



Sustainable

FOREST HOLDINGS LIMITED
永保林業控股有限公司*
INTERIM REPORT 中期報告

2012

(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 : 723

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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Ms. LOH Jiah Yee, Katherine
Ms. FLETCHER Yurk Nam, Sandy
Mr. LI Zhixiong
Mr. LEUNG Siu Hung, Joel

Independent Non-Executive Directors

Mr. John Tewksbury BANIGAN (*Chairman*)
Mr. KEUNG Paul Hinsum
Mr. Donald Smith WORTHLEY

BOARD COMMITTEES

Executive Committee

Ms. LOH Jiah Yee, Katherine (*Chairman*)
Ms. FLETCHER Yurk Nam, Sandy

Audit Committee

Mr. John Tewksbury BANIGAN (*Chairman*)
Mr. KEUNG Paul Hinsum
Mr. Donald Smith WORTHLEY

Remuneration Committee

Mr. John Tewksbury BANIGAN (*Chairman*)
Mr. KEUNG Paul Hinsum
Mr. Donald Smith WORTHLEY

Nomination Committee

Mr. John Tewksbury BANIGAN (*Chairman*)
Mr. KEUNG Paul Hinsum
Mr. Donald Smith WORTHLEY

COMPANY SECRETARY

Mr. CHENG Chun Shing (appointed on 30 September 2012)

AUTHORIZED REPRESENTATIVES

Ms. LOH Jiah Yee, Katherine
Mr. CHENG Chun Shing (appointed on 30 September 2012)

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Shanghai Commercial Bank Ltd.

董事會

執行董事

樂家宜女士
姜若男女士
李志雄先生
梁紹雄先生

獨立非執行董事

John Tewksbury BANIGAN 先生 (*主席*)
姜顯森先生
Donald Smith WORTHLEY 先生

董事委員會

執行委員會

樂家宜女士 (*主席*)
姜若男女士

審核委員會

John Tewksbury BANIGAN 先生 (*主席*)
姜顯森先生
Donald Smith WORTHLEY 先生

薪酬委員會

John Tewksbury BANIGAN 先生 (*主席*)
姜顯森先生
Donald Smith WORTHLEY 先生

提名委員會

John Tewksbury BANIGAN 先生 (*主席*)
姜顯森先生
Donald Smith WORTHLEY 先生

公司秘書

鄭鎮昇先生 (於二零一二年九月三十日獲委任)

法定代表

樂家宜女士
鄭鎮昇先生 (於二零一二年九月三十日獲委任)

主要往來銀行

香港上海滙豐銀行有限公司
上海商業銀行有限公司

Corporate Information 公司資料

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

4/F., Soho Tower
No. 110-118 Caine Road
Central, Hong Kong
Tel. No.: (852) 3666 2235
Fax. No.: (852) 2134 1292
E-mail: enquiry@susfor.com

SHARE REGISTRARS

Principal Share Registrar

Butterfield Fulcrum Group (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

Hong Kong Branch Share Registrar

Tricor Tengis Limited
26/F., Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

AUDITORS

Crowe Horwath (HK) CPA Limited

WEBSITE ADDRESSES

<http://www.susfor.com>
<http://www.irasia.com/listco/hk/sustainableforest>

HONG KONG STOCK EXCHANGE CODE

723

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及於香港之 主要營業地點

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股份過戶登記處

主要股份過戶登記處

Butterfield Fulcrum Group (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

核數師

國富浩華(香港)會計師事務所有限公司

網址

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<http://www.irasia.com/listco/hk/sustainableforest>

香港聯交所股份代號

723

Chairman's Statement 主席報告

CHAIRMAN'S STATEMENT

Market conditions and the business environments in which Sustainable Forest Holdings Limited ("Company") and its subsidiaries (collectively "Group") operate remained difficult during the six-month period ended 30 September 2012. The Group recorded a consolidated net profit of approximately HK\$10.1 million for the period. Profitable operations were driven significantly by an extraordinary other income item and reversal of deferred tax liability. Demand for the Group's timber products continued to be affected by the poor market sentiment and a sluggish real estate market in the Group's overwhelmingly most important market, China. The Group's Zhongshan Operations continued to be disappointing, generating a net loss of approximately HK\$10.1 million during the period under review. The Group has carried out aggressive cost cutting measures and will continue to tightly manage all expenses in the period ahead.

I would like to take this opportunity to thank our staff, shareholders and other stakeholders for their continued support to the Group during this difficult time. It is anticipated that the Group will continue to experience challenging times ahead. However, the Group will work to identify new business opportunities to restore and enhance shareholders' value.

Yours sincerely,

John Tewksbury BANIGAN
Chairman

Hong Kong, 28 December 2012

主席報告

截至二零一二年九月三十日止六個月期間，永保林業控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）繼續面對嚴峻市況及經營環境。本集團於期內錄得綜合純利約港幣10,100,000元。獲利業務主要受一項非經常其他收益項目及遞延稅項負債撥回所帶動。本集團木材產品需求持續受國內市場氣氛低迷及房地產市場不景氣影響，而本集團視中國為最重要市場。本集團之中山業務依然未如理想，並於回顧期間產生淨虧損約港幣10,100,000元。本集團已積極實行減省成本措施，並將於日後持續嚴格管理所有開支。

本人謹藉此機會感謝員工、股東及其他利益相關者在此艱難時刻一直支持本集團。預期本集團日後將繼續面對挑戰。然而，本集團將積極物色新商機以重建及提高股東價值。

此致

主席
John Tewksbury BANIGAN

香港，二零一二年十二月二十八日

Financial Highlights 財務摘要

For the six months ended 30 September

截至九月三十日止六個月

		2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	Changes 變化幅度
Operating results	經營業績			
Continuing operations	持續經營業務			
Revenue	收入	47,526	88,455	(46.3%)
Gross profit	毛利	1,622	10,129	(84.0%)
Discontinued operations	已終止業務			
Revenue	收入	-	-	-
Gross profit	毛利	-	-	-
Profit/(Loss) attributable to the owners of the Company	本公司擁有人應佔溢利/(虧損)	10,054	(244,492)	(104.1%)
Per share information	每股資料			
Basic earnings/(loss) per share (Hong Kong cents)	每股基本盈利/(虧損) (港幣仙)			
Continuing operations	持續經營業務	0.144 cents 仙	(4.594 cents 仙)	(103.1%)
Continuing and discontinued operations	持續經營業務及已終止業務	0.144 cents 仙	(4.698 cents 仙)	(103.1%)
		At 30 September 2012 於二零一二年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2012 於二零一二年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)	Changes 變化幅度
Financial position at period/year end	於期/年終之財務狀況			
Property, plant and equipment	物業、廠房及設備	192,345	213,306	(9.8%)
Biological assets	生物資產	732,313	913,049	(19.8%)
Goodwill	商譽	302,118	302,118	-
Cash and cash equivalents	現金及現金等價物	2,466	7,760	(68.2%)
Net current assets	流動資產淨值	126,577	6,175	2,092.6%
Total assets	總資產	1,503,783	1,727,833	(1,949.8%)
Total interest bearing borrowings from independent third parties	獨立第三方計息借貸總額	-	25,639	(100.0%)
Total interest bearing borrowings from shareholders and/or related companies	股東及/或關連公司計息借貸總額	232,658	219,439	6.0%
Total liabilities	總負債	651,692	852,438	(23.5%)
Equity attributable to the Company's owners	本公司擁有人應佔之權益	852,005	875,309	(2.7%)
Per share information	每股資料			
Net asset value per share	每股資產淨值	12.1 cents 仙	13.1 cents 仙	(7.6%)

Management Discussion and Analysis 管理層討論及分析

FINANCIAL PERFORMANCE

For the six months ended 30 September 2012, revenue decrease from HK\$88.5 million in 2011 to HK\$47.5 million and results increases from net loss of HK\$244.5 million in 2011 to net profit of HK\$10.1 million. The total revenue consisted primarily of sales of forestry and timber products. The net profit for the period ended 30 September 2012 included a waiver of liabilities by vendors of approximately HK\$124.5 million.

Total revenue consisted entirely of sales of forestry and timber products. No contributions were recorded from tree felling services segment.

BUSINESS REVIEW

Business environment continued to be difficult for the Group in Brazil. On 27 March 2012, the board decided to suspend harvesting operations in Acre, Brazil for one year and until the operating environment for its Brazilian subsidiary improves. For the six-month period ended 30 September 2012, Acre's operations remained suspended.

The PRC is the world's largest consumer and importer of timber and logs and it continues to be the primary market for our forestry and timber products. During the six months ended 30 September 2012, 99.6% of the total revenue was derived from sales to customers in the PRC.

Demand for the Group's timber products remains sluggish as the slow down of the economy and real estate sector continued during the six-month period ended 30 September 2012.

OUTLOOK

Uncertain market conditions and poor demand for timber products continued to affect the Group's near term outlook. The Group will continue to control its expenses and look for new business opportunities restore shareholders' value.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2012, the Group had cash and cash equivalents amounted to 2.4 million (31 March 2012: HK\$7.8 million).

The Group gearing ratio expressed as a percentage of total interest bearing borrowings, (including all interest bearing borrowings from shareholders and/or related companies), over equity attributable to the owners of the Company, decreased from 28.3% as at 31 March 2012 to 27.3% as at 30 September 2012.

As at 30 September 2012, the Group had HK\$15 million (31 March 2012: HK\$25.6 million) in interest bearing borrowings, from independent third parties. As at 30 September 2012, the Group's working capital was approximately HK\$126.6 million (31 March 2012: HK\$6.2 million). In addition, interest bearing borrowings from shareholders and related companies totaled HK\$232.7 million and HK\$219.4 million as at 30 September and 31 March 2012, respectively.

財務表現

截至二零一二年九月三十日止六個月，收入自二零一一年港幣88,500,000元減至港幣47,500,000元，而業績則由二零一一年之淨虧損港幣244,500,000元增至純利港幣10,100,000元。總收入主要來自銷售木材及木料產品。截至二零一二年九月三十日止期間之純利包括賣方豁免負債約港幣124,500,000元。

總收入全數來自銷售木材及木料產品。伐木服務分部並無帶來貢獻。

業務回顧

本集團於巴西之營商環境仍然嚴峻。於二零一二年三月二十七日，董事會決定暫停巴西亞克裏州之伐木業務一年，直至其巴西附屬公司之經營環境有所改善為止。截至二零一二年九月三十日止六個月期間，亞克裏州之業務仍然暫停。

中國為全球最大木材及原木消耗國及進口國，其繼續為本集團木材及木料產品之主要市場。截至二零一二年九月三十日止六個月，來自中國客戶之銷售佔總收入之99.6%。

由於截至二零一二年九月三十日止六個月期間之經濟及房地產市場持續放緩，市場對本集團木材產品之需求依然疲弱。

展望

不明朗市況及對木材產品之需求偏低繼續影響本集團之短期前景。本集團將繼續控制開支，並開拓新商機以重建股東價值。

流動資金及財務資源

於二零一二年九月三十日，本集團之現金及現金等價物為港幣2,400,000元(二零一二年三月三十一日：港幣7,800,000元)。

本集團之資本負債比率為計息借貸總額(包括所有來自股東及／或關連公司之計息借貸)除本公司擁有人應佔權益之百分比，由二零一二年三月三十一日之28.3%下降至二零一二年九月三十日之27.3%。

於二零一二年九月三十日，本集團來自獨立第三方之計息借貸為港幣15,000,000元(二零一二年三月三十一日：港幣25,600,000元)。於二零一二年九月三十日，本集團之營運資金約為港幣126,600,000元(二零一二年三月三十一日：港幣6,200,000元)。此外，於二零一二年九月三十日及三月三十一日來自股東及關連公司之計息借貸分別為合共港幣232,700,000元及港幣219,400,000元。

Management Discussion and Analysis

管理層討論及分析

CONTINGENT LIABILITIES

The Group's contingent liabilities at 30 September 2012 are disclosed in Note 26 to the condensed consolidated financial statement.

FOREIGN EXCHANGE RISK

The Group's continuing operation mainly operates in Brazil, the PRC and Hong Kong.

During the six months ended 30 September 2012, revenue from continuing operations was denominated mainly in Renminbi while its costs and expenses were primarily in Renminbi, Hong Kong dollars and Brazilian Reals where the Group's continuing operations are based. The Group is exposed to potential foreign exchange risk as a result of fluctuations between those currencies that are not pegged.

In addition, the main operational assets of the Group are located and denominated in local currencies in Brazil and China while the Group's reporting currency is in Hong Kong dollars. This also exposes the Group to potential foreign exchange risk upon translation of those assets on each reporting date.

The Group did not enter into any arrangements for financial instruments for the purpose of hedging against the potential foreign exchange risks during the period under review. Management believes that the Group's exposure to foreign exchange risks are minimal since Renminbi has been in strength while Reals have been weakening somewhat against US dollars during the current period. In the event that Reals were to rise substantially against US dollars, the risk can be mitigated by increasing local sales denominated in Reals. As for the operational assets of the Group, any foreign exchange gain or losses due to translation of the carrying value of the assets to the Group's reporting currency on reporting dates are unrealized and non-cash in nature. As such, active hedging activities are not considered warranted. Nonetheless, management will monitor closely its foreign currency exposure to ensure appropriate measures are taken promptly against any significant potential adverse impact.

或然負債

本集團於二零一二年九月三十日之或然負債已於簡明綜合財務報告附註26披露。

外匯風險

本集團之持續經營業務主要位於巴西、中國及香港。

截至二零一二年九月三十日止六個月，來自持續經營業務之收入主要以人民幣列賬，其成本及開支主要基於本集團持續經營業務所在地之人民幣、港元及巴西之雷亞爾計值。本集團因該等貨幣彼此並無掛鈎所產生之匯率波動而承受潛在外匯風險。

此外，本集團主要營運資產位於巴西及中國並以當地貨幣計值，而本集團之呈報貨幣為港幣，此亦導致本集團於每個報告日期換算該等資產時承受潛在外匯風險。

於回顧期間，本集團並無作出任何安排以任何財務工具對沖潛在外匯風險。管理層相信，本集團所承受外匯風險甚微，原因為本期間內人民幣處於強勢，而雷亞爾兌美元則稍呈弱勢。一旦雷亞爾兌美元匯率大幅上升，有關風險可透過增加以雷亞爾計值之當地銷售額而減輕。就本集團營運資產而言，任何因於報告日期換算資產賬面值為本集團呈報貨幣所產生外匯盈虧屬未變現及非現金性質。因此，認為毋須積極進行對沖活動。然而，管理層將密切監察其外匯風險，以確保已就任何重大潛在不利影響採取及時及恰當措施。

* For identification purpose only

* 僅供識別

Management Discussion and Analysis 管理層討論及分析

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 September 2012, the Group has approximately 326 employees (31 March 2012: 450) mainly in Hong Kong, the PRC and Brazil. The total remuneration paid by the Group to its employees (including Directors) for the period was approximately HK\$22.7 million (30 September 2011: HK\$25.4 million).

The Group rewards its employees according to prevailing market practices, individual experience and performance and requirements under applicable labor laws in the Group's operational locations. In addition to the provision of annual bonus, provident fund scheme and medical insurance coverage, discretionary bonuses and share options are also available to employees.

人力資源及薪酬政策

於二零一二年九月三十日，本集團有約326名僱員（二零一二年三月三十一日：450名），主要駐於香港、中國及巴西。本集團期內支付予僱員（包括董事）之薪酬總額約為港幣22,700,000元（二零一一年九月三十日：港幣25,400,000元）。

本集團根據當前市場慣例、僱員之個人經驗及表現以及本集團營運所在地之適用勞工法例規定酬謝僱員。除了發放年度花紅、設立公積金計劃及提供醫療保險外，本集團亦向僱員發放酌情花紅及授出購股權。



國富浩華(香港)會計師事務所有限公司
Member Crowe Horwath International

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77 Leighton Road,
Causeway Bay, Hong Kong

**REPORT ON REVIEW OF INTERIM FINANCIAL REPORT
TO THE BOARD OF DIRECTORS OF
SUSTAINABLE FOREST HOLDINGS LIMITED**

(Incorporated in Bermuda with limited liability)

中期財務報告審閱報告
致永保林業控股有限公司董事會

(於百慕達註冊成立之有限公司)

INTRODUCTION

We have reviewed the interim financial report set out on pages 13 to 62, which comprises the condensed consolidated statement of financial position of Sustainable Forest Holdings Limited (the "Company") and its subsidiaries (together the "Group") as at 30 September 2012 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended, a summary of significant accounting policies and explanatory notes. The Main Board Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited requires the preparation of a report on interim financial International to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to another person for the contents of this report.

