two years). In preparing the forecasts, management made references to project area for the real estate development. The key assumptions for the value-in-use calculation were those regarding discount rates and anticipated changes to future selling prices, as follows:

- Projected cashflow forecasts are based on development plans of real estate projects.
- Management used a discount rate which is derived as the Company's weighted average cost of capital, representing the expected return on the Company's capital, and assigned a discount rate of 15.25% (31 December 2011: 15.95%).
- Future selling prices were estimated with reference to existing and past selling prices in the real estate industry in the PRC.

### 11. 商譽及商譽之減值測試

#### (a) 商譽

RMB'000  
人民幣千元

#### (b) 商譽之減值測試

就減值測試而言，以上所列的商譽已分配到一個個別現金產生單位－物業發展分部。

本公司董事認為，根據於二零一二年六月三十日由與本集團並無關連之獨立專業估值師普敦國際評估有限公司（「普敦」）所發出之物業發展分部商業評估報告，物業發展分部之可回收金額高於其於簡明綜合財務狀況表之賬面值，故無須作出減值虧損。

現金產生單位之可回收金額乃摘錄自普敦就截至二零一二年六月三十日之可回收金額所作估值報告以收入法計算釐訂。本集團之現金流預測乃根據最近獲管理層批准及根據過往十八個月（二零一一年十二月三十一日：兩年）推斷之財政預算編製。於編製預測時，管理層曾考慮房地產發展項目之項目地區。計算使用價值之主要假設為如下所列有關折扣率及未來銷售價格預計轉變之假設：

- 已預計的現金流預測乃基於房地產項目的發展計劃。
- 管理層已使用一個由本公司資本之加權平均成本（等於本公司資本的預計回報）所衍生的折扣率及已指定折扣為15.25%（二零一一年十二月三十一日：15.95%）。
- 未來銷售價格根據中國房地產市場現時及過往的銷售價格估算。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 12. AVAILABLE-FOR-SALE INVESTMENTS/ HELD-TO-MATURITY INVESTMENTS

Available-for-sale investments and held-to-maturity investments represent investments in unlisted equity interests in a PRC company and funds placed with an independent trust company in the PRC respectively, which were fully impaired in previous years.

### 12. 可供出售投資／持有至到期日投資

可供出售投資及持有至到期日投資指於中國公司非上市權益的投資及存放於獨立信託公司的資金，均於以往年度全數減值。

### 13. PROPERTIES UNDER DEVELOPMENT

### 13. 在建物業

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
At the beginning of the period/year	於期／年初	971,642	737,095
Additions	添置	211,863	216,706
Interest capitalised	資本化利息	2,776	17,841
		<b>1,186,281</b>	<b>971,642</b>

Properties under development are classified as current assets as the construction period of the relevant property development project is expected to be completed in the normal operating cycle.

相關物業發展項目之建築期預計在一般營運週期內完成，因此在建物業獲分類為流動資產。

### 14. TRADE AND OTHER RECEIVABLES

### 14. 貿易及其他應收賬款

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Trade receivables	貿易應收賬款	26,835	29,429
Less: Impairment loss recognised	減：已確認之減值虧損	(5,230)	(5,187)
		<b>21,605</b>	<b>24,242</b>
Prepayment, deposits and other receivables	預付款項、按金及 其他應收賬款	52,759	40,733
Less: Impairment loss recognised	減：已確認之減值虧損	(2,579)	(2,575)
		<b>50,180</b>	<b>38,158</b>
		<b>71,785</b>	<b>62,400</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

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### 14. TRADE AND OTHER RECEIVABLES (Continued)

Customers from the trading segment are normally required to settle the debts within one to two months upon issue of invoices, except for certain well established customers where the terms are extended to two to three months.

Trade receivables from rental income are due for settlement in accordance with the terms of the underlying agreements entered into with the tenants.

Trade receivables from the sale of properties are received in accordance with the terms of the related sales and purchase agreement. The Group does not hold any collateral over these balances.

The following is an aged analysis of trade receivables net of impairment loss recognised presented based on invoice date at the end of the reporting period:

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within 60 days	60天以內	21,605	23,423
Over 365 days	超過365天	-	819
		<b>21,605</b>	<b>24,242</b>

Included in the Group's trade receivables is an amount of RMB16,700,000 (31 December 2011: RMB16,700,000) derived from the sales of properties. In accordance with the terms of the sales and purchase agreement, this receivable is repayable by installment.

