



MASCOTTE HOLDINGS LIMITED
馬斯葛集團有限公司

(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: 00136)

INTERIM REPORT 中期報告 | 2012

DIRECTORS**Executive Directors**

Mr. Peter Temple Whitelam (*Chairman*)
 Mr. Lo Yuen Wa Peter (*Managing Director*)
 Mr. Eddie Woo
 Mr. Suen Yick Lun Philip
 Mr. Lau King Hang
 Dr. Wu Yi-Shuen

Non-executive Director

Dr. Chuang, Henry Yueheng
 (*Deputy-Chairman*)*

Independent Non-executive Directors

Mr. Frank H. Miu #^+~
 Dr. Agustin V. Que #^
 Mr. Robert James Iaia II #^@
 Dr. Chien, Yung Nelly ^*

Members of Audit Committee and Remuneration Committee
 ^ Members of Nomination Committee
 + Chairman of Audit Committee and Remuneration Committee
 @ Chairman of Nomination Committee
 * Resigned on 14 November 2012
 ~ Appointed on 14 November 2012 as the member of the Nomination Committee

COMPANY SECRETARY

Mr. Suen Yick Lun Philip

REGISTERED OFFICE

Clarendon House
 2 Church Street
 Hamilton HM 11
 Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

1st Floor, Po Chai Industrial Building
 28 Wong Chuk Hang Road
 Aberdeen, Hong Kong

2511, 25th Floor, China United Centre,
 28 Marble Road, North Point,
 Hong Kong

董事**執行董事**

Peter Temple Whitelam 先生(*主席*)
 老元華先生(*董事總經理*)
 胡耀東先生
 孫益麟先生
 劉勁恒先生
 吳以舜博士

非執行董事

莊友衡博士(*副主席*)*

獨立非執行董事

繆希先生 #^+~
 Agustin V. Que 博士 #^
 Robert James Iaia II 先生 #^@
 錢容博士 ^*

審核委員會及薪酬委員會成員
 ^ 提名委員會成員
 + 審核委員會及薪酬委員會主席
 @ 提名委員會主席
 * 於二零一二年十一月十四日辭任
 ~ 於二零一二年十一月十四日獲委任為提名委員會成員

公司秘書

孫益麟先生

註冊辦事處

Clarendon House
 2 Church Street
 Hamilton HM 11
 Bermuda

總辦事處兼主要營業地點

香港香港仔
 黃竹坑道28號
 保濟工業大廈1樓

香港
 北角馬寶道28號
 華匯中心25樓2511室

WEBSITE ADDRESS

<http://www.irasia.com/listco/hk/mascotte/index.htm>

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
The Bank of East Asia, Limited

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountant

SHARE REGISTRARS**Bermuda**

Butterfield Fulcrum Group (Bermuda) Limited
26 Burnaby Street,
Hamilton HM 11,
Bermuda

Hong Kong

Tricor Secretaries Limited
26th Floor, Tesbury Centre,
28 Queen's Road East,
Wanchai, Hong Kong

網址

<http://www.irasia.com/listco/hk/mascotte/index.htm>

主要往來銀行

香港上海滙豐銀行有限公司
東亞銀行有限公司

核數師

德勤•關黃陳方會計師行
執業會計師

股份過戶登記處**百慕達**

Butterfield Fulcrum Group (Bermuda) Limited
26 Burnaby Street,
Hamilton HM 11,
Bermuda

香港

卓佳秘書商務有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

The Board of Directors (the “Board”) of Mascotte Holdings Limited (the “Company”) would like to announce the unaudited interim financial information of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2012 together with comparative figures. The interim financial information has not been audited, but has been reviewed by the Company’s Audit Committee.

馬斯葛集團有限公司(「本公司」)董事會(「董事會」)謹此公佈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中期財務資料與比較數字。中期財務資料並未經審核，惟已經本公司之審核委員會審閱。

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2012

簡明綜合全面收入報表

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 HK\$'000 千港元 (unaudited) (未經審核)	2011 二零一一年 HK\$'000 千港元 (unaudited) (未經審核)
	Notes 附註		
Turnover	營業額		
Sales of goods	銷售貨品	3	92,631
Cost of sales	銷售成本		(67,511)
			89,156 (63,555)
			25,120
Investment income	投資收入		596
Rental income	租金收入		1,500
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益之 財務資產之公平值變動		(22,188)
			(295,661)
			5,028
Other income	其他收入		2,238
Other gains and losses	其他收益及虧損	4	(2,109,347)
Selling and distribution costs	銷售及分銷成本		(4,637)
Administrative expenses	行政開支		(58,790)
Other expenses	其他開支		(19,105)
Finance costs	融資成本	5	(214,721)
			(37,033)
Loss before tax	除稅前虧損		(2,399,334)
Income tax credit (expense)	所得稅抵免(開支)	6	7,320
			(2,062)
Loss for the period	期間虧損	7	(2,392,014)
			(350,723)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Cont'd)

For the six months ended 30 September 2012

簡明綜合全面收入報表(續)

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 HK\$'000 千港元 (unaudited) (未經審核)	2011 二零一一年 HK\$'000 千港元 (unaudited) (未經審核)
		Notes 附註	
Other comprehensive income (expense):	其他全面收入(開支):		
Exchange differences arising on translating foreign operations	換算海外業務產生之匯兌差額	31,646	(14,575)
Change in fair value of available-for-sale investment	可供出售投資之公平值變動	(3,877)	-
Impairment loss on available-for-sale investment reclassified to loss for the period	可供出售投資之減值虧損重新分類至期間虧損	3,877	-
Other comprehensive income (expense) for the period	期間其他全面收入(開支)	31,646	(14,575)
Total comprehensive expense for the period	期間全面開支總額	(2,360,368)	(365,298)
Loss for the period attributable to:	應佔期間虧損:		
Owners of the Company	本公司擁有人	(2,392,171)	(345,763)
Non-controlling interests	非控股權益	157	(4,960)
		(2,392,014)	(350,723)
Total comprehensive (expense) income for the period attributable to:	應佔期間全面(開支)收入總額:		
Owners of the Company	本公司擁有人	(2,360,525)	(352,589)
Non-controlling interests	非控股權益	157	(12,709)
		(2,360,368)	(365,298)
Basic and diluted loss per share	每股基本及攤薄虧損	9	9
		HK\$7.59 港元	HK\$1.69 港元

			30 September 2012 二零一二年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10 & 20	137,053	334,819
Investment properties	投資物業	10	62,557	26,175
Intangible asset	無形資產	20	732,456	2,434,796
Prepaid lease payments	預付租賃款項		3,168	3,514
Available-for-sale investments	可供出售投資	11	9,991	69,868
Restricted bank deposits	受限制銀行存款		5,574	5,492
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之已付訂金		5,934	7,671
Derivative financial instrument	衍生財務工具		291,719	392,792
Rental deposits	租金訂金		629	633
			1,249,081	3,275,760
Current assets	流動資產			
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產		22,912	154,795
Inventories	存貨		9,139	8,446
Trade receivables	應收貿易款項	12	41,888	25,750
Other receivables, deposits and prepayments	其他應收款項、訂金及預付款項		13,869	13,280
Loans and interest receivables	應收貸款及應收利息	13	–	33,359
Prepaid lease payments	預付租賃款項		692	692
Tax recoverable	可收回稅項		21	21
Bank balances and cash	銀行結餘及現金		31,000	208,181
			119,521	444,524

			30 September 2012 二零一二年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Current liabilities	流動負債			
Trade payables	應付貿易款項	14	16,218	12,804
Other payables and accrued charges	其他應付款項及應計費用		60,327	36,731
Borrowings	借貸	15	67,838	28,724
Tax payable	應付稅項		18,035	17,174
			162,418	95,433
Net current (liabilities) assets	流動(負債)資產淨值		(42,897)	349,091
Total assets less current liabilities	資產總值減流動負債		1,206,184	3,624,851
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券		1,181,832	1,123,127
Consideration bonds – debt component	代價債券 – 債務部分		1,047,725	1,182,297
Deferred tax liabilities	遞延稅項負債	6	38,209	46,888
Borrowings	借貸	15	39,708	41,331
			2,307,474	2,393,643
NET (LIABILITIES) ASSETS	(負債)資產淨值		(1,101,290)	1,231,208
Capital and reserves	股本及儲備			
Share capital	股本	16	3,425	456,678
Reserves	儲備		(1,109,797)	769,605
Equity attributable to owners of the Company	本公司擁有人應佔權益		(1,106,372)	1,226,283
Non-controlling interests	非控股權益		5,082	4,925
TOTAL (DEFICIT) EQUITY	總(虧絀)權益		(1,101,290)	1,231,208

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2012

簡明綜合權益變動表

截至二零一二年九月三十日止六個月

Attributable to owners of the Company
本公司擁有人應佔

		Attributable to owners of the Company											Total	Non-controlling interests	Total
		Share capital	Share premium	Convertible bonds equity reserve	Investment revaluation reserve	Contributed surplus reserve	Special reserve	Translation reserve	Reserve Fund	Enterprise expansion reserve	Share options reserve	Accumulated losses			
		股本	股份溢價	可換股債券權益儲備	投資重估儲備	實繳盈餘儲備	特別儲備	換算儲備	儲備基金	企業擴展儲備	購股權儲備	累計虧損	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2012 (audited)	於二零一二年四月一日 (經審核)	456,678	1,538,191	276,608	-	-	13,901	(60,248)	1,084	1,083	6,400	(1,007,414)	1,226,283	4,925	1,231,208
Loss for the period	期間虧損	-	-	-	-	-	-	-	-	-	-	(2,392,171)	(2,392,171)	157	(2,392,014)
Change in fair value of available-for-sale investment	可供出售投資之公平值變動	-	-	-	(3,877)	-	-	-	-	-	-	-	(3,877)	-	(3,877)
Impairment loss on available-for-sale investment reclassified to loss for the period	可供出售投資之減值虧損重新分類至期間虧損	-	-	-	3,877	-	-	-	-	-	-	-	3,877	-	3,877
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	-	-	-	31,646	-	-	-	-	31,646	-	31,646
Total comprehensive expense for the period	期間全面開支總額	-	-	-	-	-	-	31,646	-	-	-	(2,392,171)	(2,360,525)	157	(2,360,368)
Issue of new shares under placement (note 16)	根據配售發行新股份 (附註16)	571	13,129	-	-	-	-	-	-	-	-	-	13,700	-	13,700
Transaction costs attributable to issue of shares	發行股份應佔交易成本	-	(343)	-	-	-	-	-	-	-	-	-	(343)	-	(343)
Capital reorganisation (note 16)	股本重組 (附註16)	(453,824)	-	-	-	453,824	-	-	-	-	-	-	-	-	-
Transferred to set off accumulated losses	轉撥以抵銷累計虧損	-	-	-	-	(453,824)	-	-	-	-	-	453,824	-	-	-
Recognition of equity-settled share-based payments	確認以權益結算之股份付款	-	-	-	-	-	-	-	-	-	14,513	-	14,513	-	14,513
		(453,253)	12,786	-	-	-	-	-	-	-	14,513	453,824	27,870	-	27,870
At 30 September 2012 (unaudited)	於二零一二年九月三十日 (未經審核)	3,425	1,550,977	276,608	-	-	13,901	(28,602)	1,084	1,083	20,913	(2,945,761)	(1,106,372)	5,082	(1,101,290)
At 1 April 2011 (audited)	於二零一一年四月一日 (經審核)	230,478	889,857	-	-	-	13,901	2,356	1,084	1,083	55	(386,160)	752,654	4,316	756,970
Loss for the period	期間虧損	-	-	-	-	-	-	-	-	-	-	(345,763)	(345,763)	(4,960)	(350,723)
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	-	-	-	(6,826)	-	-	-	-	(6,826)	(7,749)	(14,575)
Total comprehensive expense for the period	期間全面開支總額	-	-	-	-	-	-	(6,826)	-	-	-	(345,763)	(352,589)	(12,709)	(365,298)
Acquisition of assets	收購資產	-	-	-	-	-	-	-	-	-	-	-	-	1,165,330	1,165,330
Issue of new shares under placement	根據配售發行新股份	220,000	660,000	-	-	-	-	-	-	-	-	-	880,000	-	880,000
Transaction costs attributable to issue of shares	發行股份應佔交易成本	-	(35,839)	-	-	-	-	-	-	-	-	-	(35,839)	-	(35,839)
Recognition of equity component of convertible bonds	確認可換股債券之權益部份	-	-	341,447	-	-	-	-	-	-	-	-	341,447	-	341,447
Deferred tax liability on recognition of equity component of convertible bonds	確認可換股債券權益部份之遞延稅項負債	-	-	(60,322)	-	-	-	-	-	-	-	-	(60,322)	-	(60,322)
Conversion of convertible bonds	轉換可換股債券	6,200	24,173	(7,581)	-	-	-	-	-	-	-	-	22,792	-	22,792
		226,200	648,334	273,544	-	-	-	-	-	-	-	-	1,148,078	1,165,330	2,313,408
At 30 September 2011 (unaudited)	於二零一一年九月三十日 (未經審核)	456,678	1,538,191	273,544	-	-	13,901	(4,470)	1,084	1,083	55	(731,923)	1,548,143	1,156,937	2,705,080

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2012

簡明綜合現金流量表

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 HK\$'000 千港元 (unaudited) (未經審核)	2011 二零一一年 HK\$'000 千港元 (unaudited) (未經審核)
	Notes 附註		
OPERATING ACTIVITIES	經營業務		
Loss before tax	除稅前虧損	(2,399,334)	(348,661)
Adjustments for:	已作出以下調整：		
Finance costs	融資成本	214,721	37,033
Impairment loss on intangible asset	無形資產之減值虧損	1,732,000	-
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	189,000	-
Loss on early redemption of consideration bonds	提早贖回代價債券之虧損	86,352	-
Change in fair value of derivative financial instrument	衍生財務工具之公平值變動	101,073	-
Other non-cash items	其他非現金項目	30,650	(12,098)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(45,538)	(323,726)
Decrease in financial assets at fair value through profit or loss	按公平值計入損益之財務資產減少	131,883	59,223
Other working capital items	其他營運資金項目	19,010	(31,606)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營業務所得(所用)之現金淨額	105,355	(296,109)
INVESTING ACTIVITIES	投資業務		
Proceeds from disposal of available-for-sale investment	出售可供出售投資所得款項	58,000	-
Acquisition of assets through acquisition of a subsidiary	透過收購附屬公司收購資產	-	(1,078,522)
Other investing cash flows	其他投資現金流量	(13,849)	(100,053)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	投資業務所得(所用)現金淨額	44,151	(1,178,575)
FINANCING ACTIVITIES	融資活動		
Repayment of consideration bonds	償還代價債券	(320,000)	-
Interest paid on borrowings, convertible bonds and consideration bonds	借貸、可換股債券及代價債券之已付利息	(56,939)	(444)
New borrowings raised	所籌得之新借貸	40,000	-
Issue of new shares	發行新股份	13,700	880,000
Issue of convertible bonds	發行可換股債券	-	1,450,000
Other financing cash flows	其他融資現金流量	(3,343)	(169,139)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資業務(所用)所得現金淨額	(326,582)	2,160,417
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及等同現金項目的(減少)增加淨額	(177,076)	685,733
CASH AND CASH EQUIVALENTS AT 1 APRIL	於四月一日之現金及等同現金項目	208,181	16,805
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動影響	(105)	-
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER, REPRESENTED BY BANK BALANCES AND CASH	於九月三十日之現金及等同現金項目，指銀行結餘及現金	31,000	702,538

1. BASIS OF PREPARATION

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

As at 30 September 2012, the Group had net current liabilities and net liabilities of approximately HK\$42.9 million and HK\$1,101.3 million respectively. In spite of this, the condensed consolidated financial statements have been prepared on a going concern basis since the Company intends to proceed with some future funding plans, including but not limited to rights issue, shares placement, debts restructuring and arranging new long-term debt finance, to improve the financial position of the Group when the market circumstances are considered appropriate. As such, the directors of the Company consider that the Group should be able to continue as a going concern.