緒言

本核數師(以下簡稱「我們」)已審閱第13至62頁所載永保林業控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之中期財務報告,包括於二零一二年九月三十日之簡明綜合財務狀況表,以及截至該日止六個月期間之相關簡明綜合收益表、簡明綜合全面收益表、簡明綜合權益變動表及簡明綜合現金流轉表,以及主要會計政策概要及說明附註。根據香港聯合交易所有限公司主板證券上市規則,就中期財務資料編製之報告必須符合當中條文及國際會計準則委員會所頒佈國際會計準則第34號「中期財務報告」之規定。貴公司董事須負責根據國際會計準則第34號編製及呈列本中期財務報告。我們的責任是根據我們審閱工作的結果,對本中期財務資料作出結論,並按照雙方所協定應聘書條款,只向作為法人團體的董事會報告我們的結論,除此之外,本報告不可用作其他用途。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

SCOPE OF REVIEW

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

審閱範圍

除下段所解釋外,我們按照香港會計師公會所頒佈香港審閱委聘準則第2410號「由實體獨立核數師對中期財務資料的審閱」進行審閱工作。審閱中期財務報告工作包括主要向負責財務及會計事務的人員作出查詢,以及進行分析程序及其他審閱程序。由於審閱工作的範圍遠較根據香港審核準則進行審核為小,故無法使我們取得憑證確保我們得知可能於審核中發現的所有重大事宜。因此,我們不會發表審核意見。

BASIS FOR QUALIFIED CONCLUSION**(a) Scope limitation — Disposal of the subsidiaries**

The Company disposed of its entire shares in Ally Rise Limited (the “Ally Rise”) on 30 March 2012 for a total consideration of HK\$208,000,000. The major assets of Ally Rise and its subsidiaries (the “Ally Rise Group”) were the concession rights of Chita forest in Russia.

On the date of disposal, one of the subsidiaries of Ally Rise in Russia had already declared bankrupt and a concession right previously held by that subsidiary expired without renewal and another concession right had been expropriated by the State Forest Agency due to concession fees not being paid for on due date. Another subsidiary of Ally Rise in Russia declared bankrupt after the date of disposal.

The directors of the Group represented that as at the date of disposal, the Russian Government has already agreed to reserve the concession rights for the buyer and will grant the rights to buyer as soon as the applications for resumption of the concession rights are submitted. The Group is assisting the buyer to get back the two concession rights. On this basis, both sides mutually agreed to complete the disposal on 30 March 2012 and incidentally, the Group recorded a receivable of HK\$208,000,000 from the buyer as at 30 September 2012. The Group also agreed to extend the payment term of the consideration which shall be paid in one lump sum within nine months after completion of the disposal. As a security for the payment, the buyer executed a share charge of the entire issued share capital of Ally Rise Limited in favor of the Company. With the assistance of the Group, the buyer is currently preparing the documents necessary for the applications to resume the concession rights. According to the regulation, the Russian State Forestry Agency can conduct an auction to sell the abovementioned concession rights or to grant them to other entities meeting certain criteria and we are not provided with documents corroborating the reservation of the abovementioned concession rights to the buyer. Due to lack of sufficient appropriate audit evidence, we were unable to satisfy ourselves as to whether the consideration receivable of approximately HK\$208,000,000 should be recognised in the consolidated financial statements. If the transaction was not completed, then the carrying amounts of the net assets value of the subsidiaries that declared bankrupt amounting to approximately HK\$199,181,000 should be fully impaired and charged to the income statements of the Group for the year ended 30 September 2012. In addition, in the absence of sufficient information to assess the financial position of the buyer, we were unable to ascertain the consideration receivable amounting to HK\$208,000,000 can be collected.

As a result, there were no other satisfactory review procedures that we could adopt and therefore we were unable to express a conclusion as to whether anything had come to our attention that caused us to believe that the carrying amount of the other receivable as included in the Group’s interim financial report as at 30 September 2012 were not prepared, in all material respects in accordance with IAS 34. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

保留意見之基準**(a) 範疇限制 — 出售附屬公司**

貴公司於二零一二年三月三十日以總代價港幣208,000,000元出售其於合昇有限公司（「合昇」）之全部股份。合昇及其附屬公司（「合昇集團」）之主要資產為於俄羅斯赤塔森林之特許權。

於出售日期，合昇其中一家俄羅斯附屬公司已宣告破產，而該附屬公司先前所持有之一項特許權已到期且並未重續，而另一項特許權因未能於到期日支付特許權費而被國家森林機關沒收。合昇之另一家俄羅斯附屬公司於出售日期後亦宣告破產。

貴集團董事表示，於出售日期，俄羅斯政府已同意為買方保留特許權，並將於呈交恢復特許權申請後盡快向買方授回該等特許權。貴集團現正協助買方取回該兩項特許權。按此基準，雙方協定於二零一二年三月三十日完成出售事項，據此，貴集團於二零一二年九月三十日錄得應收買方款項港幣208,000,000元。貴集團亦同意延長代價之付款期限，須於出售事項完成後九個月內一筆過支付。作為付款之擔保，買方以貴公司之利益簽立一項涉及合昇有限公司全部已發行股本之股份抵押。在貴集團協助下，買方現正就申請重新取得特許權編製所需文件。根據規例，俄羅斯國家森林機關可以拍賣方式出售上述特許權或向符合若干條件之其他實體授出特許權，而我們未獲提供文件以證實買方能保留上述特許權。由於缺乏足夠適當審核證據，我們無法信納應收代價約港幣208,000,000元應否於綜合財務報告內確認。倘交易未能完成，已宣告破產之附屬公司之資產淨值賬面值合共約港幣199,181,000元應全數減值並計入貴集團截至二零一二年九月三十日止年度之收益表。此外，因缺少足夠資料評估買方之財務狀況，我們未能確定能否收回合共港幣208,000,000元之應收代價。

因此，概無我們能夠採納之其他信納審查程序，故我們未能發表結論，表達我們是否注意到任何事件，引致我們相信載於貴集團於二零一二年九月三十日之中期財務報告之其他應收款項賬面值之所有方面未有根據國際會計準則第34號妥善編製。因此，我們未能確定是否須就該等金額作任何調整。

BASIS FOR QUALIFIED CONCLUSION (continued)**(b) Scope limitation – Inventory**

Included in inventories of approximately HK\$49,733,000 of the consolidated statement of financial position as at 30 September 2012 was a sum of inventories amounted to HK\$29,989,000 which do not have subsequent sales up to the date of this report, and no reliable information about the net realizable value of these inventories was available. We were therefore unable to satisfy ourselves as to whether the carrying amount of these inventories amounting to HK\$29,989,000 was fairly stated in the consolidated statement of financial position and free from material misstatement as at 30 September 2012.

For the part of the stock held by the third parties of HK\$2,946,000, our independent auditor's report on the Group's consolidated financial statements for the year ended 31 March 2012 was qualified due to the limitation of scope of the audit in relation to the existence of these inventories. Moreover, there was absence of new information in relation to the existence of these inventories as at 30 September 2012. As a result, there were no other satisfactory review procedures that we could adopt and therefore we were unable to express a conclusion as to whether anything had come to our attention that caused us to believe that the carrying amount of the inventory as included in the Group's interim financial report as at 30 September 2012 were not prepared, in all material respects in accordance with IAS 34. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

(c) Scope limitation – Trade and other payables

Included in the trade and other payables of approximately HK\$79,265,000 in the consolidated statement of financial position as at 30 September 2012 was trade payable of approximately HK\$40,174,000 which was subject to an interest of 1% per month for overdue payment. The Group represented that the trade creditor did not bill any interest for the overdue payment. Our independent auditor's report on the Group's consolidated financial statements for the year ended 31 March 2012 was qualified due to the limitation of scope of the audit in relation to the existence, completeness and valuation of trade payables for these amount. Moreover, there was absence of new information in relation to the existence, completeness and valuation of trade payables of these amount as at 30 September 2012. As a result, there were no other satisfactory review procedures that we could adopt and therefore we were unable to express a conclusion as to whether anything had come to our attention that caused us to believe that the carrying amount of the trade payable as included in the Group's interim financial report as at 30 September 2012 were not prepared, in all material respects in accordance with IAS 34. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

保留意見之基準 (續)**(b) 範疇限制 – 存貨**

於二零一二年九月三十日之綜合財務狀況表項下合共約港幣49,733,000元之存貨中，為數港幣29,989,000元之存貨截至本報告日期並無錄得銷售，且並無有關該等之可變現淨值之可靠資料。因此，我們未能信納該等存貨之賬面值港幣29,989,000元是否於二零一二年九月三十日之綜合財務狀況表公平列賬及是否不存有任何重大錯誤陳述。

就第三方所持有港幣2,946,000元之存貨而言，由於有關是否存在該等存貨之審核範疇限制，我們就貴集團截至二零一二年三月三十一日止年度綜合財務報告發表之獨立核數師報告包含保留意見。另外，截至二零一二年九月三十日並無有關是否存在該等存貨之新資料。因此，概無我們能夠採納之其他信納審查程序，故我們未能發表結論，表達我們是否注意到任何事件，引致我們相信載於貴集團於二零一二年九月三十日之中期財務報告之存貨賬面值未有根據國際會計準則第34號妥善編製。因此，我們未能確定是否須就該等金額作任何調整。

(c) 範疇限制 – 應付貿易款項及其他應付款項

於二零一二年九月三十日之綜合財務狀況表項下約港幣79,265,000元之應付貿易款項及其他應付款項中，為收約港幣40,174,000元之應付貿易款項須就逾期支付按月息1厘罰息。貴集團表示有關貿易債權人並無就逾期支付收取罰息。基於涉及有關金額之應付貿易款項是否存在、其完整性及估值各方面之審核範疇限制，我們就貴集團截至二零一二年三月三十一日止年度綜合財務報告發表之獨立核數師報告包含保留意見。另外，於二零一二年九月三十日並無涉及有關金額之應付貿易款項是否存在、其完整性及估值之新資料。因此，概無我們能夠採納之其他信納審查程序，故我們未能發表結論，表達我們是否注意到任何事件，引致我們相信載於貴集團於二零一二年九月三十日之中期財務報告之其他應收款項賬面值未有根據國際會計準則第34號妥善編製。因此，我們未能確定是否須就該等金額作任何調整。

BASIS FOR QUALIFIED CONCLUSION (continued)

(d) Prior year audit scope limitation affecting opening balances

We issued a qualified opinion on the consolidated financial statements of the Group for the year ended 31 March 2012 due to the limitation on the scope of the audit in relation to the (a) to (c) above, details of which have been set out in above (a) to (c) and in our report dated 20 December 2012.

Any adjustments that might have been found to be necessary in respect of the carrying amounts of the consideration receivable, inventory and trade payable as at 31 March 2012 and 30 September 2012 would have an effect on the opening balances and consequential effect on the Group's net assets as at 31 March 2012 and 30 September 2012, and the Group's profit for the six month period ended 30 September 2012 and related disclosures in the notes to the interim financial report.

QUALIFIED CONCLUSION

Except for the adjustments to the interim financial report that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the interim financial report is not prepared, in all material respects, in accordance with International Accounting Standard 34.

Crowe Horwath (HK) CPA Limited

Certified Public Accountants

Hong Kong, 28 December 2012

Alvin Yeung Sik Hung

Practising Certificate Number P05206

保留意見之基準 (續)

(d) 影響期初結餘之上年度審核範疇限制

由於有關上述(a)至(c)項之審核範疇限制(有關詳情載於上文(a)至(c)項及我們所發表日期為二零一二年十二月二十日之報告)，我們就 貴集團截至二零一二年三月三十一日止年度之綜合財務報告發表保留意見。

任何可能須就應收代價、存貨及應付貿易款項於二零一二年三月三十一日及二零一二年九月三十日之賬面值作出之調整，將對期初結餘構成影響，並對 貴集團於二零一二年三月三十一日及二零一二年九月三十日之資產淨值、 貴集團截至二零一二年九月三十日止六個月期間之溢利以及於中期財務報告附註之相關披露事項造成相應影響。

保留意見

除倘無出現上述情況而我們可能察覺之中期財務報告調整外，根據我們所進行審閱工作，我們並未注意到任何事項，引致我們相信中期財務報告在各重要方面未有根據國際會計準則第34號妥為編製。

國富浩華(香港)會計師事務所有限公司

執業會計師

香港，二零一二年十二月二十八日

楊錫鴻

執業證書編號 P05206

Condensed Consolidated Income Statement

簡明綜合收益表

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

		For the six months ended 30 September 截至九月三十日止六個月	
		2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
	Notes 附註		
CONTINUING OPERATIONS			
Revenue	5	47,526	88,455
Cost of sales		(45,904)	(78,326)
Gross profit		1,622	10,129
Other income	6	124,498	3,715
Other net gain/(loss)	6	5,919	(31,466)
Selling and distribution costs		(1,613)	(7,861)
Administrative expenses		(54,365)	(47,753)
Loss on business disruption	7	-	(347,118)
Change in fair value of biological assets less costs to sell	14	(90,594)	244,192
Loss from operations		(14,533)	(176,162)
Finance income		6	313
Finance costs		(6,221)	(3,998)
Net finance costs	8(a)	(6,215)	(3,685)
Loss before taxation	8	(20,748)	(179,847)
Income tax	9	30,802	(59,277)
Profit/(Loss) for the period from continuing operations		10,054	(239,124)
DISCONTINUED OPERATION			
Loss from discontinued operation	10	-	(5,368)
PROFIT/(LOSS) FOR THE PERIOD		10,054	(244,492)
Attributable to:			
Owners of the Company		10,054	(244,492)
Non-controlling interests		-	-
		10,054	(244,492)
Earnings/(Loss) per share			
From continuing and discontinued operations	12		
— Basic		0.144 cents 仙	(4.698 cents) 仙
— Diluted		0.138 cents 仙	(4.698 cents) 仙
From continuing operations	12		
— Basic		0.144 cents 仙	(4.594 cents) 仙
— Diluted		0.138 cents 仙	(4.594 cents) 仙

The notes on pages 19 to 62 form part of these financial statements.

第19至62頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

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

**For the six months ended
30 September**
截至九月三十日止六個月

		2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Profit/(Loss) for the period	期間溢利／(虧損)	10,054	(244,492)
Other comprehensive loss	其他全面虧損		
Exchange differences on translation of financial statement of overseas subsidiaries	換算海外附屬公司財務報告產生之匯兌差額	(50,058)	(81,424)
Other comprehensive loss for the period, net of tax	期間其他全面虧損，扣除稅項	(50,058)	(81,424)
Total comprehensive loss for the period	期間全面虧損總額	(40,004)	(325,916)
Total comprehensive loss attributable to:	以下人士應佔全面虧損總額：		
Owners of the Company	本公司擁有人	(40,004)	(325,916)
Non-controlling interests	非控制性權益	-	-
		(40,004)	(325,916)

The notes on pages 19 to 62 form part of these financial statements.