### 15. RESTRICTED BANK DEPOSITS

The restricted bank deposits are represented by the guarantee deposit for construction of projects. In accordance with relevant documents issued by the PRC local State-Owned Land and Resource Bureau, the Group's property development is required to place the proceeds received from pre-sale of properties as guarantee deposits for construction of properties. The deposits can only be used to pay for construction fees and purchase costs or expenses incurred in the construction materials when approvals are obtained from the PRC local State-Owned Land and Resource Bureau. The restriction will be released after the construction is completed or estate ownership certificate of the pre-sold properties is issued, whichever is earlier.

### 14. 貿易及其他應收賬款 (續)

來自貿易分部之客戶收到賬單後，一般需要一至兩個月清還債務，除了若干已建立良好關係之客戶可延長至兩至三個月。

租金收入的貿易應收賬款須根據與租戶訂立的相應協議條款到期償付。

來自出售物業之貿易應收賬款乃按相關買賣協議之條款收取。本集團並無就該等結餘持有任何抵押品。

以下為貿易應收賬款於期結日經扣除已確認減值虧損之賬齡分析（按發票日期呈列）：

	30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within 60 days	21,605	23,423
Over 365 days	-	819
	<b>21,605</b>	<b>24,242</b>

已包括於本集團之貿易應收賬款為數人民幣16,700,000元（二零一一年十二月三十一日：人民幣16,700,000元）源自銷售物業。根據買賣協議條款，該應收款項應分期支付。

### 15. 有限制銀行存款

有限制銀行存款指建築工程之保證按金。根據中國地方國有土地資源管理局頒佈之相關文件，本集團須將預售物業所得款項用作興建房地產的保證按金。取得中國地方國有土地資源管理局的批准後，該按金始可用作支付有關建築材料的建造費用及開支。此項限制將於建築工程完成或發出預售物業房地產權證（以較早者為準）後解除。



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### 16. ASSETS CLASSIFIED AS HELD FOR SALE

On 28 June 2012, the Group entered into a preliminary agreement for the sale of an investment property with a carrying amount of HK\$8,200,000 (equivalent to approximately RMB6,710,000) to an independent third party for a consideration of approximately HK\$8,300,000 (equivalent to approximately RMB6,792,000). The final sales and purchase agreement was entered into on 30 July 2012. The respective property will be disposed of in September 2012.

### 16. 分類為持作銷售之資產

於二零一二年六月二十八日，本集團就出售賬面值港幣8,200,000元（相等於約人民幣6,710,000元）之投資物業予獨立第三方訂立初步協議，代價約為港幣8,300,000元（相等於約人民幣6,792,000元）。最終買賣協議乃於二零一二年七月三十日訂立。有關物業將於二零一二年九月出售。

### 17. TRADE AND OTHER PAYABLES

### 17. 貿易及其他應付賬款

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Trade payables	貿易應付賬款	57,156	26,288
Receipts in advance (note (iii))	預收款（附註(iii)）	1,058,142	883,572
Consideration payable (note 20)	應付代價（附註20）	47,323	-
Accrued expenses and other payables	應付開支及其他應付賬款	12,619	9,782
		<b>1,175,240</b>	<b>919,642</b>

Notes:

附註：

- (i) The Group normally receives credit period from suppliers ranging from 30 days to 90 days.
- (ii) An aged analysis of the trade payables at the end of the reporting period based on invoice date is as follows:

- (i) 本集團一般收到供應商的賒賬期為30天到90天。
- (ii) 於期結日之貿易應付賬款按發票日期賬齡分析如下：

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within 60 days	60天以內	56,442	25,447
61 – 90 days	61至90天	25	-
91 – 120 days	91至120天	47	-
Over 365 days	超過365天	642	841
		<b>57,156</b>	<b>26,288</b>

- (iii) Receipts in advance represents sales proceeds received from buyers in connection with the Group's pre-sale of properties at the end of the reporting period.

- (iii) 預收款指本集團於期結日之物業預售，向買家收取之預售所得款項。

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### 18. ORDINARY SHARE CAPITAL

Ordinary share of HK\$0.10 each

### 18. 普通股股本

每股港幣0.10元之普通股

		Number of shares 股份數目	Equivalent to 相等於
		'000 千股	HK\$'000 港幣千元
Authorised:	法定：		RMB'000 人民幣千元
At 1 January 2011,	於二零一一年一月一日、		
31 December 2011	二零一一年十二月三十一日		
and 30 June 2012	及二零一二年六月三十日	3,000,000	300,000
			281,070
Issued and fully paid:	已發行及已繳足：		
At 1 January 2011,	於二零一一年一月一日、		
31 December 2011	二零一一年十二月三十一日		
and 30 June 2012	及二零一二年六月三十日	851,980	85,198
			81,232