1. 編製基準

本集團之未經審核中期簡明綜合財務報表乃根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十六之適用披露規定及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號「中期財務報告」而編製。

於二零一二年九月三十日，本集團之流動負債淨額及負債淨額分別約為42,900,000港元及1,101,300,000港元。儘管如此，由於本公司擬於市況合適時進行若干日後融資計劃，包括但不限於供股、配股、債務重組及安排新長期債務融資，以改善本集團之財務狀況，故簡明綜合財務報表乃以持續經營基準編製。因此，本公司董事認為，本集團應能繼續持續經營。

2. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies and methods of computation used in the unaudited interim condensed consolidated financial statements for the six months ended 30 September 2012 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2012. In addition, 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 7 Financial instruments: Disclosures –
Transfers of financial assets

Amendments to HKAS 12 Deferred tax: Recovery of underlying
assets

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these unaudited interim condensed consolidated financial statements and/or the disclosures set out in these unaudited interim condensed consolidated financial statements.

2. 主要會計政策

除若干投資物業及財務工具乃按重估金額或公平值(按適用情況而定)計量外，未經審核中期簡明綜合財務報表乃根據歷史成本基準編製。

編製截至二零一二年九月三十日止六個月未經審核中期簡明綜合財務報表所採用之會計政策及計算方法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依循之會計政策及計算方法相同。此外，於本中期期間，本集團已首次應用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」)修訂本。

香港財務報告 財務工具：披露 –
準則第7號 轉讓財務資產
(修訂本)

香港會計準則 遞延稅項：收回相關
第12號 資產
(修訂本)

於本中期期間，應用上述香港財務報告準則修訂本對該等未經審核中期簡明綜合財務報表呈報之金額及／或該等未經審核中期簡明綜合財務報表所載之披露事項並無重大影響。

3. TURNOVER AND SEGMENT INFORMATION

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

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

- (i) Solar grade polycrystalline silicon: Manufacture of solar grade polycrystalline silicon
- (ii) Investments: Investment and trading of securities
- (iii) Loan financing: Provision of loan financing services
- (iv) Property investment: Holding properties for rental and capital appreciation
- (v) Manufacture and sale of accessories: Manufacture and sale of accessories for photographic products

3. 營業額及分類資料

向本公司執行董事(即首席營運決策者)呈報以作出資源分配及評估分類表現之資料集中於已付運或提供之貨品或服務類型。

具體而言，根據香港財務報告準則第8號，本集團之可呈報及經營分類如下：

- (i) 太陽能級多晶硅：製造太陽能級多晶硅
- (ii) 投資：證券投資及買賣
- (iii) 貸款融資：提供貸款融資服務
- (iv) 物業投資：為賺取租金及資本增值而持有物業
- (v) 製造及銷售配件：製造及銷售照相產品配件

3. TURNOVER AND SEGMENT INFORMATION (Cont'd)

3. 營業額及分類資料(續)

Segment revenue and results

分類收益及業績

For the six months ended 30 September 2012
(unaudited)

截至二零一二年九月三十日止
六個月(未經審核)

		Solar grade polycrystalline silicon 太陽能級 多晶硅 HK\$'000 千港元	Investments 投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Manufacture and sales of accessories 製造及 銷售配件 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment revenue	分類收益						
Sales of goods	銷售貨品	-	-	-	-	92,631	92,631
Investment income	投資收入						
Dividend income on held-for-trading investments	持作買賣投資之股息收入	-	41	-	-	-	41
Interest income on loans receivable	應收貸款之利息收入	-	-	555	-	-	555
Rental income	租金收入	-	-	-	1,500	-	1,500
Change in fair value of financial assets at fair value through profit or loss ("FVTPL") (Note)	按公平值計入損益之財務資產之公平值變動(「按公平值計入損益」)(附註)	-	(22,188)	-	-	-	(22,188)
Intra-group rental income	集團內租金收入	-	-	-	1,176	-	1,176
		-	(22,147)	555	2,676	92,631	73,715
Elimination	抵銷						(1,176)
							72,539
Segment (loss) profit	分類(虧損)溢利	(1,949,406)	(23,103)	555	1,466	4,665	(1,965,823)
Unallocated other income	未分配其他收入						42
Unallocated corporate expenses	未分配公司開支						(33,522)
Unallocated finance costs	未分配融資成本						(212,606)
Change in fair value of derivative financial instrument	衍生財務工具之公平值變動						(101,073)
Loss on early redemption of consideration bonds	提早贖回代價債券之虧損						(86,352)
Loss before tax	除稅前虧損						(2,399,334)

3. TURNOVER AND SEGMENT INFORMATION (Cont'd)

3. 營業額及分類資料(續)

Segment revenue and results (Cont'd)

分類收益及業績(續)

For the six months ended 30 September 2011
(unaudited)

截至二零一一年九月三十日止
六個月(未經審核)

		Solar grade polycrystalline silicon 太陽能級 多晶硅 HK\$'000 千港元	Investments 投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Manufacture and sales of accessories 製造及 銷售配件 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment revenue	分類收益						
Sales of goods	銷售貨品	-	-	-	-	89,156	89,156
Investment income	投資收入						
Dividend income on held-for-trading investments	持作買賣投資之 股息收入	-	4,585	-	-	-	4,585
Interest income on loans receivable	應收貸款之 利息收入	-	-	12,611	-	-	12,611
Rental income	租金收入	-	-	-	684	-	684
Change in fair value of financial assets at FVTPL (Note)	按公平值計入損益之 財務資產之公平值變動 (附註)	-	(295,661)	-	-	-	(295,661)
		-	(291,076)	12,611	684	89,156	(188,625)
Segment (loss) profit	分類(虧損)溢利	(9,881)	(289,988)	13,010	1,344	6,967	(278,548)
Unallocated other income	未分配其他收入						2,144
Unallocated corporate expenses	未分配公司開支						(21,018)
Other expenses – cost incurred for acquiring of a subsidiary	其他開支 – 收購一間附屬 公司產生之成本						(14,206)
Unallocated finance costs	未分配融資成本						(37,033)
Loss before tax	除稅前虧損						(348,661)

Segment (loss) profit represent the loss from/profit earned by each segment without allocation of certain other income, unallocated corporate expenses, change in fair value of derivative financial instrument, loss on early redemption of consideration bonds, cost incurred for acquiring a subsidiary and certain finance costs. This is the measure reported to chief operating decision makers for the purpose of resource allocation and performance assessment.

分類(虧損)溢利指各分類所產生之虧損/賺取之溢利，並未分配若干其他收入、未分配公司開支、衍生財務工具之公平值變動、提早贖回代價債券之虧損、收購一間附屬公司產生之成本及若干融資成本。此乃呈報予首席營運決策者以作出資源分配及表現評估之衡量基準。

Note: The change in fair value of financial assets at FVTPL included realised loss of HK\$21,887,000 (six months ended 30 September 2011: HK\$49,908,000) and unrealised loss of HK\$301,000 (six months ended 30 September 2011: HK\$245,753,000).

附註：按公平值計入損益之財務資產之公平值變動包括已變現虧損21,887,000港元(截至二零一一年九月三十日止六個月：49,908,000港元)及未變現虧損301,000港元(截至二零一一年九月三十日止六個月：245,753,000港元)。

3. TURNOVER AND SEGMENT INFORMATION (Cont'd)

3. 營業額及分類資料(續)

Segment assets

分類資產

The following is an analysis of the Group's assets by reportable and operating segments:

以下為按可呈報及經營分類劃分之本集團資產分析：

As at 30 September 2012 (unaudited)

於二零一二年九月三十日(未經審核)

Segment assets	分類資產	Solar grade polycrystalline silicon 太陽能級多晶硅 HK\$'000 千港元	Investments 投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Manufacture and sales of accessories 製造及銷售配件 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment assets	分類資產	830,439	32,903	-	112,479	67,190	1,043,011
Unallocated property, plant and equipment	未分配物業、廠房及設備						216
Unallocated other receivables, deposits and prepayments	未分配其他應收款項、訂金及預付款項						2,635
Derivative financial instrument	衍生財務工具						291,719
Tax recoverable	可收回稅項						21
Bank balances and cash	銀行結餘及現金						31,000
Consolidated total assets	綜合資產總值						1,368,602

As at 31 March 2012 (audited)

於二零一二年三月三十一日(經審核)

Segment assets	分類資產	Solar grade polycrystalline silicon 太陽能級多晶硅 HK\$'000 千港元	Investments 投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Manufacture and sales of accessories 製造及銷售配件 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment assets	分類資產	2,694,637	226,656	33,359	112,707	48,911	3,116,270
Unallocated property, plant and equipment	未分配物業、廠房及設備						194
Unallocated other receivables, deposits and prepayments	未分配其他應收款項、訂金及預付款項						2,826
Derivative financial instrument	衍生財務工具						392,792
Tax recoverable	可收回稅項						21
Bank balances and cash	銀行結餘及現金						208,181
Consolidated total assets	綜合資產總值						3,720,284

3. TURNOVER AND SEGMENT INFORMATION (Cont'd)**Geographical information**

The Group's operations are located in Hong Kong, the People's Republic of China (the "PRC") and Taiwan.

Information about the Group's revenue from external customers is presented based on the location at which the goods are delivered.

The Group's total revenue from sales of goods by geographical location are detailed below:

3. 營業額及分類資料(續)**地區資料**

本集團之營運位於香港、中華人民共和國(「中國」)及台灣。

有關本集團來自對外客戶之收益資料乃按付運貨品之地點呈列。

本集團按地區劃分之貨品銷售總收益詳述如下：

		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
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Europe	歐洲	33,149	36,920
United States of America	美利堅合眾國	13,732	9,763
Hong Kong	香港	10,239	14,795
PRC	中國	22,256	14,120
Others	其他	13,255	13,558
		92,631	89,156

4. OTHER GAINS AND LOSSES

4. 其他收益及虧損

		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
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Change in fair value of derivative financial instrument	衍生財務工具之公平值變動	(101,073)	-
Loss on early redemption of consideration bonds	提早贖回代價債券之虧損	(86,352)	-
Fair value gain on investment properties	投資物業之公平值收益	622	660
Impairment loss on available-for-sale investment	可供出售投資之減值虧損	(3,877)	-
Net (loss) gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)收益淨額	(274)	7
Gain on disposal of available-for-sale investment	出售可供出售投資之收益	2,000	-
Net foreign exchange gain	匯兌收益淨額	607	678
Impairment loss on intangible asset	無形資產之減值虧損	(1,732,000)	-
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	(189,000)	-
		(2,109,347)	1,345

5. FINANCE COSTS

5. 融資成本

		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
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Interests on:	以下各項之利息：		
– Bank and other borrowings wholly repayable within five years	– 須於五年內悉數償還之銀行及其他借貸	1,738	209
– Bank borrowings wholly repayable after five years	– 須於五年後悉數償還之銀行借貸	377	234
Effective interest expense on:	以下各項之利息開支：		
– Convertible bonds	– 可換股債券	93,986	36,590
– Consideration bonds – debt component	– 代價債券 – 債務部分	118,620	–
		214,721	37,033

6. INCOME TAX CREDIT (EXPENSE) AND DEFERRED TAX LIABILITIES

6. 所得稅抵免(開支)及遞延稅項負債

Income tax credit (expense)

所得稅抵免(開支)

		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
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Current tax:	即期稅項：		
Hong Kong	香港	(838)	(1,020)
PRC Enterprise Income Tax	中國企業所得稅	(521)	(878)
Taiwan	台灣	–	1
		(1,359)	(1,897)
Deferred tax	遞延稅項	8,679	(165)
		7,320	(2,062)

6. INCOME TAX CREDIT (EXPENSE) AND DEFERRED TAX LIABILITIES (Cont'd)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods. Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of PRC subsidiaries is 25% for both periods. Taxation arising in Taiwan is calculated at 17% for both periods.

Deferred tax liabilities

The following are the major deferred tax liabilities recognised and movements thereon during the current period:

		Revaluation of investment properties 投資物業重估	Convertible bonds 可換股債券	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2012 (audited)	於二零一二年四月一日 (經審核)	(953)	(45,935)	(46,888)
(Charge) credit to profit or loss for the period	(扣除自)計入期間 損益	(27)	8,706	8,679
At 30 September 2012 (unaudited)	於二零一二年九月三十日 (未經審核)	(980)	(37,229)	(38,209)
At 1 April 2011 (audited)	於二零一一年四月一日 (經審核)	(635)	-	(635)
Charge to profit or loss for the period	扣除自期間 損益	(165)	-	(165)
Charge to equity for the period	扣除自期間 權益	-	(60,322)	(60,322)
At 30 September 2011 (unaudited)	於二零一一年九月三十日 (未經審核)	(800)	(60,322)	(61,122)

6. 所得稅抵免(開支)及遞延稅項負債(續)

香港利得稅乃就兩個期間之估計應課稅溢利按16.5%計算。根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於兩個期間之稅率均為25%。兩個期間內，台灣產生之稅項按稅率17%計算。

遞延稅項負債

以下為於本期間內已確認之主要遞延稅項負債及其變動：

7. LOSS FOR THE PERIOD**7. 期間虧損**

		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
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Loss for the period has been arrived at after charging (crediting):	期間虧損已扣除 (計入)以下項目：		
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	15,365	6,635
Release of prepaid lease payments	預付租賃款項撥回	346	340
Government subsidy	政府補助金	-	(1,753)
Dividend income from listed securities	上市證券之股息收入	(41)	(4,585)

8. DIVIDENDS**8. 股息**

No dividend was paid, declared or proposed during both interim periods. The directors do not recommend the payment of an interim dividend.

於兩個中期期間並無支付、宣派或建議派發股息。董事不建議派發中期股息。

9. LOSS PER SHARE

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

		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
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Loss	虧損		
Loss for the purpose of basic and diluted loss per share (loss for the period attributable to owners of the Company)	用作計算每股基本及攤薄虧損之虧損(本公司擁有人應佔期間虧損)	2,392,171	345,763

		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
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	用作計算每股基本及攤薄虧損之普通股加權平均數	315,369,775	204,211,253

The computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds and the exercise of the Company's share options in both interim periods since their assumed conversion would result in a decrease in loss per share.

The weighted average number of ordinary shares adopted in the calculation of the basic and diluted loss per share for the six months ended 30 September 2011 have been adjusted to reflect the impact of share consolidation effected on 26 April 2012 as disclosed in note 16.

9. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

		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
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Loss	虧損		
Loss for the purpose of basic and diluted loss per share (loss for the period attributable to owners of the Company)	用作計算每股基本及攤薄虧損之虧損(本公司擁有人應佔期間虧損)	2,392,171	345,763

		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
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	用作計算每股基本及攤薄虧損之普通股加權平均數	315,369,775	204,211,253

計算每股攤薄虧損並無假設於兩個中期期間兌換本公司之未行使可換股債券及行使本公司之購股權，因為該等假設兌換將導致每股虧損減少。

計算截至二零一一年九月三十日止六個月之每股基本及攤薄虧損時採納之普通股加權平均數已經調整，以反映於二零一二年四月二十六日進行之股份合併之影響(於附註16披露)。

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the current interim period, the Group acquired plant and machinery of HK\$13,615,000 and incurred construction cost of HK\$23,676,000 for Taiwan operation.

In addition, during the current interim period, the Group transferred certain leasehold land and buildings of HK\$35,750,000 from property, plant and equipment to investment properties. The fair value of the Group's investment properties have been arrived at on the basis of a valuation carried out by Chung, Chan & Associates, Chartered Surveyors, independent qualified professional valuer not connected with the Group. Chung, Chan & Associates, Chartered Surveyors are members of the Institute of Valuers. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the similar locations and conditions.

11. AVAILABLE-FOR-SALE INVESTMENTS

During the current interim period, the Group disposed of its unlisted shares in Hong Kong at a consideration of HK\$58,000,000 and recognised a gain on disposal of HK\$2,000,000 (six months ended 30 September 2011: nil) included in other gains and losses.

In addition, during the current interim period, an impairment loss of HK\$3,877,000 (six months ended 30 September 2011: nil) has been recognised in respect of unlisted equity fund in Hong Kong since the presence of a significant or prolonged decline in its fair value.