第19至62頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2012 於二零一二年九月三十日

		Notes 附註	At 30 September 2012 於二零一二年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2012 於二零一二年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	192,345	213,306
Biological assets	生物資產	14	732,313	913,049
Goodwill	商譽	15	302,118	302,118
			1,226,776	1,428,473
CURRENT ASSETS	流動資產			
Inventories	存貨	16	49,733	65,628
Trade and other receivables	應收貿易款項及其他應收款項	17	12,382	17,972
Consideration receivable	應收代價	10	208,000	208,000
Amount due from a related company	應收一家關連公司款項		4,426	-
Cash and cash equivalents	現金及現金等價物		2,466	7,760
			277,007	299,360
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易款項及其他應付款項	18	79,265	212,310
Loans and borrowings	貸款及借貸	19	15,000	25,289
Finance leases payable	應付融資租約		-	100
Promissory notes	承付票據	22	6,582	-
Provision for taxation	稅項撥備		49,456	49,456
Financial liabilities	財務負債		127	6,030
			150,430	293,185
NET CURRENT ASSETS	流動資產淨值		126,577	6,175
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,353,353	1,434,648
NON-CURRENT LIABILITIES	非流動負債			
Amounts due to shareholders	應付股東款項	21	203,961	210,874
Amount due to related companies	應付關連公司款項		22,115	2,048
Finance leases payable	應付融資租約		-	250
Promissory notes	承付票據	22	-	6,517
Deferred tax liabilities	遞延稅項負債		275,186	339,564
			501,262	559,253
NET ASSETS	資產淨值		852,091	875,395

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2012 於二零一二年九月三十日

			At 30 September 2012 於二零一二年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2012 於二零一二年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
		Notes 附註		
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	23	390,341	384,328
Reserves	儲備		461,664	490,981
Total equity attributable to the owners of the Company	本公司擁有人應佔總權益		852,005	875,309
Non-controlling interests	非控制性權益		86	86
TOTAL EQUITY	總權益		852,091	875,395

The notes on pages 19 to 62 form part of these financial statements.

第19至62頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

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

		Attributable to the owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Shares held by Company for settlement of acquisition consideration	Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Retained profit	Sub-total	Non-controlling interest	Total equity
Note		HK\$'000	HK\$'000	本公司就償付收購代價所持股份	實繳盈餘	可供分派儲備	股本贖回儲備	匯兌波動儲備	購股權儲備	保留溢利	小計	非控制性權益	總權益
附註		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2011 (audited)	於二零一一年四月一日 (經審核)	369,324	2,310,765	-	10,003	2,216	8,000	86,674	29,311	450,000	3,256,293	76	3,256,369
Loss for the period	期間虧損	-	-	-	-	-	-	-	-	(244,492)	(244,492)	-	(244,492)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	-	-	-	-	-	-	(81,424)	-	-	(81,424)	-	(81,424)
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	-	(81,424)	-	-	(81,424)	-	(81,424)
Total comprehensive loss for the period	期間全面虧損總額	369,324	2,310,765	-	10,003	2,216	8,000	5,250	29,311	205,508	2,930,377	76	2,930,453
Shares issued upon exercise of share options	於行使購股權時發行股份	10	84	-	-	-	-	-	(22)	-	72	-	72
Consideration shares issued for the acquisition of subsidiaries	就收購附屬公司發行代價股份	20,267	139,333	-	-	-	-	-	-	-	159,600	-	159,600
Dividends declared in respect of the previous period	就過往期間宣派股息	-	-	-	-	-	-	-	-	(31,996)	(31,996)	-	(31,996)
Issuance of share options	發行購股權	-	-	-	-	-	-	-	4,076	-	4,076	-	4,076
Forfeiture of share options	沒收購股權	-	-	-	-	-	-	-	(418)	418	-	-	-
Total transactions with owners	與擁有人進行之交易總額	20,277	139,417	-	-	-	-	-	3,636	(31,578)	131,752	-	131,752
At 30 September 2011 (Unaudited)	於二零一一年九月三十日 (未經審核)	379,601	2,450,182	-	10,003	2,216	8,000	5,250	32,947	173,930	3,062,129	76	3,062,205
At 1 April 2012 (audited)	於二零一二年四月一日 (經審核)	384,328	2,458,674	(115,920)	10,003	2,216	8,000	11,638	19,524	(1,903,154)	875,309	86	875,385
Profit for the period	期間溢利	-	-	-	-	-	-	-	-	10,054	10,054	-	10,054
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	-	-	-	-	-	-	(50,058)	-	-	(50,058)	-	(50,058)
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	-	(50,058)	-	-	(50,058)	-	(50,058)
Total comprehensive loss for the period	期間全面虧損總額	-	-	-	-	-	-	(50,058)	-	10,054	(40,004)	-	(40,004)
Issuance of shares pursuant to the equity line facility	根據股本融資發行股份	6,013	10,787	-	-	-	-	-	-	-	16,800	-	16,800
Equity-settled share-based payment	以認權結算之股份付款	-	-	-	-	-	-	-	(100)	-	(100)	-	(100)
Forfeiture of share options	沒收購股權	-	-	-	-	-	-	-	(1,185)	1,185	-	-	-
Total transactions with owners	與擁有人進行之交易總額	6,013	10,787	-	-	-	-	-	(1,285)	1,185	16,700	-	16,700
At 30 September 2012 (unaudited)	於二零一二年九月三十日 (未經審核)	390,341	2,469,461	(115,920)	10,003	2,216	8,000	(38,420)	18,239	(1,891,915)	852,005	86	852,091

The notes on pages 19 to 62 form part of these financial statements.

第19至62頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流轉表

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

		For the 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
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Net cash used in operating activities	經營業務流出之現金淨額	(19,183)	(40,933)
Net cash (used in)/generated from investing activities	投資活動(流出)／流入之現金淨額	(790)	602
Net cash generated from financing activities	融資活動流入之現金淨額	14,685	35,035
Decrease in cash and cash equivalents	現金及現金等價物減少	(5,288)	(5,296)
Cash and cash equivalents at beginning of the period	於期初之現金及現金等價物	7,760	23,679
Effect of foreign exchange rate changes, net	匯率變動之影響淨額	(6)	(168)
Cash and cash equivalents at end of the period	於期終之現金及現金等價物	2,466	18,215
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結存分析		
Cash and cash equivalents	現金及現金等價物	2,466	18,214
Cash and bank balances classified as held for sale	分類為持作待售之現金及銀行結餘	-	1
		2,466	18,215

The notes on pages 19 to 62 form part of these financial statements.

第19至62頁之附註構成此等財務報告之一部分。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

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

1. CORPORATE INFORMATION

Sustainable Forest Holdings Limited (the “Company”, together with its subsidiaries collectively referred to as the “Group”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprised tree felling service (for the six-month period ended 30 September 2011 only and no tree felling service was provided during the six-months ended 30 September 2012), sustainable forest management and manufacturing and sale of timber products including but not limited to wooden door, furniture and wooden floor panels (“Zhongshan operation”).

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 September 2012 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”).

These condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2012.

The condensed consolidated financial statements are denominated in Hong Kong Dollar (“HK\$”). Unless otherwise specifically stated, all amounts are presented in thousand.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated financial statements have been prepared under the historical cost convention except that the biological assets and financial liabilities are stated at fair values.

The accounting policies and basis of preparation adopted in preparation of these condensed consolidated financial statements are consistent with those used in the Group’s annual financial statements for the year ended 31 March 2012, except as described below.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations (“new and revised IFRSs”) issued by the IASB.

1. 公司資料

永保林業控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)根據一九八一年百慕達公司法在百慕達註冊成立為獲豁免有限公司。本公司之普通股股份在香港聯合交易所有限公司(「聯交所」)上市。

本公司之主要業務為投資控股，其附屬公司之主要業務包括伐木服務(僅包括截至二零一一年九月三十日止六個月期間，於截至二零一二年九月三十日止六個月並無提供伐木服務)、可持續森林管理及製造銷售木材產品，包括但不限於木門、傢俱及木地板(「中山業務」)。

2. 編製基準

截至二零一二年九月三十日止六個月之簡明綜合財務報告遵守聯交所證券上市規則(「上市規則」)附錄16之適用披露規定及國際會計準則委員會(「國際會計準則委員會」)頒佈之國際會計準則(「國際會計準則」)第34號「中期財務報告」編製。

此等簡明綜合財務報告應與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告一併閱覽。

簡明綜合財務報告以港元(「港元」)列值。除另有具體指明者外，所有金額均以千元列示。

3. 重大會計政策概要

此等簡明綜合財務報告乃按歷史成本慣例編製，惟生物資產及財務負債則以公平值計量。

除下述者外，編製此等簡明綜合財務報告採納之會計政策及編製基準與本集團於截至二零一二年三月三十一日止年度之年度財務報告所用者一致。

於本中期期間，本集團首次應用下列由國際會計準則委員會頒佈之新訂及經修訂準則、修訂及詮釋(「新訂及經修訂國際財務報告準則」)。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
IFRS 7 (Amendments)	Disclosures — Transfers of Financial Assets
IFRS 12 (Amendments)	Deferred Tax — Recovery of Underlying Assets

The adoption of the above new and revised IFRSs had no significant financial impact on these condensed consolidated interim financial statements.

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective:

Amendments to IFRSs	Annual Improvements to IFRSs 2009–2011 Cycle ²
Amendments to IFRS 1	Government Loans ²
Amendments to IFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities ²
Amendments to IFRS 7 and IFRS 9	Mandatory Effective Date of IFRS 9 and Transition Disclosures ⁴
Amendments to IFRS 10, 11, 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance ²
IFRS 9	Financial Instruments ⁴
IFRS 10	Consolidated Financial Statements ²
IFRS 11	Joint Arrangements ²
IFRS 12	Disclosure of Interests in Other Entities ²
IFRS 13	Fair Value Measurement ²
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income ¹
IAS 19 (as revised in 2011)	Employee Benefits ²
IAS 27 (as revised in 2011)	Separate Financial Statements ²
IAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ²
Amendments to IAS 32	Offsetting Finance Assets and Financial Liabilities ³
IFRIC-Int 20	Stripping Costs in the Production Phase of a Surface Mine ²

3. 重大會計政策概要(續)

國際財務報告準則第1號(修訂本)	嚴重惡性通脹及就首次採納者撤銷固定日期
國際財務報告準則第7號(修訂本)	披露 — 財務資產之轉讓
國際財務報告準則第12號(修訂本)	遞延稅項 — 收回相關資產

採納上述新訂及經修訂國際財務報告準則對此等簡明綜合中期財務報告並無重大財務影響。

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂國際財務報告準則：

國際財務報告準則之修訂	二零零九年至二零一一年週期之國際財務報告準則之年度改進 ²
國際財務報告準則第1號之修訂	政府貸款 ²
國際財務報告準則第7號之修訂	披露 — 抵銷財務資產及財務負債 ²
國際財務報告準則第7號及國際財務報告準則第9號之修訂	國際財務報告準則第9號之強制生效日期及過渡性披露 ⁴
國際財務報告準則第10號、國際財務報告準則第11號及國際財務報告準則第12號之修訂	綜合財務報告、聯合安排及其他實體權益之披露：過渡指引 ²
國際財務報告準則第9號	財務工具 ⁴
國際財務報告準則第10號	綜合財務報告 ²
國際財務報告準則第11號	聯合安排 ²
國際財務報告準則第12號	其他實體權益之披露 ²
國際財務報告準則第13號	公平值計量 ²
國際會計準則第1號之修訂	其他全面收入項目呈報 ¹
國際會計準則第19號(於二零一一年經修訂)	僱員福利 ²
國際會計準則第27號(於二零一一年經修訂)	獨立財務報告 ²
國際會計準則第28號(於二零一一年經修訂)	投資聯營公司及合營企業 ²
國際會計準則第32號之修訂	抵銷財務資產及財務負債 ³
國際財務報告詮釋委員會—詮釋第20號	露天採礦場生產階段之剝採成本 ²

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

4. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the board of directors ("Board") of the Company for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments. No operating segments have been aggregated to form the following reportable segments.

Continuing operations

Tree felling service: provision of tree felling and clearing services.

Sustainable forest management: sustainable management of and investment in natural forests, timber and wood processing, trading and sales of forestry and timber products.

Zhongshan operations: manufacturing and sale of timber products including but not limited to wooden door, furniture and wooden flooring.

3. 重大會計政策概要(續)

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

本集團正評估此等修訂在首次應用期間預期產生之影響，至今結論為採納該等修訂不大可能對本集團之經營業績和財務狀況構成重大影響。

4. 分部報告

本集團按分部管理其業務，分部按業務線(產品及服務)及地理位置兩方面劃分。該等資料向本公司董事會(「董事會」)作內部報告以分配資源及評核表現，本集團已呈列下列可報告分部。概無合併經營分部以組成下列可報告分部。

持續經營業務

伐木服務：提供伐木及清理服務。

可持續森林管理：天然森林之可持續管理及投資、木材及木料加工、木材及木料產品貿易及銷售。

中山業務：製造及銷售木材產品，包括但不限於木門、傢俱及木地板。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報告附註

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

4. SEGMENT REPORTING (continued) Discontinued operation

Chita forests operation: logging, timber and wood processing, timber trading and timber sales and marketing.

In accordance with IFRS 8, segment information disclosed in this interim financial report has been prepared in a manner consistent with the information used by the Board of the Company for the purposes of assessing segment performance and allocating resources among segments. In this regard, the Board of the Company monitors the results and assets attributable to each reportable segment on the following bases:

Segment assets include non-current assets and current assets with the exception of certain unallocated corporate assets to an individual reportable segment.

All liabilities are allocated to reportable segments other than current, deferred tax liabilities and unallocated corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or, which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

4. 分部報告(續) 已終止業務

赤塔森林業務：伐木、木材及木料加工、木材貿易以及木材銷售與市場推廣。

根據國際財務報告準則第8號，於本中期財務報告披露之分部資料乃以與本公司董事會就評估分部表現及於分部間分配資源所用資料一致之方式編製。就此，本公司董事會按下列基準監察各可報告分部之業績及應佔資產：

分部資產包括非流動資產及流動資產，但不包括未獲分配至個別可報告分部之若干企業資產。

所有負債乃分配至可報告分部，惟即期稅項負債、遞延稅項負債及未分配企業負債則除外。

收入及開支乃參考來自該等分部之銷售及該等分部所產生開支或折舊或攤銷該等分部應佔資產所產生之開支而分配至可報告分部。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

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

4. SEGMENT REPORTING (continued)**(a) Segment results, assets and liabilities**

An analysis of the Group's reportable segments is reported below:

4. 分部報告 (續)**(a) 分部業績、資產及負債**

本集團可報告分部之分析報告如下：

		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)				
		Continuing operations 持續經營業務				
		Sustainable forest management 可持續森林管理 HK\$'000 港幣千元	Tree felling service 伐木服務 HK\$'000 港幣千元	Zhongshan operations 中山業務 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	來自外界客戶之收入	193	-	47,333	47,526	47,526
Reporting segment revenue	可報告分部收入	193	-	47,333	47,526	47,526
Reportable segment loss before taxation	除稅前可報告分部虧損	(5,256)	-	(10,153)	(15,409)	(15,409)
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本	(90,594)	-	-	(90,594)	(90,594)
Depreciation	折舊	(621)	-	(137)	(758)	(758)
Waiver of liabilities by trade creditors	貿易債權人豁免負債	123,684	-	-	123,684	123,684
Interest expenses	利息開支	(5,591)	-	-	(5,591)	(5,591)
Interest income	利息收入	6	-	-	6	6
Reportable segment assets	可報告分部資產	1,240,891	-	50,672	1,291,563	1,291,563
Additions to non-current segment assets	非流動分部資產添置	450	-	1,195	1,645	1,645
Reportable segment liabilities	可報告分部負債	(291,586)	-	(20,212)	(311,798)	(311,798)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

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

4. SEGMENT REPORTING (continued)**(a) Segment results, assets and liabilities**
(continued)**4. 分部報告** (續)**(a) 分部業績、資產及負債** (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)

		Continuing operations 持續經營業務			Discontinued operation 已終止業務		
		Sustainable forest management 可持續森林管理	Tree felling service 伐木服務	Zhongshan operations 中山業務	Sub-total 小計	Chita forests operation 赤塔森林業務	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue from external customers	來自外界客戶之收入	7,862	-	80,593	88,455	-	88,455
Inter-segment revenue	分部間收入	-	-	45,570	45,570	-	45,570
Reportable segment revenue	可報告分部收入	7,862	-	126,163	134,025	-	134,025
Reportable segment profit/(loss) before taxation	除稅前可報告分部溢利/(虧損)	51,350	(232,846)	24,112	(157,384)	(5,368)	(162,752)
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本	244,192	-	-	244,192	-	244,192
Depreciation	折舊	(639)	(2)	(7)	(648)	-	(648)
Write off of trade receivables	撇銷應收貿易款項	(114,274)	-	-	(114,274)	-	(114,274)
Write down of inventories	撇減存貨	-	(245,682)	-	(245,682)	-	(245,682)
Reversal of service fee payables	撥回服務費應付款項	-	12,838	-	12,838	-	12,838
Interest expenses	利息開支	(633)	-	-	(633)	-	(633)
Interest income	利息收入	312	-	-	312	-	312