### 19. CONVERTIBLE BONDS

### 19. 可換股債券

		30 June 2012 二零一二年 六月三十日	31 December 2011 二零一一年 十二月三十一日
		RMB'000 人民幣千元	RMB'000 人民幣千元
		(unaudited) (未經審核)	(audited) (經審核)
Convertible bonds issued by the Company:	本公司發行之可換股債券：		
At the beginning of the period/year	於期／年初	311,260	184,391
Exchange realignment	匯兌差額	2,898	(13,831)
Issue of convertible bonds during the period/year	於期／年內發行可換股債券	-	186,093
Change in fair value of convertible bonds	可換股債券公允值之變動	14,430	(45,393)
At the end of the period/year	於期／年結	328,588	311,260

Convertible bonds are designated at fair value through profit or loss.

可換股債券按公允值通過溢利或虧損指定。

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### 19. CONVERTIBLE BONDS (Continued)

- (a) On 1 December 2010 ("Issue Date I"), the Company issued convertible bonds ("CB I") in the principal amount of HK\$160,000,000 (equivalent to approximately RMB136,000,000) to Zilver Yuan Investment Partners Limited, a wholly-owned subsidiary of Bank of China Group Investment Limited. The net proceeds from the issue of the CB I were used to settle the entire outstanding amount due to Bank of China, Shenzhen Branch. CB I is secured by a guarantee and share charge over Usualink Development Limited ("Usualink"), a wholly-owned subsidiary of the Company.

CB I entitles the holders to convert them into ordinary shares of the Company at any time on or after three months from Issue Date I up to ten business days prior to 30 November 2013 (the "Settlement Date I") in multiples of HK\$5,000,000 (equivalent to approximately RMB4,250,000) at an initial conversion price of HK\$0.59 (equivalent to approximately RMB0.50) (subject to adjustments) per conversion share. If CB I has not been converted, they will be redeemed on the Settlement Date I at par. Interest of 4% per annum will be paid semi-annually up until the Settlement Date I.

Pursuant to the CB I subscription agreement, the conversion price of the CB I shall be adjusted on each of the first and second anniversaries of the Issue Date I if the volume weighted average price of the shares over the preceding calendar month is less than 85% of the applicable conversion price. The new conversion price will then be adjusted to a price equal to 85% of the conversion price immediately before the adjustment.

The fair value of the CB I at 30 June 2012 and at 31 December 2011 is HK\$180,360,000 (equivalent to approximately RMB147,589,000) and HK\$175,640,000 (equivalent to approximately RMB142,428,000) respectively, which is determined taking into account a valuation carried out by Vigers, an independent professional valuer not connected to the Group, using the binomial model.

### 19. 可換股債券 (續)

- (a) 於二零一零年十二月一日(「發行日期I」)，本公司發行本金額港幣160,000,000元(相等於約人民幣136,000,000元)之可換股債券(「可換股債券I」)予銀元投資有限公司(Bank of China Group Limited之全資附屬公司)。發行可換股債券I之所得款項淨額用於支付應付中國銀行深圳分行之全部未償還款項。可換股債券I乃以擔保及本公司全資附屬公司通聯發展有限公司(「通聯」)的股份押記作抵押。

可換股債券I賦予持有人有權於發行日期I起計三個月或之後至二零一三年十一月三十日(「支付日期I」)前十個營業日期間隨時將可換股債券I按港幣5,000,000元(相等於約人民幣4,250,000元)之倍數轉換為本公司普通股，初始換股價為每股轉換股份港幣0.59元(相等於約人民幣0.50元)(可予調整)。倘可換股債券I尚未獲轉換，則將於支付日期I按面值贖回。每年4厘之利息將每半年派付一次至支付日期I止。

根據可換股債券I認購協議，倘股份於發行日期I之首個及第二個週年日期之前曆月內的數量加權平均價少於適用換股價之85%，則可換股債券I的換股價須於上述週年日期調整。新換股價將被調整至相等於緊隨調整前換股價85%之價格。

於二零一二年六月三十日及二零一一年十二月三十一日，可換股債券I之公允值分別約為港幣180,360,000元(相等於約人民幣147,589,000元)及港幣175,640,000元(相等於約人民幣142,428,000元)，其乃經考慮威格斯(為與本集團並無關連之獨立估值師)利用二項模式進行估值而釐定。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 19. CONVERTIBLE BONDS (Continued)

(a) (Continued)

