China Gamma Group Limited
中國伽瑪集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號:164

2012
Interim Report
中期報告

INTERIM RESULTS

The board of directors (the "**Board**") of China Gamma Group Limited (the "**Company**") hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (together, the "**Group**") for the six months ended 30 September 2012 together with the comparative figures for the corresponding period in 2011. The unaudited condensed consolidated interim results have been reviewed by the Company's audit committee.

中期業績

中國伽瑪集團有限公司(「**本公司**」)董事會(「**董事會**」)謹此宣布本公司及其附屬公司(統稱「**本集團**」)截至二零一二年九月三十日止六個月之未經審核簡明綜合中期業績，連同二零一一年同期之比較數字。未經審核簡明綜合中期業績已由本公司之審核委員會審閱。

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2012

簡明綜合收益表

截至二零一二年九月三十日止六個月

			Six months ended 30 September 截至九月三十日止六個月	
			2012 二零一二年 (Unaudited) (未經審核)	2011 二零一一年 (Unaudited) (未經審核)
		Notes 附註	**HK$'000 千港元**	HK$'000 千港元
Turnover	營業額	4	**37,099**	13,746
Other revenue and gains, net	其他收入及收益，淨額	4	**10,875**	325
			47,974	14,071
Cost of sales	銷售成本		**(36,730)**	(10,563)
Impairment loss on intangible asset	無形資產之減值虧損		**(81,840)**	—
Amortisation of intangible asset	無形資產攤銷		**(27,239)**	—
Net unrealised losses on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之未變現虧損淨額		**(2,187)**	(3,031)
Net realised losses on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之已變現虧損淨額		**(356)**	(2,027)
Administrative expenses	行政費用		**(28,299)**	(23,625)
Loss from operations	營運虧損	5	**(128,677)**	(25,175)
Finance costs	融資成本		**(22,828)**	(604)
Loss before taxation	除税前虧損		**(151,505)**	(25,779)
Taxation	税項	6	**2,504**	(843)
Loss for the period	本期間虧損		**(149,001)**	(26,622)
Attributable to:	以下人士應佔：			
Equity shareholders of the Company	本公司權益股東		**(92,505)**	(26,322)
Non-controlling interests	非控股權益		**(56,496)**	(300)
			(149,001)	(26,622)
Loss per share attributable to the equity shareholders of the Company during the period	期內本公司權益股東應佔每股虧損	7		
— Basic	— 基本		**(2.74) cents 仙**	(0.83) cents 仙
— Diluted	— 攤薄		**(2.74) cents 仙**	(0.83) cents 仙

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
簡明綜合全面收益表

For the six months ended 30 September 2012
截至二零一二年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2012 二零一二年 (Unaudited) （未經審核） HK$'000 千港元	2011 二零一一年 (Unaudited) （未經審核） HK$'000 千港元
Loss for the period	**本期間虧損**	**(149,001)**	(26,622)
Other comprehensive income:	**其他全面收益：**		
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表產生之匯兑差額	**(7,590)**	3,006
Total comprehensive loss for the period	**本期間全面虧損總額**	**(156,591)**	(23,616)
Attributable to:	**以下人士應佔：**		
Equity shareholders of the Company	本公司權益股東	**(98,256)**	(23,130)
Non-controlling interests	非控股權益	**(58,335)**	(486)
Total comprehensive loss for the period	**本期間全面虧損總額**	**(156,591)**	(23,616)

CONDENSED CONSOLIDATED BALANCE SHEET
簡明綜合資產負債表

At 30 September 2012
於二零一二年九月三十日

		Notes 附註	30 September 2012 二零一二年九月三十日 (Unaudited) （未經審核） HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) （經審核） HK$'000 千港元
Non-current Assets	**非流動資產**			
Property, plant and equipment	物業、廠房及設備		**136,179**	141,156
Land use rights	土地使用權		**17,180**	17,627
Goodwill	商譽		**193,661**	195,129
Intangible asset	無形資產	8	**420,538**	533,785
			767,558	887,697
Current Assets	**流動資產**			
Inventories	存貨		**26,839**	44,599
Properties under development	發展中物業		**—**	43,777
Trade and other receivables	應收貿易及其他賬項	9	**40,316**	42,645
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	10	**60,032**	39,606
Cash and cash equivalents	現金及現金等額項目		**38,895**	18,774
			166,082	189,401
Current Liabilities	**流動負債**			
Trade and other payables	應付貿易及其他賬項	11	**146,863**	165,134
Bank and other borrowings	銀行及其他借貸	12	**—**	9,864
			146,863	174,998
Net Current Assets	**流動資產淨值**		**19,219**	14,403
Total Assets less Current Liabilities	**總資產減流動負債**		**786,777**	902,100
Non-current Liabilities	**非流動負債**			
Amount due to a non-controlling shareholder of a subsidiary	應付附屬公司非控股股東款項		**20,559**	20,330
Bank and other borrowings	銀行及其他借貸	12	**461,892**	424,850
Convertible note	可換股票據		**91,762**	88,848
Deferred taxation	遞延税項		**3,631**	7,659
			577,844	541,687
Net Assets	**資產淨值**		**208,933**	360,413
Equity	**權益**			
Capital and reserves attributable to the Company's equity shareholders:	**本公司權益股東應佔資本及儲備：**			
Share capital	股本	13	**33,787**	33,737
Reserves	儲備		**(15,795)**	77,400
			17,992	111,137
Non-controlling interests	非控股權益		**190,941**	249,276
Total Equity	**權益總額**		**208,933**	360,413

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
簡明綜合權益變動表

For the six months ended 30 September 2012
截至二零一二年九月三十日止六個月

		Attributable to equity shareholders of the Company 本公司權益股東應佔											
		Share capital 股本 HK$'000 千港元	Share premium 股份溢價 HK$'000 千港元	Capital redemption reserve 資本贖回儲備 HK$'000 千港元	Convertible note 可換股票據 HK$'000 千港元	Share options reserve 購股權儲備 HK$'000 千港元	Exchange reserve 匯兑儲備 HK$'000 千港元	Special reserve 特別儲備 HK$'000 千港元	Contributed surplus 繳入盈餘 HK$'000 千港元	Accumulated losses 累計虧損 HK$'000 千港元	Total 總額 HK$'000 千港元	Non-controlling interests 非控股權益 HK$'000 千港元	Total 總額 HK$'000 千港元
At 1 April 2011	於二零一一年四月一日	29,557	605,539	13,878	–	11,156	6,625	78,176	684,966	(1,329,591)	100,306	4,836	105,142
Exchange differences arising from translation of foreign operations recognised directly in equity	直接於權益中確認換算海外業務產生之匯兑差額	–	–	–	–	–	3,192	–	–	–	3,192	(186)	3,006
Loss for the period	本期間虧損	–	–	–	–	–	–	–	–	(26,322)	(26,322)	(300)	(26,622)
Total comprehensive income/(loss) for the period ended 30 September 2011	截至二零一一年九月三十日止期間之全面收益/(虧損)總額	–	–	–	–	–	3,192	–	–	(26,322)	(23,130)	(486)	(23,616)
Exercise of share options	行使購股權	2,680	31,558	–	–	–	–	–	–	–	34,238	–	34,238
Transfer to share premium upon exercise of share options	行使購股權時轉撥至股份溢價	–	6,510	–	–	(6,510)	–	–	–	–	–	–	–
At 30 September 2011	於二零一一年九月三十日	32,237	643,607	13,878	–	4,646	9,817	78,176	684,966	(1,355,913)	111,414	4,350	115,764
At 1 April 2012	**於二零一二年四月一日**	**33,737**	**656,097**	**13,878**	**18,352**	**1,606**	**10,114**	**78,176**	**684,966**	**(1,385,789)**	**111,137**	**249,276**	**360,413**
Exchange differences arising from translation of foreign operations recognised directly in equity	**直接於權益中確認換算海外業務產生之匯兑差額**	**–**	**–**	**–**	**–**	**–**	**(5,751)**	**–**	**–**	**–**	**(5,751)**	**(1,839)**	**(7,590)**
Loss for the period	**本期間虧損**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(92,505)**	**(92,505)**	**(56,496)**	**(149,001)**
Total comprehensive loss for the period ended 30 September 2012	**截至二零一二年九月三十日止期間之全面虧損總額**	**–**	**–**	**–**	**–**	**–**	**(5,751)**	**–**	**–**	**(92,505)**	**(98,256)**	**(58,335)**	**(156,591)**
Share options granted	**授出購股權**	**–**	**–**	**–**	**–**	**4,531**	**–**	**–**	**–**	**–**	**4,531**	**–**	**4,531**
Exercise of share options	**行使購股權**	**50**	**530**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**580**	**–**	**580**
Transfer to share premium upon exercise of share options	**行使購股權時轉撥至股份溢價**	**–**	**134**	**–**	**–**	**(134)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Share options lapsed	**購股權失效**	**–**	**–**	**–**	**–**	**(723)**	**–**	**–**	**–**	**723**	**–**	**–**	**–**
At 30 September 2012	**於二零一二年九月三十日**	**33,787**	**656,761**	**13,878**	**18,352**	**5,280**	**4,363**	**78,176**	**684,966**	**(1,477,571)**	**17,992**	**190,941**	**208,933**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
簡明綜合現金流量表

For the six months ended 30 September 2012
截至二零一二年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2012	2011
		二零一二年	二零一一年
		(Unaudited)	(Unaudited)
		（未經審核）	（未經審核）
		HK$'000	HK$'000
		千港元	千港元
Net cash used in operating activities	經營活動所用現金淨額	**(21,427)**	(32,234)
Net cash generated from (used in) investing activities	投資活動所得(所用)現金淨額	**41,368**	(644)
Net cash generated from financing activities	融資活動所得現金淨額	**393**	33,586
Increase in cash and cash equivalents	現金及現金等額項目增加	**20,334**	708
Cash and cash equivalents at beginning of the period	期初之現金及現金等額項目	**18,774**	19,757
Effect of foreign exchange rate changes	匯率變動之影響	**(213)**	480
Cash and cash equivalents at end of the period	期終之現金及現金等額項目	**38,895**	20,945

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with 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**") and with the Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). The unaudited condensed consolidated interim financial statements have been prepared under the historical cost convention, except for certain financial assets and financial liabilities which are carried at fair value.

2. PRINCIPAL ACCOUNTING POLICIES

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2012.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations issued by the HKICPA, which are effective for the Group's financial year beginning on 1 April 2012.

Amendments to HKFRS 7	Financial instruments: Disclosures — Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets

The adoption of the new or revised Hong Kong Financial Reporting Standards ("**HKFRSs**") had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented.

1. 編製基準

未經審核簡明綜合中期財務報表乃按照香港聯合交易所有限公司證券上市規則(「**上市規則**」)附錄16之適用披露規定及由香港會計師公會(「**香港會計師公會**」)頒布之香港會計準則(「**香港會計準則**」)第34號「中期財務報告」而編製。除若干金融資產及金融負債乃按公平值入賬外，未經審核簡明綜合中期財務報表已按歷史成本法予以編製。

2. 主要會計政策

簡明綜合財務報表所採用之會計政策與編製本集團截至二零一二年三月三十一日止年度之年度財務報表所用者貫徹一致。

在本中期報告期間，本集團首次應用以下由香港會計師公會頒布之新訂及經修訂準則、修訂本及詮釋，並於本集團二零一二年四月一日開始之財政年度生效。

香港財務報告準則第7號的修訂	金融工具：披露—轉讓金融資產
香港會計準則第12號的修訂	遞延税項：收回相關資產

採納新訂或經修訂香港財務報告準則(「**香港財務報告準則**」)並無對本會計期間或過往會計期間之業績及財務狀況之編製及呈列方式構成重大影響。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

The Group has not early adopted the following new or revised standards and amendments that have been issued but are not yet effective.