10. 物業、廠房及設備以及投資物業之變動

於本中期期間，本集團收購13,615,000港元之廠房及機器，並就台灣之營運產生23,676,000港元之建設成本。

此外，於本中期期間，本集團將35,750,000港元之若干租賃土地及樓宇由物業、廠房及設備轉撥至投資物業。本集團投資物業之公平值已由特許測量師衡量行(與本集團概無關連之獨立合資格專業估值師)進行估值之基準估值。彼等並為估值師協會會員。估值乃參考位置及情況相若之同類型物業成交價之市場證據後達致。

11. 可供出售投資

於本中期期間，本集團以代價58,000,000港元出售其香港非上市股份，並確認出售收益2,000,000港元(截至二零一一年九月三十日止六個月：無)，計入其他收益及虧損。

此外，於本中期期間，由於香港非上市股票基金之公平值出現大幅或長時間下跌，故已就該基金確認減值虧損3,877,000港元(截至二零一一年九月三十日止六個月：無)。

12. TRADE RECEIVABLES

The Group allows an average credit period ranged from 60 to 150 days to its trade customers. The following is an aged analysis of trade receivables net of allowances for doubtful debts presented based on the invoice date at the end of the reporting period:

		30 September 2012 二零一二年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
0 to 60 days	0至60日	28,937	23,937
61 to 150 days	61至150日	12,951	1,813
		41,888	25,750

13. LOANS AND INTEREST RECEIVABLES

At 31 March 2012, the fixed-rate loans receivable borne interest ranging from 5% to 24% per annum. The amount was fully settled during the current interim period.

12. 應收貿易款項

本集團向其貿易客戶提供介乎60至150日之平均信貸期。以下為根據報告期末之發票日期呈列之應收貿易款項(扣除呆賬撥備)之賬齡分析：

		30 September 2012 二零一二年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
0 to 60 days	0至60日	28,937	23,937
61 to 150 days	61至150日	12,951	1,813
		41,888	25,750

13. 應收貸款及應收利息

於二零一二年三月三十一日，應收定息貸款以年利率5%至24%計息。該款項已於本中期期間全數清償。

14. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

		30 September 2012 二零一二年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
0 to 60 days	0 至 60 日	14,125	12,298
61 to 150 days	61 至 150 日	2,093	138
Over 150 days	150 日以上	-	368
		16,218	12,804

15. BORROWINGS

During the current interim period, the Group obtained a new loan from a financial institution amounting to HK\$40,000,000 (six months ended 30 September 2011: nil). The loan is unsecured, carrying fixed interest rate at 1% per month and repayable on or before 4 January 2013.

14. 應付貿易款項

以下為根據報告期末之發票日期呈列之應付貿易款項之賬齡分析：

		30 September 2012 二零一二年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
0 to 60 days	0 至 60 日	14,125	12,298
61 to 150 days	61 至 150 日	2,093	138
Over 150 days	150 日以上	-	368
		16,218	12,804

15. 借貸

於本中期期間，本集團向一間財務機構取得新貸款合共 40,000,000 港元(截至二零一一年九月三十日止六個月：無)。該貸款為無抵押，以每月 1% 之固定利率計息，並須於二零一三年一月四日或之前償還。

16. SHARE CAPITAL

16. 股本

	Notes 附註	Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Authorised:	法定股本：		
At 1 April 2012, ordinary shares of HK\$0.1 each	於二零一二年四月一日，每股0.1港元之普通股	20,000,000,000	2,000,000
Increased on 26 April 2012	於二零一二年四月二十六日增加 (a)	180,000,000,000	-
At 30 September 2012, ordinary shares of HK\$0.01 each	於二零一二年九月三十日，每股0.01港元之普通股	200,000,000,000	2,000,000
Issued and fully paid:	已發行及繳足股本：		
At 1 April 2012	於二零一二年四月一日	4,566,778,952	456,678
Capital reorganisation	股本重組 (b)	(4,281,355,268)	(453,824)
Issue of new shares under placement	根據配售發行新股份 (c)	57,084,736	571
At 30 September 2012	於二零一二年九月三十日	342,508,420	3,425

Notes:

- (a) Pursuant to a special general meeting passed on 25 April 2012, the number of authorised share capital of the Company was increased from 20,000,000,000 shares to 200,000,000,000 shares. The increased authorised shares rank pari passu with the existing ordinary shares of the Company.
- (b) The capital reorganisation effective on 26 April 2012 involved (i) every sixteen issued shares of par value of HK\$0.10 each be consolidated into one consolidated share of par value of HK\$1.60 each; (ii) the nominal value of each issued consolidated shares be reduced from par value of HK\$1.60 each to par value of HK\$0.01 each by cancellation of the paid-up capital of the Company to the extent of HK\$1.59 on each issued consolidated share; (iii) each of the authorised but unissued consolidated shares of HK\$1.60 each shall be subdivided into 160 adjusted shares of par value of HK\$0.01 each.
- (c) On 27 June 2012, the Company issued 57,084,736 ordinary shares at HK\$0.24 each for approximately HK\$13,700,000. Details of the placement is set out in the Company's announcement dated 19 June 2012.

附註：

- (a) 根據於二零一二年四月二十五日通過之股東特別大會，本公司之法定股本數目由20,000,000,000股增加至200,000,000,000股。該等增加之法定股份與本公司之現有普通股享有同等地位。
- (b) 於二零一二年四月二十六日生效之股本重組涉及(i)每十六股每股面值0.10港元之已發行股份合併為一股每股面值1.60港元之合併股份；(ii)每股已發行合併股份之面值透過註銷本公司之繳足股本，削減每股已發行合併股份1.59港元，由每股面值1.60港元削減至每股面值0.01港元；(iii)每股面值1.60港元之法定但未發行合併股份須分拆為160股每股面值0.01港元之經調整股份。
- (c) 於二零一二年六月二十七日，本公司發行57,084,736股每股0.24港元之普通股，以換取約13,700,000港元。配售事項之詳情載於本公司於二零一二年六月十九日刊發之公佈。

17. CAPITAL COMMITMENTS**17. 資本承擔**

	30 September 2012	31 March 2012
	二零一二年 九月三十日	二零一二年 三月三十一日
	HK\$'000	HK\$'000
	千港元	千港元
	(unaudited)	(audited)
	(未經審核)	(經審核)
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the unaudited interim condensed consolidated financial statements	73,338	—
有關收購物業、廠房及設備已訂約但未於未經審核中期簡明綜合財務報表中撥備之資本開支		

18. SHARE-BASED PAYMENTS**18. 股份付款**

The following table discloses movements of the Company's share options held by directors, employees and consultant during the period:

下表披露期內由董事、僱員及顧問所持之本公司購股權之變動：

2003 Option Scheme**二零零三年購股權計劃**

Name of category of participant	Date of grant	Number of share options			Exercise price
		Outstanding as at 1 April 2012	Adjusted upon capital reorganisation at 26 April 2012	Outstanding as at 30 September 2012	
參與者類別名稱	授出日期	於二零一二年四月一日尚未行使	於二零一二年四月二十六日之股本重組後調整	於二零一二年九月三十日尚未行使	行使價 HK\$ 港元 (Note i) (附註i)
Staff and consultants	3 March 2010	625,000	(585,938)	39,062	6.336
僱員及顧問	二零一零年三月三日				

18. SHARE-BASED PAYMENTS (Cont'd)

Option Deed

Name of category of participant	Date of grant	Number of share options			Exercise price
		Outstanding as at 1 April 2012	Adjusted upon capital reorganisation at 26 April 2012	Outstanding as at 30 September 2012	
參與者類別名稱	授出日期	於二零一二年四月一日尚未行使	於二零一二年四月二十六日之股本重組後調整	於二零一二年九月三十日尚未行使	行使價 HK\$ 港元 (Note ii) (附註ii)
Executive directors					
執行董事					
Mr. Lo Yuen Wa Peter	11 January 2012	10,000,000	(9,375,000)	625,000	6.400
老元華先生	二零一二年一月十一日				
Mr. Eddie Woo	11 January 2012	115,000,000	(107,812,500)	7,187,500	6.400
胡耀東先生	二零一二年一月十一日				
Dr. Wu Yi-Shuen	11 January 2012	450,000,000	(421,875,000)	28,125,000	6.400
吳以舜博士	二零一二年一月十一日				
Non-executive director					
非執行董事					
Dr. Chuang, Henry Yueheng (Note iv)	11 January 2012	75,000,000	(70,312,500)	4,687,500	6.400
莊友衡博士(附註iv)	二零一二年一月十一日				
A consultant (Note iii)	11 January 2012	50,000,000	(46,875,000)	3,125,000	6.400
顧問(附註iii)	二零一二年一月十一日				
Staff	11 January 2012	30,000,000	(28,125,000)	1,875,000	6.400
僱員	二零一二年一月十一日				
		730,000,000	(684,375,000)	45,625,000	

Notes:

- (i) Following the capital reorganisation passed in a special general meeting held on 25 April 2012, the exercise price of the share option under the 2003 Option Scheme adjusted from HK\$0.396 per share to HK\$6.336 per share, while every sixteen share options consolidated into one new share option.
- (ii) Following the capital reorganisation passed in a special general meeting held on 25 April 2012, the exercise price of the share option under the Option Deed adjusted from HK\$0.4 per share to HK\$6.4 per share, while every sixteen share options consolidated into one new share option.
- (iii) The consultant of the Company is responsible for development of the Group's solar grade polycrystalline silicon business with respect to structuring and legal matters, including diligent maintenance of documentation, structuring, future fund raising and other related matters.
- (iv) Dr. Chuang, Henry Yueheng resigned as non-executive director of the Company with effect from 14 November 2012.

附註：

- (i) 於二零一二年四月二十五日舉行之股東特別大會上通過股本重組後，二零零三年購股權計劃下之購股權行使價由每股0.396港元調整至每股6.336港元，而每十六份購股權合併為一份新購股權。
- (ii) 於二零一二年四月二十五日舉行之股東特別大會上通過股本重組後，購股權契據項下之購股權行使價由每股0.4港元調整至每股6.4港元，而每十六份購股權合併為一份新購股權。
- (iii) 本公司之顧問負責本集團太陽能級多晶硅業務發展所涉及之組織及法律事宜，包括盡職備存文檔、重組、未來募資及其他相關事宜。
- (iv) 莊友衡博士於二零一二年十一月十四日起辭任本公司非執行董事。

19. RELATED PARTY TRANSACTIONS

The Group entered into the following transactions with related parties:

19. 關連人士交易

本集團曾與關連人士進行以下交易：

		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
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Rental expenses paid to the following related parties	支付予以下關連人士之租金開支		
(a) Non-controlling shareholder of a subsidiary with significant influence over the subsidiary	(a) 對附屬公司有重大影響力之附屬公司非控股股東		
(i) Dongguan City Qiao Guang Industrial Group Company (Note)	(i) 東莞市橋光實業集團公司 (附註)	649	576
(b) Companies in which a key management personnel of the Group has controlling interest	(b) 本集團主要管理人員有控股權益之公司		
(i) Techford Development Limited	(i) Techford Development Limited	60	60
(ii) Mascotte Investments Limited	(ii) 馬斯葛投資有限公司	288	396
		997	1,032

Note: The rental arrangement ended on 31 August 2012 and was not extended afterwards.

附註：租金安排於二零一二年八月三十一日結束後並無延長。

20. IMPAIRMENT LOSS ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSET

As a result of severe and challenging market conditions in the solar industry during the year 2012 which impacted the selling prices of the polysilicon in the industry, the Group carried out a review of the recoverable amount of related cash generating unit (“CGU”) during this period, with the assistance from an independent valuation firm.

Hong Kong Accounting Standard 36 – Impairment of Assets (“HKAS 36”) set out that the recoverable amount of the CGU is estimated in order to determine the extent of the impairment loss. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of a CGU is estimated to be less than its carrying amount, the carrying amount of a CGU is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

In preparing the impairment test of Sun Mass Energy Limited and its subsidiaries (“Sun Mass Group”) as a CGU, the Group has observed HKAS 36 and has prepared recoverable amount analysis under both fair value less costs to sell and value in use premises. Since the results from the two premises are close, the management decided that it is reasonable to adopt the value in use premise, which was based on the discounted cashflow (the “DCF”) analysis.

20. 物業、廠房及設備及無形資產減值虧損

二零一二年太陽能業之市況嚴峻及充滿挑戰影響業內多晶硅之售價，本集團因此於本期間內在獨立評估公司之協助下進行相關現金產生單位(「現金產生單位」)之可收回金額檢討。

香港會計準則第36號 – 資產減值(「香港會計準則第36號」)載列，現金產生單位之可收回金額予以估計，以釐定減值虧損之程度。可收回金額為公平值減銷售成本及使用價值之較高者。評估使用價值時，估計未來現金流量乃使用稅前折現率折現至其現值，該折現率反映目前市場對資金時間值之評估，以及估計未來現金流量未經調整之資產之獨有風險。如估計某項現金產生單位之可收回金額低於其賬面值，該項現金產生單位之賬面值則須減低至其可收回金額。減值虧損即時於損益確認。

於編製Sun Mass Energy Limited及其附屬公司(「Sun Mass集團」)(作為現金產生單位)之減值測試時，本集團已遵守香港會計準則第36號，並於公平值減銷售成本及使用價值之假設上編製可收回金額分析。由於兩項假設所得出之結果接近，故管理層認為採用以折現現金流量(「折現現金流量」)分析為基礎之使用價值假設屬合理。

The calculation was based on the future pre-tax cash flows expected to arise from the CGU for the next five years using a pre-tax discount rate of 22%. The pre-tax discount rate of 22% was derived by setting the same equity value results from a post-tax cashflow using a post-tax discount rate and a pre-tax cashflow using a pre-tax discount rate.

The post-tax discount rate was estimated based on the estimated weighted average cost of capital ("WACC"), which incorporated the cost of equity and debt, weighted by the proportionate amount of each source of capital in the capital structure. The cost of equity was developed through the application of the Capital Asset Pricing Model ("CAPM"), with reference to comparable companies' historical beta. In addition, small size risk premium and company-specific risk premium were also added to the cost of equity derived by CAPM. Another component of WACC was after-tax cost of debt, which was based on the latest borrowing rate of the subject and the standard tax rate. Taking the industry's capital structure as a proxy is the notion that the subject's operation will converge to the industry level in the long run. The cash flows beyond the next five years are extrapolated using a nominal growth rate of 3%. Other key assumptions adopted in the DCF analysis under the value in use premise are set out below:

1. production facility was expected to commence operation in the first half of 2013 based on the management's estimation;
2. average selling price (ASP) was estimated at approximately US\$23.7/kg in 2013 and was estimated to change in line market analysts forecast; and

計算乃根據未來五年按除稅前折現率22%，現金產生單位預期產生之未來除稅前現金流量計算。除稅前折現率22%乃透過從採用除稅後折現率計算之除稅後現金流量及採用除稅前折現率計算之除稅前現金流量設定相同權益價值而得出。

除稅後折現率乃根據估計加權平均資本成本(「加權平均資本成本」)估計，加權平均資本成本包括權益及債務成本，並以資本架構中各項資本來源之按比例金額加權計算。權益成本乃經參考可比公司之過往貝他系數透過應用資本資產定價模式(「資本資產定價模式」)而得出。此外，小規模風險溢價及公司特定風險溢價亦已計入資本資產定價模式所得出之權益成本。加權平均資本成本之另一部分為除稅後債務成本，乃按目標公司之最近借貸率及標準稅率計算。該行業之資本架構，反映目標公司之營運將於長遠而言達致業內水平之概念。未來五年後之現金流量則以名義增長率3%推斷。使用價值假設項下之折現現金流量分析所採用之其他主要假設載列如下：

1. 根據管理層估計，生產設施預期將於二零一三年上半年開始運作；
2. 於二零一三年，估計平均售價(平均售價)約為23.7美元／公斤，並估計將隨著市場分析員之預測而改變；及

3. Cash manufacturing costs, comprising raw materials, electricity and manufacturing overhead, which were estimated to be approximately US\$14/kg by a technical consultant commissioned by the Company. In relying on the technical report, cash manufacturing costs were expected to remain constant throughout the projection period;
 4. operating expenses ("OPEX") including selling, general and administrative expenses were estimated to be less than 10% of revenue throughout the projection period. Management estimated the OPEX based on the planned headcount, rental and miscellaneous expenses;
 5. an estimated sales volume in the first full year of operation represents approximately 74% utilization of the designed production capacity of the existing plant and gradually increase to a long-run target of 86%. The planned utilization rate is in line with the industry practice; and
 6. all polysilicon produced are sold.
3. 本公司委託之技術顧問估計之現金製造成本(包括原料、電力及製造費用)約為14美元/公斤。於倚賴技術報告時，預期於整個預測期間之現金製造成本將維持不變；
 4. 於整個預測期間內，營運開支(「營運開支」)(包括銷售、一般及行政開支)估計少於收益之10%。管理層根據計劃人手、租金及雜項開支估計營運開支；
 5. 首個完整營運年度之估計銷量相當於現有廠房設計產能使用率約74%，並逐漸提高至長遠目標86%。計劃使用率符合行業慣例；及
 6. 所有生產之多晶硅均售出。

Accordingly, impairment losses of HK\$189.0 million and HK\$1,732.0 million in respect of property, plant and equipment and intangible asset, respectively, have been recognized in the profit and loss. No impairment assessment was performed for the year ended 31 March 2012.