The fair value of the CB I at the end of the reporting period was calculated using the market value basis. Major parameters adopted in the calculation of the fair value are summarised below:

		30 June 2012 二零一二年 六月三十日	31 December 2011 二零一一年 十二月三十一日
Share price	股份價格	<b>HK\$0.55</b> <b>港幣0.55元</b>	HK\$0.54 港幣0.54元
Conversion price	換股價	<b>HK\$0.59</b> <b>港幣0.59元</b>	HK\$0.59 港幣0.59元
Expected volatility (note i)	預期波幅 (附註i)	<b>55%</b>	48%
Expected life (note ii)	預期有效期 (附註ii)	<b>17 months</b> <b>17個月</b>	23 months 23個月
Risk-free rate (note iii)	無風險比率 (附註iii)	<b>0.168%</b>	0.34%
Expected dividend yield (note iv)	預期股息收益率 (附註iv)	<b>0%</b>	0%

Notes:

- (i) Expected volatility was determined by calculating the historical volatility of the Company's share price.
- (ii) Expected life was the expected remaining life of the option.
- (iii) The risk-free rate is determined by reference to the yield of the Hong Kong Exchange Fund Notes with duration similar to the life of the CB I.
- (iv) The expected dividend yield was based on the historical dividend payment record of the Company.

### 19. 可換股債券 (續)

(a) (續)

於期結日，可換股債券I之公允值乃按市值基準計算。計算公允值所採用的主要參數概括如下：

附註：

- (i) 預期波幅通過計算本公司股份價格之歷史波幅釐定。
- (ii) 預期有效期為換股權之預期餘下有效期。
- (iii) 無風險利率乃參考與可換股債券I具有相近有效年期之香港外匯基金票據收益率釐定。
- (iv) 預期股息收益率根據本公司過往派息記錄釐定。

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### 19. CONVERTIBLE BONDS (Continued)

- (b) On 1 March 2011 ("Issue Date II"), the Company issued convertible bonds ("CB II") in the principal amount of HK\$230,000,000 (equivalent to approximately RMB191,112,000) at zero coupon rate to Seaton Limited ("Seaton"), a connected party of the Group, for the settlement of the consideration payable to Seaton in relation to the acquisition of the entire issued share capital of Armando Investments Limited ("Armando") during the year ended 31 December 2011. Armando is a company incorporated in the British Virgin Islands which holds 25% equity interest in Zhuhai Zhongzhu Real Estate Development Co., Ltd. ("Zhuhai Zhongzhu"). Following the acquisition, the Group holds 75% equity interest in Zhuhai Zhongzhu.

CB II holders are entitled to convert CB II into ordinary shares of the Company at any time on or after three months from the Issue Date II up to ten business days prior to 28 February 2014 (the "Settlement Date II") in multiples of HK\$5,000,000 (equivalent to approximately RMB4,150,000) at an initial conversion price of HK\$0.8115 (equivalent to approximately RMB0.674) (subject to adjustments) per conversion share. If CB II have not been converted, they will be redeemed on Settlement Date II at par.

Pursuant to the CB II subscription agreement, 90% of the applicable conversion price of the CB II shall be adjusted on each of the first and second anniversaries of the Issue Date II if the volume weighted average price of the shares over the preceding 30 days is less than 85% of the applicable conversion price.

The Company may at any time after 12 months of the Issue Date II and before the Settlement Date II with prior notice to the bondholder(s) redeem all, but not some only, of the CB II at 110% of the outstanding principal amount of the CB II.

On 1 March 2012, the conversion price in force of the 2011 CB II has been reset to HK\$0.73035 per conversion share as the volume weighted average of the closing prices of the shares over the preceding 30 trading days of the first anniversary of the date of issue of the CB II is less than 85% of the conversion price, the original conversion price of HK\$0.8115 will be adjusted to be equivalent to 90% of the then applicable conversion price. The details are set out in the announcement of the Company dated 7 March 2012.