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簡明綜合財務報告附註

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

4. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities (continued)

4. 分部報告(續)

(a) 分部業績、資產及負債(續)

		As at 31 March 2012 (Audited) 於二零一二年三月三十一日(經審核)					
		Continuing operations 持續經營業務				Discontinued operation 已終止業務	
		Sustainable forest management 可持續森林管理	Tree felling service 伐木服務	Zhongshan operations 中山業務	Sub-total 小計	Chita forests operation 赤塔森林業務	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Reportable segment assets	可報告分部資產	1,449,834	-	64,686	1,514,520	-	1,514,520
Additions to non-current segment assets	非流動分部資產添置	3,847	-	2,881	6,728	-	6,728
Reportable segment liabilities	可報告分部負債	(390,465)	-	(27,138)	(417,603)	-	(417,603)

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

4. SEGMENT REPORTING (continued)**(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:****4. 分部報告** (續)**(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：****For the six months ended 30 September**

截至九月三十日止六個月

		2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(i) Revenue	(i) 收入		
Reportable segment revenue	可報告分部收入	47,526	134,025
Elimination of inter-segment revenue	對銷分部間收入	-	(45,570)
Consolidated revenue	綜合收入	47,526	88,455

For the six months ended 30 September

截至九月三十日止六個月

		2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(ii) Loss	(ii) 虧損		
Reportable segment loss before taxation	除稅前可報告分部虧損	(15,409)	(157,384)
Unallocated corporate income	未分配企業收入	6,423	-
Unallocated depreciation	未分配折舊	(9)	(139)
Unallocated interest income	未分配利息收入	-	1
Unallocated interest expense	未分配利息開支	(630)	(3,365)
Unallocated corporate expenses	未分配企業開支	(11,123)	(18,960)
Loss before taxation (continuing operations)	除稅前虧損 (持續經營業務)	(20,748)	(179,847)

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

4. SEGMENT REPORTING (continued)**(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:**

(continued)

4. 分部報告 (續)**(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：** (續)

		At 30 September 2012	At 31 March 2012
		於二零一二年 九月三十日	於二零一二年 三月三十一日
		HK\$'000	HK\$'000
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
(iii) Assets	(iii) 資產		
Segment assets for reportable segments from continuing operations	持續經營業務可報告分部之分部資產	1,291,563	1,514,520
Unallocated corporate assets	未分配企業資產	212,220	213,313
Total assets per condensed consolidated statement of financial position	簡明綜合財務狀況表所呈列資產總值	1,503,783	1,727,883
Liabilities	負債		
Segment liabilities for reportable segments from continuing operations	持續經營業務可報告分部之分部負債	311,798	417,603
Unallocated:	未分配：		
— Provision for taxation	— 稅項撥備	49,456	49,456
— Deferred tax liabilities	— 遞延稅項負債	275,186	339,564
— Corporate liabilities	— 企業負債	15,252	45,815
Total liabilities per condensed consolidated statement of financial position	簡明綜合財務狀況表所呈列負債總額	651,692	852,438

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簡明綜合財務報告附註

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

4. SEGMENT REPORTING (continued)**(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:**

(continued)

(iv) Other material items**4. 分部報告** (續)**(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：**(續)**(iv) 其他重要項目**

		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)								
		Continuing operations 持續經營業務					Discontinued operation 已終止業務			
		Sustainable forest management 可持續森林管理	Tree felling service 伐木服務	Zhongshan operations 中山業務	Unallocated 未分配	Sub-total 小計	Chita forests operation 赤塔森林業務	Unallocated 未分配	Sub-total 小計	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation 折舊		621	-	137	9	767	-	-	-	767
Interest expenses 利息開支		5,591	-	-	630	6,221	-	-	-	6,221
Interest income 利息收入		6	-	-	-	6	-	-	-	6

		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)								
		Continuing operations 持續經營業務					Discontinued operation 已終止業務			
		Sustainable forest management 可持續森林管理	Tree felling service 伐木服務	Zhongshan operations 中山業務	Unallocated 未分配	Sub-total 小計	Chita forests operation 赤塔森林業務	Unallocated 未分配	Sub-total 小計	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation 折舊		639	2	7	139	787	-	-	-	787
Interest expenses 利息開支		633	-	-	3,365	3,998	-	-	-	3,998
Interest income 利息收入		312	-	-	1	313	-	-	-	313

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簡明綜合財務報告附註

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

4. SEGMENT REPORTING (continued)

(c) Revenue from major products and services:

4. 分部報告(續)

(c) 來自主要產品及服務之收入:

For the six months ended 30 September					
截至九月三十日止六個月					
Continuing operations		Discontinued operation		Consolidated	
持續經營業務		已終止業務		綜合	
2012	2011	2012	2011	2012	2011
二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Sales of forestry and timber products	出售木材及木料產品				
47,526	88,455	-	-	47,526	88,455

5. REVENUE

Revenue represents the invoiced value of goods sold, after allowances for returns and trade discounts and revenue.

An analysis of revenue is as follows:

5. 收入

收入指計及退貨及商業折扣備抵後出售貨品之發票淨值及收入。

收入分析如下:

For the six months ended 30 September					
截至九月三十日止六個月					
Continuing operations		Discontinued operation		Consolidated	
持續經營業務		已終止業務		綜合	
2012	2011	2012	2011	2012	2011
二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Sales of forestry and timber products	出售木材及木料產品				
47,526	88,455	-	-	47,526	88,455

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

6. OTHER INCOME AND OTHER NET GAIN/(LOSS)

6. 其他收入及其他收益/(虧損)淨額

For the six months ended 30 September
截至九月三十日止六個月

	Continuing operations 持續經營業務		Discontinued operation 已終止業務		Consolidated 綜合	
	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Other income						
Rental income	15	14	-	234	15	248
Waiver of liabilities by trade creditors (note i)	123,684	-	-	-	123,684	-
Others	799	3,701	-	-	799	3,701
	124,498	3,715	-	234	124,498	3,949
Other net gain/(loss)						
Change in fair value of financial liabilities (note ii)	5,903	-	-	-	5,903	-
Net exchange gain/(loss)	16	(31,466)	-	(4,050)	16	(35,516)
	5,919	(31,466)	-	4,050	5,919	(35,516)

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簡明綜合財務報告附註

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

6. OTHER INCOME AND OTHER NET GAIN/ (LOSS) (continued)

Notes:

- (i) In March 2011, the Group purchased logs and timber from independent suppliers in Democratic Republic of Congo ("DRC") and Virginia, USA and sold them at a total sale prices of approximately HK\$396 million to some PRC customers who are independent to the Group and its directors on an ex-yard basis. Ex-yard means the seller was required to deliver the goods to its yard. All other transportation costs and risks are assumed by the buyers. The customers inspected and accepted the goods sold at the respective designated yards in DRC and USA. The sales contracts were signed under Hong Kong laws. According to the terms and conditions of the sales contracts, the customers were responsible for arranging transportation after inspection and acceptance of delivery.

In April 2011, China placed a ban on importation of logs from Virginia, USA. No one could move any logs originated from Virginia to China. The ban was only lifted, on a test basis, beginning 1 June 2012.

The Group understood that Chinese customs places ban on importation of products and goods from time to time. These bans may be politically motivated as retaliations to discriminatory policies against Chinese goods by foreign countries. Bans based on such motivations may be difficult for market participants to predict the duration. The Group was not aware of any similar rationale behind the April 2011 ban which stemmed from pests being found in some shipments from those selected states involved. Pest problems in general should be easily addressed by proper fumigation. Based on public information, the US government from those states involved seemed to be working actively and immediately to resolve the problem with the Chinese customs. In addition, the views of the Group's sales in the PRC and market views collected by them indicated that the concerns could be resolved quickly. As such, the Group believed that the ban would be short-lived.

Concurrently, the customers began looking for vessels to transport the African logs and timber from DRC to China since signing of the sales contracts. It proved to be very difficult to secure vessels as there are limited choice of shipping lines due to the perceived security risks associated with DRC, the limiting conditions of the port and the lack of proper port facilities for loading. The Group tried to assist the customers out of courtesy but was also not successful.

Timber prices in China began to soften in the second half of 2011 and continued with a downward trend for the rest of the year. Demand and prices dropped significantly after Chinese New Year in February 2012 generally due to poor housing market and negative economic outlook in China.

The sales contracts required payments be made in five installments by the customers with the last of the installments paid by 31 August 2011. Up to 28 December 2012, only a total of approximately HK\$84 million was collected from the customers. No further payments were received from the PRC customers since July 2011. The Group requested the customers to settle the outstanding payments due to it numerous times while understanding the unusual circumstances surrounding the delays in shipment of the goods sold both from the USA and DRC to China. When considering to allow the customers to make deposit payments slower than the original plan, the Company took into consideration amongst other factors that it may physically block the movement of the logs and timber if payments received were not adequate to cover the quantity of logs and timber that the buyers ship. The physical block would be feasible as the Brazilian logs sold were stored inside the hydropower plant at our log yards; and the African logs and timber sold were stored at our supplier's warehouse at the port which we helped to arrange.

6. 其他收入及其他收益／(虧損)淨額(續)

附註：

- (i) 於二零一一年三月，本集團向非洲剛果民主共和國（「剛果」）及美國弗吉尼亞州之獨立供應商採購原木及木材，再按離岸價格碼頭交貨基準合共約港幣396,000,000元之售價銷售予若干獨立於本集團及其董事之中國客戶。離岸價格碼頭交貨規定賣家須付運貨品至其碼頭。所有其他運輸成本及風險概由買家承擔。客戶分別於剛果及美國之指定碼頭檢驗及接收所售貨品。銷售合約乃根據香港法例簽訂。根據銷售合約之條款及條件，客戶須負責於驗收後自行安排貨運。

於二零一一年四月，中國禁止進口美國弗吉尼亞州之原木，原產地為弗吉尼亞州之原木一概不得輸入中國。自二零一二年六月一日起，禁令僅按試行基準獲解除。

本集團了解到，中國海關會不時就進口產品及貨品下達禁令。該等禁令可能出於政治動機報復外國對中國貨品之歧視政策。市場參與者可能難以預測基於該等動機下達之禁令之持續時間。本集團並不知悉二零一一年四月之禁令背後有任何類似理據，惟於該等有關數個州份之若干批次貨物中發現害蟲。害蟲問題一般可以適當蒸熏消毒方法輕易處理。根據公開資料，有關美國州政府一直積極工作，並即時解決有關中國海關之問題。此外，基於有關本集團在中國銷售之意見及其所收取之市場意見，均顯示有關憂慮將很快得以消除。因此，本集團相信該禁令將屬短暫性質。

與此同時，客戶自簽訂銷售合約後開始找尋船隻從剛果運送非洲原木及木材至中國。由於意識到與剛果相關之安全風險、港口之限制條件及缺乏正規港口裝載設施，可供揀選之船運公司不多，故客戶難以覓得船隻。本集團出於好意試圖協助客戶，但亦無功而還。

中國木材價格於二零一一年下半年開始回軟，並於年內餘下時間持續呈下降趨勢。需求及價格於二零一二年二月農曆新年後大幅下跌，大抵因中國樓市疲弱及經濟前景欠佳所致。

銷售合約要求客戶須分五期付款，而最後一期款項須於二零一一年八月三十一日前支付。截至二零一二年十二月二十八日，僅從客戶收訖合共約港幣84,000,000元。自二零一一年七月起再無收到中國客戶之貨款。本集團多次要求客戶償還應付本集團之欠款，惟理解周圍之不尋常情況引致從美國及剛果裝運已售貨品至中國之延誤。當考慮讓客戶以較原訂計劃長之時間支付訂金時，除其他因素外，本公司亦考慮到倘所收取款項不足以償付買家裝運原木及木材之數量，則有可能阻礙運送原木及木材。由於所售巴西原木存放於我們的原木場地之水力發電廠內，則或會出現有關阻礙；而所售非洲原木及木材則存放於我們協助安排位於港口之供應商倉庫內。

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

6. OTHER INCOME AND OTHER NET GAIN/ (LOSS) (continued)

Notes: (continued)

- (i) (continued)
Timber prices began decreasing during the last quarter of 2011 and dropped significantly and suddenly during the first quarter of 2012 due to slow down in the Chinese housing market and economy. The customers notified the Group its intention to default on the contracts in May 2012. After repeated unsuccessful attempts in collecting the outstanding receivables from the PRC customers, the Group agreed with the African and US suppliers to terminate its purchase agreements with them on 31 May 2012 amicably. The Group recognised the waiver of liabilities by trade creditors as other income of HK\$124 million during the interim period ended 30 September 2012. The African and US suppliers took back the logs and timber with no further liabilities due from the Group. The Group understood that the supplier sold the logs in the domestic market with some profit after taking back the logs.

Trade receivable of HK\$299 million for the sale of the above logs and timber were written off during the year ended 31 March 2012.

- (ii) On 19 December 2011, the Company issued 300,000,000 non-listed warrants to a strategic investor. The 300,000,000 non-listed warrants carry the rights to subscribe for 300,000,000 ordinary shares of the Company at an exercise price of HK\$0.25 per each ordinary share for a term of twelve months from the completion date of the subscription. The warrants are classified as financial liabilities and are measured at fair value at each end of the reporting period. For the six months ended 30 September 2012, the valuation was carried out by Grant Sherman Appraisal Limited independently based on Binomial Option Pricing Model. The fair value of the warrants decreased from HK\$6,030,000 at 31 March 2012 to HK\$127,000 at 30 September 2012 mainly due to the elapse of time closer to maturity of time and decrease in the value of the underlying shares. Accordingly, a gain from change in fair value of financial liabilities of HK\$5,903,000 was recognized during the six months ended 30 September 2012.

7. LOSS ON BUSINESS DISRUPTION

Write off of trade receivables	撇銷應收貿易款項	-	114,274
Write down of inventories	撇減存貨	-	245,682
Reversal of service fee payables	撥回服務費應付款項	-	(12,838)
		-	347,118

In November 2009, Universal Timber Resources Do Brasil Participacao LTDA ("UTRB"), a wholly-owned subsidiary of the Company and a main contractor being an independent third party of the Group ("Main Contractor") entered into a service agreement, pursuant to which the Main Contractor engaged UTRB to provide tree felling services in the hydropower plant in Rondonia, Brazil. The main contract was signed between the operator of the hydropower plant and the Main Contractor.

6. 其他收入及其他收益/(虧損)淨額(續)

附註：(續)

- (i) (續)
木材價格於二零一一年第四季開始下滑，其後因中國樓市及經濟放緩而於二零一二年第一季急遽下跌。於二零一二年五月，多名客戶知會本集團其有意違約。在多次嘗試向中國客戶催收應收款項不果後，本集團與非洲及美國之供應商分別於二零一二年五月三十一日和平地達成協議，終止本集團與彼等所訂之購買協議。本集團於截至二零一二年九月三十日止中期已將貿易債權人豁免負債確認為其他收入港幣124,000,000元。非洲及美國供應商收回原木及木材，再無任何應收本集團之負債。據本集團了解，供應商於收回原木後已於國內市場出售原木並從中獲利。

銷售上述原木及木材之應收貿易賬款港幣299,000,000元已於截至二零一二年三月三十一日止年度撇銷。

- (ii) 於二零一一年十二月十九日，本公司向一名策略投資者發行300,000,000份非上市認股權證。該300,000,000份非上市認股權證附帶權利以每股普通股港幣0.25元之行使價認購300,000,000股本公司普通股，期限為自認購完成日期起十二個月內。認股權證分類為財務負債，並於各報告期間結算日按公平值計量。截至二零一二年九月三十日止六個月，估值由中證評估有限公司按二項式期權定價模式獨立進行。認股權證之公平值由二零一二年三月三十一日港幣6,030,000元減少至二零一二年九月三十日港幣127,000元，主要由於到期時間逐漸迫近及相關股份之價值下降所致。因此，截至二零一二年九月三十日止六個月，已就財務負債之公平值變動確認收益港幣5,903,000元。

7. 業務干擾之虧損

For the six months ended
30 September
截至九月三十日止六個月

2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
-	114,274
-	245,682
-	(12,838)
-	347,118

於二零零九年十一月，本公司全資附屬公司 Universal Timber Resources Do Brasil Participacao LTDA ("UTRB") 與主承包商 ("主承包商") 為本集團之獨立第三方訂立服務協議，據此，主承包商委聘 UTRB 在巴西朗多尼亞州之水力發電廠提供伐木服務。水力發電廠之經營者與主承包商簽訂主合約。

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簡明綜合財務報告附註

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

7. LOSS ON BUSINESS DISRUPTION (continued)

In May 2010, the alleged agent (“Alleged Agent”) of the Main Contractor’s owner started negotiation with UTRB for the proposed sale of the equity interest of the Main Contractor to UTRB (the “Proposed Deal”). UTRB was not satisfied with the results of due diligence exercise on the Main Contractor and the Alleged Agent failed to provide proper authorization document from the equity-owner of the Main Contractor to proceed with the Proposed Deal. As such, the Proposed Deal did not materialize.