Amendments to HKFRSs	Annual improvement to HKFRSs 2009–2011 cycle[2]
Amendments to HKFRS 7	Financial instruments: Disclosures – Offsetting financial assets and financial liabilities[2]
Amendments to HKAS 1	Presentation of financial statements – Presentation of items of other comprehensive income[1]
Amendments to HKAS 32	Financial instruments: Presentation – Offsetting financial assets and financial liabilities[3]
HKFRS 9	Financial instruments[4]
HKFRS 10	Consolidated financial statements[2]
HKFRS 11	Joint arrangements[2]
HKFRS 12	Disclosure of interests in other entities[2]
HKFRS 13	Fair value measurement[2]
HKAS 19 (2011)	Employee benefits[2]
HKAS 27 (2011)	Separate financial statements[2]
HKAS 28 (2011)	Investments in associates and joint ventures[2]

[1] *Effective for annual periods beginning on or after 1 July 2012.*
[2] *Effective for annual periods beginning on or after 1 January 2013.*
[3] *Effective for annual periods beginning on or after 1 January 2014.*
[4] *Effective for annual periods beginning on or after 1 January 2015.*

The Group has not early adopted the new HKFRSs that have been issued but not yet effective. The directors of the Company (the "**Directors**") are currently assessing the impact of these new HKFRSs but are not yet in a position to state whether they would have material financial impact on the Group's result of operations and financial position.

2. 主要會計政策(續)

本集團並無提早採納下列已頒布但尚未生效之新訂或經修訂準則及修訂本。

香港財務報告準則的修訂	香港財務報告準則之年度改進二零零九年至二零一一年週期[2]
香港財務報告準則第7號的修訂	金融工具：披露－抵銷金融資產及金融負債[2]
香港會計準則第1號的修訂	財務報表之呈列－其他全面收益項目之呈列[1]
香港會計準則第32號的修訂	金融工具：呈列－抵銷金融資產及金融負債[3]
香港財務報告準則第9號	金融工具[4]
香港財務報告準則第10號	綜合財務報表[2]
香港財務報告準則第11號	聯合安排[2]
香港財務報告準則第12號	披露於其他實體之權益[2]
香港財務報告準則第13號	公平值計量[2]
香港會計準則第19號(二零一一年)	僱員福利[2]
香港會計準則第27號(二零一一年)	獨立財務報表[2]
香港會計準則第28號(二零一一年)	於聯營公司及合營企業之投資[2]

[1] *於二零一二年七月一日或以後開始之年度期間生效。*
[2] *於二零一三年一月一日或以後開始之年度期間生效。*
[3] *於二零一四年一月一日或以後開始之年度期間生效。*
[4] *於二零一五年一月一日或以後開始之年度期間生效。*

本集團並無提早採納已頒布但尚未生效之新訂香港財務報告準則。本公司之董事(「**董事**」)現正評估該等新訂香港財務報告準則之影響，惟於現階段尚未能確定該等香港財務報告準則會否對本集團之營運業績及財務狀況造成重大財務影響。

3. SEGMENT INFORMATION

For management purpose, the Group has three (2011: two) principal lines of businesses namely (1) property business; (2) gamma ray irradiation services; and (3) resources business which, together with other operation, are organised into five (2011: four) major operating divisions — (1) property development, rental and sales; (2) trading of building materials and provision of renovation services; (3) gamma ray irradiation services; (4) rare resources; and (5) securities trading and investment. These divisions are the basis on which the Group reports its primary segment information.

An analysis of the Group's unaudited turnover and segment results by business segments is presented as follows:

3. 分部資料

就管理而言，本集團經營三類（二零一一年：兩類）主要業務，分別為(1)物業業務；(2)伽瑪射線照射服務；及(3)資源業務，而此三類業務連同其他業務則分為五個（二零一一年：四個）主要營運劃分 — (1)物業發展、租賃及銷售；(2)建築材料貿易及提供裝修服務；(3)伽瑪射線照射服務；(4)稀有資源；以及(5)證券買賣及投資。本集團按此等劃分申報主要分部資料。

按業務分部分析之本集團未經審核營業額及分部業績呈列如下：

Business segments
For the six months ended 30 September 2012

業務分部
截至二零一二年九月三十日止六個月

		Property business 物業業務		Gamma ray irradiation services 伽瑪射線照射服務	Resources business 資源業務	Other operation 其他業務	
		Property development, rental and sales 物業發展、租賃及銷售 (Unaudited) (未經審核) HK$'000 千港元	Trading of building materials and provision of renovation services 建築材料貿易及提供裝修服務 (Unaudited) (未經審核) HK$'000 千港元	Gamma ray irradiation services 伽瑪射線照射服務 (Unaudited) (未經審核) HK$'000 千港元	Rare resources 稀有資源 (Unaudited) (未經審核) HK$'000 千港元	Securities trading and investment 證券買賣及投資 (Unaudited) (未經審核) HK$'000 千港元	Total 總計 (Unaudited) (未經審核) HK$'000 千港元
REVENUE	收益						
Turnover	營業額	7,454	13	2,948	26,684	—	37,099
Segment results	分部業績	(133)	(379)	(1,227)	(119,229)	(2,276)	(123,244)
Unallocated other operating income	未分配其他營運收入						6,214
Unallocated corporate expenses	未分配公司開支						(11,647)
Loss from operations	營運虧損						(128,677)
Finance costs	融資成本						(22,828)
Loss before taxation	除稅前虧損						(151,505)
Taxation	稅項						2,504
Loss before non-controlling interests	除非控股權益前虧損						(149,001)

3. SEGMENT INFORMATION (continued) 3. 分部資料（續）

		Property business 物業業務		Gamma ray irradiation services 伽瑪射線照射服務	Resources business 資源業務	Other operation 其他業務	
		Property development, rental and sales 物業發展、租賃及銷售 (Unaudited) （未經審核） HK$'000 千港元	Trading of building materials and provision of renovation services 建築材料貿易及提供裝修服務 (Unaudited) （未經審核） HK$'000 千港元	Gamma ray irradiation services 伽瑪射線照射服務 (Unaudited) （未經審核） HK$'000 千港元	Rare resources 稀有資源 (Unaudited) （未經審核） HK$'000 千港元	Securities trading and investment 證券買賣及投資 (Unaudited) （未經審核） HK$'000 千港元	Consolidated 綜合 (Unaudited) （未經審核） HK$'000 千港元
BALANCE SHEET AT 30 SEPTEMBER 2012	**資產負債表 於二零一二年九月三十日**						
ASSETS	**資產**						
Segment assets	分部資產	41,675	155	74,404	745,857	60,032	922,123
Unallocated corporate assets	未分配公司資產						11,517
Consolidated total assets	綜合資產總值						933,640
LIABILITIES	**負債**						
Segment liabilities	分部負債	30,808	219	16,119	648,664	123	695,933
Unallocated corporate liabilities	未分配公司負債						28,774
Consolidated total liabilities	綜合負債總額						724,707

3. SEGMENT INFORMATION (continued) 3. 分部資料(續)

Business segments 業務分部

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

		Property business 物業業務		Gamma ray irradiation services 伽瑪射線照射服務	Other operation 其他業務	
		Property development, rental and sales 物業發展、租賃及銷售 (Unaudited) (未經審核) HK$'000 千港元	Trading of building materials and provision of renovation services 建築材料貿易及提供裝修服務 (Unaudited) (未經審核) HK$'000 千港元	Gamma ray irradiation services 伽瑪射線照射服務 (Unaudited) (未經審核) HK$'000 千港元	Securities trading and Investment 證券買賣及投資 (Unaudited) (未經審核) HK$'000 千港元	Total 總計 (Unaudited) (未經審核) HK$'000 千港元
REVENUE	收益					
Turnover	營業額	8,653	593	4,500	—	13,746
Segment results	分部業績	(844)	(518)	297	(5,063)	(6,128)
Unallocated other operating income	未分配其他營運收入					1
Unallocated corporate expenses	未分配公司開支					(19,048)
Loss from operations	營運虧損					(25,175)
Finance costs	融資成本					(604)
Loss before taxation	除稅前虧損					(25,779)
Taxation	稅項					(843)
Loss before non-controlling interests	除非控股權益前虧損					(26,622)

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the period (2011: HK$Nil).

上文所呈報之收益指來自外部客戶之收益。於本期間並無分部間銷售(二零一一年:零港元)。

Segment results represents the profit/(loss) earned or incurred by each segment without allocation of central administration costs including directors' salaries, investment and other income, finance costs, and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

分部業績指在未分配中央行政費用(包括董事薪金、投資及其他收入、融資成本及所得稅開支)前,由各分部所賺取或產生之溢利/(虧損)。此為向主要經營決策者呈報以作資源分配及評估分部表現之方法。

3. SEGMENT INFORMATION (continued) 3. 分部資料(續)

		Property business 物業業務		Gamma ray irradiation services 伽瑪射線照射服務	Resources business 資源業務	Other operation 其他業務	
		Property development, rental and sales 物業發展、租賃及銷售 (Audited) (經審核) HK$'000 千港元	Trading of building materials and provision of renovation services 建築材料貿易及提供裝修服務 (Audited) (經審核) HK$'000 千港元	Gamma ray irradiation services 伽瑪射線照射服務 (Audited) (經審核) HK$'000 千港元	Rare resources 稀有資源 (Audited) (經審核) HK$'000 千港元	Securities trading and Investment 證券買賣及投資 (Audited) (經審核) HK$'000 千港元	Consolidated 綜合 (Audited) (經審核) HK$'000 千港元
BALANCE SHEET AT 31 MARCH 2012	**資產負債表 於二零一二年三月三十一日**						
ASSETS	**資產**						
Segment assets	分部資產	64,589	506	69,002	875,363	39,972	1,049,432
Unallocated corporate assets	未分配公司資產						27,666
Consolidated total assets	綜合資產總值						1,077,098
LIABILITIES	**負債**						
Segment liabilities	分部負債	35,776	420	9,965	638,180	123	684,464
Unallocated corporate liabilities	未分配公司負債						32,221
Consolidated total liabilities	綜合負債總額						716,685

3. SEGMENT INFORMATION (continued)

Information about major customers

For the six months ended 30 September 2012, revenues of approximately HK$5,923,000 was derived from sales by property development, rental and sales segment to a customer, revenues of approximately HK$4,627,000, HK$5,275,000 and HK$9,303,000 were derived from sales by rare resources segment to three separate customers, all amounted to 10% or more of the Group's revenues for the period.

For the six months ended 30 September 2011, revenues of approximately HK$2,811,000 and HK$2,480,000, were derived from sales by property development, rental and sales segment to two separate customers, both amounted to 10% or more of the Group's revenues for that period.

3. 分部資料(續)

有關主要客戶之資料

截至二零一二年九月三十日止六個月，約5,923,000港元之收益來自物業發展、租賃及銷售分部向一名客戶作出之銷售，約4,627,000港元、5,275,000港元及9,303,000港元之收益來自稀有資源分部向三名個別客戶作出之銷售，全部皆佔本集團本期間收益之10%或以上。

截至二零一一年九月三十日止六個月，約2,811,000港元及2,480,000港元之收益來自物業發展、租賃及銷售分部向兩名個別客戶作出之銷售，兩者皆佔本集團該期間收益之10%或以上。

4. TURNOVER, OTHER REVENUE AND GAINS, NET

Turnover represents the aggregate of the net amounts received and receivable from third parties during the period. An analysis of the Group's turnover, other revenue and gains, net is as follows:

4. 營業額、其他收入及收益，淨額

營業額指期內自第三方已收及應收款項淨額之總數。本集團營業額、其他收入及收益淨額分析如下：

		Six months ended 30 September 截至九月三十日止六個月	
		2012 二零一二年 (Unaudited) (未經審核) HK$'000 千港元	2011 二零一一年 (Unaudited) (未經審核) HK$'000 千港元
Turnover	**營業額**		
Property development, rental and sales	物業發展、租賃及銷售	**7,454**	8,653
Trading of building materials and provision of renovation services	建築材料貿易及提供裝修服務	**13**	593
Gamma ray irradiation services	伽瑪射線照射服務	**2,948**	4,500
Rare resources	稀有資源	**26,684**	—
		37,099	13,746
Other revenue and gains, net	**其他收入及收益，淨額**		
Other income	其他收入	**6,624**	325
Gain on disposal of subsidiaries	出售附屬公司收益	**1,557**	—
Exchange gain	匯兑收益	**2,694**	—
		10,875	325
		47,974	14,071

5. LOSS FROM OPERATIONS

5. 營運虧損

		Six months ended 30 September 截至九月三十日止六個月	
		2012 **二零一二年** **(Unaudited)** **（未經審核）** **HK$'000** **千港元**	2011 二零一一年 (Unaudited) （未經審核） HK$'000 千港元
Amortisation of land use rights	土地使用權攤銷	**297**	238
Amortisation of intangible asset	無形資產攤銷	**27,239**	—
Impairment loss of intangible asset	無形資產之減值虧損	**81,840**	—
Cost of sales#	銷售成本#	**36,730**	10,563
Write-down inventories	存貨撇減	**7,643**	—
Depreciation of property, plant and equipment#	物業、廠房及設備折舊#	**5,375**	2,356
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	**—**	1
Interest income	利息收入	**(17)**	(13)

Cost of sales includes HK$2,048,000 (2011: HK$2,055,000) relating to depreciation expenses, which amount is also included in the respective total amounts disclosed separately above.