因此，於損益內分別就物業、廠房及設備及無形資產確認189,000,000港元及1,732,000,000港元減值虧損。截至二零一二年三月三十一日止年度並無進行減值評估。

FINANCIAL RESULTS AND BUSINESS REVIEW**財務業績及業務回顧**

For the six months ended 30 September 2012 (the "Period"), the loss attributable to shareholders for the Period recorded as approximately HK\$2,392.2 million, which increased by approximately HK\$2,046.4 million, as compared to a loss of approximately HK\$345.8 million at the same period last year. The loss was mainly attributable to:

於截至二零一二年九月三十日止六個月(「本期間」)錄得本期間股東應佔虧損約2,392,200,000港元，較去年同期虧損約345,800,000港元增加約2,046,400,000港元。虧損乃主要由於下列事項所致：

- (i) As at 30 September 2012, an impairment of approximately HK\$1,921.0 million was made by the Company against the aggregated carrying value of the investment in Sun Mass Group. The basis of determination of the impairment is primarily based on the valuation report dated 28 November 2012 (the "Report") in respect of the Group's polycrystalline silicon business in Taiwan. The Report indicated that the value in use of business enterprise of the Group's polycrystalline silicon business (on the existing plant scenario) is reasonably stated as approximately HK\$780.0 million (USD100.0 million);
 - (ii) an increase in finance costs by approximately HK\$177.7 million, from approximately HK\$37.0 million to approximately HK\$214.7 million in which approximately HK\$2.1 million arising from interest expenses paid for bank and other borrowings, approximately HK\$94.0 million arising from the amortisation of interest expenses for convertible bonds and approximately HK\$118.6 million arising from the amortisation of interest expenses for consideration bonds during the Period;
 - (iii) a change of fair value on derivative financial instrument of the Company's consideration bonds which resulting of approximately HK\$101.1 million loss as at 30 September 2012 (As at 30 September 2011: Nil);
- (i) 於二零一二年九月三十日，本公司就於Sun Mass集團投資之賬面總值作出約1,921,000,000港元之減值。釐定減值之基準乃主要根據日期為二零一二年十一月二十八日之估值報告(「報告」)，內容有關本集團於台灣之多晶硅業務。報告指本集團多晶硅業務之企業使用價值(根據現有廠房之情況)合理列為約780,000,000港元(100,000,000美元)；
 - (ii) 融資成本增加約177,700,000港元，由約37,000,000港元增加至約214,700,000港元，當中約2,100,000港元來自本期間銀行及其他借貸支付之利息開支、約94,000,000港元來自可換股債券之利息開支攤銷，以及約118,600,000港元為代價債券之利息開支攤銷；
 - (iii) 本公司代價債券之衍生財務工具公平值變動於二零一二年九月三十日產生之虧損約101,100,000港元(於二零一一年九月三十日：無)；

- (iv) an aggregated loss on early redemptions of the Company's consideration bonds during the Period of approximately HK\$86.4 million (2011:Nil);
- (v) a decrease in investment income (investments in shares and provision of finance) by approximately HK\$16.6 million, from approximately HK\$17.2 million to approximately HK\$0.6 million during the Period;
- (vi) the fair value losses of approximately HK\$22.2 million in financial assets at fair value through profit or loss, which was decreased by approximately HK\$273.5 million from approximately HK\$295.7 million during the Period.

(iv) 於本期間提早贖回本公司代價債券之虧損總額約86,400,000港元(二零一一年：無)；

(v) 於本期間，投資收入(股份投資及提供融資)減少約16,600,000港元，由約17,200,000港元減少至約600,000港元；

(vi) 於本期間，按公平值計入損益之財務資產之公平值虧損約為22,200,000港元，由約295,700,000港元減少約273,500,000港元。

The basic and diluted loss per share was HK\$7.59 for the Period. The basic and diluted loss per share was adjusted to reflect the impact of the share consolidation effected on 26 April 2012.

本期間，每股基本及攤薄虧損為7.59港元。每股基本及攤薄虧損已予調整，以反映於二零一二年四月二十六日生效之股份合併之影響。

Solar grade polycrystalline silicon

Result

No turnover was generated from solar grade polycrystalline silicon segment with no commercial production was commenced during the Period and the same period last year. With the completions of acquisition of 50.1% and 49.9% interest in Sun Mass Group, which is engaged in solar grade polycrystalline silicon's business, in July 2011 and in Jan 2012 respectively, the segment loss increased by 196.9 times, from approximately HK\$9.9 million in the same period last year to approximately HK\$1,949.4 million for the Period, in which approximately HK\$1,921.0 million was arising from the impairment loss on the Group's polycrystalline silicon's business, which amount of approximately HK\$1,732.0 million allocated to intangible asset and approximately HK\$189.0 million allocated to the property, plant and equipment.

太陽能級多晶硅

業績

於本期間及去年同期，由於尚未開始商業生產，故太陽能級多晶硅分類並無產生營業額。由於收購Sun Mass集團(從事太陽能級多晶硅業務)之50.1%及49.9%權益分別於二零一一年七月及二零一二年一月完成，故分部虧損增加196.9倍，由去年同期約9,900,000港元增加至本期間約1,949,400,000港元，當中約1,921,000,000港元來自本集團之多晶硅業務減值虧損產生，當中約1,732,000,000港元分配至無形資產，以及約189,000,000港元乃分配至物業、廠房及設備。

Impairment

During the Period, as a result of severe and challenging market conditions in the solar industry in the year of 2012 which impacted the selling prices of the polysilicon in the industry, the Group carried out a review of the recoverable amount of related CGU, during the period with the assistance from an independent valuation firm.

HKAS 36 set out that the recoverable amount of the CGU is estimated in order to determine the extent of the impairment loss. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of a CGU is estimated to be less than its carrying amount, the carrying amount of a CGU is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

In preparing the impairment test of Sun Mass Group as a CGU, the Group has observed HKAS 36 and has prepared recoverable amount analysis under both fair value less costs to sell and value in use premises. Since the results from the two premises are close, the management decided that it is reasonable to adopt the value in use premise, which was based on the DCF analysis.

減值

於本期間，二零一二年太陽能業之市況嚴峻及充滿挑戰影響業內多晶硅之售價，本集團因此於本期間內在獨立評估公司之協助下進行相關現金產生單位之可收回金額檢討。

香港會計準則第36號載列，現金產生單位之可收回金額予以估計，以釐定減值虧損之程度。可收回金額為公平值減銷售成本及使用價值之較高者。評估使用價值時，估計未來現金流量乃使用稅前折現率折現至其現值，該折現率反映目前市場對資金時間值之評估，以及估計未來現金流量未經調整之資產之獨有風險。如估計某項現金產生單位之可收回金額低於其賬面值，該項現金產生單位之賬面值則須減低至其可收回金額。減值虧損即時於損益確認。

於編製Sun Mass集團(作為現金產生單位)之減值測試時，本集團已遵守香港會計準則第36號，並於公平值減銷售成本及使用價值之假設上編製可收回金額分析。由於兩項假設所得出之結果接近，故管理層認為採用以折現現金流量分析為基礎之使用價值假設屬合理。

The calculation was based on the future pre-tax cash flows expected to arise from the CGU for the next five years using a pre-tax discount rate of 22%. The pre-tax discount rate of 22% was derived by setting the same equity value results from a post-tax cashflow using a post-tax discount rate and a pre-tax cashflow using a pre-tax discount rate.

The post-tax discount rate was estimated based on the estimated WACC, which incorporated the cost of equity and debt, weighted by the proportionate amount of each source of capital in the capital structure. The cost of equity was developed through the application of the CAPM, with reference to comparable companies' historical beta. In addition, small size risk premium and company-specific risk premium were also added to the cost of equity derived by CAPM. Another component of WACC was after-tax cost of debt, which was based on the latest borrowing rate of the subject and the standard tax rate. Taking the industry's capital structure as a proxy is the notion that the subject's operation will converge to the industry level in the long run. The cash flows beyond the next five years are extrapolated using a nominal growth rate of 3%. Other key assumptions adopted in the DCF analysis under the value in use premise are set out below:

1. production facility was expected to commence operation in the first half of 2013 based on the management's estimation;
2. ASP was estimated at approximately US\$23.7/kg in 2013 and was estimated to change in line market analysts forecast; and

計算乃根據未來五年按除稅前折現率22%，現金產生單位預期產生之未來除稅前現金流量計算。除稅前折現率22%乃透過從採用除稅後折現率計算之除稅後現金流量及採用除稅前折現率計算之除稅前現金流量設定相同權益價值而得出。

除稅後折現率乃根據估計加權平均資本成本估計，加權平均資本成本包括權益及債務成本，並以資本架構中各項資本來源之按比例金額加權計算。權益成本乃經參考可比公司之過往貝他系數透過應用資本資產定價模式而得出。此外，小規模風險溢價及公司特定風險溢價亦已計入資本資產定價模式所得出之權益成本。加權平均資本成本之另一部分為除稅後債務成本，乃按目標公司之最近借貸率及標準稅率計算。該行業之資本架構，反映目標公司之營運將於長遠而言達致業內水平之概念。未來五年後之現金流量則以名義增長率3%推斷。使用價值假設項下之折現現金流量分析所採用之其他主要假設載列如下：

1. 根據管理層估計，生產設施預期將於二零一三年上半年開始運作；
2. 於二零一三年，估計平均售價約為23.7美元／公斤，並估計將隨著市場分析預測而改變；及

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| <p>3. Cash manufacturing costs, comprising raw materials, electricity and manufacturing overhead, which were estimated to be approximately US\$14/kg by a technical consultant commissioned by the Company. In relying on the technical report, cash manufacturing costs were expected to remain constant throughout the projection period;</p> <p>4. OPEX including selling, general and administrative expenses were estimated to be less than 10% of revenue throughout the projection period. Management estimated the OPEX based on the planned headcount, rental and miscellaneous expenses;</p> <p>5. an estimated sales volume in the first full year of operation represents approximately 74% utilization of the designed production capacity of the existing plant and gradually increase to a long-run target of 86%. The planned utilization rate is in line with the industry practice; and</p> <p>6. all polysilicon produced are sold.</p> | <p>3. 本公司委託之技術顧問估計之現金製造成本(包括原料、電力及製造費用)約為14美元/公斤。於倚賴技術報告時，預期於整個預測期間之現金製造成本將維持不變；</p> <p>4. 於整個預測期間內，營運開支(包括銷售、一般及行政開支)估計少於收益之10%。管理層根據計劃人手、租金及雜項開支估計營運開支；</p> <p>5. 首個完整營運年度之估計銷量相當於現有廠房設計產能使用率約74%，並逐漸提高至長遠目標86%。計劃使用率符合行業慣例；及</p> <p>6. 所有生產之多晶硅均售出。</p> |
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Accordingly, an impairment loss of HK\$1,921.0 million is recognised in the profit and loss. No impairment assessment was performed for the year ended 31 March 2012.

因此，於損益內確認1,921,000,000港元減值虧損。截至二零一二年三月三十一日止年度並無進行減值評估。

In the circular of the Company dated 19 December 2011, a calculation report has been disclosed in relation to the calculated value of business enterprise of Sun Materials Technology Co., Ltd ("Sun Materials"), an indirectly wholly owned subsidiary of Sun Mass Energy Limited as of June 30, 2011, which was based on market approach – guideline company method. Certain key assumptions under the calculation report are different from the ones for impairment analysis and are stated below:

就Sun Mass Energy Limited之間接全資附屬公司山陽科技股份有限公司(「山陽科技」)於二零一一年六月三十日根據市場法 – 類比公司法計算之商業企業計算價值之計算報告已於本公司於二零一一年十二月十九日刊發之通函中披露。計算報告之若干主要假設與減值分析所採用者不同，載列如下：

- | | |
|---|--|
| <p>1. production facility was expected to commence operation in late December 2011;</p> <p>2. ASP was estimated at approximately US\$32.6/kg in the first full year production period; and</p> <p>3. Cash manufacturing costs were estimated to be US\$12.8/kg.</p> | <p>1. 生產設施預期將於二零一一年十二月底開始運作；</p> <p>2. 於首個完整年度生產期，估計平均售價約為32.6美元/公斤；及</p> <p>3. 估計現金製造成本約為12.8美元/公斤。</p> |
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Based on the progress of the development, the latest technical report and the valuation report prepared by American Appraisal China Limited in respect of the Group's polycrystalline silicon business, the Company discussed and concluded to adopt a one plant scenario for the impairment test. It is mainly due to (i) the change of the market conditions, especially the change of the spot price of the polycrystalline silicon; (ii) the delay in respect of the inflow of the expected economic benefits generated from Sun Materials; (iii) the prolonged delay in the process of a proposed fund arising activity which has a significant impact on the Group's short-term funding for its working capital; and (iv) an adoption of a prudent approach to estimate the impairment loss. Independent professional parties will continued be engaged to advise the Company in respect of the market conditions and the core technology. Furthermore, an impairment test will carry out at least on each future reporting date/period for the management to review and consider.

Investments

During the Period, the dividend income on investments in shares decreased by 99.1% from approximately HK\$4.6 million to approximately HK\$0.04 million as compared with the same period last year. The net loss from investment in shares was approximately HK\$22.2 million, 92.5% lower than approximately HK\$295.7 million as compared with the same period last year. The proceeds from disposal of investments were utilised for the working capital of the Group.

Loan financing

During the Period, interest income from provision of finance significantly decreased by 21 times from approximately HK\$12.6 million to approximately HK\$0.6 million as compared with the same period last year, mainly due to decrease in number of customers. All loans and interest receivables were duly settled as at 30 September 2012 and no provision for loan receivable was made during the Period. The amounts received from loan receivables were utilised for the working capital of the Group.

根據發展進度、由美國評值有限公司編製有關本集團多晶硅業務之最近期技術報告及估值報告，本公司經討論後決定採納一間廠房之情景進行減值測試。此乃主要由於(i)市況改變，特別是多晶硅之現貨價改變；(ii)山陽科技所產生之預期經濟利益延遲流入；(iii)建議集資活動過程長時間延遲，對本集團營運資金之短期融資造成重大影響；及(iv)採取審慎方式估計減值虧損所致。獨立專業人士將繼續獲委聘，以就市況及核心技術向本公司提供意見。此外，各未來報告日期／期間將至少進行一次減值測試以供管理層作審閱及考慮之用。

投資

於本期間，股份投資之股息收入較去年同期減少99.1%，由約4,600,000港元減少至約40,000港元。股份投資之虧損淨額約為22,200,000港元，較去年同期約295,700,000港元低92.5%。出售投資之所得款項乃用作本集團之營運資金。

貸款融資

於本期間，提供融資之利息收入較去年同期大幅減少21倍，由約12,600,000港元減少至約600,000港元，主要由於客戶數目減少所致。所有貸款及應收利息已於二零一二年九月三十日妥為清償，而於本期間並無為應收貸款作出撥備。應收貸款所收取之款項乃用作本集團之營運資金。

Property investment

During the Period, with the utilisation of empty space and generating additional funding as working capital for the segment of property investment, the Group rent out a unit of 2501, China United Centre, 28 Marble Road, North Point, Hong Kong to an independent third party. With the utilisation of other investment properties remain unchanged, rental income from investment properties increased from approximately HK\$0.7 million to approximately HK\$1.5 million, representing an increase of 2.1 times as compared with the same period last year.