### 19. 可換股債券 (續)

- (b) 於二零一一年三月一日(「發行日期II」)，本公司發行本金額港幣230,000,000元(相等於約人民幣191,112,000元)之零票息可換股債券(「可換股債券II」)予成登有限公司(「成登」，本集團關連人士)，以就其於截至二零一一年十二月三十一日止年度內收購Armando Investments Limited(「Armando」)的全部已發行股本向成登支付應付代價。Armando於英屬處女群島註冊成立，持有Zhuhai Zhongzhu Real Estate Development Co., Ltd.(「Zhuhai Zhongzhu」)25%股權權益。收購後，本集團持有Zhuhai Zhongzhu的75%股權權益。

可換股債券II持有人有權於發行日期II起計三個月或之後至二零一四年二月二十八日(「支付日期II」)前十個營業日期間隨時將可換股債券II按港幣5,000,000元(相等於約人民幣4,150,000元)之倍數轉換為本公司普通股，初始換股價為每股轉換股份港幣0.8115元(相等於約人民幣0.674元)(可予調整)。倘可換股債券II尚未獲轉換，則將於支付日期II按面值贖回。

根據可換股債券II認購協議，倘股份於發行日期II之首個及第二個週年日期前30天內的數量加權平均價少於適用換股價之85%，則可換股債券II適用換股價的90%須於上述週年日期調整。

本公司可於發行日期II起計12個月後至支付日期II前隨時向債券持有人發出書面通知，按相當於可換股債券II尚未償還本金額110%之價格贖回全部(惟不可僅贖回部份)可換股債券II。

於二零一二年三月一日，由於股份數量於可換股債券II發行日期II之首個週年前30個交易日之加權平均收市價少於換股價之85%，原換股價港幣0.8115元將被調整至相等於當時換股價之90%，故二零一一年可換股債券II之換股價已重新設定為每股換股股份港幣0.73035元。有關詳情載列於本公司日期為二零一二年三月七日之公告。

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### 19. CONVERTIBLE BONDS (Continued)

#### (b) (Continued)

The fair value of the CB II at 30 June 2012 and at 31 December 2011 is HK\$221,190,000 (equivalent to approximately RMB181,000,000) and HK\$208,200,000 (equivalent to approximately RMB168,832,000) respectively, which is determined taking into account a valuation carried out by Vigers, using the binomial model.

The fair value of the CB II at the inception date and at the end of the reporting period was calculated using the market value basis. Major parameters adopted in the calculation of the fair value are summarised below:

		30 June 2012 二零一二年 六月三十日	31 December 2011 二零一一年 十二月三十一日
Share price	股份價格	HK\$0.55 港幣0.55元	HK\$0.54 港幣0.54元
Conversion price	換股價	HK\$0.8115 港幣0.8115元	HK\$0.8115 港幣0.8115元
Expected volatility (note i)	預期波幅 (附註i)	53%	47%
Expected life (note ii)	預期有效期 (附註ii)	20 months 20個月	26 months 26個月
Risk-free rate (note iii)	無風險比率 (附註iii)	0.179%	0.377%
Expected dividend yield (note iv)	預期股息收益率 (附註iv)	0%	0%

Notes:

- (i) Expected volatility was determined by calculating the historical volatility of the Company's share price.
- (ii) Expected life was the expected remaining life of the option.
- (iii) The risk-free rate is determined by reference to the yield of the Hong Kong Exchange Fund Notes with duration similar to the life of the CB II.
- (iv) The expected dividend yield was based on the historical dividend payment record of the Company.

### 19. 可換股債券 (續)

#### (b) (續)

於二零一二年六月三十日及二零一一年十二月三十一日，可換股債券II之公允值分別為港幣221,190,000元（相等於約人民幣181,000,000元）及港幣208,200,000元（相等於約人民幣168,832,000元），其乃經考慮威格斯利用二項模式進行估值而釐定。

於發行日及期結日，可換股債券II之公允值乃按市值基準計算。計算公允值所採用的主要參數概括如下：

附註：

- (i) 預期波幅通過計算本公司股份價格之歷史波幅釐定。
- (ii) 預期有效期為換股權之預期餘下有效期。
- (iii) 無風險利率乃參考與可換股債券II具有相近有效年期之香港外匯基金票據收益率釐定。
- (iv) 預期股息收益率根據本公司過往派息記錄釐定。

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### 20. CONSIDERATION PAYABLE

### 20. 應付代價

		Notes	30 June 2012	31 December 2011
		附註	二零一二年 六月三十日 RMB'000 人民幣千元	二零一一年 十二月三十一日 RMB'000 人民幣千元
At the beginning of the period/year	於期／年初		44,645	55,133
Exchange realignment	匯兌差額		417	(2,340)
Early settlement	提早償還	(ii)	-	(19,651)
Discount received on early settlement	就提早償還收取之折扣	(ii)	-	(982)
Interest expense charged during the period/year	期／年內利息支出		2,887	18,638
Nominal interest expense charged during the period/year	期／年內名義利息支出		(626)	(147)
Gain on extinguishment of consideration payable	抵銷應付代價之收益	(iii)	-	(6,006)
At the end of the period/year	於期／年結		47,323	44,645
Analysed for reporting purposes as:	以報告為目的分析：			
Current liabilities (note 17)	流動負債 (附註17)		47,323	-
Non-current liabilities	非流動負債		-	44,645
			47,323	44,645

Notes:

- (i) The amounts represented the deferred payment in relation to the acquisition of the entire equity interest in Boom Lotus Holding Limited, and its subsidiaries, Pine Global Holdings Limited and Zhuhai Zhongzhu (collectively refers to as "Boom Lotus Group") in November 2009.