銷售成本包括與折舊開支有關之2,048,000港元（二零一一年：2,055,000港元），該款項亦計入上述個別披露之各自總額。

6. TAXATION

No provision for Hong Kong Profits Tax has been made in the financial statements as the Company and its subsidiaries in Hong Kong have no assessable profits for the six months ended 30 September 2011 and 2012 respectively. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rate of taxation prevailing in the countries in which the Group operates.

The amount of income tax expense in the condensed consolidated income statement represents:

6. 稅項

由於本公司及其香港附屬公司分別於截至二零一一年及二零一二年九月三十日止六個月均無應課稅溢利，故並無於財務報表作出香港利得稅撥備。海外溢利之稅項乃根據本集團營運所在國家之現行稅率按本期間之估計應課稅溢利計算。

簡明綜合收益表中所得稅開支之金額指：

		Six months ended 30 September 截至九月三十日止六個月	
		2012 二零一二年 (Unaudited) （未經審核） HK$'000 千港元	2011 二零一一年 (Unaudited) （未經審核） HK$'000 千港元
Current taxation	**本期稅項**		
Overseas Tax	海外稅項		
— Provision for the period	— 本期間撥備	**91**	221
Deferred taxation	**遞延稅項**		
— Origination and reversal of temporary differences	— 暫時差異之產生及撥回	**(2,595)**	622
Income tax (credit)/charge	**所得稅（抵免）╱支出**	**(2,504)**	843

7. LOSS PER SHARE

The calculation of basic loss per share for the six months ended 30 September 2012 is based on the loss for the period attributable to the equity shareholders of the Company of approximately HK$92,505,000 (2011: HK$26,322,000) and on the weighted average number of 3,374,227,938 shares (2011: 3,160,080,395 shares) in issue during the period.

The calculation of diluted loss per share for the six months ended 30 September 2012 and 30 September 2011 has not included the potential effect of share options outstanding and the deemed conversion of the convertible note into ordinary shares as they have an anti-dilutive effect on the basic loss per share for the respective period.

7. 每股虧損

截至二零一二年九月三十日止六個月之每股基本虧損乃根據本公司權益股東應佔期內虧損約92,505,000港元（二零一一年：26,322,000港元）及期內已發行股份之加權平均數3,374,227,938股（二零一一年：3,160,080,395股）計算。

計算截至二零一二年九月三十日及二零一一年九月三十日止六個月之每股攤薄虧損時並無計及未行使購股權及可換股票據被視作轉換為普通股之潛在影響，原因為其對各期間之每股基本虧損具反攤薄影響。

8. INTANGIBLE ASSET 8. 無形資產

The Group 本集團

		HK$'000 千港元
COST	**成本**	
At 1 April 2011	於二零一一年四月一日	—
Arising on acquisition of a subsidiary	因收購附屬公司產生	547,472
At 31 March 2012	於二零一二年三月三十一日	547,472
At 1 April 2012	**於二零一二年四月一日**	**547,472**
Exchange realignment	**匯兌調整**	**(4,685)**
At 30 September 2012	**於二零一二年九月三十日**	**542,787**
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSS	**累計攤銷及減值虧損**	
At 1 April 2011	於二零一一年四月一日	—
Amortisation for the year	本年度攤銷	13,537
Exchange realignment	匯兌調整	150
At 31 March 2012	於二零一二年三月三十一日	13,687
At 1 April 2012	**於二零一二年四月一日**	**13,687**
Amortisation for the period	**本期間攤銷**	**27,239**
Impairment loss	**減值虧損**	**81,840**
Exchange realignment	**匯兌調整**	**(517)**
At 30 September 2012	**於二零一二年九月三十日**	**122,249**
NET BOOK VALUE	**賬面淨值**	
At 31 March 2012	於二零一二年三月三十一日	533,785
At 30 September 2012	**於二零一二年九月三十日**	**420,538**

The intangible asset relates to the technical know-how technology to convert rare earth concentrates into a variety of rare earth products.

The technical know-how has a finite useful life and is amortised on a straight-line basis over its estimated useful life of 10 years.

無形資產與將稀土精礦轉化為各種稀土產品之技術訣竅有關。

技術訣竅具有限使用年期，根據直線基準按其估計使用年期10年攤銷。

8. INTANGIBLE ASSET (continued)

In accordance with the Group's accounting policies, the Group has assessed the recoverable amount of the technical know-how based on value-in-use calculations, which uses cash flow projections based on financial budgets approved by the management covering the 10-year operation period of the business with discount rate of 20.22% per annum. The discount rate used reflects specific risk relating to the rare resources industry.

For the purpose of impairment test, the recoverable amount as at 30 September 2012 has been assessed by reference to a valuation prepared by Roma Appraisals Limited, an independent valuer, determined based on the value-in-use calculations. As the recoverable amount is less than its carrying amount as at 30 September 2012, accordingly an impairment of approximately of HK$81,840,000 (2011: HK$Nil) was charged to the profit and loss. The circumstances leading to the impairment was mainly due to recent changes in the market situation e.g. price drop, decrease in demand, PRC government policies controlling the supply of rare earth raw materials etc., particularly since August 2012, the whole rare earth industry has been disrupted.

8. 無形資產（續）

根據本集團之會計政策，本集團已根據使用價值計算法（其使用經管理層批准涵蓋10年業務營運期間之財務預算之現金流量預測）評估技術訣竅之可收回金額，而貼現率為每年20.22%。所採用之貼現率反映與稀有資源行業相關之特定風險。

就減值測試而言，本集團已參考獨立估值師羅馬國際評估有限公司進行之估值，使用價值計算法評估於二零一二年九月三十日之可收回金額。由於二零一二年九月三十日之可收回金額少於其賬面值，故損益已計入減值約81,840,000港元（二零一一年：零港元）。該減值乃主要由於近期（尤其是自二零一二年八月起）市況出現變動（例如價格下跌、需求減少、稀土原材料之供應受中國政府政策控制等），以致整個稀土行業產生亂象。

9. TRADE AND OTHER RECEIVABLES

9. 應收貿易及其他賬項

		THE GROUP 本集團	
		30 September 2012 二零一二年九月三十日 (Unaudited) （未經審核） HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) （經審核） HK$'000 千港元
Trade receivables	應收貿易賬項	**3,108**	3,491
Less: allowance for impairment	*減*：減值撥備	**2,632**	2,632
Trade receivables, net	應收貿易賬項淨值	**476**	859
Other receivables and prepayments	其他應收賬項及預付款項	**39,840**	41,786
		40,316	42,645

In the opinion of the Directors, all of the above trade and other receivables are expected to be recovered or recognised as expense within one year.

The Directors consider that the carrying amounts of trade and other receivables approximate to their fair values.

董事認為，上述所有應收貿易及其他賬項預計可於一年內收回或確認為開支。

董事認為應收貿易及其他賬項之賬面值與其公平值相若。

9. TRADE AND OTHER RECEIVABLES (continued)

9. 應收貿易及其他賬項(續)

The Group allows an average credit period of 60 days to 90 days to its trade customers. The ageing analysis of the Group's trade receivables, based on the invoice date and net of allowances, is as follows:

本集團給予其貿易客戶平均介乎60日至90日之信貸期。本集團基於發票日期及扣除撥備額之應收貿易賬項之賬齡分析如下：

		THE GROUP 本集團	
		30 September 2012 二零一二年九月三十日 (Unaudited) (未經審核) HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) (經審核) HK$'000 千港元
Up to 30 days	30日內	**250**	627
31 to 90 days	31至90日	**221**	231
91 to 365 days	91至365日	**5**	1
		476	859

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

10. 按公平值計入損益之金融資產

		THE GROUP 本集團	
		30 September 2012 二零一二年九月三十日 (Unaudited) (未經審核) HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) (經審核) HK$'000 千港元
Listed securities held for trading:	持作買賣之上市證券：		
— Equity securities – Hong Kong	— 股本證券 – 香港	**60,030**	39,606
— Equity securities – Overseas	— 股本證券 – 海外	**2**	—
Market value of listed securities	上市證券市值	**60,032**	39,606

11. TRADE AND OTHER PAYABLES

11. 應付貿易及其他賬項

		THE GROUP 本集團	
		30 September 2012 二零一二年九月三十日 (Unaudited) (未經審核) HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) (經審核) HK$'000 千港元
Trade payables	應付貿易賬項	**39,710**	35,425
Other payables and accruals	其他應付賬項及應計款項	**107,153**	129,709
		146,863	165,134

In the opinion of the Directors, all of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

董事認為，所有應付貿易及其他賬項預計可於一年內支付或確認為收入或應要求償還。

The Directors consider that the carrying amounts of trade and other payables approximate to their fair values.

董事認為應付貿易及其他賬項之賬面值與其公平值相若。

The ageing analysis of the Group's trade payables is as follows:

本集團應付貿易賬項之賬齡分析如下：

		THE GROUP 本集團	
		30 September 2012 二零一二年九月三十日 (Unaudited) (未經審核) HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) (經審核) HK$'000 千港元
Up to 30 days	30日內	**2**	10,440
31 to 90 days	31至90日	**1**	6,271
Over 90 days	超過90日	**39,707**	18,714
		39,710	35,425

12. BANK AND OTHER BORROWINGS　12. 銀行及其他借貸

		THE GROUP 本集團 30 September 2012 二零一二年九月三十日 (Unaudited) (未經審核) HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) (經審核) HK$'000 千港元
Current	**流動**		
Bank borrowing — secured	銀行借貸 – 有抵押	—	9,864
Non-current	**非流動**		
Bank borrowings — secured	銀行借貸 – 有抵押	**9,780**	—
Other borrowings — unsecured *(Note)*	其他借貸 – 無抵押*(附註)*	**452,112**	424,850
Total borrowings	借貸總額	**461,892**	434,714

		THE GROUP 本集團 30 September 2012 二零一二年九月三十日 (Unaudited) (未經審核) HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) (經審核) HK$'000 千港元
Bank borrowing repayable	**應償還銀行借貸**		
Within one year	一年內	—	9,864
In the second year	第二年	**9,780**	—
		9,780	9,864
Other borrowings repayable	**應償還其他借貸**		
Within one year	一年內	—	—
In the second year *(Note)*	第二年*(附註)*	**452,112**	424,850
		452,112	424,850
Total bank and other borrowings	銀行及其他借貸總額	**461,892**	434,714

Note: At 30 September 2012 and 31 March 2012, other borrowings include two loans obtained by a wholly-owned subsidiary from independent third parties amounting to RMB180,000,000 and RMB76,000,000 respectively, both are due for repayment in full in December 2013.