Since around February 2011, UTRB and some of the senior officers of the Company have been receiving threatening emails and phone calls from the Alleged Agent extorting money including that payable under the Proposed Deal. It is also believed that the Alleged Agent has published or procured the publication on internet and articles posing serious accusations against the Group on its integrity and manner of doing business. The Alleged Agent has also harassed the Group’s staff with constant emails, phone calls, sms and numerous personal visits to UTRB’s office premises.

As a result of the above events (“Events”), UTRB made a police report with the Sao Paulo State Police Department on 10 October 2011. The alleged accusations against the Group and its business have adversely affected the reputation, business and operation of the Group in Rondonia. Further, since the occurrence of the above Events, the relationship between the Group and the Main Contractor deteriorated. In August 2011, unrelated to the Events and the operation of the Group in the power plant, hydropower plant operator terminated the main contract with the Main Contractor. Thereafter, UTRB was rejected access to the hydropower plant. As at 30 September 2011, inventories amounting to R\$51 million (or approximately HK\$246 million translated at the relevant average exchange rate for the period ended 30 September 2011) kept inside the hydropower plant.

7. 業務干擾之虧損(續)

於二零一零年五月，主承包商擁有人之指稱代理(「指稱代理」)開始與UTRB就向UTRB建議銷售主承包商之股本權益(「建議交易」)進行磋商。UTRB對主承包商之盡職審查結果並不滿意，而指稱代理無法提供由主承包商之權益擁有人發出之適當授權文件以進行建議交易。因此，建議交易無法實現。

大概自二零一一年二月以來，UTRB及本公司若干高級職員直接獲指稱代理勒索金錢之恐嚇電郵及電話，包括建議交易項下之應付款項。本集團亦相信指稱代理曾於互聯網上發表或促成發表文章，對本集團之誠信及營商手法提出嚴重指控。指稱代理亦不斷以電郵、電話、手機短訊甚至多次登門造訪UTRB之辦公室騷擾本集團員工。

鑑於上述事件(「事件」)，UTRB於二零一一年十月十日向聖保羅警處報案。該等對本集團及其業務作出之聲稱指控已對本集團於朗多尼亞州之聲譽、業務及營運構成不利影響。此外，自從發生上述事件，本集團與主承包商之關係惡化。於二零一一年八月，在與事件及本集團在發電廠內進行之業務無關之情況下，水力發電廠之經營者終止與主承包商訂立之主合約。其後，UTRB被拒絕進入水力發電廠。於二零一一年九月三十日，合共51,000,000雷亞爾(或約港幣246,000,000元，按截至二零一一年九月三十日止期間之相關平均匯率換算)之存貨存放於水力發電廠內。

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簡明綜合財務報告附註

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

7. LOSS ON BUSINESS DISRUPTION (continued)

In March 2011, the Group sold logs located inside the hydropower plant at total sale prices of approximately HK\$114 million to some PRC customers who are independent to the Group and its directors. The customers inspected and accepted the goods sold at the respective designated yards in DRC and USA. The sales contracts were signed under Hong Kong laws. According to the terms and conditions of the sales contracts, the customers were responsible for arranging transportation after inspection and acceptance of delivery. The abovementioned sold logs at the hydropower plant were part of the goods sold under sales contracts that also included other timber products from Africa and USA. The sold logs remained inside the hydropower plant up to the time when UTRB was denied access to the hydropower plant in September 2011. For goodwill with these PRC customers, the Group negotiated and agreed with PRC customers that it will not demand for payment of the outstanding trade receivables in the sum of HK\$114 million relating to the logs kept at the hydropower plant. The Group arrived at the decision to write off the trade receivables of approximately HK\$114 million after considering: (1) that the denial of access to the hydropower plant where the sold logs were kept was completely unrelated to the buyers and not their fault. After all, the Group, as seller, was not able to enter into the hydropower plant site itself; (2) approximately HK\$396,420,524 was still outstanding on the sales contracts relating to African and US logs and timber; (3) that Group believes there would be continued and additional businesses with these customers; and (4) that the Group did not believe it could collect the sum of HK\$114 million from the customers without jeopardizing the remaining portion of the contracts particularly under the circumstances of the denial of access to the hydropower plant.

The Group is consulting legal counsels for the possible civil legal actions against the Alleged Agent and/or the Main Contractor in relations to the above Events and the blockage on the Group to operate in the hydropower plant. In light of the above matters which might adversely affect the Group's operations and prospects in Rondonia, the Group decided to write off R\$51 million (or approximately to HK\$246 million translated at the relevant average exchange rate for the period ended 30 September 2011) for the full carrying value of the logs and the trade receivables with PRC customers of HK\$114 million during the year ended 31 March 2012.

7. 業務干擾之虧損(續)

於二零一一年三月，本集團以總售價約港幣114,000,000元向若干獨立於本集團及其董事之中國客戶出售存放於水力發電廠內之原木。客戶分別於剛果及美國之指定碼頭檢驗及接收所售貨品。銷售合約乃根據香港法例簽訂。根據銷售合約之條款及條件，客戶須負責於驗收後自行安排貨運。上述所出售存放於水力發電廠之原木為銷售合約項下之部分出售貨品，另外亦包括非洲及美國之其他木材產品。截至UTRB於二零一一年九月被拒絕進入水力發電廠，所出售之原木仍存放於水力發電廠內。基於與此等中國客戶關係良好，本集團與中國客戶協商及同意本集團將不會要求客戶支付存放於水力發電廠之原木合共港幣114,000,000元之應收貿易賬款。經考慮：(1)本集團被拒絕進入存放出售原木之水力發電廠一事完全與買家無關亦並非彼等之過失。畢竟，本集團作為賣家本身未能進入水力發電廠；(2)有關非洲及美國原木及木材之銷售合約項下約港幣396,420,524元仍未償付；(3)本集團相信其將會與該等客戶繼續進行其他業務；及(4)本集團並不認為其可向客戶收回合共港幣114,000,000元，而不會損害合約餘下部分，特別是在被拒絕進入水力發電廠之情況下，故本集團已落實撇銷應收貿易款項約港幣114,000,000元。

本集團現正諮詢法律顧問之意見，可能就該等事件及本集團被阻撓於水力發電廠營運向指稱代理及／或主承包商提出民事法律訴訟。考慮到上述事宜可能對本集團於朗多尼亞州之業務及前景構成不利影響，本集團於截至二零一二年三月三十一日止年度決定撇銷原木全部賬面值51,000,000雷亞爾(或約港幣246,000,000元，按截至二零一一年九月三十日止期間之相關平均匯率換算)及應收中國客戶之貿易款項港幣114,000,000元。

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8. PROFIT/(LOSS) BEFORE TAXATION

The Group's profit/(loss) before taxation is arrived at after charging/(crediting):

8. 除稅前溢利/(虧損)

本集團除稅前溢利/(虧損)乃經扣除/(計入)下列各項後得出：

		For the six months ended 30 September 截至九月三十日止六個月					
		Continuing operations 持續經營業務		Discontinued operation 已終止業務		Consolidated 綜合	
		2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(a) Net finance costs	(a) 融資費用淨額						
Finance income on financial assets not at fair value through profit or loss	並非按公平值計入損益賬 之財務資產之融資收入	(6)	(313)	-	-	(6)	(313)
Finance costs	融資費用						
Interest on bank and other borrowings wholly repayable within five years	須於五年內悉數償還銀行 及其他借貸之利息	573	627	-	-	573	627
Interest on promissory notes	承付票據之利息	65	64	-	-	65	64
Interest on amounts due to shareholders	應付股東款項 之利息	5,252	3,301	-	-	5,252	3,301
Interest on amounts due to related parties	應付關連人士款項 之利息	283	-	-	-	283	-
Finance charges on obligations under finance leases	融資租約承擔之融資 開支	48	6	-	-	48	6
Total interest expenses on financial liabilities not at fair value through profit or loss	並非按公平值計入損益賬 之財務負債之利息開支 總額	6,221	3,998	-	-	6,221	3,998
		6,215	3,685	-	-	6,215	3,685
(b) Staff costs (including Directors' remuneration)	(b) 員工成本(包括董事薪酬)						
Salaries, wages and other benefits	薪金、工資及其他福利	22,055	21,114	-	-	22,055	21,114
Pension scheme contributions	公積金計劃供款	791	233	-	-	791	233
Equity-settled share-based payment expenses	以股權結算以股份支付 開支	(98)	4,076	-	-	(98)	4,076
		22,748	25,423	-	-	22,748	25,423
(c) Other items	(c) 其他項目						
Cost of inventories*	存貨成本*	45,904	71,718	-	-	45,904	71,718
Depreciation	折舊	767	787	-	-	767	787
Minimum lease payments under operating leases for land and buildings (including Directors' quarters)	土地及樓宇(包括董事 宿舍)經營租約之 最低租金	2,267	2,108	-	-	2,267	2,108
Auditor's remuneration	核數師酬金						
- audit services	- 審核服務	-	5	-	-	-	5
- other services	- 其他服務	764	550	-	-	764	550

* Cost of inventories sold includes depreciation of HK\$8,000 (2011: HK\$212,000) and staff costs of HK\$1,655,000 (2011: HK\$2,188,000), the amount of which is also included in the respective total amounts disclosed separately above.

* 已售出之存貨成本包括折舊港幣8,000元(二零一一年：港幣212,000元)及員工成本港幣1,655,000元(二零一一年：港幣2,188,000元)，有關款項亦已包括在上文分別披露之相關總額當中。

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9. INCOME TAX

Income tax in the condensed consolidated income statement represents:

9. 所得稅

簡明綜合收益表之所得稅代表：

		For the six months ended 30 September 截至九月三十日止六個月					
		Continuing operations 持續經營業務		Discontinued operation 已終止業務		Consolidated 綜合	
		2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Current tax	即期稅項						
– Hong Kong Profits Tax	– 香港利得稅	-	-	-	-	-	-
Deferred tax	遞延稅項						
– (Reversal) and origination of temporary differences	– (撥回)及所產生暫時差額	(30,802)	59,277	-	-	(30,802)	59,277
		(30,802)	59,277	-	-	(30,802)	59,277

Hong Kong Profits Tax is calculated at 16.5% (2011: 16.5%) of the estimated assessable profits arising in Hong Kong. Brazil income tax has been provided at the rate of 34% of the estimated assessable profits arising in Brazil. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

香港利得稅根據於香港產生之估計應課稅溢利按稅率16.5%(二零一一年:16.5%)計算。巴西所得稅根據於巴西產生之估計應課稅溢利按稅率34%計提撥備。於其他司法權區產生之稅項按相關司法權區之適用稅率計算。

10. DISCONTINUED OPERATION

For the six months ended 30 September 2011 and 2012

- (i) In February 2010, the Group commenced negotiations to dispose of the Chita forests operations in Russia as part of its ongoing strategy to seek forest assets or operations with better return on investments hence improving the return to shareholders. In October 2010, the Group set up Ally Rise Limited, a wholly-owned subsidiary of the Company incorporated in British Virgin Islands, as an immediate holding company of the Russian subsidiary, namely OOO “Zabaikalskaya lesnaya kompaniya” (“ZLK”) which held 99.95% equity interest in OOO “Novoles” (“Novoles”) (collectively “ZLK Group”). ZLK Group was principally engaged in the forestry business in Russia.

10. 已終止業務

截至二零一一年及二零一二年九月三十日止六個月

- (i) 於二零一零年二月，本集團開始就出售俄羅斯赤塔森林業務進行磋商，作為尋求更佳投資回報之森林資產或業務之持續策略一部分，從而提升股東回報。於二零一零年十月，本集團成立合昇有限公司(於英屬處女群島註冊成立之本公司全資附屬公司)，作為俄羅斯附屬公司OOO「Zabaikalskaya lesnaya kompaniya」(「ZLK」)(其持有OOO「Novoles」(「Novoles」)99.95%股本權益，統稱「ZLK集團」)的直接控股公司。ZLK集團主要在俄羅斯從事林業業務。

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10. DISCONTINUED OPERATION (continued)

For the six months ended 30 September 2011 and 2012 (continued)

(i) (continued)

On 6 October 2011, Amplewell Holdings Limited ("Amplewell"), a wholly-owned subsidiary of the Company, entered into a disposal agreement with Source Bright Limited, an independent third party, to dispose of the Group's entire equity interest in issued share capital of Ally Rise Limited which held 100% equity interest in ZLK (collectively "Ally Rise Group"). In January 2012, Novoles was declared bankrupt and one concession right previously held by it expired without renewal. In the same month, one concession right previously held by ZLK with carrying amount on 30 March 2012 of HK\$144,231,000 was expropriated by the State Forest Agency due to concession fees in arrears. The Company is assisting the Buyer to get back the two concessions and obtain additional concessions from the relevant State Forest Agencies. The parties mutually agreed to proceed with the completion of the sale and purchase of Ally Rise Limited.

On 30 March 2012, in light that it will require some time for the Buyer to get back the two concessions from the State Forest Agency and restructure the assets of the Ally Rise Group from the bankruptcy, the Company agreed to extend the payment term of the consideration. The total consideration of HK\$208,000,000 shall be paid in one lump sum within nine months upon Completion (see below for definition). All conditions precedent outlined in the Disposal Agreement (including all of its supplemental agreements) were fully satisfied and the disposal was completed on 30 March 2012 ("Completion") pursuant to the Disposal Agreement and its supplemental agreements.

On 18 December 2012, the board approved a further extension of the due date for the Consideration upon the request by the Buyer as more time is required to complete the procedures to get back the two concessions. In granting the extension, the board has consulted Russian lawyer. Based on the legal opinion obtained, it is common that such investment application may take up to a year and in the opinion of the Russian legal counsel, the three-month extension period is adequate to obtain the final approval from the forest agency for the above two concessions. After the extension, the total consideration of HK\$208,000,000 shall be paid no later than 30 March 2013. In consideration of further extending the payment date, the Buyer will pay interests equivalent to 9.25% p.a. to the Company on the consideration outstanding from the above date until the amount is fully settled.

10. 已終止業務(續)

截至二零一一年及二零一二年九月三十日止六個月(續)

(i) (續)

於二零一一年十月六日，本公司全資附屬公司沛源控股有限公司(「沛源」)與獨立第三方煒源有限公司訂立出售協議，以出售本集團於合昇有限公司之已發行股本全部股本權益。合昇有限公司持有ZLK之100%股本權益(統稱「合昇集團」)。於二零一二年一月，Novoles宣告破產，其以往持有之一項特許權屆滿而未有重續。同月，ZLK以往持有之一項於二零一二年三月三十日賬面值為港幣144,231,000元之特許權因拖欠特許權費而被國家森林機關沒收。本公司現正協助買方向相關國家森林機關取回該兩項特許權及取得更多特許權，雙方並同意繼續完成買賣合昇有限公司之交易。

於二零一二年三月三十日，鑑於買方需要時間向國家森林機關取回該兩項特許權及自破產重組合昇集團之資產，本公司同意延長代價之付款期限。總代價港幣208,000,000元須於完成(定義見下文)後九個月內一次過支付。出售協議(包括其所有補充協議)提述之所有先決條件已全部獲達成，而出售事項已於二零一二年三月三十日根據出售協議及其補充協議完成(「完成」)。

於二零一二年十二月十八日，鑑於買方需更多時間完成取回該兩項特許權之手續，董事會批准應買方要求進一步延遲支付代價到期日。就准許延遲到期日，董事會已諮詢俄羅斯律師。根據所得法律意見，有關投資申請普遍需時長達一年，而俄羅斯法律顧問認為，三個月的延遲期限已足夠自林業機關取得上述兩項特許權之最終核准。延遲到期日後，總代價港幣208,000,000元須不遲於二零一三年三月三十日繳付。考慮到進一步延遲付款日期，買家將向本公司繳付相等於由上述日期直至金額全數繳付期間就未償付代價按年利率9.25%計算之利息。

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10. DISCONTINUED OPERATION (continued)

For the six months ended 30 September 2011 and 2012 (continued)

(i) (continued)

The Company has obtained two separate legal opinions in Russia regarding the feasibility and legality of the steps proposed by the Company and the Buyer in obtaining the two concessions back. The legal counsels had also met with the relevant State Forest Agency to confirm that those concessions were reserved for the Buyer and that such arrangement is within normal industry practices for forestry sector in Siberia. Based on their independent analyzes, they both concluded that the plan proposed by the Company and the Buyer to obtain the two concessions back are legal, reasonable and feasible.