Pursuant to the sales and purchase agreement dated 11 August 2009, the consideration of HK\$343,200,000 (equivalent to approximately RMB302,016,000) ("Cash Consideration") was unsecured, non-interest bearing and originally were payable by the Group on or before 19 November 2011.

- (ii) On 10 March 2011, the Group and the vendor of Boom Lotus Holdings Limited (the "Vendor") entered into a supplementary agreement that Vendor agreed to provide a cash discount of approximately HK\$1,183,000 (equivalent to approximately RMB982,000) to the Group for early settlement of HK\$23,650,000 (equivalent to approximately RMB19,651,000) of the remaining Cash Consideration ("Early Settlement").

附註：

- (i) 該金額為有關二零零九年十一月收購蓮盛控股有限公司及其附屬公司柏宇投資有限公司及珠海中珠房地產開發有限公司(統稱「蓮盛集團」)之全部已發行股本之延遲付款。

根據日期為二零零九年八月十一日之買賣協議，港幣343,200,000元(相等於約人民幣302,016,000元)之代價(「現金代價」)屬非擔保、零利息及原本應由本集團於二零一一年十一月十九日或之前支付。

- (ii) 於二零一一年三月十日，本集團與Boom Lotus Holdings Limited之賣家(「賣家」)簽署一份補充協議。據此賣家同意提供一筆約港幣1,183,000元(相等於約人民幣982,000元)之現金折扣予本集團以作為本集團提早償還餘下現金代價港幣23,650,000元(相等於約人民幣19,651,000元)之折扣(「提早償還」)。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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For the six months ended 30 June 2012  
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### 20. CONSIDERATION PAYABLE (Continued)

Notes: (Continued)

- (iii) On 18 November 2011, the Group and the Vendor entered into a supplementary agreement to extend the repayment period for 15 months from 20 November 2011 to 20 February 2013 for the remaining Cash Consideration of approximately HK\$61,666,000 (equivalent to approximately RMB51,240,000) on 19 November 2011 with nominal interest of 2.5% per annum.

Upon the extension of the repayment period of the consideration payable, the fair value of the consideration reduced to approximately HK\$54,439,000 (equivalent to approximately RMB45,234,000), leading to a gain on extinguishment of consideration payable of approximately HK\$7,227,000 (equivalent to approximately RMB6,006,000) recognised during the year ended 31 December 2011.

- (iv) The effective interest rate of the consideration payable is 12.6% (31 December 2011: 12.6%) per annum.

### 21. SHARE-BASED PAYMENT TRANSACTIONS

A share option scheme was adopted by the Company on 20 January 2003 ("2003 Share Option Scheme"). The 2003 Share Option Scheme was replaced by a new share option scheme adopted by the shareholders on 30 November 2009 ("2009 Share Option Scheme").

The table below discloses movement of the Company's share options held by the Group's directors and employees:

		Number of share options 購股權數目
Outstanding as at 1 January 2012	於二零一二年一月一日尚未行使	27,252,000
Granted during the period	於期內授出	30,000,000
Outstanding as at 30 June 2012	於二零一二年六月三十日尚未行使	57,252,000

The closing price of the Company's shares immediately before 18 January 2012, the date of grant, was HK\$0.52 (equivalent to approximately RMB0.42).

In the current period, 30,000,000 share options were granted on 18 January 2012. The fair value of the options determined at the dates of grant using the Trinomial Option Pricing Model was approximately HK\$4,637,000 (equivalent to approximately RMB3,767,000).