附註：於二零一二年九月三十日及二零一二年三月三十一日，其他借貸包括一間全資附屬公司自獨立第三方獲得之兩份貸款，分別為數人民幣180,000,000元及人民幣76,000,000元，兩份貸款均須於二零一三年十二月到期悉數償還。

13. SHARE CAPITAL

13. 股本

		Number of shares 股份數目	Amount 金額 HK$'000 千港元
Ordinary shares of HK$0.01 each	每股面值0.01港元之普通股		
AUTHORISED	**法定**		
At 31 March 2012 and 30 September 2012	於二零一二年三月三十一日及二零一二年九月三十日	15,000,000,000	150,000
ISSUED AND FULLY PAID	**已發行及繳足**		
At 31 March 2012	於二零一二年三月三十一日	3,373,681,490	33,737
Issuance upon exercise of share options	行使購股權時發行	5,000,000	50
At 30 September 2012	**於二零一二年九月三十日**	3,378,681,490	33,787

14. DISPOSAL OF SUBSIDIARIES

On 17 August 2012, the Group completed the disposal of its entire issued share capital of Unique Gold Investments Limited and 重慶鳳弘吉實業有限責任公司 (Chongqing Feng Hong Ji Enterprise Company Limited*) (the "**Project Company**") for a consideration of RMB10,000,000 (equivalent to approximately HK$12,240,000). In addition, when the sale and purchase agreement has been entered into, the purchaser shall pay RMB25,000,000 (equivalent to approximately HK$30,600,000) to the Project Company to settle and repay the current debts and other relevant debts between 重慶旭日房地產開發有限公司 (Chongqing Sunrise Property Development Company Limited*) (the "**Sunrise Debts**").

14. 出售附屬公司

於二零一二年八月十七日，本集團以代價人民幣10,000,000元（相當於約12,240,000港元）完成出售其於錦元投資有限公司及重慶鳳弘吉實業有限責任公司（「**項目公司**」）之全部已發行股本。此外，當訂立買賣協議後，買方須向項目公司支付人民幣25,000,000元（相當於約30,600,000港元），以清償及償還重慶旭日房地產開發有限公司與項目公司間之往來賬款及其他相關債務（「**旭日債務**」）。

14. DISPOSAL OF SUBSIDIARIES (continued) 14. 出售附屬公司（續）

The net assets at the date of disposal: 於出售日期之淨資產：

		HK$'000 千港元
Property, plant and equipment	物業、廠房及設備	18
Property under development	發展中物業	43,481
Bank balances and cash	銀行結餘及現金	104
Other payables and accruals	其他應付賬項及應計款項	(30,601)
Deferred tax	遞延稅項	(1,380)
Net assets	淨資產	11,622
Gain on disposal of subsidiaries:	**出售附屬公司之收益：**	
Cash consideration	現金代價	12,240
Net assets disposed of	出售之淨資產	(11,622)
Cumulative exchange differences in respect of the net assets of the subsidiaries reclassified from equity to profit or loss on disposal	附屬公司之淨資產於出售時由權益重新分類為損益有關之累計匯兑差額	939
Gain on disposal	出售收益	1,557
Net cash inflow arising on disposal:	**出售產生之現金流入淨額：**	
Cash consideration	現金代價	12,240
The Sunrise Debts	旭日債務	30,600
Total proceeds	所得款項總額	42,840
Bank balances and cash disposed of	出售之銀行結餘及現金	(104)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	出售附屬公司有關之現金及現金等額項目流入淨額	42,736

The subsidiaries disposed of during the six months ended 30 September 2012 contributed HK$Nil to the Group's turnover and loss of approximately HK$683,000 to the Group's loss from operations for the six months ended 30 September 2012.

於截至二零一二年九月三十日止六個月內所出售之附屬公司為本集團之營業額貢獻零港元，且為本集團於截至二零一二年九月三十日止六個月之營運虧損帶來虧損約683,000港元。

15. CONTINGENT LIABILITIES

(a) At 30 September 2012, the Company had given guarantees to two lenders in respect of other borrowings utilised by a subsidiary to an extent of RMB256,000,000 (equivalent to approximately HK$312,958,000) (31 March 2012: RMB256,000,000 (equivalent to approximately HK$315,193,000)). The Directors do not consider it probable that a claim will be made against the Company under any of the guarantees. The maximum liability of the Company at 30 September 2012 under the guarantees by the Company is the aggregate amount of the borrowings drawn down by the subsidiary. In the opinion of the Directors, the fair value of these guarantees is not significant.

15. 或然負債

(a) 於二零一二年九月三十日，本公司就一間附屬公司動用之其他借貸向兩名貸方作出人民幣256,000,000元（相當於約312,958,000港元）（二零一二年三月三十一日：人民幣256,000,000元（相當於約315,193,000港元））之擔保。董事認為，根據任何該等擔保向本公司作出索償之可能性不大。於二零一二年九月三十日，本公司根據有關擔保之最高負債為該附屬公司提取之借貸總額。董事認為，此等擔保之公平值並不重大。

15. CONTINGENT LIABILITIES (continued)

(b) The Company had contingent liabilities in respect of financial support given to certain subsidiaries which have capital deficiencies to allow them to continue as a going concern and to meet their liabilities as and when they fall due.

(c) Other than those mentioned in (a) above, the Group had no other significant contingent liabilities as at both balance sheet dates.

15. 或然負債（續）

(b) 本公司向若干資金短缺之附屬公司提供財務援助，以使該等附屬公司能持續經營及償還到期之負債，本公司因而須承擔或然負債。

(c) 除上文(a)項所述者外，於兩個結算日，本集團並無其他重大或然負債。

16. CAPITAL COMMITMENTS

At 30 September 2012, the Group had capital commitments contracted for but not provided for in the consolidated financial statements in respect of the purchase of plant and machinery amounting to approximately HK$367,000 (31 March 2012: approximately HK$678,000).

The Company had no significant capital commitments as at both balance sheet dates.

16. 資本承擔

於二零一二年九月三十日，本集團就購買廠房及機器有已訂約但未於綜合財務報表撥備的資本承擔約367,000港元（二零一二年三月三十一日：約678,000港元）。

於兩個結算日，本公司並無重大資本承擔。

17. OPERATING LEASE COMMITMENTS

The Group as lessee

The Group made minimum lease payments of approximately HK$2,917,000 (2011: approximately HK$2,670,000) under operating leases in respect of office premises during the period.

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

17. 經營租約承擔

本集團作為承租人

本集團期內根據就寫字樓物業訂立之經營租約作出最低租約付款約2,917,000港元（二零一一年：約2,670,000港元）。

於結算日，本集團須按不可撤銷經營租約承擔未來最低租約付款，租約屆滿年期如下：

		THE GROUP 本集團	
		30 September 2012 二零一二年九月三十日 (Unaudited) （未經審核） HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) （經審核） HK$'000 千港元
Within one year	一年內	**2,540**	2,731
In the second to fifth year inclusive	第二至第五年（包括首尾兩年）	**48**	116
		2,588	2,847

Operating lease payments represent rentals payable by the Group for certain of its office premises and warehouses. Leases are negotiated and fixed for an average term of one to three years.

經營租約付款指本集團就其若干寫字樓物業及倉庫之應付租金。租約年期平均協定為一至三年。

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

18. 與關連人士之交易及結餘

During the period, the Group had significant transactions with the following related parties, together with balances with them as at the balance sheet date, details of which are as follows:

期內，本集團與以下關連人士進行重大交易，連同於結算日與彼等之結餘，詳情如下：

		Six months ended 30 September 截至九月三十日止六個月	
		2012 二零一二年 (Unaudited) （未經審核） HK$'000 千港元	2011 二零一一年 (Unaudited) （未經審核） HK$'000 千港元
Key management compensation of the Group:	本集團主要管理人員薪酬：		
Fees, salaries and other short-term employee benefits	袍金、薪金及其他短期僱員福利	**570**	559
Pension scheme contributions	退休計劃供款	**6**	4
		576	563
Substantial shareholder:	主要股東：		
Interest on convertible note	可換股票據之利息	**522**	—

		30 September 2012 二零一二年九月三十日 (Unaudited) （未經審核） HK$'000 千港元	31 March 2012 二零一二年三月三十一日 (Audited) （經審核） HK$'000 千港元
Substantial shareholder:	主要股東：		
Subscription of convertible note	認購可換股票據	**105,000**	105,000
A company controlled by a substantial shareholder:	由主要股東控制之公司：		
Other borrowing	其他借貸	**56,235**	56,636

Save as disclosed above, there were no other significant transactions with related parties during the period or significant balances with them at the end of the period.

除上文披露者外，期內並無與關連人士進行其他重大交易，且於期終亦無與彼等之重大結餘。

FINANCIAL REVIEW

For the six months ended 30 September 2012 (the "**Interim Period**"), the Group recorded a turnover of HK$37,099,000 (six months ended 30 September 2011: HK$13,746,000), representing an increase of 170% compared with previous corresponding period. The increase was mainly attributable to the contribution from rare earth refinery and processing business which began trial production in February 2012. During the Interim Period, the Group also recorded a transaction proceed of disposing subsidiaries holding properties in China amounted to HK$42,840,000.

Loss from operations for the period was HK$128,677,000 (six months ended 30 September 2011: HK$25,175,000). Net loss attributable to equity shareholders of the Company for the period increased to HK$92,505,000 (six months ended 30 September 2011: HK$26,322,000), which was mainly attributable to the recognition of an impairment loss of HK$81,840,000 and the amortisation of HK$27,239,000 of the intangible asset of the rare earth refinery and processing business (six months ended 30 September 2011: HK$Nil).

As at 30 September 2012, the unaudited total assets and net assets of the Group were HK$933,640,000 and HK$208,933,000 (31 March 2012: HK$1,077,098,000 and HK$360,413,000) respectively. The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2012.

BUSINESS REVIEW

During the period under review, the Group is mainly engaged in property business, gamma ray irradiation services and resources business.

Property Business

The Group's property business includes property development, rental and sales and trading of building materials and provision of renovation services. Total proceed generated from our property business was HK$50,307,000 (six months ended 30 September 2011: HK$9,246,000) including the proceed of disposing subsidiaries holding properties in China, turnover of property development, rental and sales and trading of building materials and provision of renovation services, which was approximately HK$42,840,000, HK$7,454,000 and HK$13,000 for the period (six months ended 30 September 2011: HK$Nil, HK$8,653,000 and HK$593,000) respectively. Segment loss for property development, rental and sales and trading of building materials and provision of renovation services narrowed down to HK$133,000 and HK$379,000 (six months ended 30 September 2011: HK$844,000 and HK$518,000) respectively.

財務回顧

截至二零一二年九月三十日止六個月(「**中期報告期間**」)，本集團錄得營業額37,099,000港元(截至二零一一年九月三十日止六個月：13,746,000港元)，較去年同期增加170%，主要由於稀土深加工業務於二零一二年二月開始試產帶來收益所致。於中期報告期間，本集團亦錄得出售於中國持有物業之附屬公司之交易所得款項42,840,000港元。

本期間之營運虧損為128,677,000港元(截至二零一一年九月三十日止六個月：25,175,000港元)。本期間之本公司權益股東應佔虧損淨額升至92,505,000港元(截至二零一一年九月三十日止六個月：26,322,000港元)，主要由於確認減值虧損81,840,000港元，以及稀土深加工業務之無形資產攤銷27,239,000港元(截至二零一一年九月三十日止六個月：零港元)所致。

於二零一二年九月三十日，本集團之未經審核總資產及淨資產分別為933,640,000港元及208,933,000港元(二零一二年三月三十一日：1,077,098,000港元及360,413,000港元)。董事會不建議就截至二零一二年九月三十日止六個月派付任何中期股息。

業務回顧

於回顧期間，本集團主要從事物業業務、伽瑪射線照射服務及資源業務。

物業業務

本集團之物業業務包括物業發展、租賃及銷售以及建築材料貿易及提供裝修服務。本集團物業業務產生之所得款項總額為50,307,000港元(截至二零一一年九月三十日止六個月：9,246,000港元)，包括出售於中國持有物業之附屬公司之所得款項、物業發展、租賃及銷售以及建築材料貿易及提供裝修服務之營業額，於期內分別約為42,840,000港元、7,454,000港元及13,000港元(截至二零一一年九月三十日止六個月：零港元、8,653,000港元及593,000港元)。物業發展、租賃及銷售以及建築材料貿易及提供裝修服務之分部虧損分別收窄至133,000港元及379,000港元(截至二零一一年九月三十日止六個月：844,000港元及518,000港元)。

The growth of property market in the PRC slowed down in recent years in view of the macro economic control measures imposed by the government. In light of the uncertainty of market conditions, in August the Group took the opportunity to transact its properties under development which located in Chongqing, the PRC through disposing Unique Gold Investments Limited and 重慶鳳弘吉實業有限責任公司 (Chongqing Feng Hong Ji Enterprise Company Limited*). The Group initially planned to develop this property into high-rise residential properties with ancillary commercial shops, recreational facilities and car park lots. In consideration of a favourable offer, the Group decided to realize the value from this property under development. The disposal realized a total proceed of RMB35,000,000 (equivalent to approximately HK$42,840,000) and recognized a gain of approximately HK$1,557,000. The Group believes the transaction could allow it to be more flexible in exploring other opportunities in property development and investment.