Manufacture and sale of accessories

The segment's turnover slightly increased by approximately HK\$3.4 million, from approximately HK\$89.2 million to approximately HK\$92.6 million, as compared with the same period last year. With the provision of the sales value added tax and the continuous increase in wages and salaries, gross profit margin slightly decreased from 28.7% to 27.1%. The segment's result decreased by approximately HK\$2.3 million, from approximately HK\$7.0 million to approximately HK\$4.7 million, as compared with the same period last year.

BUSINESS UPDATE ON THE GROUP'S POLYCRYSTALLINE SILICON BUSINESS

The recycling facilities

Before completion of the Group's acquisition of Sun Mass Group in 2011, the recycling facilities were planned to be constructed and implemented after the commencement of commercial production of polycrystalline silicon, and that the capital commitment for the recycling facilities would be financed by the cash flow generated from commercial production.

物業投資

於本期間，因利用空置空間及籌集額外資金作為物業投資分類之營運資金，本集團出租位於香港北角馬寶道28號華匯中心2501室之單位予獨立第三方。由於其他投資物業之用途不變，投資物業產生之租金收入由約700,000港元增加至約1,500,000港元，較去年同期增加2.1倍。

製造及銷售配件

此分類之營業額較去年同期微升約3,400,000港元，由約89,200,000港元增加至約92,600,000港元。因作出銷售增值稅撥備，以及工資及薪金不斷上升，毛利率由28.7%微跌至27.1%。分類業績較去年同期減少約2,300,000港元，由約7,000,000港元減少至約4,700,000港元。

本集團多晶硅業務之業務最新消息

回收設施

本集團於二零一一年完成收購Sun Mass集團前，曾計劃於多晶硅商業生產開始後興建及使用回收設施，而回收設施之資本承擔將以商業生產產生之現金流量撥付。

During the week of 23 April 2012, after improving the thermal decomposition capabilities at the production plant, Sun Materials was able to produce samples of polycrystalline silicon using the commercial production line. The need to expedite the further enhancement of its production facilities before formal commercial production is prompted by the following reasons:

- (i) hydrofluoric acid, an industrial acid requiring special handling, is produced as a by-product of the silicon decomposition and production process.
- (ii) The Group is capable of commencing large-scale production now, but once it has commenced large-scale production, the amount of hydrofluoric acid produced will increase exponentially and cannot be safely handled under its current storage method and facilities, especially during the typhoon season in Taiwan from May to November (with the peak season from June to September).
- (iii) Originally, the enhancement of production plants was intended to be carried out after the Group's commencement of large-scale production in around the fourth quarter of 2011. That would avoid the accumulation of hydrofluoric acid during the peak typhoon season in Taiwan. However, since large-scale production was delayed, if the Company proceeded with commercial production without enhancing its production facilities, a high volume of hydrofluoric acid would be accumulated during the peak typhoon season. Therefore, the Group has to enhance its production facilities now before commencing formal large-scale production.

Customers

Subsequent to completion of the acquisition of Sun Mass Group by the Company in 2011 and during the fourth quarter of 2011, Sun Materials approached a number of potential contractors to obtain quotations on the construction and implementation of recycling facilities. Potential contractors submitted quotations which set out an estimate for civil work and general

於二零一二年四月二十三日之星期內，改善生產廠房之熱分解能力後，山陽科技能夠使用商業生產線以生產多晶硅樣本。在投入正式商業生產前需要加快進一步提升其生產設施，理由如下：

- (i) 在硅分解及生產過程中，產生副產品氫氟酸（一種需要特別處理之工業酸）。
- (ii) 本集團現時能夠展開大規模生產，但大規模生產一經展開，所產生之氫氟酸量將出現幾何增長，無法以其現有儲存方法及設施安全處理，五月至十一月之台灣颱風季節（高峰期為六月至九月）之情況尤為嚴重。
- (iii) 本公司原擬於本集團在二零一一年第四季前後展開大規模生產後提升生產廠房。這會避免在台灣颱風季節高峰期累積氫氟酸。然而，由於大規模生產延遲，故倘本公司在未提升其生產設施前進行商業生產，將於颱風季節高峰期內累積大量氫氟酸。因此，本集團現須先提升其生產設施，方展開正式大規模生產。

客戶

本公司於二零一一年完成收購 Sun Mass 集團後，於二零一一年第四季，山陽科技與若干潛在承建商接洽，以取得興建及使用回收設施之報價。潛在承建商提呈之報價列出土木工程及一般水電／管道工程之預

utility/piping without detailed specifications. The current potential contractor is one of the potential contractors shortlisted before completion of the acquisition of Sun Mass Group in 2011. Further discussions in respect of the detailed specifications with shortlisted potential contractors were completed on 25 May 2012. On 25 May 2012, the Group completed the negotiation of detailed specifications with the shortlisted potential contractors for the facility building and is in the process of finalizing the facility piping vendors on the enhancement of the decomposition and recycling/regeneration capabilities of its production facilities. Based on the detailed specifications, the Company eventually confirmed the engagement with a contractor in June 2012. It is expected that the enhancement work will be completed by early 2013, and commercial production will commence in the first half of 2013.

Currently, the Group expects that once the enhancement work on the decomposition and recycling/regeneration capabilities of its production facilities is complete and that production will commence as planned, the same model will be applied to the construction of the additional five production plants.

The Group has discussed with its customers the Group's delay in commercial production and its inability to deliver products to them. All of them have agreed to postpone delivery of products by amending the relevant contractual terms, including delivery dates, volume and pricing, until the Group is in a position to generate polycrystalline silicon from its commercial production.

All of the Group's customers are aware of, and accept, the possibility of delivery delays, especially in relation to the products generated from new projects, as they have experience dealing with other more established manufacturers in the market who have encountered technical and capacity issues during the early stage of a new production project.

算，惟概無詳細規格。現時之潛在承建商為一間於二零一一年收購Sun Mass集團完成前候選名單上之其中一名潛在承建商。與候選潛在承建商就工程詳細規格進行之進一步討論已於二零一二年五月二十五日完成。於二零一二年五月二十五日，本集團已完成與潛在設施建築物候選承建商就工程詳細規格進行之協商，現正落實提升其生產設施之分解及回收／再生能力之設施管道供應商。本公司最終按詳細規格於二零一二年六月確認聘任承建商。預期提升工作將於二零一三年初完成，而商業生產將於二零一三年上半年展開。

本集團現時預期，完成提升其生產設施之分解及回收／再生能力及按計劃投產後，便會將同一模式套用至其他五個生產廠房之建設。

本集團已就本集團延遲商業生產及未能交付產品與其客戶進行協商。各客戶均同意透過修改相關合約條款，包括交付日期、貨量及價格以延遲產品交付，直至本集團得以自商業生產生產多晶硅。

由於本集團所有客戶均曾與市場上更具規模之生產商合作，而該等生產商在新生產項目初期階段亦遇到技術及產能問題，故彼等均得悉並接納延遲交付之可能性(特別是有關新項目所生產之產品)。

The Group's key customer and strategic partner, Hareon Solar Technology, remains committed to the project and continues to offer its support and assistance to the Group.

本集團之主要客戶及策略夥伴海潤光伏科技仍繼續參與項目並繼續為本集團提供支援及協助。

Save for the aforementioned postponement of delivery of products, the result of an additional sampling run has re-confirmed the achievement of the second run which was simulated under real production conditions. The prolonged delay is due to the implementation of the recycling facilities which is not directly related to the core production technology. The core value of the polycrystalline silicon business depends on the successful launch of the core production technology.

除上文所述延遲交付產品外，額外試產結果亦再次確認了第二次試產(模擬真實生產情況)之成功。再度延遲乃由於使用回收設施所致，與核心生產技術並無直接關係。多晶硅業務之核心價值取決於成功推出核心生產技術。

Set out below is a summary of the key events and developments leading to the delay in the commercial production of polycrystalline silicon by the Group:

以下載列導致本集團多晶硅商業生產有所延誤之主要事件及發展：

Date	Event/Development	日期	事件／發展
19 December 2011	Publication of the 2nd VSA circular very substantial acquisition's circular (the "2nd VSA Circular").	二零一一年十二月十九日	刊發第二份非常重大收購事項之通函(「第二份非常重大收購事項通函」)。
January to April 2012	The fourth-generation reactor was designed and produced based on the knowledge obtained from the earlier designs. By early April 2012, the silicon tetrafluoride concentration levels generated by the Group's decomposition reactor reached Dr. Wu Yi-Shuen ("Dr. Wu") target concentration threshold of 80%.	二零一二年一月至四月	第四代爐具均根據早前設計所得之知識進行設計及生產。於二零一二年四月初，本集團分解爐產生之四氟化硅濃度水平達致吳以舜博士(「吳博士」)之80%目標濃度水平。
April 2012	The Group devised and implemented a plan for full commercial operation as a result of the achievement of the 80% silicon tetrafluoride concentration.	二零一二年四月	因應實現80%之四氟化硅濃度，本集團設計及落實計劃，全面進行商業生產。

Date	Event/Development	日期	事件／發展
Week of 23 April 2012	Dr. Wu completed the first two critical sample production runs which confirmed the feasibility of operating every key component for commercial production.	二零一二年 四月 二十三日 之該星期	吳博士完成首兩項主要樣本試產，確定操作商業生產每個主要部分之可行性。
Week of 30 April 2012	With critical testing of the full system operation completed, Dr. Wu advised that the original analysis of the hydrofluoric acid level produced in the process was too conservative, rendering the existing method of handling and storing of the discharge, in particular during the peak typhoon season starting in June of each year, inadequate.	二零一二年 四月 三十日 之該星期	完成全套系統運作之主要測試後，吳博士建議，過程中產生之氫氟酸水平之原有分析過於保守，致使現有之排放物處理及儲存方法有所不足，特別是於每年六月開始之颱風季節高峰期則更為不足。

Treatment of by-products and related environmental laws and regulations in Taiwan

副產品之處理以及台灣相關環境法例及法規

The Group's polycrystalline silicon business utilizes a proprietary "hydrogen-assist-reductive-combustion" process for producing polycrystalline silicon in which the hydrofluoric acid and sodium fluoride generated would be processed in a closed-loop manner, and such substances would then be reconstituted into sodium fluorosilicate, a silicon feedstock, which is in turn used to produce silicon tetrafluoride for the "hydrogen-assist reductive combustion" process. This is how the Group intended to treat the hydrofluoric acid generated for production of polycrystalline silicon. The current storage of hydrofluoric acid was intended merely to be a temporary measure to handle the hydrofluoric acid and such method was never intended for treating the hydrofluoric acid generated in commercial production. As such, the directors had not previously considered the hydrofluoric acid discharge to be a risk, but instead considered the new production process (a) to be a more environmentally-friendly process that is expected to fully consume the hydrofluoric acid discharge, as compared to other established production processes such the Siemens or Fluidized Bed Reactor process, and (b) a more cost-efficient way of producing

本集團之多晶硅業務利用一項專有「氫氣協助減少燃燒」工序生產多晶硅，當中產生之氫氟酸及氟化鈉將以閉環形式處理，有關物質將重新組成為氟硅酸鈉，氟硅酸鈉為硅原料，用作生產「氫氣協助減少燃燒」工序所需之四氯化硅，此乃本集團就處理生產多晶硅時所產生氫氟酸所擬採用之方法。現時氫氟酸之儲存僅擬作為處理氫氟酸之暫時性措施，而本集團從不打算以該方法處理商業生產所產生之氫氟酸。因此，董事先前認為釋出氫氟酸將不會構成風險，並認為新生產工序(a)預期可耗用所有釋出之氫氟酸，較其他現有生產程序(例如西門子或流化床反應器工序)更為環保，及(b)預期可於回收過程耗用所有副產品，能以更有成本效益之方式生產多晶硅。董事經過技術盡職審查及

polycrystalline silicon as our byproducts are expected to be fully consumed during the recycling process. The directors came to this view as a consequence of their technical due diligence and the representations made by the vendor as well as industry experts. The Group's technical consultants and other third-party experts did not identify the risk of having a relatively large volume of hydrofluoric acid discharged from the production process when assessing the production process before the Group's acquisition of Sun Mass Group.

Upon completion of the review of production data generated during the week of 23 April 2012, the directors took proactive steps to accelerate the planning and construction of the recycling facility to treat the hydrochloric acid discharge, including other ways to mitigate the issues related to the Group's current method of storing hydrofluoric acid discharge.

As disclosed above, the risks associated with large volume of hydrofluoric acid discharge during production were not contemplated by the Group's technical consultants nor its legal advisers as to Taiwanese law as the "hydrogen-assist-reductive-combustion" process is a proprietary process which involves new technology. It was only after the conclusion of the enhancement of the decomposition process during the week of 23 April 2012 that the urgency of constructing and implementing the recycling facilities emerged and was recognized as an issue that must be resolved by prior to commencing commercial production.

The directors are of the view that the Group has taken all necessary steps to assess the competency of industry experts and business partners that the Group relied on. The directors have reviewed the profile and track record of various industry experts, interviewed the responsible consultants and rejected consultants who fall short of the standards required by the directors, including

考慮賣方及業界專家作出之陳述後達致有關觀點。本集團之技術顧問及其他第三方專家評估本集團收購Sun Mass集團前之生產過程時，並無發現生產過程中產生較大量氫氟酸之風險。

完成審閱二零一二年四月二十三日該星期產生之生產數據後，董事主動加快回收設施之規劃及建設步伐，以處理氫氟酸廢料，包括以其他方法減輕有關本集團現時儲存氫氟酸廢料方法之問題。

誠如上文所披露，由於「氫氣協助減少燃燒」工序為涉及新科技之專有工序，故本集團之技術顧問及其台灣法例之法律顧問並無仔細考慮生產過程釋出大量氫氟酸之相關風險。僅於二零一二年四月二十三日該星期進行之分解過程提升完成後，方發現興建及使用回收設施之急切需要，並發現此問題必須於商業生產開始前解決。

董事認為本集團已採取所有必要措施以評估本集團信賴之業界專家及業務夥伴之專業資格。董事已審閱各業界專家之簡介及往績記錄；與負責顧問進行面試，並剔除未達致董事要求水平之顧問，包括一間德

GEC, a German technical consultancy company. After screening various candidates, the directors have engaged the following industry experts:

國技術顧問公司GEC。經過篩選後，董事已聘任以下業界專家：

Industry experts	Remarks	業界專家	備註
Ove Arup	It is one of two technical consultants engaged for the Group's acquisition of Sun Mass Group in 2011, and is one of the top global engineering consulting firms referred to the Group by Deutsche Bank, the Group's placing agent and financial advisor in connection with the Group's acquisition. Prior to its engagement, the Group has reviewed the profile and track record of Ove Arup, and interviewed the team of responsible consultants.	Ove Arup	為本集團於二零一一年收購Sun Mass集團時聘任兩名技術顧問之其中之一，由德意志銀行向本集團推薦之全球最佳工程顧問公司之一，為有關本集團收購事項之本集團配售代理兼財務顧問。在其聘任前，本集團已審閱Ove Arup之簡介及往績記錄，並與負責顧問團隊進行面試。
Amocon	It is the technical consultant to Ove Arup. Dr. Albrecht Mozer, the founder of Amocon, who personally oversaw the project, was (a) former CEO of Centrotherm SiTec, a large German turnkey provider of polycrystalline silicon manufacturing equipment, and (b) former chief technical officer of Wacker, one of the largest global producers of polycrystalline silicon and is an owner of numerous patents in the photovoltaic field. The Group has reviewed the profile and track record of Amocon, and relied on the comments of Ove Arup and Deutsche Bank on the credentials of Dr. Albrecht Mozer, prior to engaging him as the Group's technical consultant.	Amocon	為Ove Arup之技術顧問。Amocon之創辦人Albrecht Mozer博士親自監督整個項目，為(a) Centrotherm SiTec之前行政總裁，而Centrotherm SiTec為一間多晶硅製造設備之大型德國整線供應商，及(b)Wacker之前首席技術官，而Wacker為全球最大多晶硅生產商之一，並為光伏業多項專利之擁有人。本集團已在聘任Albrecht Mozer博士為本集團之技術顧問前審閱Amocon之簡介及往績記錄，並信賴Ove Arup及德意志銀行對Albrecht Mozer博士之資歷方面之意見。

Industry experts	Remarks	業界專家	備註
Photon Consulting	It is a preeminent photovoltaic consultancy recently engaged by the Group to review its manufacturing plant. The Group has reviewed the profile and track record of Photon Consulting, and interviewed the responsible consultants prior to engaging Photon Consulting as the Group's technical consultant.	Photon Consulting	為卓越之光伏顧問，最近獲本集團聘任以檢討其生產廠房。本集團已在聘任Photon Consulting為本集團之技術顧問前審閱Photon Consulting之簡介及往績記錄，並與負責顧問團隊進行面試。

With respect to the Group's business partners, Hareon Solar Technology has been the Group's strategic partner since the acquisition of Sun Mass Group by the Group in 2011 and is one of the Group's potential customers. It is the largest vertically integrated photovoltaic manufacturers in the world in terms of market capitalisation and net profits. It has provided the Group with technical advice during the evaluation of acquisition of Sun Mass Group. Given the industry reputation of Hareon Solar Technology, the directors generally trusted the advice from this business partner.