While the Company is confident in its ability to assist the Buyer in obtaining the two concessions back, it is not possible to predict the future or outcome of its assistance relating to the concessions with hundred percent precision. The deferred nature of the consideration payable under the above disposal may cast some uncertainties in the collectability of the amount in the future. At Completion, the parties executed a charge on the entire shareholdings of Ally Rise Limited in favor of the Company. In the event of default of payment by the Buyer, the Company may exercise its right and repossess Ally Rise Group.

10. 已終止業務(續)

截至二零一一年及二零一二年九月三十日止六個月(續)

(i) (續)

有關本公司與買方就取回該兩項特許權所建議採取之步驟之可行性及合法性，本公司已於俄羅斯取得兩個獨立法律意見。法律顧問亦與相關國家森林機關會面以確認該等特許權已為買方保留，而有關安排亦符合西伯利亞林業之一般行業慣例。根據彼等之獨立分析，彼等均認為本公司與買方就取回兩項特許權之建議乃合法、合理及可行。

儘管本公司有信心其能夠協助買方取回該兩項特許權，惟不可能百分之百準確預測其協助取回特許權之日後情況或結果。上述出售事項之應付代價之遞延性質可能令日後能否收回有關款項存在若干不明朗因素。完成時，訂約方簽立一項抵押，將合昇有限公司之全部股權抵押予本公司。倘買方拖欠付款，本公司可行使其權利收回合昇集團。

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10. DISCONTINUED OPERATION (continued)

For the six months ended 30 September 2011 and 2012 (continued)

- (ii) The operations of Ally Rise Group were classified as discontinued operation and the losses arising from discontinued operation are analysed as follows:

10. 已終止業務(續)

截至二零一一年及二零一二年九月三十日止六個月(續)

- (ii) 合昇集團之業務分類為已終止業務，而已終止業務產生之虧損分析如下：

		For the six months ended 30 September	
		截至九月三十日止六個月	
		Chita forests operation	
		赤塔森林業務	
	Notes 附註	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Revenue	收入	5	-
Cost of sales	銷售成本	-	-
Gross profit	毛利	-	-
Other income	其他收入	6	234
Other net loss	其他虧損淨額	6	(4,050)
Administrative expenses	行政支出	-	(1,552)
Loss from operations	經營虧損	8	(5,368)
Finance costs	融資費用	9	-
Loss before taxation	除稅前虧損	-	(5,368)
Income tax	所得稅	-	-
Loss from discontinued operation	已終止業務之虧損	-	(5,368)
Attributable to:	應佔：		
Owners of the Company	本公司擁有人	-	(5,368)
Non-controlling interests	非控制性權益	-	-
		-	(5,368)

11. DIVIDENDS

The Directors do not recommend the payment or declaration of any dividend for both six months ended 30 September 2011 and 30 September 2012 respectively.

11. 股息

董事不建議就截至二零一一年九月三十日及二零一二年九月三十日止兩段六個月派發或宣派任何股息。

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12. EARNINGS/(LOSS) PER SHARE

(a) From continuing and discontinued operations

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

12. 每股盈利/(虧損)

(a) 持續經營業務及已終止業務

每股基本及攤薄盈利/(虧損)乃根據以下數據計算：

		For the 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
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Earnings/(loss)	盈利/(虧損)		
Earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share	用以計算每股基本及攤薄盈利/(虧損)之盈利/(虧損)		
– Profits/(loss) attributable to the owners of the Company	– 本公司擁有人應佔溢利/(虧損)	10,054	(244,492)
		'000	'000
		千股	千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share	用以計算每股基本盈利/(虧損)之普通股加權平均數	6,965,662	5,204,640
Effect of dilutive potential ordinary shares arising from conversion of convertible preference shares	兌換可換股優先股份產生之潛在攤薄普通股之影響	329,960	1,657,430
Effect of dilutive potential ordinary shares arising from exercise of share options	行使購股權產生之潛在攤薄普通股之影響	-	7,691
Weighted average number of ordinary shares for the purposes of diluted earnings/(loss) per share	用以計算每股攤薄盈利/(虧損)之普通股加權平均數	7,295,622	6,869,761

The share options had no dilutive effect on the basic earnings per share for the six months ended 30 September 2012.

購股權對截至二零一二年九月三十日止六個月之每股基本盈利並無攤薄影響。

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12. EARNINGS/(LOSS) PER SHARE (continued)**(b) For continuing operations**

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

Earnings/(Loss)	盈利/(虧損)
Profits/(Loss) attributable to the owners of the Company	本公司擁有人應佔溢利/(虧損)

The denominators used are the same as those detailed above for basic and diluted earnings/(loss) per share from continuing and discontinued operations.

(c) For discontinued operation

No basic earnings per share and diluted earnings per share is presented for the six months ended 30 September 2012 as the discontinued operations were disposed of during the year ended 31 March 2012. Basic and diluted loss per share from the discontinued operation for the six months ended 30 September 2011 is HK\$0.11 cents per share which is based on the loss from the discontinued operation of HK\$5,368,000 and the denominators used are the same as those detailed above for basic and diluted earnings/(loss) per share from continuing and discontinued operations.

(d) Diluted loss per share

Diluted loss per share is equal to the basic loss per share for the six months ended 30 September 2011 because the outstanding convertible preference shares and the share options had an anti-dilutive effect on the basic loss per share.

12. 每股盈利/(虧損)(續)**(b) 持續經營業務**

本公司擁有人應佔來自持續經營業務之每股基本及攤薄盈利/(虧損)乃根據以下數據計算：

**For the six months ended
30 September**
截至九月三十日止六個月

2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)
10,054	(239,124)

所用分母與上文詳述來自持續經營業務及已終止業務之每股基本及攤薄盈利/(虧損)所使用者相同。

(c) 已終止業務

由於已終止業務已於截至二零一二年三月三十一日止年度出售，故並無呈列截至二零一二年九月三十日止六個月之每股基本盈利及每股攤薄盈利。截至二零一一年九月三十日止六個月，已終止業務之每股基本及攤薄虧損為每股港幣0.11仙，乃根據已終止業務之虧損港幣5,368,000元計算，而所用分母與上文所詳述來自持續經營業務及已終止業務之每股基本及攤薄盈利/(虧損)所使用者相同。

(d) 每股攤薄虧損

截至二零一一年九月三十日止六個月之每股攤薄虧損相等於每股基本虧損，此乃由於尚未行使可換股優先股份及購股權對每股基本虧損具反攤薄作用。

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13. PROPERTY, PLANT AND EQUIPMENT

Acquisitions and disposals

During the six months ended 30 September 2012, the Group acquired property, plant and equipment of HK\$1,645,000 (2011: HK\$607,000).

During the six months ended 30 September 2012, property, plant and equipment with carrying amount of HK\$970,000 (2011: Nil) was disposed of, resulting in a loss on disposal of HK\$131,000 (2011: Nil).

14. BIOLOGICAL ASSETS

		HK\$'000 港幣千元
At 1 April 2011 (Audited)	於二零一一年四月一日(經審核)	1,173,150
Transfer to inventories	轉撥至存貨	(2,951)
Changes in fair value less costs to sell	公平值變動減銷售成本	(150,419)
Exchange movement	匯兌變動	(106,731)
At 31 March 2012 (Audited)	於二零一二年三月三十一日(經審核)	913,049
Changes in fair value less costs to sell (Note a)	公平值變動減銷售成本(附註a)	(90,594)
Exchange movement	匯兌變動	(90,142)
At 30 September 2012 (Unaudited)	於二零一二年九月三十日(未經審核)	732,313

The Group's forest assets, acquired through the business combination of Amplewell and its subsidiaries, are located in the Northwest of Brazil, the State of Acre, Amazon Region (the "Brazil Forest"). As at 31 March 2012 and 30 September 2012, the biological assets represented natural tropical forests. The total area of the Brazil Forest is approximately 44,500 hectares. Under the environmental laws in Brazil, 20% or 8,939 hectares of the Brazil Forest area is the permanent preservation area and therefore is restricted from logging. At least 80% of the remaining area is designated as the sustainable forest management area and the balance is the permissible clear cut area that has no restriction on felling under the environmental laws of Brazil. In the sustainable forest management area, minimum impact logging techniques are used and forests are managed in a sustainable manner which means that the harvesting rate is below the overall natural growth of the forest. The main objective in sustainable forest management program is to ensure the substance of the forests be preserved. The maximum logging rate allowed under relevant regulations governing sustainable forest management is 30m³ per hectare, an average, over a 25 to 30-year harvesting cycle.

13. 物業、廠房及設備

收購及出售

截至二零一二年九月三十日止六個月，本集團購入港幣1,645,000元(二零一一年：港幣607,000元)之物業、廠房及設備。

截至二零一二年九月三十日止六個月，出售賬面值港幣970,000元(二零一一年：無)之物業、廠房及設備導致出售虧損港幣131,000元(二零一一年：無)。

14. 生物資產

本集團透過沛源及其附屬公司之業務合併收購之森林資產位於巴西西北部之亞克裏州亞馬遜叢林區(「巴西森林」)。於二零一二年三月三十一日及二零一二年九月三十日，生物資產指天然熱帶森林。巴西森林之總面積約44,500公頃。根據巴西之環保法律，巴西森林面積之20%或8,939公頃為永久保護區，故此嚴禁砍伐。餘下範圍最少80%指定作為可持續森林管理區，根據巴西環保法，餘下範圍屬並無砍伐限制之砍伐區。在可持續森林管理範圍內，已採用構成最低影響之砍伐技術，而森林乃以可持續之方式管理，保持砍伐比率低於森林整體天然生長速度。可持續森林管理計劃之主要目的為確保森林內之林木得到保護。根據可持續森林管理之相關監管規例，最高砍伐率為二十五至三十年之砍伐周期內平均每公頃30立方米。

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14. BIOLOGICAL ASSETS (continued)

Harvesting in Acre commenced in 2011 after a longer than expected rainy season in 2010 and the roads into the harvesting area were repaired. However, on 27 March 2012, the board decided to suspend harvesting operations in Acre for 1 year until the operating environment for UTRB is improved. As disclosed in Note 7, UTRB and its staff had been harassed by the Alleged Agent of the Main Contractor in the tree felling service project in Rondonia. Not only was the tree felling service project adversely affected by the Alleged Agent, he has also created a difficult and hostile environment for UTRB and its staff in Brazil. Since the harassments began in February 2011, the Alleged Agent harassed UTRB's staff and their family with death threats in numerous instances. The Group's employees especially in Brazil were scared and UTRB had experienced high turnover of personnel. As such, it was decided to suspend harvesting operations in Acre to address the concerns of its staff. For the period ended 30 September 2012, the Group recorded a decrease in fair value less cost to sell on biological assets of HK\$90.6 million (2012: HK\$150.4 million). The loss was primarily attributable to decrease in log prices; decrease in remeasurement of allowable harvesting area; depreciation of Brazilian Real against Hong Kong dollars; and increase in costs to sell.

The forest engineer adopted a new methodology in determining the harvestable area of the Brazil forests in the technical report used for the current year's valuation. This new methodology or standard (Modelflora — Digital Model of Forest Exploration) was developed locally in Brazil by Embrapa (Brazilian Enterprise for Agricultural Research). Adoption is not mandatory by the state but recommended to the forest engineer professionals.

14. 生物資產(續)

經過二零一零年較預期漫長之雨季以及進入砍伐地區之道路修妥後，亞克裏州之砍伐活動於二零一一年展開。然而，於二零一二年三月二十七日，董事會決定暫停亞克裏州之伐木業務一年，直至UTRB之經營環境有所改善為止。誠如附註7所披露，UTRB及其員工在朗多尼亞州之伐木服務項目上被主承包商之指稱代理騷擾。指稱代理不單為伐木服務項目帶來不利影響，彼亦令UTRB及其員工在巴西面對艱鉅及敵對局面。自騷擾事件於二零一一年二月開始發生以來，指稱代理多次以死亡威脅騷擾UTRB員工及彼等之家人。本集團之員工，特別於巴西之員工深感恐懼，導致UTRB之員工流失率高企。因此，本集團決定暫停亞克裏州之伐木業務以解除員工之憂慮。於截至二零一二年九月三十日止期間，本集團就生物資產錄得公平值減銷售成本下跌港幣90,600,000元(二零一二年：港幣150,400,000元)。虧損主要由於原木價格下跌、重新計量可砍伐範圍面積減少、巴西雷亞爾兌港元匯率貶值，以及銷售成本上漲所致。

森林工程師於技術報告中採用新方法就本年度之估值釐定巴西森林之可供砍伐範圍。該新方法或準則(Modelflora — Digital Model of Forest Exploration)由Embrapa (Brazilian Enterprise for Agricultural Research)於巴西研發。國家並無強制要求採用該方法，惟已向專業森林工程師推薦。

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14. BIOLOGICAL ASSETS (continued)

The Brazil Forest was independently valued by Greater China Appraisal Limited ("GCA"), an independent qualified professional valuers not connected with the Group. GCA has experience in valuing similar forestry assets. During the valuation process, GCA referenced to a technical report on estimation of quality and quantity of commercial and potentially commercial wood species and residues resulting from the forest exploitation issued by CAAP FORESTAL ("CAAP"). CAAP performs only once diagnostic sampling for the whole farm area under current State regulation. 100% census of the inventory will be performed to obtain a new operating license for a UPA area. In general, it is common practice by forest engineers to assume there is no change in the forest inventory as the tropical natural forestry asset is very stable within five to ten years, so there is not necessary to perform detailed sampling every year. Rain forest is a long lasting asset if without human intervention (Amazon forest is estimated to have existed for some 10 million years). Temporary hostile climate, e.g. strong wind, heavy rain and flooding do not change the natural habitat of the forest. Disease and fire might affect the forestry assets, but to the best knowledge of the Company, no known fire and abnormal wood disease were reported during the periods covered under the valuation. Temperature might affect the quality/volume of the forestry asset, but in a long term prospective (which usually over decades) instead of affecting within a short period of time.

Notwithstanding the above, CAAP obtains satellite image of the farms in August every year with spatial resolution of 15m (49 ft). This is to recognize if there is any abnormal situation (e.g., sudden large scale clearing/disappearing of trees) in the farms. It indicated that any object or abnormality with 15m in size will be shown on the satellite image. CAAP also monitors the daily updates on burns and fires in Brazil forest area: <http://www.inpe.br/queimadas/>.

GCA has adopted a discounted cash flow methodology in valuing the Brazil Forest. The following are the major assumptions used in the valuation:

- (i) a logging volume of 21.5m³ per hectare in the sustainable forest management program area.
- (ii) a discount rate of 16.1% based on the data and factors relevant to the economy of Brazil, the industry of forest business and the harvestable resources in the Brazil Forest, and the weighted average cost of capital.
- (iii) harvesting activities for the first 30-year cycle will resume from the calendar year of 2013 and complete in 7 years. Revenue or costs from subsequent harvesting cycles are not taken into account.