近年中國物業市場之發展因政府實施宏觀經濟調控措施而放緩。鑑於市況不明朗，本集團於八月把握機會，透過出售錦元投資有限公司及重慶鳳弘吉實業有限責任公司，出售其位於中國重慶市之發展中物業。本集團原計劃將此物業發展為附設商店、娛樂設施及停車場配套之住宅大廈。考慮到作價可觀，本集團決定變現此發展中物業之價值。有關出售變現所得款項總額人民幣35,000,000元（相當於約42,840,000港元）及確認收益約1,557,000港元。本集團認為，本集團可透過此交易更靈活探索其他物業發展及投資之商機。

Against stable policy backdrops, the property market has turned more stable recently. The primary housing transaction volumes started to improve while property prices in some major cities rebounded. Looking ahead, the Group will continue to explore opportunities in property development and investment in China, particularly in Chongqing and Sichuan, to leverage on our expertise and experience in the PRC property market.

在穩定政策下，物業市場最近已轉趨穩定。一手住房成交量開始有所改善，若干主要城市之樓價亦出現反彈。展望未來，本集團將繼續於中國（尤其於重慶市及四川）物色物業發展及投資的良機，以充分利用本集團於中國物業市場之專業知識及經驗。

Gamma Ray Irradiation Services

Gamma ray irradiation is a proven effective means of cold pasteurization of food and sterilization of medical products. It becomes more popular in modernized countries. The Group believes there will be long term sustainable growth in this industry despite moderate competition may happen in the short term.

伽瑪射線照射服務

伽瑪射線照射在食品低溫殺菌及醫療產品消毒上已獲證實為一種有效方法，更廣泛應用於現代化國家。本集團相信，儘管短期內或會出現適度競爭，長遠而言，此行業將可持續增長。

The Group's gamma ray irradiation business is conducted through 淄博利源高科輻照技術有限公司 (Zibo Liyuan Gamma Ray Technologies Co. Limited*), a 80% owned subsidiary of the Group which is licensed by Ministry of Environmental Protection of the PRC for provisioning of irradiation services by utilizing gamma ray technologies. Turnover generated from the gamma ray irradiation services in the Interim Period was approximately HK$2,948,000 (six months ended 30 September 2011: HK$4,500,000). This segment reported a loss of approximately HK$1,227,000 (six months ended 30 September 2011: profit of HK$297,000). During the period under review, an increase in competition which resulted in a decline in margins amidst weaker market demand has affected the operating performance of the business. The Group will continue to improve its operation and production efficiency through enhancing the production flow and logistics and streamlining business operations. In addition, the Group will increase its marketing efforts, including participating in related industry conferences and exhibitions, as well as conducting more promotions to expand customer base and market share.

本集團之伽瑪射線照射業務乃透過本集團擁有80%權益之附屬公司淄博利源高科輻照技術有限公司進行，該公司已獲中國環境保護部發出許可證，可應用伽瑪射線技術提供照射服務。於中期報告期間，伽瑪射線照射服務之營業額約為2,948,000港元（截至二零一一年九月三十日止六個月：4,500,000港元）。此分部錄得虧損約1,227,000港元（截至二零一一年九月三十日止六個月：溢利297,000港元）。於回顧期間，在市場需求疲弱之情況下，競爭加劇導致利潤率下降，影響業務之營運表現。本集團將繼續透過改善生產流程及物流，並優化業務運作，以提升其營運及生產效率。此外，本集團將加大營銷力度，包括參與相關產業會議及展覽，並進行更多推廣，以擴大客戶基礎及增加市場份額。

Resources Business

The Group's resources division has been exploring and expanding into resources business with great potentials and applications in various industries in China and other regions.

資源業務

本集團之資源部門一直於中國及其他地區之各行各業中探尋及拓展具有龐大發展潛力及重要應用之資源業務。

During the period under review, the Group has further strengthened its talent base in the resources division and established various sub-divisions with dedicated focus on different segment of the value chain of the resources industry. The division strives for becoming one of the key players in upstream, midstream and downstream businesses and a full vertically integrated player in the industry.

於回顧期間，本集團進一步鞏固其資源部門之人才基礎，並成立多個屬下部門，專注於資源行業價值鏈中的不同環節。此部門致力成為上游、中游及下游業務之主要參與者之一，以及一個完全垂直整合之業者。

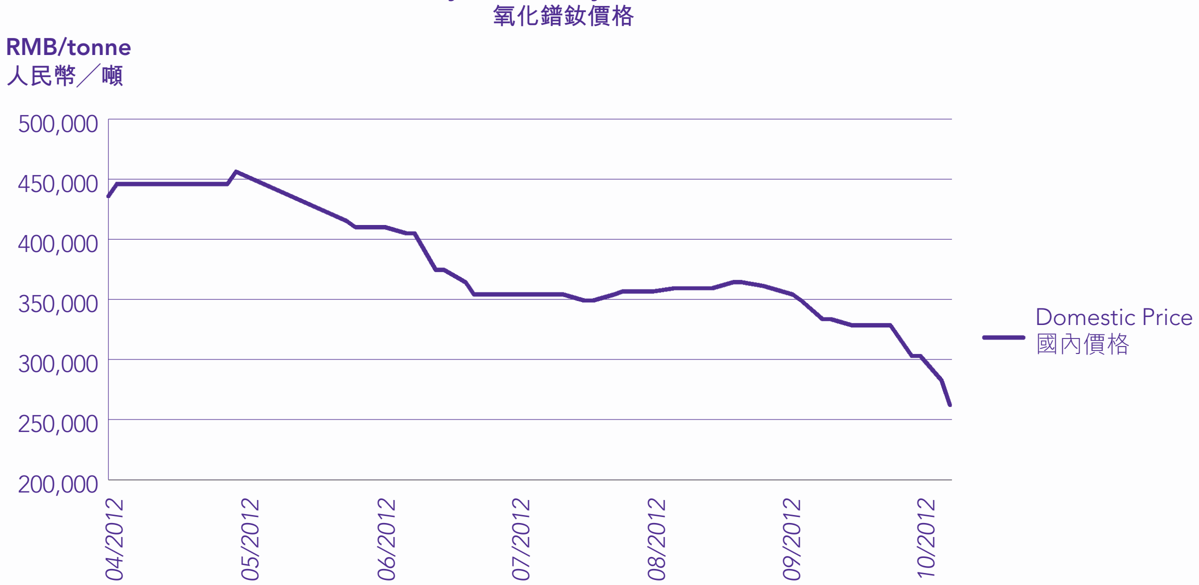
We started with midstream business in the resources industry and our first project is related to rare earth refinery and processing business in China. It is conducted through 冕寧縣茂源稀土科技有限公司 (Mianning Mao Yuan Rare Earth Technology Company Limited), a 54% owned subsidiary of the Group, which operates a major rare earth refinery and processing plant situated in Mianning, Sichuan province.

本集團於資源行業開展中游業務，其首個項目與中國之稀土深加工業務有關。該項目乃透過本集團擁有54%權益之附屬公司冕寧縣茂源稀土科技有限公司進行，該附屬公司於四川省冕寧縣經營一家主要稀土深加工廠。

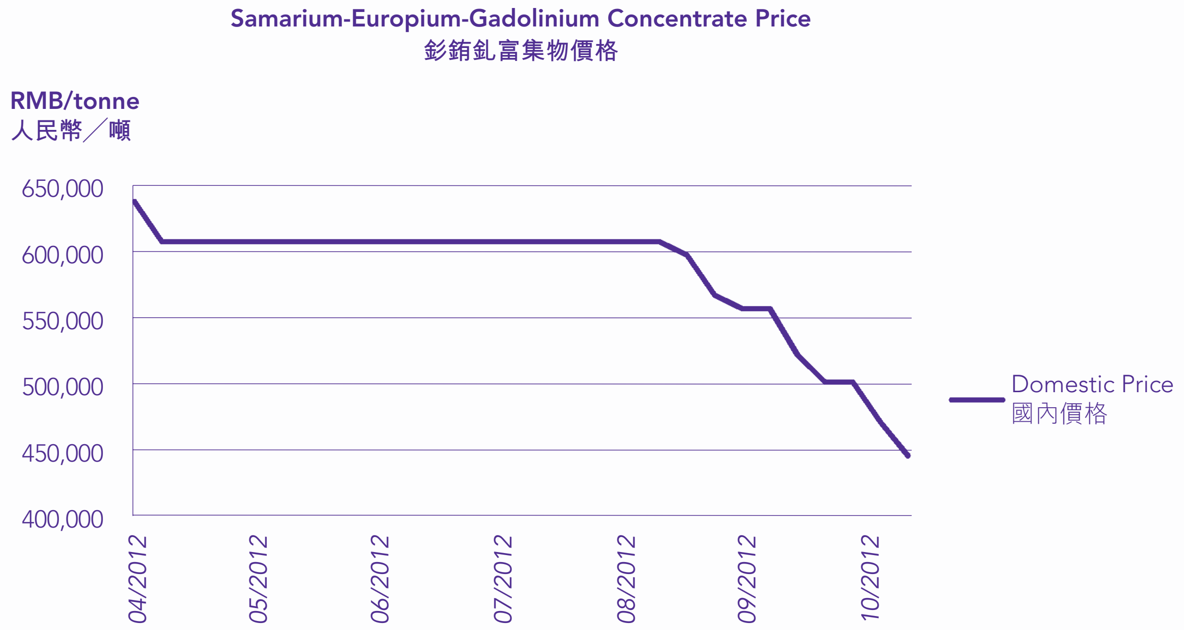
Although the Board envisaged that the global economic slowdown and weak industrial production in developed countries would have some impacts on the rare earth market for the period under review, the recent territorial dispute between China and Japan over Diaoyu Islands caused substantial uncertainty in the demand for processed rare earth products since August 2012. Japan is a major importer of Chinese rare earth products. In 2011, Japan accounted for 66% of the whole Chinese rare earth products export. The recent territorial dispute caused a sharp decline in the domestic demand of Japanese brand automobile in the PRC, which in turn led to a fall in demand for rare earth products which are used in manufacturing electronic components and car engines. It also drove Japan to diversify its source of rare earth supply from China. This led to an unexpected sharp fall in the demand, export and prices for rare earth products. For instance, prices of praseodymium-neodymium oxide and samarium-europium-gadolinium concentrate which are our major products, slid by about 27% and 33% respectively since August 2012, while cost of rare earth concentrates, the major raw material of our products has been relatively stable during the period (please refer to the charts below).