Since none of the Group's experts, consultants and business partners identified the potential development issues the Group encountered in connection with the efficiency of the decomposition reactor and the risk of having a relatively large volume of hydrofluoric acid discharge, no due diligence work had been completed by the directors in these respects for the acquisition of Sun Mass Group.

The Board has always been aware of the fact that there is hydrofluoric acid discharge during production. In fact, the ability to recycle the hydrofluoric acid and related discharge is part of the value proposition of Dr. Wu's production processes. Once the recycling facility is constructed and commenced operation, the cost of sodium fluorosilicate is expected to be significantly reduced, which in turn will significantly reduce the Group's production cost of polycrystalline silicon.

就本集團之業務夥伴而言，海潤光伏科技自本集團於二零一一年收購Sun Mass集團起成為本集團之策略夥伴，並為本集團潛在客戶之一。就市值及純利而言，該公司為全球最大型之垂直整合光伏製造商。該公司於評估收購Sun Mass集團期間為本集團提供技術意見。鑑於海潤光伏科技於業內之聲譽，董事一般信任此業務夥伴之意見。

由於概無本集團之專家、顧問及業務夥伴發現本集團遇到有關分解爐效率之潛在發展問題，以及釋出較大量氫氟酸之風險，故董事概無為收購Sun Mass集團而完成此等方面之盡職審查。

董事會一直注意到生產過程中會釋出氫氟酸。事實上，將氫氟酸及相關廢料循環再用之技能乃吳博士對生產過程所作出之寶貴建議一部份。回收設施一經建設及開始運作後，氟硅酸鈉之成本預期能大幅減少，從而大大減低本集團生產多晶硅之生產成本。

Nonetheless, that potential risk was not specifically identified in the 2nd VSA Circular, as the Group relied on the assessment of the quality of the polycrystalline silicon business made by its business partners and industry experts which did not identify the production of excessive hydrofluoric acid discharge as one of the issues that the Group would need to resolve before the commencement of full scale commercial production.

The Board has considered alternatives, including (i) the sale of the hydrofluoric acid to potential end users or third-party recycling vendors, and (ii) paying waste treatment vendors to safely dispose of the hydrofluoric acid.

The sale of the acid to end users and recycling vendors poses a regulatory issue for the factory because the Group is not registered to sell and transport hydrofluoric acid. Further, the hydrofluoric acid concentration, after passing through the Group's scrubbers, is 10%, which is too low a concentration for direct use by end users without further processing, but sufficient to pose environmental and physical hazards during the peak typhoon season in Taiwan if no recycling facility is put in place to process it.

If the Group pays third-party recycling vendors to dispose of the hydrofluoric acid, the handling fee would significantly increase the cost structure of the Group's polycrystalline silicon business which will in turn lower its profitability or ability to reach profitability.

In light of the above, the Group ruled out other alternatives in handling the hydrofluoric acid discharge and opted for constructing a recycling facility to deal with such discharge.

As advised by the Group's legal advisers to Taiwanese law, the Group's polycrystalline silicon business is subject to certain environmental laws and regulations of Taiwan.

但第二份非常重大收購事項通函並無具體地識別潛在風險，此乃由於本集團倚賴由其業務夥伴及行內專家進行之多晶硅業務質素評估，而該評估並無發現生產過多氫氟酸廢料屬本集團須於開始全面商業生產前解決。

董事會已考慮其他方案，當中包括(i)出售氫氟酸予潛在最終用戶或第三方回收賣方，及(ii)付費予廢料處理賣方，以安全地處理氫氟酸。

由於本集團並無出售及運送氫氟酸之登記，故向最終用戶及回收賣方出售氫氟酸涉及監管問題。此外，經過本集團之洗滌器後，氫氟酸濃度為10%，對最終用戶而言，未經進一步加工下濃度太低，無法直接使用，惟倘無回收設施以進行加工，則足以於台灣之颱風季節高峰期引起環境及實質災害。

倘本集團向第三方回收賣方付費以處理氫氟酸，則處理費用會大大增加本集團多晶硅業務之成本架構，從而令其盈利能力或獲得盈利之能力有所下跌。

鑒於上述者，本集團決定不使用其他方式處置氫氟酸廢料，選擇以回收設施以處理有關廢料。

本集團台灣法例之法律顧問表示，本集團之多晶硅業務受限於若干台灣環境法例及法規。

Given the business nature of the Group's polycrystalline silicon business, the Group is subject to Articles 28, 31 and 36 of the Waste Disposal Act.

According to Article 28 of the Waste Disposal Act, cleaning of industrial wastes generated by an enterprise shall be managed either by (a) self-cleaning and disposal of the enterprise; or (b) commissioned cleaning and disposal of a waste management organization that duly owns a license issued by the relevant authority to handle cleaning and disposal of industrial wastes.

According to Article 31 of the Waste Disposal Act, an enterprise which produces chemical substances must submit an industrial waste cleaning plan to the local government for approval before it can start the cleaning and disposal of its industrial wastes. When there are changes in generation or disposal of industrial wastes, the same procedure applies. Further, such enterprise must submit periodical reports regarding conditions of generation, storage, cleaning, disposal, reuse, import, export, transit or trans-shipment of the waste to local governments via the internet, using the format prescribed by the Environmental Protection Administration Executive Yuan (the "**EPA**"). For reporting purposes, the enterprise must apply with the EPA for a control number.

According to Article 36 of the Waste Disposal Act, the methods and devices for storage, cleaning and disposal of industrial wastes shall meet the regulations prescribed by the EPA namely the Methods and Facilities Standards for the Storage, Clearance and Disposal of Industrial Waste (the "**Standards**").

鑒於本集團多晶硅業務之業務性質，本集團須遵守廢棄物清理法第28、31及36條。

根據廢棄物清理法第28條，企業所產生事業廢棄物之清理，應以下列方式為之：(a)企業自行清除、處理；或(b)委託正式擁有有關機關發出之許可以處理事業廢料清除、處理之廢棄物管理機構清除、處理。

根據廢棄物清理法第31條，生產化學物質之企業必須向地方政府提交事業廢棄物清理計劃書，待批後方能開始清除、處理其產業廢棄物。倘事業廢棄物之生產或處理有所變動，則需應用相同程序。此外，有關企業必須依行政院環境保護署（「**環保署**」）規定之格式，以網絡傳輸方式，向地方政府定期提交報告，申報其廢棄物之產出、貯存、清除、處理、再利用、輸入、輸出、過境或轉口情形。就申報目的而言，企業必須向環保署申請管制編號。

根據廢棄物清理法第36條，事業廢棄物之貯存、清除或處理方法及設施，應符合環保署規定，即事業廢棄物貯存清除處理方法及設施標準（「**標準**」）。

Set forth below are the relevant requirements of the Standards with respect to the storage of industrial wastes:

以下載列事業廢棄物標準之有關規定：

Article 5	Hazardous industrial waste shall be stored separately from general industrial waste.	第5條	有害事業廢棄物應與一般事業廢棄物分開貯存。
Article 6	<p>Methods for the storage of general industrial waste shall comply with the following regulations:</p> <p>I. General industrial waste shall be stored separately in accordance with the characteristics of its major components.</p> <p>II. Storage locations, containers, and facilities shall be kept clean and intact, may not emit airborne, fugitive, or seeping waste, may not pollute the ground, and may not emit a noxious odor.</p> <p>III. Storage containers and facilities shall be compatible with the waste they contain; any incompatible waste shall be stored separately.</p> <p>IV. Storage locations, containers, and facilities shall be marked in Chinese in a prominent place with the name of the waste they contain.</p>	第6條	<p>一般事業廢棄物之貯存方法，應符合下列規定：</p> <p>I. 應依事業廢棄物主要成分特性分類貯存。</p> <p>II. 貯存地點、容器、設施應保持清潔完整，不得有廢棄物飛揚、逸散、滲出、污染地面或散發惡臭情事。</p> <p>III. 貯存容器、設施應與所存放之廢棄物具有相容性，不具相容性之廢棄物應分別貯存。</p> <p>IV. 貯存地點、容器及設施，應於明顯處以中文標示廢棄物名稱。</p>
Article 7	<p>Apart from biomedical waste sharp implements and infectious waste the storage of hazardous waste shall comply with the following regulations:</p> <p>I. Hazardous industrial waste shall be stored separately in accordance with hazardous industrial waste identification methods or hazardous characteristics.</p>	第7條	<p>有害事業廢棄物之貯存方法，除生物醫療廢棄物之廢尖銳器具及感染性廢棄物外，應符合下列規定：</p> <p>I. 應依有害事業廢棄物認定方式或危害特性分類貯存。</p>

II. Waste shall be sealed in fixed packaging materials or containers, placed within storage facilities, assigned classification numbers, and marked with labels indicating the name of the waste-producing enterprise, the storage date, quantity, composition, and the characteristics of the hazardous industrial waste type.

III. Storage containers and facilities shall be compatible with the hazardous industrial waste they contain to lessen corrosion or attrition.

IV. Storage containers and packing materials shall be kept in good condition, and shall be replaced promptly if there is concern of serious rusting, damage or leakage.

Storage shall be limited to one year. Those who require an extension shall apply for extension to the local competent authority where the storage facilities are located two months prior to the deadline.

Extensions shall be limited to one time and may not exceed one year.

Article 10

Storage facilities shall be established for general industrial waste according to the characteristics of its major components. Apart from those items officially announced by the central competent authority, general industrial waste storage facilities shall also comply with the following regulations:

I. There shall be equipment or measures to prevent the inflow or infiltration of surface water, rainwater, or groundwater.

II. There shall be equipment or measures to collect waste liquids, waste gases or noxious odors, etc., produced by the facilities or to prevent them from polluting surface water bodies, groundwater bodies, air or soil.

II. 應以固定包裝材料或容器密封盛裝，置於貯存設施內，分類編號，並標示產生廢棄物之日期、數量、成分及有害事業廢棄物特性之標誌。

III. 貯存容器或設施應與有害事業廢棄物具有相容性，必要時應使用襯材料或其他保護措施，以減低腐蝕、剝蝕等影響。

IV. 貯存容器或包裝材料應保持良好情況，其有嚴重鏽、損壞或洩漏之虞，應即更換。

貯存以一年為限，其須延長者，應於期限屆滿二個月前向貯存設施所在地之地方主管機關申請延長。

延長以一次為限，且不得超過一年。

第 10 條

一般事業廢棄物應依其主要成分特性設置貯存設施，除經中央主管機關公告者外，應符合下列規定：

I. 應有防止地面水、雨水及地下水流入、滲透之設備或措施。

II. 由貯存設施產生之廢液、廢氣、惡臭等，應有收集或防止其污染地面水體、地下水體、空氣、土壤之設備或措施。

Article 11	Apart from biomedical waste sharp implements and infectious waste the storage of hazardous waste shall comply with the following regulations:	第11條	有害事業廢棄物之貯存設施，除生物醫療廢棄物之廢尖銳器具及感染性廢棄物外，應符合下列規定：
	I. The facilities shall contain dedicated storage locations with firm floors and surrounding corrosion resistant, water-impermeable liners or structures.		I. 應設置專門貯存場所，其地面應堅固，四周採用抗蝕及不透水材料襯墊或構築。
	II. There shall be equipment or measures to prevent the inflow or infiltration of surface water, rainwater, or groundwater.		II. 應有防止地面水、雨水及地下水流入、滲透之設備或措施。
	III. There shall be equipment or measures to collect waste liquids, waste gases or noxious odors, etc., produced by the facilities or prevent them from polluting surface water bodies, groundwater bodies, air or soil.		III. 由貯存設施產生之廢液、廢氣、惡臭等，應有收集或防止其污染地面水體、地下水體、空氣、土壤之設備或措施。
	IV. There shall be accident prevention equipment and warning signs with white backgrounds, red characters, and black frames posted in prominent locations.		IV. 應於明顯處，設置白底、紅字、黑框之警告標示，並有災害防止設備。
	V. Underground storage containers shall be equipped with fluid level inspection and anti-leak measures and leak detection systems.		V. 設於地下之貯存容器，應有液位檢查、防漏措施及偵漏系統。
	VI. The facilities shall contain necessary warning equipment, fire extinguishers, emergency lighting, or an emergency sprinkler system and safety equipment.		VI. 應配置所須之警報設備、滅火、照明設備或緊急沖淋安全設備。

VII. Facilities that hold flammable industrial waste, reactive industrial waste, or toxic chemical substances which are designated by the Standards for Defining Hazardous Waste shall contain necessary monitoring equipment to detect such waste types. This monitoring equipment shall use the standards for monitoring equipment stipulated in the Toxic Chemical Substances Control Act and the Labor Safety and Health Law.

If an enterprise violates any of Articles 28, 31 or 36 of the Waste Disposal Act, a fine between NTD60,000 to NTD300,000 shall be imposed. In addition, the violating enterprise shall cure such violation within a specified period of time prescribed by the governmental authority. Failure to do so will subject the violating enterprise to be imposed of continuous daily fines. Serious violators may be ordered to shut down its operation or business.

PROSPECTS

As the year 2012 is drawing to a close, the economic outlook for the year ahead remains to be uncertain. Sovereign debt problems in Europe, the fiscal cliff conundrum in the United States are amongst the main factors posing continual risks and uncertainties to the recovery and stability of major economies and financial markets around the world, despite the loose monetary measures taken by major central banks globally. At an industry specific level, the photovoltaic industry and particularly the polycrystalline silicon market continue to be under pressure from a combination of an oversupply issue from aggressive industry capacity expansion over the past few years and weakening feed-in-tariff support in Europe. The macro short term view is that the industry will continue its current shakeout of weaker players in the near term but with many polysilicon manufacturers without long-term contract support selling at a spot price below their cash costs, we should be nearing an inflection point and should see a capacity

VII. 屬有害事業廢棄物認定標準所認定之易燃性事業廢棄物、反應性事業廢棄物及毒性化學物質廢棄物，應依其危害特性種類配置所須之監測設備。其監測設備得準用毒性化學物質管理法、勞工安全衛生法之監測設備規範。

倘若企業觸犯廢棄物清理法第28、31或36條，將會徵收新臺幣六萬元至三十萬元罰款。此外，干犯之企業須於政府機關所定之特定時間內糾正問題，屆期仍未完成改善者，按日連續處罰。嚴重干犯者可能會被命令結束營運或業務。

前景

二零一二年已接近尾聲，來年之經濟前景仍然不確定。儘管全球各主要中央銀行採取寬鬆貨幣措施，惟歐洲之主權債務問題及美國之財政懸崖難題等主要因素，對世界各地主要經濟體及金融市場復甦及穩定性造成持續風險及不確定性。在個別行業層面上，光伏業，特別是多晶硅市場持續受壓，主要為由於過去數年行業產能大幅擴展導致供應過剩，以及歐洲電力收購制度支持減弱所致。宏觀經濟短期認為，行業將於短期內持續淘汰弱勢業者，在眾多多晶硅製造商並無長期合約支持按低於現金成本之現貨價格進行銷售之情況下，行業已步近轉折點，且由

reduction in the coming months as weaker players continue to quicken the pace of shut down or exit the industry.