14. 生物資產(續)

巴西森林由與本集團並無關連之獨立合資格專業估值師漢華評估有限公司(「漢華評估」)獨立評估。漢華評估具備評估類似森林資產之經驗。估值過程中，漢華評估參考由CAAP FORESTAL(「CAAP」)所發表就森林開發而估計商業及潛在商業木材種類及木渣質量及數量的技術報告。CAAP根據現時國家規例僅就整個農場範圍作一次抽樣檢查。就取得UPA地區的新營運牌照，將統計所有存貨數量。一般而言，由於五至十年內的熱帶天然林資產相當穩定，森林工程師普遍會假設森林存貨概無變動，故毋須每年作出詳細抽樣檢查。在不受人為干擾的情況下，熱帶雨林應為長久的資產(估計亞馬遜森林已有約一千萬年歷史)。短暫不利氣候，如強風、暴雨及水災不會改變森林的自然生態。疾病及火災或會影響森林資產，惟就本公司所深知，估值所涵蓋期間並無已知的火災及異常病木。氣溫亦可能影響森林資產的質量/數量，但並非在短期內有所影響，通常在幾十年後較長期間方受影響。

除上文所述者外，CAAP於每年八月取得農場的衛星圖像，其空間解像為15米(49呎)，以確認農場是否有任何異常情況(如樹木突然大規模遭清除/消失)。衛星圖像會顯示任何大小為15米的物體或異常物。CAAP亦每日於<http://www.inpe.br/queimadas/>上監察巴西森林面積是否遭燒毀及火災。

漢華評估就評估巴西森林採用貼現現金流轉法。以下為評估所用主要假設：

- (i) 可持續森林管理計劃範圍之砍伐量為每公頃21.5立方米。
- (ii) 折現率16.1%乃按照與巴西經濟、林業業務行業概況、於巴西森林之砍伐資源有關之數據及因素以及資本加權平均成本釐定。
- (iii) 首三十年周期之砍伐活動將自公曆二零一三年起恢復，並於七年內完成。並無計及往後砍伐周期之收入或成本。

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14. BIOLOGICAL ASSETS (continued)

- (iv) average log price growth at a rate of 3% per annum in the next 7 years, which is the expected long term growth rate estimated by reference to the Consumer Price Index in USA.
- (v) the Group will obtain Forest Stewardship Council ("FSC") certification in 2014. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2014 when the Group obtains the FSC certification.

The Group is exposed to a number of risks related to its natural forest.

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in Brazil in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks. The Directors are not aware of any environmental liabilities as at 30 September 2012.

(ii) Supply and demand risk

The Group is exposed to risks arising from fluctuations in the price and sales volume of logs. When possible the Group manages this risk by controlling its harvesting volume, according to market conditions. Management performs regular industry trend analysis to ensure the Group's pricing policy is comparable to the market and the projected harvesting volumes are consistent with the expected demand.

14. 生物資產(續)

- (iv) 未來七年之平均原木價格增幅為每年3%，即參考美國消費物價指數估計之預期長期增長率。
- (v) 本集團將於二零一四年取得森林管理委員會(FSC)認證，FSC認證反映符合社會及生態標準，同時可提升木材產品售價。按現時市場慣例，董事估計本集團於二零一四年取得FSC認證後可享有較非FSC木材產品高出15%之溢價。

本集團就其天然森林面對多項風險。

(i) 監管及環境風險

本集團受其業務所在之巴西法例及規例規管。本集團已制定環境政策及程序，旨在遵守當地方之環保及其他法例。管理層定期進行檢討，以識別環境風險及確保現行制度足以管理有關風險。於二零一二年九月三十日，董事並不知悉有任何環保責任。

(ii) 供求風險

本集團面對木材價格及銷量波動產生之風險。在可行情況下，本集團根據市況控制其砍伐量以管理此項風險。管理層定期進行行業趨勢分析，以確保本集團定價政策可與市場水平比較及預計砍伐量與預期需求一致。

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15. GOODWILL**15. 商譽**

		Sustainable forest management <i>(note i)</i> 可持續森林 管理 <i>(附註 i)</i> HK\$'000 港幣千元	Zhongshan Operations <i>(note ii)</i> 中山業務 <i>(附註 ii)</i> HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost	成本			
At 1 April 2011 (Audited)	於二零一一年四月一日 (經審核)	1,686,883	-	1,686,883
Arising from acquisition of subsidiaries	收購附屬公司 所產生	-	77,353	77,353
At 31 March 2012 (Audited), at 1 April 2012 and 30 September 2012 (Unaudited)	於二零一二年三月三十一日 (經審核), 於二零一二年 四月一日及二零一二年 九月三十日(未經審核)	1,686,883	77,353	1,764,236
Accumulated impairment losses	累計減值虧損			
At 1 April 2011 (Audited)	於二零一一年四月一日 (經審核)	-	-	-
Impairment losses recognised during the year	於年內已確認減值虧損	1,384,765	77,353	1,462,118
At 31 March 2012 (Audited), at 1 April 2012 and 30 September 2012 (Unaudited)	於二零一二年三月三十一日 (經審核), 於二零一二年 四月一日及二零一二年 九月三十日(未經審核)	1,384,765	77,353	1,462,118
Carrying amount	賬面值			
At 30 September 2012 (Unaudited)	於二零一二年九月三十日 (未經審核)	302,118	-	302,118
At 31 March 2012 (Audited)	於二零一二年三月三十一日 (經審核)	302,118	-	302,118

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15. GOODWILL (continued)

Notes:

(i) Sustainable forest management

Goodwill was allocated to the Group's cash-generating unit identified according to the operating segment. Goodwill as at 30 September 2012 and 31 March 2012 was attributable to the cash-generating unit that comprises the sustainable forest management segment.

For the period ended 30 September 2012, the recoverable amount of the sustainable forest management segment was determined to be higher than its carrying amount, therefore, there was no impairment.

For the year ended 31 March 2012, goodwill relating to sustainable forest management segment suffered an impairment loss of HK\$1,385 million primarily as a result of the deferral of harvesting plan; drop in timber prices and decrease in remeasurement of allowable forest area.

The forest engineer adopted a new methodology in determining the harvestable area of the Brazil forests in the technical report used for the current year's valuation. This new methodology or standard (Modelflora – Digital Model of Forest Exploration) was developed locally in Brazil by Embrapa (Brazilian Enterprise for Agricultural Research). Adoption is not mandatory by the state but recommended to the forest engineer professionals.

The recoverable amount of the sustainable forest management segment cash-generating unit was based on value in use and was determined with the assistance of independent valuer.

Value-in-use was determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use was based on the following key assumptions:

- Cash flows for sustainable forest management segment were projected based on past experience and financial budget approved by management. Management estimated that the cash flows after 9 years are immaterial to the overall recoverable amount of the unit because the management planned to complete the harvesting and selling activities for the first 30-year cycle of the Brazil Forest within 9 years. Therefore, cash flows after 9 years are not included in the value in use calculations. Cash flows from year 5 to year 9 are extrapolated using an estimated weighted average growth rate of 3%, which is consistent with the expected long term growth rate of Consumer Price Index in USA. Management estimated that there would be a negative growth of 63% in year 9 as a result of the completion of harvesting and selling activities for the first 30-year cycle of the Brazil Forest.
- Revenue was projected based on management's past experience and their expectations for market development and the harvesting plan.
- Timber product average price growth at 3% per annum. The expected long term growth rate was estimated by reference to the Consumer Price Index in USA.
- A pre-tax discount rate of 29.89% (31 March 2012: 27.84%) based on the data and factors relevant to the economy of Brazil, the forest industry, the timber products in the Brazil Forest, and the weighted average cost of capital.
- The Group will obtain FSC certification in 2014. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2014 when the Group obtains the FSC certification.

15. 商譽(續)

附註：

(i) 可持續森林管理

商譽分配至根據經營分部識別之本集團現金產生單位。於二零一二年九月三十日及二零一二年三月三十一日之商譽乃源自組成可持續森林管理分部之現金產生單位。

截至二零一二年九月三十日止期間，可持續森林管理分部之可收回金額被釐定為高於其賬面值，因此並無減值。

截至二零一二年三月三十一日止年度，可持續森林管理分部錄得相關減值虧損港幣1,385,000,000元，此乃主要由於暫緩砍伐計劃、木材價格下跌及重新計量可砍伐範圍面積減少。

森林工程師於技術報告中採用新方法就本年度之估值釐定巴西森林之可供砍伐範圍。該新方法或準則(Modelflora – Digital Model of Forest Exploration) 由Embrapa (Brazilian Enterprise for Agricultural Research) 於巴西研發。國家並無強制要求採用該方法，惟已向專業森林工程師推薦。

可持續森林管理分部現金產生單位之可收回金額以使用價值為基礎，並在獨立估值師協助下釐定。

使用價值乃按貼現來自持續使用該單位之未來現金流轉釐定。使用價值乃按以下主要假設計算：

- 可持續森林管理分部之現金流轉乃按過往經驗及管理層批准之財務預算預測。由於管理層計劃於九年內完成巴西森林之首三十年周期之砍伐及銷售活動，管理層估計九年後之現金流轉相對單位之整體可收回金額並不重大，因此，於計算使用價值時並無計入九年後之現金流轉。第五年至第九年之現金流轉使用估計加權平均增長率3%推算，其與美國消費物價指數之預期長期增長率一致。管理層估計待巴西森林首三十年周期之砍伐及銷售活動完成後，於第九年將出現63%負增長。
- 收入乃按管理層之過往經驗及彼等對市場發展及砍伐計劃之預期作出預測。
- 木材產品之平均價格增幅為每年3%。預計長期增長率乃參考美國消費物價指數估計得出。
- 除稅前貼現率29.89% (二零一二年三月三十一日：27.84%) 乃根據與巴西經濟、林業行業以及巴西森林木材產品相關之數據及因素以及加權平均資本成本計算。
- 本集團將於二零一四年取得FSC認證。FSC認證顯示符合社會及生態標準，同時可提升木材產品售價。按現時市場慣例，董事估計本集團自二零一四年取得FSC認證後，產品價格可較非FSC木材產品高出15%。

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15. GOODWILL (continued)

Notes: (continued)

(ii) Zhongshan operations

The goodwill of HK\$77,353,000 arising from the acquisition of Zhongshan Operations represented the future economic benefits from the synergy effect of the business combination.

The recoverable amount of Zhongshan operations segment cash-generating unit was based on value in use. The value in use was determined by discounting the future cash flows generated from the continuing use of the unit.

For the year ended 31 March 2012, goodwill relating to Zhongshan operations segment suffered an impairment loss of HK\$77 million. Zhongshan Operations incurred a net loss of approximately HK\$18 million and HK\$10 million in its first year of operations since consolidation into the Group and for the six months ended 30 September 2012 respectively. The net loss was mainly due to rapid slow down of the PRC property market and falling property prices in the PRC. As a result of the uncertainties in the PRC economy and continued depressed timber demand and prices, the Group considers that the value of the goodwill related to Zhongshan Operations suffered impairment.

The entire value of Zhongshan operations segment was considered impaired as of 31 March 2012, and an impairment loss on goodwill of HK\$77 million was recorded.

15. 商譽(續)

附註：(續)

(ii) 中山業務

收購中山業務產生商譽港幣77,353,000元代表業務合併所帶來協同效應之未來經濟利益。

中山業務分部現金產生單位之可收回金額以使用價值為基礎。使用價值乃按貼現來自持續使用該單位之未來現金流轉釐定。

於截至二零一二年三月三十一日止年度，涉及中山業務分部之商譽錄得減值虧損港幣77,000,000元。中山業務於與本集團合併後之營運首年及截至二零一二年九月三十日止六個月分別產生虧損淨額約港幣18,000,000元及港幣10,000,000元。虧損淨額主要來自中國物業市場於短時間內放緩及中國物業價格下跌。由於中國經濟不明朗及木材需求及價格持續受壓，本集團認為與中山業務有關之商譽已出現減值。

於二零一二年三月三十一日，中山業務分部之全部價值被視為已減值，並錄得商譽減值虧損港幣77,000,000元。

16. INVENTORIES

16. 存貨

		At 30 September 2012 於二零一二年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2012 於二零一二年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Timber logs	木材原木	1,282	1,425
Sawn timber	鋸材	43,399	48,126
Raw materials	原材料	513	3,212
Work in progress	在製品	485	83
Finished goods	製成品	4,054	12,782
		49,733	65,628

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17. TRADE AND OTHER RECEIVABLES

The Group's trading terms with its customers are mainly on credit and letters of credit, except for new customers where payment in advance and cash on delivery are normally required. Invoices are normally payable between 30 and 180 days after issuance. Each customer has a maximum credit limit.

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

The ageing analysis of the trade receivables as at the reporting date, based on invoice date, was as follows:

17. 應收貿易款項及其他應收款項

除新客戶一般須預付款項及貨到支付現金外，本集團大多會給予客戶信貸期及以信用證交易。發票一般須於發出後30至180日內支付。每名客戶均設有最高信貸額。

本集團對未收回之應收款項實施嚴格控制，並已設立信貸控制部進行管理，以求盡量降低信貸風險。高級管理層定期審閱逾期結餘。

於報告日期，按發票日期計算之應收貿易款項之賬齡分析如下：

		At 30 September 2012 於二零一二年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2012 於二零一二年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日	2	922
31 to 60 days	31至60日	312	18
61 to 90 days	61至90日	69	-
Over 90 days	90日以上	640	15
Trade receivables, net	應收貿易款項淨額	1,023	955
Other receivables	其他應收款項	6,909	10,279
Amount due from a director	應收一名董事款項	-	456
Prepayment and deposits	預付款項及按金	4,450	6,282
		12,382	17,972

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18. TRADE AND OTHER PAYABLES

			At 30 September 2012	At 31 March 2012
		Notes 附註	於二零一二年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	於二零一二年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Trade payables	應付貿易款項	(a)	58,550	177,997
Other payables and accruals	其他應付款項及應計費用		20,715	22,049
Amount due to related companies	應付關連公司款項		-	12,264
			79,265	212,310

(a) Trade payables

An ageing analysis of the Group's trade payables as at the end of the reporting date, based on invoiced date, was as follows:

			At 30 September 2012	At 31 March 2012
			於二零一二年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	於二零一二年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日		14,068	5,200
31 to 60 days	31至60日		145	2,717
61 to 90 days	61至90日		8	-
Over 90 days	90日以上		44,329	170,080
Total trade payables	應付貿易款項總額		58,550	177,997

18. 應付貿易款項及其他應付款項

(a) 應付貿易款項

於報告日期結算日，按發票日期計算之本集團應付貿易款項之賬齡分析如下：

			At 30 September 2012	At 31 March 2012
			於二零一二年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	於二零一二年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日		14,068	5,200
31 to 60 days	31至60日		145	2,717
61 to 90 days	61至90日		8	-
Over 90 days	90日以上		44,329	170,080
Total trade payables	應付貿易款項總額		58,550	177,997

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19. LOANS AND BORROWINGS**19. 貸款及借貸**

		At 30 September 2012	At 31 March 2012
		於二零一二年 九月三十日	於二零一二年 三月三十一日
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Bank loans, secured	有抵押之銀行貸款	-	83
Secured interest-bearing loan	有抵押之計息貸款	15,000	7,206
Unsecured interest-bearing loan	無抵押之計息貸款	-	18,000
		15,000	25,289
Carrying amount repayable:	於以下期間須償還之賬面值：		
On demand or within one year	應要求或一年內	15,000	25,289
More than one year but not exceeding two years	超過一年但不超過兩年	-	-
More than two years but not more than five years	超過兩年但不超過五年	-	-
		15,000	25,289
Less: Amounts due within one year shown under current liabilities	減：流動負債項下列為於一年內到期之款項	(15,000)	(25,289)
Non-current liabilities	非流動負債	-	-

At 31 March 2012, the bank loan of HK\$83,000 were secured by the Group's motor vehicles with a carrying amount of HK\$196,000 and is bearing interest at a fixed rate of 23.87% per annum.

於二零一二年三月三十一日，銀行貸款港幣83,000元乃以賬面值為港幣196,000元之本集團汽車作抵押，並按固定年利率23.87厘計息。

At 30 September 2012, the interest-bearing loan is secured by share charge in favour of the lender over the entire issued share capital of a wholly owned subsidiary, Acenergy Limited. The Group may borrow up to HK\$50 million within a 12-month period commencing the date of the loan agreement. Interest rate is 18% per annum and maturity in one lump sum 18 months after the first draw down under the loan agreement. Notwithstanding the above, the Group may prepay any loan amount outstanding after 12 months from the first draw down without penalties.