儘管董事會預期，全球經濟放緩及發達國家的工業生產力薄弱將於回顧期間對稀土市場造成若干影響，惟最近中國與日本就釣魚島之領土爭議卻導致加工稀土產品之需求自二零一二年八月起嚴重不穩。日本乃中國稀土產品之主要入口國家。於二零一一年，日本佔中國稀土產品總出口量之66%。近日之領土爭議導致日本品牌汽車於中國之內需急跌，進而引致用於製造電子零件及汽車引擎之稀土產品需求下降，並促使日本向中國以外地區尋找稀土供應源。因此，稀土產品之需求、出口及價格意外急跌。舉例說，自二零一二年八月起，本集團之主要產品氧化鐠釹及釤銪釓富集物之價格分別下跌約27%及33%，而本集團產品之主要原材料稀土精礦之成本於期內則相對穩定（請參閱以下圖表）。

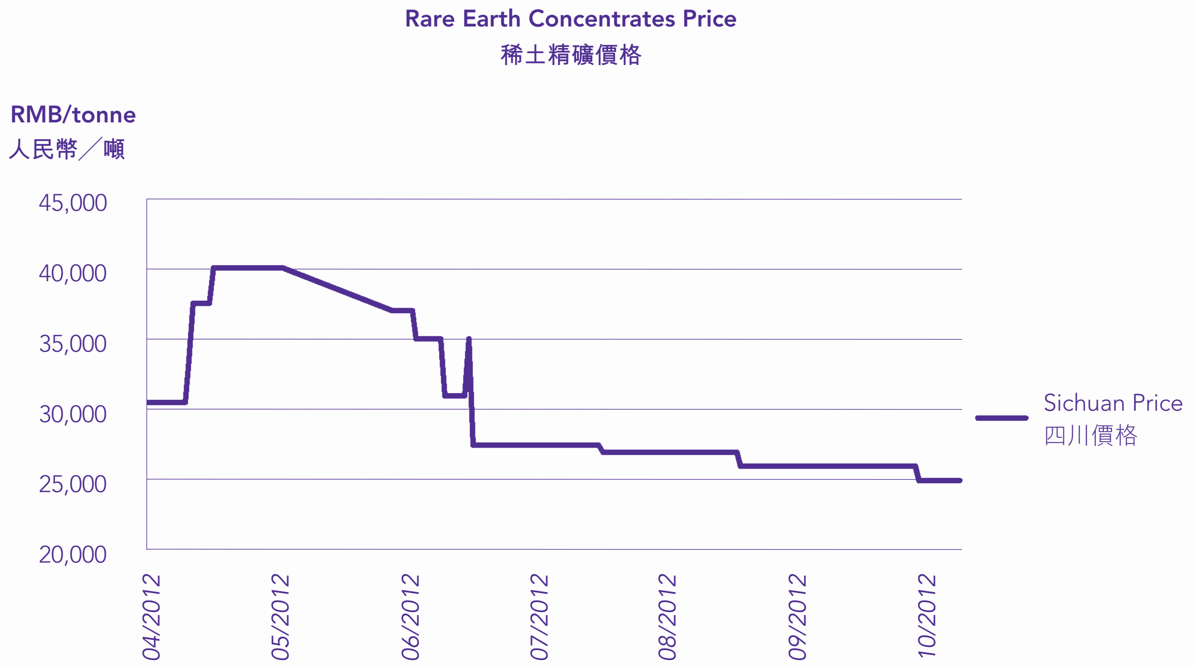
Praseodymium-Neodymium Oxide Price
氧化鐠釹價格



Source: Metal Pages
資料來源： 英國金屬網



Source: Asia Metal
資料來源： 亞洲金屬網



Source: CNFEOL
資料來源： 中國鐵合金在線

Due to recent changes in the market situation e.g. price drop, decrease in demand, PRC government policies controlling the supply of rare earth raw materials etc., particularly since August 2012, the whole rare earth industry has been disrupted. In view of the abrupt worsening of the business environment, and the uncertain timing of a recovery of the demand for rare earth products, the Group took a prudent approach to procure less rare earth raw materials and reduced its rare earth oxides production. The Group also prudently reviewed the asset value of the business and recognised an impairment loss of intangible asset of the rare earth refinery and processing business which amounted to HK$81,840,000 (six months ended 30 September 2011: HK$Nil).

近期（尤其是自二零一二年八月起）市況出現變動（例如價格下跌、需求減少、稀土原材料之供應受中國政府政策控制等），以致整個稀土行業產生亂象。鑑於營商環境突然惡化及稀土產品需求回升之時間尚未明朗，本集團採取審慎態度，減少採購稀土原材料及減少生產稀土氧化物。本集團亦審慎評估稀土深加工業務之資產值，並就該業務確認無形資產減值虧損81,840,000港元（截至二零一一年九月三十日止六個月：零港元）。

During the period under review, turnover from the Group's resources business amounted to HK$26,684,000 (six months ended 30 September 2011: HK$Nil). The segment reported a loss of approximately HK$119,229,000 (six months ended 30 September 2011: HK$Nil) after the recognition of an impairment loss and the amortisation of the intangible asset of the rare earth refinery and processing business which in total amounted to HK$109,079,000.

於回顧期間，本集團資源業務之營業額為26,684,000港元（截至二零一一年九月三十日止六個月：零港元）。經計及確認減值虧損及稀土深加工業務之無形資產攤銷合共109,079,000港元後，該分部錄得虧損約119,229,000港元（截至二零一一年九月三十日止六個月：零港元）。

Other Operation

During the Interim Period, stock markets remained volatile amid the influence of European sovereign debt crisis and concerns over global slowdown. Due to both unrealised and realised losses on equity investments held for trading, the securities trading and investment business reported a loss of HK$2,276,000 (six months ended 30 September 2011: HK$5,063,000).

其他業務

於中期報告期間，受到歐洲主權債務危機及全球經濟放緩之憂慮影響，股票市場仍然動盪不穩。由於持作買賣股權投資產生未變現及已變現虧損，證券買賣及投資業務錄得虧損2,276,000港元（截至二零一一年九月三十日止六個月：5,063,000港元）。

PROSPECT

The global economic condition remains challenging. The market is skeptical over the effect of the third round of quantitative easing on the real economy of the United States while the threat of the Euro zone sovereignty debt crisis still persists. The Chinese economy, despite showing signs of stabilization recently, is likely to remain lackluster against the backdrop of global slowdown.

前景

環球經濟狀況依然充滿挑戰。市場就第三輪量化寬鬆政策對美國實體經濟之影響存疑，同時，歐元區主權債務危機之威脅仍然持續。儘管中國經濟最近顯現穩定勢頭，惟很可能因環球經濟放緩而持續疲軟。

Property Business

Despite the economic uncertainties, policy stabilization in the real estate industry should underpin improvement in new home sales volume in China. Pent-up demand from the first-time home buyers, which has been built up since the consolidation of the property market in 2011 should drive new home sales against the backdrop of a more stable policy environment. The Group has always been devoting resources to land bank acquisitions, including looking into different land sites in Sichuan and Chongqing for mixed use development. The Group will closely monitor the land and property market in China, with an eye for opportunities to acquire premium sites at attractive prices. The Group continues to adopt stringent criteria for land acquisitions, and focuses on development and investment on properties not impacted by home purchase restrictions.

物業業務

儘管經濟不明朗，房地產行業政策穩定將有助支撐中國新屋銷售量的增長。自二零一一年物業市場整合而開始累積起來的首次置業者壓抑已久之需求，在日趨穩定之政策環境下，勢將帶動新屋銷售。本集團一直致力投放資源收購土地儲備，包括於四川及重慶市物色不同土地作綜合發展之用。本集團將密切監察中國土地及物業市場，伺機以具吸引力價格收購優質地皮。本集團會繼續採納嚴謹準則進行土地收購，並專注發展及投資於不受購房限制影響之物業。

Gamma Ray Irradiation Services

In view of slowing Chinese exports amidst global economic slowdown, demand for food irradiation and sterilization of medical devices using gamma ray technologies for export will likely be impacted in the near term. Nevertheless, in response to the PRC Government policy to encourage domestic consumption, higher food hygiene standard requirements as national living standard improves, and growing public concerns on food safety and the government's commitment to enforce related regulations, manufacturers in food industry would need an efficient and reliable method in sterilization. Gamma ray irradiation offers unique advantages over conventional methods and should be more widely used in domestic food industry subsequently. In order to cater for the sustainable growth of gamma ray irradiation services in food industry in China, the Group will increase its marketing efforts, including participating in related industry conferences and exhibitions, as well as conducting more promotions in China to increase potential domestic customers awareness of gamma ray irradiation applications, with a view to expand domestic customer base and market share. In addition, medical devices industry is also one of the fastest growing industries in China and gamma ray irradiation has applications in sterilization of medical products and devices and this methodology has proven to be very efficient and effective as gamma ray can sterilize products without unpacking which can avoid contamination of re-packaging. The Group believes that its gamma ray irradiation business would benefit from the remarkable growth of food and medical devices industries in the long term.

伽瑪射線照射服務

環球經濟衰退導致中國出口減少，利用伽瑪射線技術為出口食品照射及醫療設備消毒之需求短期內很可能受到影響。然而，因應中國政府鼓勵國內消費之政策、隨著國民生活水平提升而對食物衛生標準之要求提高、公眾對食品安全之意識日益增強以及政府致力實施相關法規，食品行業的生產將需要高效可靠之消毒方法。在這方面與傳統方法比較，伽瑪射線照射具備獨特優勢，因此應更廣泛應用於國內食品行業。為致使伽瑪射線照射服務於中國食品行業持續發展，本集團將加大營銷力度，包括參與相關產業會議及展覽，以及於中國進行更多推廣，以提高潛在國內客戶對伽瑪射線照射應用之認識，從而擴大國內客戶基礎及增加國內市場份額。與此同時，醫療設備行業是中國其中一個增長最快之行業，伽瑪射線照射亦可應用於醫療產品及設備消毒，此方法已證實成效甚大，原因為伽瑪射線消毒產品毋須解裝，從而避免重新包裝可能引致之污染。本集團認為，長遠而言，其伽瑪射線照射業務將受惠於食品及醫療設備行業之顯著增長。

Resources Business

The challenging global economic conditions, together with mounting political tension between China and Japan over the recent territorial dispute of Diaoyu Islands cause the rare earth business to remain uncertain in the short term.

As discussed above, during the Interim Period, the rare earth refinery and processing business of the Group reported a substantial loss after the recognition of an impairment loss and amortisation of its intangible asset and suffered from an operating loss during such period. Given the challenging environment, it is uncertain as to whether the performance of the rare earth refinery and processing business of the Group would improve in the short term.

That said, further to Federal Reserve's announcement of further quantitative easing (QE3) in September, commodity markets were generally bound to benefit given prevailing low global interest rates and additional liquidity. It is expected that the market of various resources might be potentially strengthening when the physical impact of QE3 materializes subsequently. In addition, recent signs of stabilization in the Chinese economy may drive expectation of improving domestic demand of raw materials and various resources in the medium term. However, the benefit of QE3 still cannot outweigh the uncertainty of the rare earth market, particularly in the midstream segment of the value chain, given the sharp decline both in demand and price of rare earth products under current situation. As such, apart from the rare earth refinery and processing business, the Group will continue to explore opportunities related to value chain of resources from upstream, midstream to downstream. We hope that through this continuous review, the Group will be able to develop a suitable portfolio of resources business with stable and profitable return to the shareholders.

資源業務

全球經濟不景氣，加上中國與日本之間最近因釣魚島領土爭議而產生之政治緊張加劇，導致稀土業務於短期內仍存在變數。

誠如上文所述，於中期報告期間，經確認本集團稀土深加工業務無形資產之減值虧損及攤銷及其於有關期間出現營運虧損，該業務錄得重大虧損。鑑於環境挑戰重重，暫時未能確定本集團稀土深加工業務之表現會否於短期內好轉。

另外，繼聯邦儲備局於九月公布進一步量化寬鬆(QE3)後，鑑於現時環球利率較低及額外流動資金，商品市場定會普遍受益。預期當QE3之實質影響逐步實現時，各類資源市場可能有潛力走強。此外，就中期而言，近期中國經濟企穩跡象或可帶動本地原材料及各類資源需求改善之期望。然而，鑑於目前稀土產品之需求及價格均急速下挫，QE3帶來之益處仍未能彌補稀土市場(特別是產業鏈中游部分)之不明朗因素。因此，除稀土深加工業務外，本集團將持續探索與資源上游、中游至下游之產業鏈相關之機會。我們希望透過該持續檢討，本集團能夠發展合適之資源業務組合，為股東帶來穩定之投資回報。

PROPERTY, PLANT AND EQUIPMENT

During the Interim Period, there were additions of HK$1,632,000 (six months ended 30 September 2011: HK$657,000) to property, plant and equipment to expand the Group's operations.

物業、廠房及設備

於中期報告期間，本集團添置物業、廠房及設備1,632,000港元(截至二零一一年九月三十日止六個月：657,000港元)以擴充營運。

CAPITAL COMMITMENTS

Details of significant capital commitments of the Group and the Company are set out in note 16 to the financial statements of this report.

資本承擔

有關本集團及本公司重大資本承擔之詳情載於本報告財務報表附註16。

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2012, the Group had cash and cash equivalents of HK$38,895,000 (31 March 2012: HK$18,774,000). This was mainly the net result of the proceeds on disposal of subsidiaries and net cash used in operating activities. Short term bank borrowings, long term bank and other borrowings, and liability component of convertible note as at 30 September 2012 were HK$Nil (31 March 2012: HK$9,864,000), HK$461,892,000 (31 March 2012: HK$424,850,000) and HK$91,762,000 (31 March 2012: HK$88,848,000) respectively. The gearing ratio, being the ratio of the sum of total borrowings and convertible note to total equity, as at 30 September 2012 was 265% (31 March 2012: 145%). The liquidity ratio, being the ratio of current assets over current liabilities, was 113% as at 30 September 2012 (31 March 2012: 108%).