In respect of the Group's polycrystalline silicon business, the Group is conservatively optimistic about the future development of Sun Materials in the green energy industry, and will be substantially engaged in manufacturing and trading of polycrystalline silicon and potential future expansion into downstream segments of the photovoltaic industry.

The Group's future prospects would depend primarily on the commencement of commercial production of polycrystalline silicon by Sun Materials and the future success of this business operation in the light of prevailing market conditions in the solar energy and polysilicon industries. As earlier mentioned a recycling facility with additional enhanced production equipment is currently being constructed to enable cost effective and environmentally safe products can be produced upon the launch of commercial production. The progress of the construction of this facility is currently underway and is progressing in line with plan generally. The coming few months will be critical as far as completion of the construction of the recycling facility is concerned and the Group is continuously monitoring the ongoing progress closely such that commercial production can be successfully launched within our anticipated timing in the first half of 2013.

On the other hand, the Group's available financial resources have been stretched to a less than satisfactory level. The Company has been exploring various initiatives to seek new funding as demonstrated by the recent placement of new shares. Efforts to explore new financing including a planned rights issue as well as debt restructuring are ongoing with a view to restore the Group's financial position in due course.

於弱勢業者繼續加快倒閉或退出行業之步伐，未來數月將出現產能下降。

就本集團之多晶硅業務而言，本集團對山陽科技於綠色能源行業之未來發展審慎樂觀，並將致力從事多晶硅生產及買賣，且有可能於日後擴展至光伏行業之下游分部。

鑒於太陽能及多晶硅行業之當前市況，本集團之未來前景將主要倚賴山陽科技開始多晶硅之商業生產，以及此業務營運日後之成功。誠如早前所述，具備額外提升生產設備之回收廠正在興建，以於商業生產開始時確保成本效益及生產環境安全之產品。回收廠之興建正在進行，大致與計劃相符。未來數月是回收廠完成興建之關鍵，本集團將密切監察進度，致令商業生產可根據預期成功於二零一三年上半年開始。

另一方面，本集團可用之財務資源被削減至低於滿意程度。本公司正發掘不同渠道尋找新資金，如最近配售新股。發掘新資金之努力不斷持續，包括計劃供股及債務重組，旨在重拾本集團之財務狀況。

LIQUIDITY AND CAPITAL RESOURCES

During the Period, the Group primarily financed its operations with internally generated cash flows, other borrowing and by its internal resources and shareholder's equity. As at 30 September 2012, net current liabilities of the Group amounted to approximately HK\$42.9 million (As at 31 March 2012: net current assets of approximately HK\$349.1 million) with bank balances and cash of approximately HK\$31.0 million (As at 31 March 2012: approximately HK\$208.2 million).

In April 2012, the Company completed a capital reorganisation which involved, among others, shares consolidation of every 16 issued shares into 1 consolidated share, capital reduction and share subdivision. Upon the said capital reorganisation became effective on 26 April 2012, par value of the shares of the Company has become HK\$0.01 each from HK\$0.1 each. A credit arising from the capital reduction of approximately HK\$453.8 million is set off against the accumulated loss of the Company. The authorised share capital of the Company has become HK\$2,000,000,000 divided into 200,000,000,000 shares of HK\$0.01 each. Details of the capital reorganisation are disclosed in the announcement and the circular dated 6 March 2012 and 2 April 2012 respectively.

On 27 June 2012, the Company completed a placing of 57,084,736 new ordinary shares with net proceeds of approximately HK\$12.7 million, of which approximately HK\$11.7 million was used for the down payment for the construction of the new facility building for polycrystalline silicon's business; and the remaining balance of the net proceeds of approximately HK\$1.0 million was utilised for the construction works of the recycling facility of polycrystalline silicon's business.

流動資金及資本資源

於本期間，本集團主要以內部產生之現金流量、其他借貸及其內部資源，以及股東權益為其營運提供資金。於二零一二年九月三十日，本集團之流動負債淨額約為42,900,000港元(於二零一二年三月三十一日：流動資產淨額約349,100,000港元)，銀行結餘及現金約為31,000,000港元(於二零一二年三月三十一日：約208,200,000港元)。

於二零一二年四月，本公司完成股本重組，涉及(其中包括)每16股已發行股份合併為1股合併股份之股份合併、股本削減及股份分拆。上述股本重組於二零一二年四月二十六日生效，本公司股份之面值由每股0.1港元改為每股0.01港元。股本削減產生之貸項約453,800,000港元抵銷本公司之累計虧損。本公司之法定股本為2,000,000,000港元，分為200,000,000,000股每股0.01港元之股份。股本重組之詳情分別於日期為二零一二年三月六日及二零一二年四月二日之公佈及通函內披露。

於二零一二年六月二十七日，本公司完成配售57,084,736股新普通股，所得款項淨額約為12,700,000港元，其中約11,700,000港元用作興建新多晶硅業務廠房大樓之首期訂金，及所得款項淨額之餘額約1,000,000港元用作多晶硅業務回收廠之興建工程。

As at 30 September 2012, the Group had secured bank borrowings of approximately HK\$67.0 million (As at 31 March 2012: approximately HK\$69.5 million), of which HK\$24.5 million is a five-year term loan and is denominated in Hong Kong Dollars and approximately HK\$42.5 million is a ten-year term loan and is denominated in new Taiwan Dollars (NT\$160 million). The bank borrowings carry variable interest at prime rate in Hong Kong or local bank's deposit rate in Taiwan plus a spread ranging from 1.8% to 5% per annum. In addition, the Group had utilised secured margin facilities of approximately HK\$0.5 million as at 30 September 2012 (As at 31 March 2012: approximately HK\$0.5 million). Furthermore, the Company entered a loan facility agreement with an independent financial institution in July 2012 with a loan facility of HK\$100 million obtained. The loan facility is unsecured, at monthly interest rate of 1% per month and repayable within six months from the date of the loan agreement. As at 30 September 2012, the Company utilised HK\$40 million for the working capital of the Group.

The Company issued convertible bonds with aggregate principal amount of HK\$1,450.0 million in connection with the acquisition of 50.1% interest in Sun Mass Group in July 2011. The convertible bonds due in July 2014, with 5% per annum coupon interest rate payable semi-annually, are convertible into ordinary shares of the Company at a conversion price of HK\$8 per share (adjusted upon capital reorganisation effected on 26 April 2012). With principal amount of HK\$31.0 million was converted into ordinary shares of the Company in August 2011, the aggregate principal amount of HK\$1,419.0 million was outstanding as at 30 September 2012 (As at 31 March 2012: HK\$1,419.0 million). During the Period, an aggregated interest paid was approximately HK\$35.3 million (2011: approximately HK\$35.9 million).

於二零一二年九月三十日，本集團之有抵押銀行借貸約為67,000,000港元(於二零一二年三月三十一日：約69,500,000港元)，其中24,500,000港元為五年期貸款，以港元列值，及約42,500,000港元為十年期貸款，以新台幣列值(新台幣160,000,000元)。該銀行借貸按香港最優惠利率或台灣當地銀行存款利率加介乎每年1.8%至5%之浮動利率計息。此外，於二零一二年九月三十日，本集團已動用有抵押孖展信貸約500,000港元(於二零一二年三月三十一日：約500,000港元)。另外，本公司於二零一二年七月與獨立財務機構訂立貸款融資協議，取得貸款融資額100,000,000港元。該貸款融資為無抵押、按每月1%利率計息，並須於貸款協議日期後六個月內償還。於二零一二年九月三十日，本公司動用40,000,000港元作本集團之營運資金。

本公司於二零一一年七月就收購Sun Mass集團之50.1%權益發行本金總額1,450,000,000港元之可換股債券。可換股債券於二零一四年七月到期，按年票息率5%計息，須每半年支付，可按兌換價每股8港元(股本重組於二零一二年四月二十六日生效後經調整)兌換為本公司普通股。本金額31,000,000港元於二零一一年八月兌換為本公司普通股，於二零一二年九月三十日未行使之本金總額為1,419,000,000港元(於二零一二年三月三十一日：1,419,000,000港元)。於本期間，已支付利息總額約為35,300,000港元(二零一一年：約35,900,000港元)。

The Company issued consideration bonds with aggregate principal amount of HK\$1,750.0 million as part of the consideration for the acquisition of the remaining 49.9% interest in Sun Mass Group in January 2012. The consideration bonds due in January 2014 with 2.5% per annum coupon interest rate payable quarterly. With aggregated principal amount of HK\$320.0 million was redeemed during the Period, the aggregate principal amount of HK\$1,330.0 million was outstanding as at 30 September 2012 (As at 31 March 2012: HK\$1,650.0 million). During the Period, an aggregated interest paid was approximately HK\$19.5 million. (2011: approximately HK\$0.4 million)

The total deficit of the Group as at 30 September 2012 was approximately HK\$1,101.3 million (As at 31 March 2012: total equity was approximately HK\$1,231.2 million). Gearing ratio calculated on the basis of the Group's total debts (interest-bearing bank and other borrowings plus convertible bonds and consideration bonds) over shareholders' funds was (211.2%) (As at 31 March 2012: 193.7%).

本公司於二零一二年一月發行本金總額1,750,000,000港元之代價債券作為收購Sun Mass集團餘下49.9%權益之部分代價。代價債券於二零一四年一月到期，按年票息率2.5%計息，須每季度支付。本金總額320,000,000港元已於本期間贖回，於二零一二年九月三十日未行使之本金總額為1,330,000,000港元(於二零一二年三月三十一日：1,650,000,000港元)。於本期間，已支付利息總額約為19,500,000港元(二零一一年：約400,000港元)。

於二零一二年九月三十日，本集團之總虧絀約為1,101,300,000港元(於二零一二年三月三十一日：總權益約為1,231,200,000港元)。資本負債比率(按本集團之債務總額(計息銀行及其他借貸加可換股債券及代價債券)除以股東資金計算)為(211.2%)(於二零一二年三月三十一日：193.7%)。

INTERIM DIVIDEND

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

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

Save for the placing of new ordinary shares with par value of HK\$0.01 each on 27 June 2012, there was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company's listed securities during the six months ended 30 September 2012.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the period or during the Period.

中期股息

董事會不建議派發截至二零一二年九月三十日止六個月之中期股息(二零一一年：無)。

購買、出售或贖回本公司之上市證券

除於二零一二年六月二十七日配售每股面值0.01港元之新普通股外，於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、出售或贖回本公司之上市證券。

董事於重大合約之權益

本公司或其任何附屬公司概無訂立於報告期末或期內仍屬有效，且本公司董事直接或間接擁有重大權益之任何重大合約。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2012, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix 10 to the Listing Rules as adopted by the Company, were as follows:

Interests in the Company

Name of director 董事姓名	Capacity 身份	Number of shares held 所持股份數目	Deemed interests in number of shares 視作擁有權益之股份數目	Total 總計	Approximate percentage of issued share capital of The Company 所佔本公司已發行股本概約百分比
Mr. Peter Temple Whitelam Peter Temple Whitelam 先生	Beneficial Owner 實益擁有人	78,125	—	78,125	0.02%
Mr. Lo Yuen Wa Peter 老元華先生	Beneficial Owner 實益擁有人	156,250	625,000	781,250	0.23%
Dr. Chuang, Henry Yueheng* 莊友衡博士*	Beneficial Owner 實益擁有人	—	4,687,500	4,687,500	1.37%
Mr. Eddie Woo 胡耀東先生	Beneficial Owner 實益擁有人	—	7,187,500	7,187,500	2.10%
Dr. Wu Yi-Shuen 吳以舜博士	Beneficial Owner 實益擁有人	17,797,250	28,125,000	45,922,250	13.41%

* Dr. Chuang, Henry Yueheng resigned as non-executive director of the Company with effect from 14 November 2012.

董事於股份、相關股份及債券中之權益及淡倉

於二零一二年九月三十日，本公司董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有記錄於本公司根據證券及期貨條例第352條存置之登記冊內之權益及淡倉，或根據本公司所採納上市規則附錄十所載之標準守則知會本公司及聯交所之權益及淡倉如下：

於本公司之權益

Name of director 董事姓名	Capacity 身份	Number of shares held 所持股份數目	Deemed interests in number of shares 視作擁有權益之股份數目	Total 總計	Approximate percentage of issued share capital of The Company 所佔本公司已發行股本概約百分比
Mr. Peter Temple Whitelam Peter Temple Whitelam 先生	Beneficial Owner 實益擁有人	78,125	—	78,125	0.02%
Mr. Lo Yuen Wa Peter 老元華先生	Beneficial Owner 實益擁有人	156,250	625,000	781,250	0.23%
Dr. Chuang, Henry Yueheng* 莊友衡博士*	Beneficial Owner 實益擁有人	—	4,687,500	4,687,500	1.37%
Mr. Eddie Woo 胡耀東先生	Beneficial Owner 實益擁有人	—	7,187,500	7,187,500	2.10%
Dr. Wu Yi-Shuen 吳以舜博士	Beneficial Owner 實益擁有人	17,797,250	28,125,000	45,922,250	13.41%

* 莊友衡博士已於二零一二年十一月十四日起辭任本公司非執行董事。

Save as disclosed above, as at 30 September 2012, none of the directors nor their associates had any interests or short positions in the shares and underlying shares of the Company or any of its associated corporations as recorded in the register required to be kept under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Listing Rules.

除上文所披露者外，於二零一二年九月三十日，概無董事或彼等之聯繫人士於本公司或其任何相聯法團之股份及相關股份中擁有任何記錄於根據證券及期貨條例第352條須存置之登記冊或根據上市規則須知會本公司及聯交所之權益或淡倉。

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO**須根據證券及期貨條例披露之股東權益及淡倉**

As at 30 September 2012, other than the interests of the directors and chief executives of the Company as disclosed above, shareholders who had interests or short positions in the shares or underlying shares of the Company of 5% or more which fell to be disclosed to the Company under Part XV of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO, were as follows:

於二零一二年九月三十日，除上文所披露之本公司董事及主要行政人員之權益外，於本公司股份或相關股份中擁有5%或以上之權益或淡倉而根據證券及期貨條例第XV部須向本公司披露，或記錄於本公司根據證券及期貨條例第336條存置之登記冊內之股東如下：

Interest in the Shares and underlying Shares – long positions**於股份及相關股份之權益 – 好倉**

Name of Shareholder 股東姓名	Number of ordinary Shares held 所持普通股數目	Deemed interests in number of shares 視作擁有權益之股份數目	Total 總計	Capacity 身份	Approximate percentage of issued share capital of the Company 所佔本公司已發行股本概約百分比
Mr. Andrew Liu 廖駿倫先生	—	62,500,000	62,500,000	Beneficial owner 實益擁有人	18.25%
SPARX Asia Capital Management Limited	—	48,750,000	48,750,000	Investment manager 投資經理	14.23%
PMA Emerging Opportunities Fund SPC	—	48,750,000	48,750,000	Beneficial owner 實益擁有人	14.23%
Mr. Tung Sun Tat Clement 董身達先生	—	48,750,000	48,750,000	Interest of a controlled corporation 受控制法團權益	14.23%
Ms. Mak Siu Hang Viola 麥少嫻女士	—	48,750,000	48,750,000	Trustee 受託人	14.23%
STI Wealth Management (Cayman) Limited	—	48,750,000	48,750,000	Interest of a controlled corporation 受控制法團權益	14.23%
VMS Private Investment Partners II Limited	—	48,750,000	48,750,000	Beneficial owner 實益擁有人	14.23%
Mr. Chang Wen-Shan 張文山先生	32,481,250	—	32,481,250	Beneficial owner 實益擁有人	9.48%
Mr. Yang Huai Jin 楊懷進先生	22,131,288	—	22,131,288	Interest of a controlled corporation 受控制法團權益	6.46%
Improve Forever Investments Limited (note 1)(附註1)	22,131,288	—	22,131,288	Beneficial owner 實益擁有人	6.46%

Note 1: Improve Forever Investments Limited is wholly owned by Mr. Yang Huai Jin.