### 20. 應付代價 (續)

附註：(續)

- (iii) 於二零一一年十一月十八日，本集團與賣家簽署一份補充協議，以將餘下現金代價（於二零一一年十一月十九日約為港幣61,666,000元（相等於約人民幣51,240,000元），名義年利率為2.5%）之還款期由二零一一年十一月二十日延長15個月至二零一三年二月二十日。

因應付代價之還款期延長，代價之公允值減至約港幣54,439,000元（相等於約人民幣45,234,000元），因此於截至二零一一年十二月三十一日止年度確認抵銷應付代價之收益約港幣7,227,000元（相等於約人民幣6,006,000元）。

- (iv) 應付代價之實際年利率為12.6%（二零一一年十二月三十一日：12.6%）。

### 21. 以股份為基礎之支付交易

本公司已於二零零三年一月二十日採納一項購股權計劃（「2003年購股權計劃」）。2003年購股權計劃已被二零零九年十一月三十日經股東通過採納之新購股權計劃（「2009年購股權計劃」）取代。

下表披露本集團及僱員持有之本公司購股權之變動：

本公司股份於緊接購股權授出日期二零一二年一月十八日之前之收市價為每股港幣0.52元（相等於約人民幣0.42元）。

本期間內，30,000,000份購股權於二零一二年一月十八日授出。該等購股權於授出日期以三項式模型釐定約為港幣4,637,000元（相等於約人民幣3,767,000元）。



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### 21. SHARE-BASED PAYMENT TRANSACTIONS 21. 以股份為基礎之支付交易 (續)

(Continued)

The following assumptions were used to calculate the fair values of share options:

購股權之公允值計算使用以下假設：

		18 January 2012 二零一二年一月十八日
Grant date share price	授出日期股價	HK\$0.52 港幣0.52元
Exercise price	行使價	HK\$0.52 港幣0.52元
Expected life	預期有效期	3 years 3年
Expected volatility	預期波幅	64.05%
Dividend yield	股息率	0%
Risk-free interest rate	無風險比率	0.475%

The Trinomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

購股權之公允值乃使用三項式模型估算。計算購股權公允值的變數及假設乃以董事的最佳估計為基礎。變數及假設的變動可能改變期權的公允值。

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### 22. COMMITMENTS

#### a) Commitments under operating leases

##### *The Group as lessor*

Property rental income earned for the six months ended 30 June 2012 was approximately RMB3,720,000 (six months ended 30 June 2011: RMB3,729,000). The investment properties generated rental yields of 4.23% (31 December 2011: 4.35%) per annum on an ongoing basis. The investment properties held have committed tenants for the next one year (31 December 2011: one year).

At the end of the reporting period, the Group had contracted with tenants for the following minimum lease payments:

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within one year	一年內	1,537	784
In the second to fifth years inclusive	兩年至五年內 (包括首尾兩年)	37	-
		<b>1,574</b>	784

##### *The Group as lessee*

The Group leases certain of its equipment under operating leases arrangements. Leases are negotiated for a term ranging from one to five years (31 December 2011: one to five years) and rentals are fixed. None of the leases includes contingent rentals and terms of renewal were established in the leases.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which are payable as follows:

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within one year	一年內	21	21
In the second to fifth year inclusive	兩年至五年內 (包括首尾兩年)	29	33
		<b>50</b>	54

### 22. 承擔

#### a) 經營租約承擔

##### *本集團作為出租人*

截至二零一二年六月三十日止六個月內物業租金收入約為人民幣3,720,000元 (截至二零一一年六月三十日止六個月：人民幣3,729,000元)。以持續經營基礎的投資物業所產生的租金年收益率為4.23% (二零一一年十二月三十一日：4.35%)。持有投資物業的租戶承諾在未來一年 (二零一一年十二月三十一日：一年) 繼續租賃。

於期結日，本集團最低應收租約款項如下：

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within one year	一年內	1,537	784
In the second to fifth years inclusive	兩年至五年內 (包括首尾兩年)	37	-
		<b>1,574</b>	784

##### *本集團作為承租人*

本集團以經營租約出租其若干設備。洽談的租賃期介乎一年至五年 (二零一一年十二月三十一日：一年至五年) 而租金已固定。沒有為租賃訂立或然租金，惟租約中已訂明續租條款。

於期結日，本集團可收回之不可取消之經營租賃的最低付款總額如下：

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within one year	一年內	21	21
In the second to fifth year inclusive	兩年至五年內 (包括首尾兩年)	29	33
		<b>50</b>	54

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

### 22. COMMITMENTS (Continued)

#### b) Commitments

At the end of the reporting period, the Group had the following commitments for properties under development:

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Contracted for but not provided in the condensed consolidated financial statements	已訂約但未在簡明綜合財務報表中撥備	41,386	144,746
Authorised but not contracted for	已批准但未訂約	46,544	56,627

### 22. 承擔 (續)

#### b) 承擔

於期結日，本集團在建物業之承擔如下：

### 23. PLEDGE OF ASSETS

At the end of the reporting period, certain assets of the Group were pledged to secure banking facilities granted to the Group as follows:

		30 June 2012 二零一二年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2011 二零一一年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Leasehold land and buildings	租賃土地及樓宇	17,872	17,917
Investment properties	投資物業	-	6,325
Properties under development	在建物業	1,186,281	971,642
Assets classified as held for sale	持作出售資產	6,710	-
		1,210,863	995,884

### 23. 已抵押資產

於期結日，本集團若干資產已抵押予銀行，以獲得銀行借貸如下：

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

For the six months ended 30 June 2012  
截至二零一二年六月三十日止六個月

### 24. CONTINGENT LIABILITIES

- a) On 12 December 2009, the Company received a writ of summons from Global Tide Limited ("Global Tide"). Global Tide brought civil action in the High Court of the Hong Kong Special Administrative Region against the Company for compensation and damages of approximately HK\$8,834,000 (the "Claim") in relation to the disposal of its former wholly-owned subsidiary, Magic Gain Investments Limited. Details of the Claim are set out in the announcement of the Company dated 16 December 2009.

On 31 January 2012, Global Tide filed an amended statement of claim in the High Court. Pursuant to which the claim is revised and reduced to HK\$7,967,000. The Company decided to defend against the Claim and obtained legal advice in respect of the merits of the Claim. The directors of the Company expect that there will not be any material adverse financial effect on the earnings, net assets and liabilities of the Company and its subsidiaries.

- b) The Group provided guarantees amounted to approximately RMB299,805,000 (31 December 2011: RMB266,904,000) for the repayment of the mortgage bank loans granted to purchasers of the Group's properties. Such guarantees will be released by banks upon the delivery of the properties to the purchasers or completion of the relevant mortgage properties registration.

In the opinion of the directors of the Company, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and at the end of the reporting period on the basis of short maturity periods and possibility of low default rate. Accordingly, no value has been recognised in the condensed consolidated statement of financial position as at 30 June 2012 and 31 December 2011.

### 24. 或然負債

- a) 於二零零九年十二月十二日，本公司收悉怡太有限公司（「怡太」）的訴訟狀。怡太於香港特別行政區高等法院向本公司提出約港幣8,834,000元之民事索償（「索償」），有關於出售本公司前全資附屬有限公司Magic Gain Investments Limited。有關索償之詳情列載於本公司日期為二零零九年十二月十六日之公告。

於二零一二年一月三十一日，怡太向高等法院提呈經修訂訴訟狀。據此，有關索償金額被修訂及調低至港幣7,967,000元。本公司決定為此訴訟索償作出辯護及尋找法律意見。本公司董事預計此訴訟不會對本公司及其附屬公司的收益、淨資產及負債造成任何重大負面財務影響。

- b) 本集團已就授予本集團物業買家之按揭銀行貸款之還款責任提供金額約人民幣299,805,000元（二零一一年十二月三十一日：人民幣266,904,000元）之擔保。銀行將會於物業交付買家或於完成有關按揭物業之登記後解除該等擔保。

本公司董事認為，基於有關合同之期限較短且違約率較低，於初步確認時及期結日，本集團之財務擔保合同之公允值並不重大。因此，於二零一二年六月三十日及二零一一年十二月三十一日，並無於簡明綜合財務狀況表中確認有關價值。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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截至二零一二年六月三十日止六個月

### 25. RELATED PARTY AND CONNECTED PARTY TRANSACTIONS

- a) The balances with related parties at the end of the reporting period are disclosed elsewhere in the condensed consolidated financial statements.
- b) On 1 March 2011, the Group completed the acquisition of the entire issued share capital of Armando from Seaton, a connected party of the Group.
- c) The remuneration of directors and other members of key management during the six months ended 30 June 2012 and 2011 are as follows:

### 25. 關連人士交易及關連交易

- a) 於期結日，關連人士交易的餘額已在簡明綜合財務報表披露。
- b) 於二零一一年三月一日，本集團完成自本集團之關連人士成登收購Armando之全部已發行股本。
- c) 董事及其他主要管理人員截至二零一二年及二零一一年六月三十日止六個月之酬金如下：

		For the six months ended 30 June 截至六月三十日止六個月	
		2012 二零一二年 RMB'000 人民幣千元 (unaudited) (未經審核)	2011 二零一一年 RMB'000 人民幣千元 (audited) (經審核)
Salaries and other benefits in kind	薪金及其他實物利益	2,063	2,047
Retirement benefits scheme contributions	退休福利計劃之供款	117	12
		2,180	2,059



China Uptown Group Company Limited  
中國上城集團有限公司