The increase in gearing ratio during the period under review was mainly due to lower total equity resulting from an increase in net loss. In order to strengthen the Group's financial base and to improve its liquidity (and to reduce its gearing ratio), taking into consideration of the Group's working capital and debt repayment requirements in the next eighteen months, and to improve the profitability (and minimizing loss) of its businesses in this challenging environment , the Company is actively considering different fund raising and business restructuring options with a view to safeguarding the interest of the Company and our shareholders.

PLEDGE OF ASSETS

At 30 September 2012, the Group's land use rights and certain property, plant and equipment with carrying amount of approximately HK$15,409,000 (31 March 2012: HK$15,885,000) were pledged to a bank to secure the bank borrowings granted to the Group.

CONTINGENT LIABILITIES

Details of contingent liabilities of the Group and the Company are set out in note 15 to the financial statements of this report.

流動資金及財務資源

於二零一二年九月三十日，本集團擁有現金及現金等額項目38,895,000港元（二零一二年三月三十一日：18,774,000港元），主要為出售附屬公司之所得款項扣除經營活動所用現金淨額之結果。於二零一二年九月三十日，短期銀行借貸、長期銀行及其他借貸以及可換股票據之負債部分分別為零港元（二零一二年三月三十一日：9,864,000港元）、461,892,000港元（二零一二年三月三十一日：424,850,000港元）及91,762,000港元（二零一二年三月三十一日：88,848,000港元）。於二零一二年九月三十日，資產負債比率（即總借貸及可換股票據之總額相對權益總額之比率）為265%（二零一二年三月三十一日：145%）。於二零一二年九月三十日之流動資金比率（即流動資產除以流動負債之比率）為113%（二零一二年三月三十一日：108%）。

資產負債比率於回顧期內增加乃主要由於虧損淨額增加以致權益總額減少所致。在如此具挑戰性之環境下，經計及本集團未來十八個月之營運資金及債務還款需要後，為加強本集團之財務基礎、改善其流動資金（及降低其資產負債比率）以及改善其業務之盈利能力（及將虧損減至最低），本公司正積極考慮不同集資及業務重組方案，以保障本公司及股東之利益。

資產抵押

於二零一二年九月三十日，本集團之土地使用權及若干物業、廠房和設備之賬面值約15,409,000港元（二零一二年三月三十一日：15,885,000港元）已抵押予一間銀行以取得其授予本集團之銀行借貸。

或然負債

有關本集團及本公司或然負債之詳情載於本報告財務報表附註15。

SHARE CAPITAL STRUCTURE

5,000,000 new shares of HK$0.01 each (the "**Shares**") were issued and allotted during the period under review upon exercise of share options granted by the Company.

As at 30 September 2012, the total number of issued shares of the Company was 3,378,681,490. Save as the above, there was no change in the share capital structure of the Company during the period under review.

CONVERTIBLE NOTE

In October 2011, the Company issued the convertible note to Mega Market Assets Limited with principal amount of HK$105,000,000 in a term of 3 years (the "**Convertible Note**"). Each Convertible Note will be convertible into fully paid Shares at an initial conversion price of HK$0.27 per Share. The Convertible Note bear interest at the rate of 1% per annum payable semi-annually in arrear. At 30 September 2012, the principal amount of the Convertible Note outstanding was HK$105,000,000 (31 March 2012: HK$105,000,000).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

On 17 August 2012, Fame Plus International Limited ("**Fame Plus**"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Guo Qingguo (the "**Purchaser**"), pursuant to which Fame Plus has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the entire issued share capital of Unique Gold Investments Limited ("**Unique Gold**") at a consideration of RMB10,000,000 (the "**Sale and Purchase Agreement**"). Unique Gold owned the entire equity interest in 重慶鳳弘吉實業有限責任公司 (Chongqing Feng Hong Ji Enterprise Company Limited*) (the "**Project Company**"). In addition, when the Sale and Purchase Agreement has been entered into, the Purchaser shall pay RMB25,000,000 to the Project Company to settle and repay the current debts and other relevant debts between 重慶旭日房地產開發有限公司 (Chongqing Sunrise Property Development Company Limited*), an indirect wholly-owned subsidiary of the Company, and the Project Company. Details of the transaction are set out in the Company's announcement dated 17 August 2012. The transaction has been completed on 17 August 2012.

Save as disclosed herein, the Group had no material acquisition and disposal of subsidiaries during the six months ended 30 September 2012.

股本結構

因本公司授出之購股權獲行使，本公司於回顧期間已發行及配發5,000,000股每股面值0.01港元之新股份(「**股份**」)。

於二零一二年九月三十日，本公司已發行股份總數為3,378,681,490股。除上述者外，本公司於回顧期間之股本結構並無變動。

可換股票據

於二零一一年十月，本公司向Mega Market Assets Limited發行本金額為105,000,000港元之三年期可換股票據(「**可換股票據**」)。每份可換股票據將按初步換股價每股股份0.27港元兌換為繳足股款股份。可換股票據按年利率1%計息，利息每半年於期末支付。於二零一二年九月三十日，未行使可換股票據之本金額為105,000,000港元(二零一二年三月三十一日：105,000,000港元)。

附屬公司之重大收購及出售

於二零一二年八月十七日，本公司之全資附屬公司Fame Plus International Limited(「**Fame Plus**」)與郭青國先生(「**買方**」)訂立買賣協議(「**買賣協議**」)，據此，Fame Plus有條件同意出售，而買方有條件同意購買錦元投資有限公司(「**錦元**」)之全部已發行股本，代價為人民幣10,000,000元。錦元擁有重慶鳳弘吉實業有限責任公司(「**項目公司**」)全部股權。此外，於買賣協議訂立後，買方須向項目公司支付人民幣25,000,000元，以清償及償還重慶旭日房地產開發有限公司(本公司之間接全資附屬公司)與項目公司間之往來賬款及其他相關債務。交易詳情載於本公司日期為二零一二年八月十七日之公布內。有關交易已於二零一二年八月十七日完成。

除本文披露者外，本集團於截至二零一二年九月三十日止六個月內並無附屬公司之重大收購及出售。

LITIGATIONS

On 24 October 2007, Silver Wind International Limited ("**Silver Wind**"), a wholly-owned subsidiary of the Company, entered into a conditional agreement (the "**Acquisition Agreement**") with Stronway Development Limited ("**Stronway Development**"), pursuant to which Silver Wind agreed to acquire from Stronway Development the entire equity interest in Winmax Asia Investment Limited ("**Winmax Asia**"). Under the arrangement, Winmax Asia would in turn acquire the entire equity interest in Beijing Jianxing Real Estate Development Co. ("**Jianxing**") along with Jianxing's standalone villas development project in Beijing known as "新 星 花 園". The aggregate consideration payable for the acquisition was RMB433,000,000 which was to be settled in cash, and two villas. In December 2007, RMB20,000,000 was paid under the Acquisition Agreement to Stronway Development by Silver Wind as deposit (the "**Deposit**"). Details of the acquisition are set out in the Company's circular dated 14 December 2007.

In April 2008, on the grounds, amongst other things, that the subject matter under the Acquisition Agreement was frustrated, Silver Wind decided to terminate the Acquisition Agreement and, through its legal representative has served a notice of termination to Stronway Development. In order to protect the position of Silver Wind and to recover, amongst other things, the Deposit from Stronway Development, the legal proceedings were instigated against Stronway Development on this matter in the High Court of Hong Kong on 15 April 2008.

As at the date hereof, the legal proceedings against Stronway Development are still pending and there is no significant development.

EXPOSURE TO EXCHANGE RATE RISK AND INTEREST RATE RISK

The Group's transactions are denominated in Hong Kong dollars and Renminbi. The Group did not enter into any foreign exchange forward contracts to hedge against exchange rates fluctuations. Foreign exchange risk arising from the normal course of operations is considered to be minimal and the management will closely monitor the fluctuation in the currency and take appropriate actions when condition arises.

In terms of the interest rate risk exposures, the Group does not have any significant interest rate risk as both the borrowings of the Group and the interest rates currently remain at low levels.

STAFF

As at 30 September 2012, the Group employed 243 employees. Remuneration packages are generally structured by reference to market terms and individual merits. Salaries are reviewed periodically based on performance appraisal and other relevant factors. Staff benefits plans maintained by the Group include medical insurance, hospitalization scheme, mandatory provident fund and share option scheme.

Employees in the PRC are remunerated according to the prevailing market conditions in the locations of their employments.

訴訟

於二零零七年十月二十四日，本公司之全資附屬公司Silver Wind International Limited（「**Silver Wind**」）與Stronway Development Limited（「**Stronway Development**」）訂立有條件協議（「**收購協議**」），據此，Silver Wind同意向Stronway Development收購凱成亞太投資有限公司（「**凱成亞太**」）之全部股權。根據該安排，凱成亞太將會收購北京建興房地產開發有限公司（「**建興**」）之全部股權，連同建興位於北京，名為「新星花園」之獨立別墅發展項目。就該收購事項應付之總代價將以現金人民幣433,000,000元及兩座別墅支付。於二零零七年十二月，Silver Wind已根據收購協議向Stronway Development支付人民幣20,000,000元作為按金（「**該按金**」）。收購事項詳情載於本公司日期為二零零七年十二月十四日之通函內。

於二零零八年四月，基於（其中包括）收購協議之標的事項受挫失效，Silver Wind決定終止收購協議，並透過其法律代表向Stronway Development送達終止通知書。為保障Silver Wind之利益及向Stronway Development追討（其中包括）該按金，Silver Wind於二零零八年四月十五日就此事於香港高等法院向Stronway Development展開法律程序。

於本報告日期，針對Stronway Development之法律程序仍然待決，且並無重大進展。

匯率風險及利率風險

本集團之交易以港元及人民幣計值。本集團並無訂立任何遠期外匯合約以對沖匯率波動。本集團認為來自正常營運過程之外匯風險甚微，且管理層將密切監控貨幣波動情況，並在必要時採取恰當措施應對。

利率風險方面，由於目前本集團之借貸及利率仍處於低位水平，故本集團並無任何重大利率風險。

僱員

於二零一二年九月三十日，本集團聘用243名僱員。薪酬待遇一般參考市場條款及個人表現釐定。薪金乃根據表現評估及按其他有關因素定期作出檢討。本集團推行之員工福利計劃包括醫療保險、住院計劃、強制性公積金及購股權計劃。

中國僱員之薪酬待遇根據其聘用地區之現行市況釐定。

DIRECTORS' INTERESTS AND SHORT POSITION IN SECURITIES

As at 30 September 2012, the interests of the Directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("**SFO**"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

董事於證券之權益及淡倉

於二零一二年九月三十日，按本公司根據證券及期貨條例(「**證券及期貨條例**」)第352條存置之登記冊所記錄，或根據上市發行人董事進行證券交易的標準守則已另行知會本公司及香港聯合交易所有限公司(「**聯交所**」)者，董事及彼等之聯繫人士於本公司及其相聯法團之股份、相關股份及債權證之權益如下：

Long position in ordinary shares of HK$0.01 each in the Company

於本公司每股面值0.01港元普通股之好倉

Name of Director 董事姓名	Type of interest 權益類別	Number of issued ordinary shares held 所持有已發行普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
Wong King Shiu, Daniel 黃景兆	Beneficial owner 實益擁有人	1,200,000	0.04%
Ma Kwok Hung, Warren 馬國雄	Beneficial owner 實益擁有人	3,000,000	0.09%
Chow Siu Ngor 鄒小岳	Beneficial owner 實益擁有人	2,500,000	0.07%
Chan Chi Yuen 陳志遠	Beneficial owner 實益擁有人	2,500,000	0.07%

Long position in share options of the Company

於本公司購股權之好倉

Name of Director 董事姓名	Type of interest 權益類別	Number of share options held 所持有購股權數目	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
Chow Siu Ngor 鄒小岳	Beneficial owner 實益擁有人	500,000	0.01%
Chan Chi Yuen 陳志遠	Beneficial owner 實益擁有人	500,000	0.01%

Other than as disclosed above, none of the Directors nor their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations as at 30 September 2012.