附註1: Improve Forever Investments Limited 由楊懷進先生全資擁有。

Save as disclosed above, as at 30 September 2012, the Company had not been notified by any person (other than the directors and chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which fell to be disclosed to the Company under Part XV of the SFO or which were recorded in the register required to be kept by Company under Section 336 of the SFO.

CHARGE OF ASSETS

As at 30 September 2012, margin facilities of approximately HK\$10.1 million (As at 31 March 2012: approximately HK\$63.2 million) from one regulated securities broker (As at 31 March 2012: four regulated securities brokers) were granted to the Group under which financial assets at fair value through profit or loss of approximately HK\$22.5 million (As at 31 March 2012: approximately HK\$154.8 million) were treated as collateral for the facilities granted. Aggregate of approximately HK\$0.5 million (As at 31 March 2012: approximately HK\$0.5 million) facilities were utilised and the carrying amount of the financial assets at fair value through profit or loss charged under the utilised facilities to a securities broker is approximately HK\$22.5 million (As at 31 March 2012: approximately HK\$21.8 million).

除上文披露者外，於二零一二年九月三十日，概無任何人士（本公司董事及主要行政人員除外）知會本公司彼於本公司之股份及相關股份中擁有根據證券及期貨條例第XV部須向本公司披露或記錄於本公司根據證券及期貨條例第336條須存置之登記冊內之權益或淡倉。

資產抵押

於二零一二年九月三十日，本集團獲一間受規管證券經紀行（於二零一二年三月三十一日：四間受規管證券經紀行）授予孖展信貸約10,100,000港元（於二零一二年三月三十一日：約63,200,000港元），據此，按公平值計入損益之財務資產約22,500,000港元（於二零一二年三月三十一日：約154,800,000港元）已視作所獲授信貸之抵押品處理。合共約500,000港元（於二零一二年三月三十一日：約500,000港元）之信貸已被動用，而根據該已動用信貸抵押予一間證券經紀行之按公平值計入損益之財務資產之賬面值約為22,500,000港元（於二零一二年三月三十一日：約21,800,000港元）。

As at 30 September 2012, buildings in Taiwan with carrying amount of approximately HK\$24.1 million (NT\$90.5 million) (As at 31 March 2012: approximately HK\$81.4 million (NT\$310.0 million)) and buildings in Hong Kong with carrying amount of approximately HK\$81.4 million (As at 31 March 2012: approximately HK\$77.7 million) were pledged to secure bank borrowings of approximately HK\$42.5 million (NT\$160 million) and HK\$24.5 million respectively (As at 31 March 2012: approximately HK\$42.0 million (NT\$160 million) and HK\$27.5 million).

Furthermore, the Group had a restricted bank deposit, approximately HK\$5.6 million (NT\$21.0 million) as at 30 September 2012 (As at 31 March 2012: approximately HK\$5.5 million (NT\$20.9 million)), placed to secure the lease agreement in relation to the land located in Taiwan.

CONTINGENT LIABILITIES

The Company and the Group had not provided corporate guarantee to its subsidiaries or other parties and did not have other contingent liabilities as at 30 September 2012 (As at 31 March 2012: Nil).

於二零一二年九月三十日，賬面值約24,100,000港元(新台幣90,500,000元)(於二零一二年三月三十一日：約81,400,000港元(新台幣310,000,000元))之台灣建築物及賬面值約81,400,000港元(於二零一二年三月三十一日：約77,700,000港元)之香港建築物已分別質押，作為約42,500,000港元(新台幣160,000,000元)及24,500,000港元之銀行借貸之擔保(於二零一二年三月三十一日：約42,000,000港元(新台幣160,000,000元)及27,500,000港元)。

另外，本集團於二零一二年九月三十日有受限制銀行存款約5,600,000港元(新台幣21,000,000元)(於二零一二年三月三十一日：約5,500,000港元(新台幣20,900,000元))，乃存入作為位於台灣之土地之租賃協議之擔保。

或然負債

於二零一二年九月三十日，本公司及本集團並無向其附屬公司或其他方提供公司擔保，亦無其他或然負債(於二零一二年三月三十一日：無)。

SHARE-BASED PAYMENTS

2003 Option Scheme

The Company's share option scheme (the "2003 Option Scheme") was adopted pursuant to a resolution passed by the shareholders of the Company on 21 August 2003. The purpose is to providing incentives to eligible participants. During the Period, no options is granted and exercised under the 2003 Option Scheme. As at 30 September 2012, the outstanding option shares is 39,062 (As at 31 March 2012: 625,000 option shares outstanding) which has been adjusted upon the Company's capital reorganisation took effective on 26 April 2012.

Option Deed

As disclosed in the announcement dated 29 August 2011, the company entered into option deeds (the "Option Deed") with each of the grantees pursuant to which the Company conditionally agreed to grant share options, which are convertible into the Company's ordinary shares of HK\$0.1 each of up to 730,000,000, at a price of HK\$0.4 each share option (subject to adjustments). As disclosed in the announcement dated 25 April 2012, the price was adjusted to HK\$6.4 each share option upon the Company's capital reorganisation took effective on 26 April 2012. During the Period, no Option Deeds is vested.

Details of the movements of the 2003 Option Scheme and Option Deed during the Period are set out in note 18 to the condensed consolidated financial statements.

股份付款

二零零三年購股權計劃

本公司根據本公司股東於二零零三年八月二十一日通過之決議案採納購股權計劃(「二零零三年購股權計劃」)，目的是向合資格參與者提供獎勵。於本期間，並無根據二零零三年購股權計劃授出及行使購股權。於二零一二年九月三十日，未行使購股權股份為39,062股(於二零一二年三月三十一日：625,000股購股權股份未行使)，已於二零一二年四月二十六日本公司股本重組生效後作出調整。

購股權契據

誠如日期為二零一一年八月二十九日之公佈所披露，本公司與承授人各自訂立購股權契據(「購股權契據」)，據此，本公司有條件地同意授出可按每份購股權0.4港元(可予調整)之價格轉換為最多730,000,000股每股0.1港元之本公司普通股之購股權。誠如日期為二零一二年四月二十五日之公佈所披露，價格已於二零一二年四月二十六日股本重組生效後調整為每份購股權6.4港元。期內，並無購股權契據歸屬。

二零零三年購股權計劃及購股權契據於期內之變動詳情載於簡明綜合財務報表附註18。

CURRENCY RISK MANAGEMENT

The majority of the Group's assets are held in Hong Kong Dollars with no material foreign exchange exposure. The Group's manufacturing business has its overseas market, which alone accounts for around HK\$60.1 million of the Group's sales turnover. Furthermore, the Group also engaged in solar grade polycrystalline silicon business in Taiwan, United States Dollar ("US\$") will be expected to be the functional currency, no income is yet to be recorded during the Period. In safeguarding the volatile Euro Dollars currency risk, the management has chosen to adopt a more prudent sales policy by mainly accepting US\$ quoted sale orders, which in turn the management can maintain a stable currency exchange condition for normal trading business development. During the Period, the directors are of the view that the Group's exposure to exchange rate risk is not material, and will continue to monitor it.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2012, the Group employed approximately 412 employees, around 72.6% and 14.3% of them were employed in the PRC for the manufacturing business and in Taiwan for the manufacturing of solar grade polycrystalline silicon business respectively. The remuneration policy of the Group is to reward its employees with reference to their qualifications, experience and work performance as well as to market benchmarks. Employee benefits include medical insurance coverage, mandatory provident fund and share option scheme. Total staff costs for the six months ended 30 September 2012, including director's emoluments, amount to approximately HK\$24.7 million.

貨幣風險管理

本集團所持大部份資產以港元計值，故並無承受重大外匯風險。本集團之製造業務有外銷市場，單計該外銷市場已佔本集團銷售營業額約60,100,000港元。此外，本集團亦於台灣從事太陽能級多晶硅業務，預期以美元(「美元」)為功能貨幣，該業務於本期間尚未錄得收入。為避免歐元貨幣波動之風險，管理層選擇採取較審慎之銷售政策，主要接受以美元報價之銷售訂單，從而保持匯兌穩定，以便進行正常貿易業務發展。於本期間，董事認為本集團所面對之匯率風險並不重大，並會繼續監察有關風險。

僱員及酬金政策

於二零一二年九月三十日，本集團共有約412名僱員，其中約72.6%在中國受僱以經營製造業務，約14.3%則在台灣受僱以經營製造太陽能級多晶硅業務。本集團之薪酬政策旨在按僱員之履歷、經驗、工作表現及市場水平向其僱員提供酬金。僱員福利包括醫療保險、強制性公積金及購股權計劃。截至二零一二年九月三十日止六個月之員工成本總額(包括董事酬金)約為24,700,000港元。

EVENTS AFTER THE REPORTING PERIOD

As disclosed in the announcement dated 5 October 2012, the Company offered to grant an aggregate of 28,540,000 share options to subscribe for the new ordinary shares of HK\$0.01 each in the share capital of the Company under the share option scheme of the Company to certain eligible participants, at an exercise price of HK\$0.204 each. 28,540,000 share options were fully exercised on 9 October 2012.

As disclosed in the announcement dated 8 November 2012, the Company entered into the placing agreement pursuant to which the placing agent has conditionally agreed to place a total of 68,501,684 new ordinary shares of HK\$0.01 each on a fully underwritten basis, to not less than six places, at a price of HK\$0.17 per share, under the Company's general mandate. The gross proceeds from the placing was approximately HK\$11.6 million and the net proceeds from the placing was approximately HK\$11.1 million which was used for general working capital of the Group.

On 21 November 2012, the Group was granted a two-year revolving loan facility of HK\$500.0 million (the "Facility") from an independent third party. The Facility is secured by the shares of Sun Mass Energy Limited with a valuation of Sun Mass Group of not less than HK\$750.0 million (USD96.2 million) and bearing an interest of the prime rate as quoted by Chong Hing Bank Limited from time to time plus 5% per annum. Interest is payable on a monthly basis. An aggregated amount of HK\$415.0 million was utilised for repayment of various debts.

報告期後事項

誠如日期為二零一二年十月五日之公佈所披露，本公司根據本公司之購股權計劃按行使價每股0.204港元向若干合資格參與者提呈授出合共28,540,000份可認購本公司股本中每股0.01港元之新普通股之購股權。該28,540,000份購股權已於二零一二年十月九日獲全面行使。

誠如日期為二零一二年十一月八日之公佈所披露，本公司訂立配售協議，據此，配售代理已有條件地同意按全數包銷基準根據本公司之一般授權以每股0.17港元之價格配售合共68,501,684股每股0.01港元之新普通股予不少於六名承配人。配售事項之所得款項總額約為11,600,000港元，而配售事項之所得款項淨額則約為11,100,000港元，乃用作本集團之一般營運資金。

於二零一二年十一月二十一日，本集團獲獨立第三方授出一筆兩年期循環貸款融資500,000,000港元（「該項融資」）。該項融資以Sun Mass Energy Limited之股份作擔保，Sun Mass集團之估值不少於750,000,000港元（96,200,000美元），以創興銀行有限公司不時所報之最優惠利率加年利率5%計息。利息須每月支付。合共415,000,000港元之金額已用作償還多項債務。

As disclosed in the announcement dated 22 November 2012, a wholly-owned subsidiary of the Company and an independent third party entered into a conditional sales and purchase agreement in respect of the sale of shares of Smart Style Investments Limited which is a wholly-owned subsidiary of the Company. The consideration is HK\$88.0 million. The transaction is subject to shareholder's approval and the circular is expected to be dispatched in December 2012.

AUDIT COMMITTEE

The Audit Committee is principally responsible for reviewing and supervising the Group's financial reporting process and internal control system and providing advice and recommendations to the Board of the Company. The Audit Committee comprises three INEDs of the Company, namely Mr. Frank H. Miu (as the chairman of the Audit Committee), Dr. Agustin V. Que and Mr. Robert James Iaia II. The revised terms of reference of the Audit Committee are consistent with the terms set out in the relevant section of the Corporate Governance Code and Corporate Governance Report (the "Code") contained in Appendix 14 of the Listing Rules.

The interim financial information of the Company for the six months ended 30 September 2012 has not been audited, but has been reviewed by the Audit Committee. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group, legal and compliance and discussed internal controls, risk management and financial reporting matters including the review of the unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 September 2012.

誠如日期為二零一二年十一月二十二日之公佈所披露，本公司之全資附屬公司與獨立第三方訂立有條件買賣協議，內容有關銷售本公司之全資附屬公司Smart Style Investments Limited之股份。代價為88,000,000港元。交易須待股東批准，及通函預期將於二零一二年十二月寄發。

審核委員會

審核委員會主要負責檢討並監督本集團之財務申報程序及內部監控制度，並向本公司董事會提供意見及推薦建議。審核委員會由本公司三名獨立非執行董事繆希先生(審核委員會主席)、Agustin V. Que博士及Robert James Iaia II先生組成。審核委員會之經修訂職權範圍與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」)相關部分所載之經修訂職權範圍相符。

本公司截至二零一二年九月三十日止六個月之中期財務資料乃未經審核，惟已由審核委員會審閱。審核委員會已與管理層審閱本集團所採納之會計政策及慣例、法律及遵例事宜，並已就內部監控、風險管理及財務申報事宜(包括審閱本集團截至二零一二年九月三十日止六個月之未經審核中期簡明綜合財務報表)進行討論。

CORPORATE GOVERNANCE

The Board considers that good corporate governance practices of the Company are crucial to the smooth and effective operation of the Group and safeguarding the interests of the shareholders and other stakeholders. The Company has complied with the code provisions which set out in the Code during the six months ended 30 September 2012 except for the following deviations from a code provision with considered reasons are given below:

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election.

All of the non-executive directors of the Company are not appointed for specific terms but they are subject to retirement by rotation and re-election at the annual general meetings of the Company. Pursuant to the clause 87(1) of the Company's Bye-laws, each director shall be subject to retirement by rotation at least once every three years at the annual general meeting. This means that the terms of appointment of the directors, including INEDs, cannot exceed three years. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance is no less exacting than those in the Code.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by directors. Having made specific enquiries of all directors, all directors confirm that they have complied with the required standard as set out in the Model Code throughout the six months ended 30 September 2012.

By Order of the Board
MASCOTTE HOLDINGS LIMITED
Lo Yuen Wa Peter
Managing Director

Hong Kong, 29 November 2012

* For identification only

企業管治

董事會認為本公司之良好企業管治常規對本集團之流暢及有效營運極為重要，並可保障股東及其他股權持有人之利益。於截至二零一二年九月三十日止六個月內，本公司已遵守守則之守則條文，除偏離以下守則條文外，所考慮之理由載列如下：

守則條文A.4.1條規定，非執行董事之委任應有指定任期，並須接受重選連任。

本公司之全體非執行董事之委任並無指定任期，惟須於本公司股東週年大會上輪席退任及重選連任。根據本公司之公司細則第87(1)條，各董事須最少每三年於股東週年大會上輪席退任一次，表示董事(包括獨立非執行董事)之任期不得超過三年。因此，本公司認為，本公司已採取足夠措施確保本公司企業管治之嚴謹程度不比守則所載者寬鬆。

遵守標準守則

本公司已採納上市規則附錄十載列之標準守則，作為有關董事進行證券交易之行為守則。經向全體董事作出具體查詢後，全體董事確認，彼等均已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所載之規定標準。

承董事會命
馬斯葛集團有限公司*
董事總經理
老元華

香港，二零一二年十一月二十九日

* 僅供識別

MASCOTTE HOLDINGS LIMITED
馬斯葛集團有限公司