除上文披露者外，於二零一二年九月三十日，董事或彼等之聯繫人士概無於本公司或其任何相聯法團之股份、相關股份及債權證中擁有任何權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Save as disclosed under the section headed "DIRECTORS' INTERESTS AND SHORT POSITION IN SECURITIES", at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事購買股份或債務證券之權利

除「董事於證券之權益及淡倉」一節所披露者外，於期內任何時間，概無任何董事或彼等各自之配偶或18歲以下子女獲授或行使可藉購入本公司股份或債權證而獲益之權利。本公司、其任何控股公司、附屬公司或同系附屬公司亦無訂立任何安排，致使董事可於任何其他法人團體獲取有關權利。

SHARE OPTIONS

On 24 April 2002, the Company adopted a share option scheme (the "**2002 Scheme**") which, unless otherwise terminated, will remain valid and effective for a period of 10 years from 24 April 2002. At the annual general meeting of the Company held on 22 August 2011, the Company adopted a new share option scheme (the "**2011 Scheme**") in place of the 2002 Scheme. Upon the 2011 Scheme becoming unconditional and effective on 23 August 2011, the 2002 Scheme was terminated on the same date. Nevertheless, share options granted under the 2002 Scheme prior to its termination shall continue to be valid and exercisable in accordance with their terms of issue.

284,000,000 share options were granted under the 2011 Scheme during the period under review. No share option has been granted under the 2002 Scheme during the period under review. At 30 September 2012, the Company had a total 313,000,000 share options outstanding under the 2002 Scheme and the 2011 Scheme.

購股權

於二零零二年四月二十四日，本公司採納一項購股權計劃（「**二零零二年計劃**」），除另行終止外，二零零二年計劃將自二零零二年四月二十四日起持續有效及生效，為期10年。於二零一一年八月二十二日舉行之本公司股東週年大會上，本公司採納一項新購股權計劃（「**二零一一年計劃**」）以取代二零零二年計劃。於二零一一年計劃在二零一一年八月二十三日成為無條件及生效後，二零零二年計劃於同日已告終止。然而，於二零零二年計劃終止前根據該計劃授出之購股權將持續有效，並可根據其發行條款予以行使。

於回顧期間，本公司根據二零一一年計劃授出284,000,000份購股權，惟概無根據二零零二年計劃授出任何購股權。於二零一二年九月三十日，本公司根據二零零二年計劃及二零一一年計劃合共有313,000,000份未行使購股權。

The respective movements in share options granted under the 2002 Scheme and under the 2011 Scheme during the six months ended 30 September 2012 are shown below:

截至二零一二年九月三十日止六個月，分別根據二零零二年計劃及二零一一年計劃已授出購股權之變動列示如下：

The 2002 Scheme 二零零二年計劃

Category of participant 參與人類別	Number of options 購股權數目 At 31 March 2012 於二零一二年三月三十一日	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	At 30 September 2012 於二零一二年九月三十日	Date of grant 授出日期	Exercise price per share 每股行使價 (HK$) (港元)	Exercisable period 可行使期間	Weighted average closing price of the shares immediately before the respective exercise date 緊接各自之行使日期前股份之加權平均收市價 (HK$) (港元)
Directors 董事									
Chow Siu Ngor 鄒小岳	2,500,000	–	(2,500,000)	–	–	16/09/2009	0.116	16/09/2009–15/09/2012	0.1645
	500,000	–	–	–	500,000	25/01/2011	0.150	25/01/2011–24/01/2013	N/A不適用
Chan Chi Yuen 陳志遠	2,500,000	–	(2,500,000)	–	–	16/09/2009	0.116	16/09/2009–15/09/2012	0.1645
	500,000	–	–	–	500,000	25/01/2011	0.150	25/01/2011–24/01/2013	N/A不適用
Others 其他									
Other eligible participants 其他合資格參與人	27,000,000	–	–	(27,000,000) *(Note 1)(附註1)*	–	16/09/2009	0.116	16/09/2009–15/09/2012	N/A不適用
	28,000,000	–	–	–	28,000,000	25/01/2011	0.150	25/01/2011–24/01/2013	N/A不適用
Total 總計	61,000,000	–	(5,000,000)	(27,000,000)	29,000,000				

The 2011 Scheme 二零一一年計劃

Category of participant 參與人類別	Number of options 購股權數目 At 31 March 2012 於二零一二年三月三十一日	Granted during the period 期內授出	Exercised during the period 期內行使	Lapsed during the period 期內失效	At 30 September 2012 於二零一二年九月三十日	Date of grant 授出日期	Exercise price per share 每股行使價 (HK$) (港元)	Exercisable period 可行使期間	Weighted average closing price of the shares immediately before the respective exercise date 緊接各自之行使日期前股份之加權平均收市價 (HK$) (港元)
Others 其他									
Employees 僱員	–	99,000,000	–	–	99,000,000	27/07/2012	0.163	27/07/2012–26/07/2014	N/A不適用
Other eligible participants 其他合資格參與人	–	185,000,000	–	–	185,000,000	27/07/2012	0.163	27/07/2012–26/07/2014	N/A不適用
Total 總計	–	284,000,000 *(Note 2)(附註2)*	–	–	284,000,000				

Notes:

1. The share options lapsed due to the expiry of share options.
2. On 27 July 2012, the Company granted 317,000,000 share options to the certain eligible persons under the 2011 Scheme, 284,000,000 of which have been accepted by the grantees thereof.

附註：

1. 該等購股權因屆滿而失效。
2. 於二零一二年七月二十七日，本公司根據二零一一年計劃向若干合資格人士授出317,000,000份購股權，其中284,000,000份購股權已獲上述承授人接納。

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2012, the interests or short positions of the following persons (other than the Directors or chief executives of the Company) in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

主要股東

於二零一二年九月三十日，按本公司根據證券及期貨條例第336條規定存置之登記冊所記錄，下列人士（董事或本公司高級行政人員除外）於本公司股份或相關股份之權益或淡倉如下：

Long position in the ordinary shares of HK$0.01 each in the Company

於本公司每股面值0.01港元普通股之好倉

Name of shareholder 股東姓名／名稱	Type of interest 權益類別	Number of issued ordinary shares held 所持有已發行普通股數目	Number of underlying shares held 所持有相關股份數目	Total 總計	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
Chan How Chung, Victor 陳孝聰	Beneficial owner/interest of controlled corporation 實益擁有人／受控法團權益	918,147,585	388,888,888	1,307,036,473 *(Note 1)（附註1）*	38.68%
Mega Market Assets Limited	Beneficial owner 實益擁有人	665,097,585	388,888,888	1,053,986,473 *(Note 2)（附註2）*	31.20%

Notes:

1. Mr. Chan How Chung, Victor had a personal interest in 157,550,000 shares, and is taken to be interested in (i) 665,097,585 shares and 388,888,888 underlying shares of the Company held by Mega Market Assets Limited; and (ii) 95,500,000 shares held by Kingly Profits Corporation. Kingly Profits Corporation is wholly owned by Smart Ease Corporation, which in turn, is wholly owned by Mr. Chan.
2. Mega Market Assets Limited was interested in 665,097,585 shares and 388,888,888 underlying shares of the Company derived from the convertible note in the principal amount of HK$105,000,000 issued by the Company at an initial conversion price of HK$0.27 per share. Mega Market Assets Limited is beneficially wholly owned by Mr. Chan How Chung, Victor. These interests have been included in the interests held by Mr. Chan disclosed in this section.

附註：

1. 陳孝聰先生於157,550,000股股份中擁有個人權益，並被視為於(i) Mega Market Assets Limited所持有本公司之665,097,585股股份及388,888,888股相關股份中；及(ii) Kingly Profits Corporation所持有之95,500,000股股份中擁有權益。Kingly Profits Corporation由Smart Ease Corporation全資擁有，而該公司則由陳先生全資擁有。
2. Mega Market Assets Limited於本公司665,097,585股股份及根據本公司按初步換股價每股0.27港元發行本金額105,000,000港元之可換股票據所產生之388,888,888股相關股份中擁有權益。Mega Market Assets Limited由陳孝聰先生全資實益擁有。該等權益已計入本節所披露由陳先生持有之權益內。

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the shares or underlying shares of the Company as at 30 September 2012.

除上文披露者外，於二零一二年九月三十日，本公司未曾就其股份或相關股份接獲任何其他相關權益或淡倉之通知。

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2012 (2011: HK$Nil).

中期股息

董事會不建議就截至二零一二年九月三十日止六個月派付任何中期股息（二零一一年：零港元）。

CORPORATE GOVERNANCE

None of the Directors is aware of any information which would reasonably indicate that the Company is not, or was not, throughout the six months period, in compliance with the code provisions (the "**Code Provision(s)**") under the Corporate Governance Code (effective from 1 April 2012) as set out in Appendix 14 to the Listing Rules, except the following deviations:

Under the Code Provision A.2.1, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The Company does not at present have a Chairman nor a Chief Executive Officer. Nevertheless, the main duties and responsibilities of a Chairman and a Chief Executive Officer are currently held by separate individuals with written guidelines for the division of responsibilities with a view to maintain an effective segregation of duties between the management of the Board and the day-to-day management of the Group's business and operations. The Company will continue to review the effectiveness of the Group's corporate governance structure and consider the appointment of a Chairman of the Board and a Chief Executive Officer if candidates with suitable leadership, knowledge, skills and experience can be identified within or outside the Group.

Under the Code Provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. Save for Mr. Wong Hoi Kuen, none of the non-executive Directors nor the independent non-executive Directors is appointed for a specified term but their terms of office are the period up to their retirement by rotation in accordance with the Company's bye-laws. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Corporate Governance Code.

企業管治

董事概不知悉有任何資料合理顯示本公司現時或曾於六個月期間並無遵守上市規則附錄14所載企業管治守則（自二零一二年四月一日起生效）之守則條文（「**守則條文**」），惟下列偏離者除外：

根據守則條文第A.2.1條，主席與行政總裁之角色應有區分及不應由一人同時兼任。主席與行政總裁之間的職責分配須清晰訂明並以書面形式列載。本公司目前並無主席或行政總裁。然而，主席及行政總裁之主要職務及職責目前按照職責分配之書面指引由不同個別人士負責，以有效劃分董事會管理與本集團業務及營運之日常管理之職務。本公司將繼續檢討本集團企業管治架構之有效性，倘能夠於本集團內部或外間物色到具備合適領導才能、知識、技能及經驗之人選，將會考慮委任為董事會主席及行政總裁。

根據守則條文第A.4.1條，非執行董事須按指定任期委任，並須膺選連任。除黃海權先生外，本公司概無非執行董事或獨立非執行董事按指定任期委任，惟彼等之任期將持續直至彼等按照本公司之公司細則輪值告退為止。因此，本公司認為已採取足夠措施，以確保本公司之企業管治常規並不較企業管治守則所訂定者寬鬆。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Specific enquiry has been made to all the Directors and the Directors have confirmed that they have complied the Model Code throughout the six months ended 30 September 2012.

董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「**標準守則**」),作為董事進行證券交易之操守守則。本公司已向全體董事作出具體查詢,董事確認彼等於截至二零一二年九月三十日止六個月一直遵守標準守則。

AUDIT COMMITTEE

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters in relation to the preparation of the unaudited condensed financial statements for the six months ended 30 September 2012.

審核委員會

本公司審核委員會已聯同管理層審閱本集團所採納之會計原則和慣例,以及討論內部監控及有關編製截至二零一二年九月三十日止六個月之未經審核簡明財務報表之財務申報事宜。

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

During the six months ended 30 September 2012, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

購買、出售或贖回本公司之上市證券

截至二零一二年九月三十日止六個月,本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

By order of the Board
China Gamma Group Limited

Wong King Shiu, Daniel
Executive Director

Hong Kong, 31 October 2012

承董事會命
中國伽瑪集團有限公司

執行董事
黃景兆

香港,二零一二年十月三十一日

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