於二零一二年九月三十日，計息貸款以一家全資附屬公司Acenergy Limited之全部已發行股本作為股份押記抵押予貸款人。由貸款協議日期起計十二個月期間內，本集團最多可借入港幣50,000,000元，年利率為18厘，將於根據貸款協議首次提款後十八個月到期時一筆過清償。在不違反上述情況下，本集團可於首次提款起計十二個月後預先繳付任何結欠貸款金額而毋須罰息。

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20. SEASONALITY OF OPERATIONS

The Group's forest operations in Brazil is located in the Amazon and is subject to weather conditions during the rainy season ranging roughly from December to April each year. Forest logging activities in the Amazon are substantially scaled down or stopped completely in some areas. Log prices usually increase during the rainy season due to diminished supplies. This affects many sawmill operators that have to stock up logs and tie up significant working capital, but benefits forest owners who can plan ahead to reserve stock pile prior to the start of the rainy season. The Group incorporates this seasonality in its forest management plan to avoid supply shortage as well as to take advantage of seasonal price differentials in logs.

21. AMOUNTS DUE TO SHAREHOLDERS

The amounts are unsecured, bearing interest at 5% per annum and not repayable within twelve months.

22. PROMISSORY NOTES

20. 業務之季節性因素

本集團於巴西之林業業務位於亞馬遜，於雨季受天氣狀況所限制，而雨季一般為每年十二月至四月，期間亞馬遜森林砍伐活動規模大幅減少，於若干地區更加完全停頓。木材價格一般於雨季上升，乃由於供應減少所致。此影響多家鋸木廠經營者，令該等經營者須儲起木材及凍結大量營運資金，但此情況將為森林擁有者帶來好處，彼等可計劃於雨季前儲備充足木材。本集團將此季節性因素加入森林管理計劃，以避免供應短缺，並可受惠於木材季節性價格變動。

21. 應付股東款項

該等款項為無抵押、按年利率5厘計息及毋須於十二個月內償還。

22. 承付票據

		At 30 September 2012 於二零一二年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2012 於二零一二年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
At beginning of the period/year	於期/年初	6,517	6,388
Accrued effective interests	應計實際利息	65	129
		6,582	6,517
Less: Amounts due within one year shown under current liabilities	減：流動負債項下列為於一年內到期之款項	(6,582)	-
Non-current liabilities	非流動負債	-	6,517

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22. PROMISSORY NOTES (continued)

On 31 July 2009, the Company issued promissory notes in an aggregate principal amount of HK\$232,000,000 as part of the consideration for the acquisition of Amplewell. The promissory notes bear interest at 2% per annum. The interest shall be repaid together with principal in one lump sum upon maturity on 31 January 2011. On 1 September 2010, the Company entered into a letter with the holder of the promissory notes to extend the maturity date of the promissory note to 31 July 2012. On 1 September 2011, further extension to 31 July 2013 was granted from the holder. The promissory notes may be assigned or transferred (in integral multiple of HK\$1,000,000) to any third party (other than a connected person as defined in the Listing Rules) subject to the Listing Rules and the applicable laws. The Company may repay all or part of the principle amount and interest at any time prior to the maturity date (i.e. 31 July 2013) by giving the holder not less than seven days' prior written notice specifying the amount and date of repayment provided that the amount shall be at least HK\$1,000,000. Otherwise, the payment of principal and interest payment of promissory notes shall be made in full upon the maturity date.

The fair value of the promissory note at the date of issuance was HK\$191,911,000, which was determined by GCA. Valuations were made on the basis of effective interest method which is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate used in the calculation of the fair value is 15.74%.

The promissory notes are held by a substantial shareholder. On 12 April 2010, the Company made repayment of promissory notes with carrying amount of HK\$19,076,000 at par value of HK\$20,822,000. The excess of the repayment amount over the carrying amount of HK\$1,746,000 for the year ended 31 March 2011 was accounted for as a distribution to the shareholder.

Given that the Company has the legal obligation to settle the full face value of the promissory notes for the aforesaid acquisition, the Directors considered that it is a transaction with shareholder in the capacity as owner. The excess shall be accounted for as a deemed capital distribution to the shareholder and charged to the contributed surplus account.

22. 承付票據(續)

於二零零九年七月三十一日，本公司發行本金總額為港幣232,000,000元之承付票據，作為收購沛源之部分代價。承付票據按年利率2厘計息。利息連同本金於二零一一年一月三十一日到期，屆時一次過償還。於二零一零年九月一日，本公司與承付票據持有人訂立一份函件，將承付票據之到期日延期至二零一二年七月三十一日。於二零一一年九月一日，獲持有人給予進一步延期至二零一三年七月三十一日。在符合上市規則及適用法律之情況下，承付票據將可以港幣1,000,000元之完整倍數出讓或轉讓予任何第三方，惟上市規則所界定之關連人士除外。本公司可於到期日(即二零一三年七月三十一日)之前任何時間償還全部或部分本金額及利息，方式為向持有人發出不少於七日的事先書面通知，列明所償還金額及還款日期，惟償還金額須最少為港幣1,000,000元。否則，承付票據之本金及利息須於到期日清償。

承付票據於發行日期之公平值為港幣191,911,000元，乃由漢華評值釐定。估值乃按實際利率法作出，其為計算財務資產或財務負債攤銷成本及於相關期間分配利息收入或利息開支之方法。計算公平值所用實際利率為15.74厘。

承付票據由一名主要股東持有。於二零一零年四月十二日，本公司按面值港幣20,822,000元償還賬面值港幣19,076,000元之承付票據。截至二零一一年三月三十一日止年度，償還金額超出賬面值之金額港幣1,746,000元入賬列作股東分派。

基於本公司有法律責任就上述收購全數償付承付票據之面值，董事認為此乃以擁有人身份與股東進行之交易。超出金額應入賬列作視作股東資本分派，並於實繳盈餘賬扣除。

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23. SHARE CAPITAL

23. 股本

		Number of ordinary shares of HK\$0.0533 per share 每股面值 港幣 0.0533 元 之普通股數目	HK\$'000 港幣千元	Number of convertible preferred shares of HK\$0.01 per share 每股面值 港幣 0.01 元 之可換股 優先股數目	HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
	Note 附註	'000 千股	'000 千股	'000 千股	'000 千股	'000 千股
Authorised:						
		法定：				
At 1 April 2011, 31 March 2012, 1 April 2012 and 30 September 2012		於二零一一年四月一日、 二零一二年三月三十一日、 二零一二年四月一日及 二零一二年九月三十日				
		8,437,500	450,000	27,534,000	275,340	725,340
Issued and fully paid:						
		已發行及繳足：				
At 1 April 2011		4,519,074	241,018	11,830,578	118,306	359,324
Conversion of convertible preferred shares	(a)	1,714,447	91,437	(9,143,717)	(91,437)	-
Shares issue upon exercise of share options	(b)	190	10	-	-	10
Consideration shares issued for the acquisition of subsidiaries	(c)	380,000	20,267	-	-	20,267
Issuance of shares pursuant to the equity line facility	(d)	88,653	4,727	-	-	4,727
At 31 March 2012 and 1 April 2012		於二零一二年三月三十一日及 二零一二年四月一日				
Conversion of convertible preferred shares	(a)	233,946	12,477	(1,247,710)	(12,477)	-
Issuance of shares pursuant to the equity line facility	(d)	112,752	6,013	-	-	6,013
At 30 September 2012		於二零一二年九月三十日				
		7,049,062	375,949	1,439,151	14,392	390,341

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

23. SHARE CAPITAL (continued)

Notes:

- (a) During the six months ended 30 September 2012, an aggregate of 233,945,682 (year ended 31 March 2012: 1,714,446,877) new ordinary shares of HK\$0.0533 each were issued upon the conversion of 1,247,710,308 (year ended 31 March 2012: 9,143,716,696) Convertible Preferred Shares of HK\$0.01 each.
- (b) During the year ended 31 March 2012, 190,000 options were exercised to subscribe for 190,000 new ordinary shares of the Company at a consideration of HK\$71,000 of which approximately HK\$10,000 was credited to share capital and the balance of HK\$84,000 was credited to share premium account. HK\$23,000 has been transferred from share option reserve to the share premium account.
- (c) On 2 August 2011, the Group completed the acquisition of 100% of Originate Tech Group at a total consideration of 769,230,769 shares of the Company. The total consideration was divided into 3 tranches with the first tranche of 100,000,000 shares and second tranche of 280,000,000 shares issued at completion. The second tranche of 280,000,000 shares were held by the Company in escrow on behalf of the vendor and would have been released upon meeting of net profit guarantee by the vendor in three years after completion. As a result of failure to meet the net profit guarantee, the Company is currently holding the second tranche shares awaiting disposal by the Company. Proceeds from the disposal of these shares shall be returned to the Company in accordance with the terms of the acquisition agreement.
- (d) On 19 December 2011, the Company and an independent third party ("Investor") entered into (1) the equity line facility agreement ("ELF Agreement") and (2) the debt facility agreement ("DF Agreement"). Under the ELF Agreement, the Company may require the Investor to subscribe up to HK\$350 million, subject to a floor price of HK\$0.149 per share ("Floor Price"), worth of the Company's shares during a maximum of 3-year period after the commencement date of the ELF Agreement. Pursuant to the DF Agreement, the Investor agreed to grant an initial loan of HK\$30 million ("Initial Loan") and additional term loan of up to HK\$80 million ("Renewal Loan"). On 21 December 2011 and 19 January 2011, the Company and the Investor entered into supplemental ELF Agreements reducing the maximum commitment amount from HK\$350 million to finally HK\$115 million. The Company issued 19,351,556 shares to the Investor as commitment fees for the facilities. During the six months ended 30 September 2012, 112,751,677 (year ended 31 March 2012: 88,653,637) shares were issued to and subscribed by the Investor under the ELF Agreement.

23. 股本(續)

附註:

- (a) 截至二零一二年九月三十日止六個月內，於兌換 1,247,710,308 股(二零一二年三月三十一日止年度: 9,143,716,696 股)每股面值港幣 0.01 元之可換股優先股後，已發行合共 233,945,682 股(截至二零一二年三月三十一日止年度: 1,714,446,877 股)每股面值港幣 0.0533 元之新普通股。
- (b) 截至二零一二年三月三十一日止年度內，190,000 份購股權已獲行使，以認購 190,000 股本公司新普通股，代價為港幣 71,000 元，當中約港幣 10,000 元已計入股本，餘額港幣 84,000 元則計入股份溢價賬。港幣 23,000 元已由購股權儲備轉撥至股份溢價賬。
- (c) 於二零一一年八月二日，本集團完成以總代價 769,230,769 股本公司股份收購創科集團全部股權。總代價分為三批股份包括於完成時發行之第一批 100,000,000 股份及第二批 280,000,000 股股份。第二批 280,000,000 股股份由本公司以託管形式代表賣方持有，並在賣方於完成後三年內達成純利保證後發還。由於未能達成純利保證，本公司現時持有第二批股份以待出售。出售該等股份之所得款項須根據收購協議之條款歸還本公司。
- (d) 於二零一一年十二月十九日，本公司與一名獨立第三方(「投資者」)訂立(1)股本融資協議(「股本融資協議」)及(2)債務融資協議(「債務融資協議」)。根據股本融資協議，本公司可要求投資者於股本融資協議開始日期後最多三年期間認購價值最多為港幣 350,000,000 元之股份(限定於最低價為每股股份港幣 0.149 元(「最低價」))。根據債務融資協議，投資者同意授出港幣 30,000,000 元之初步貸款(「初步貸款」)及最多為港幣 80,000,000 元之額外有期貸款(「更新貸款」)。於二零一一年十二月二十一日及二零一一年一月十九日，本公司與投資者訂立補充股本融資協議，將最高承諾金額由港幣 350,000,000 元減至最終港幣 115,000,000 元。本公司向投資者發行 19,351,556 股股份作融資之承諾費用。截至二零一二年九月三十日止六個月，已根據股本融資協議向投資者發行並由投資者認購 112,751,677 股(截至二零一二年三月三十一日止年度: 88,653,637 股)股份。

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24. SHARE OPTIONS

The Company terminated the share option scheme adopted by the Company on 9 September 2002 (“Old Scheme”) and adopted a new share option scheme (“New Scheme”) pursuant to an ordinary resolution passed by the shareholders of the Company at the special general meeting held on 27 November 2009. There was no share option granted under the old scheme.

(a) Movements of the share options for the six months ended 30 September 2012 are as below.

24. 購股權計劃

本公司終止本公司於二零零二年九月九日採納之購股權計劃(「舊計劃」)，並根據於二零零九年十一月二十七日舉行之股東特別大會獲本公司股東通過之普通決議案採納新購股權計劃(「新計劃」)。並無根據舊計劃授出任何購股權。

(a) 截至二零一二年九月三十日止六個月之購股權變動如下：

Date of Grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價	Number of share options 購股權數目			
			Outstanding at 1 April 2012 於二零一二年四月一日尚未行使	Lapsed 已失效	Outstanding at 30 September 2012 於二零一二年九月三十日尚未行使	Exercisable at 30 September 2012 於二零一二年九月三十日可行使
13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	1,909,686	(524,982)	1,384,704	1,384,704
13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	1,909,688	(524,982)	1,384,706	1,384,706
13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	1,909,691	(524,983)	1,384,708	-
13 January 2010 二零一零年一月十三日	15 July 2010 to 12 January 2020 二零一零年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	5,105,428	-	5,105,428	5,105,428
13 January 2010 二零一零年一月十三日	15 July 2011 to 12 January 2020 二零一一年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	5,105,427	-	5,105,427	5,105,427
7 May 2010 二零一零年五月七日	15 July 2010 to 6 May 2020 二零一零年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元	5,105,427	-	5,105,427	5,105,427
7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	1,166,271	(678,913)	487,358	487,358
7 May 2010 二零一零年五月七日	7 May 2011 to 6 May 2020 二零一一年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	825,658	(144,935)	680,723	680,723
7 May 2010 二零一零年五月七日	15 July 2011 to 6 May 2020 二零一一年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元	5,105,428	-	5,105,428	5,105,428

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24. SHARE OPTIONS (continued)**24. 購股權計劃** (續)

Date of Grant 授出日期	Exercise period 行使期	Exercise price 每股行使價	Number of share options 購股權數目			
			Outstanding at 1 April 2012 於二零一二年 四月一日 尚未行使	Lapsed 已失效	Outstanding at 30 September 2012 於二零一二年 九月三十日 尚未行使	Exercisable at 30 September 2012 於二零一二年 九月三十日 可行使
7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	1,166,271	(678,913)	487,358	487,358
7 May 2010 二零一零年五月七日	7 May 2012 to 6 May 2020 二零一二年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	825,659	(144,935)	680,724	680,724
7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	1,166,276	(678,915)	487,361	—
7 May 2010 二零一零年五月七日	7 May 2013 to 6 May 2020 二零一三年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	825,659	(144,935)	680,724	—
14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣0.375元	63,552,500	(2,152,500)	61,400,000	61,400,000
18 February 2011 二零一一年二月十八日	16 December 2011 to 17 February 2021 二零一一年十二月十六日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,433,333	—	1,433,333	1,433,333
18 February 2011 二零一一年二月十八日	16 December 2012 to 17 February 2021 二零一二年十二月十六日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,433,333	—	1,433,333	—
18 February 2011 二零一一年二月十八日	16 December 2013 to 17 February 2021 二零一三年十二月十六日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,433,334	—	1,433,334	—
			99,979,069	(6,198,993)	93,780,076	88,360,616
Weighted average exercise price:	加權平均行使價:		HK\$0.521 港幣0.521元	HK\$0.652 港幣0.652元	HK\$0.513 港幣0.513元	HK\$0.506 港幣0.506元

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24. SHARE OPTIONS (continued)

(b) The vesting period for the share options is as below.

Date of grant 授出日期	No. of share options granted 已授出購股權數目	Vesting conditions 歸屬條件	
		No. of shares options vested 已歸屬購股權數目	Vesting date 歸屬日期
13 January 2010 二零一零年一月十三日	10,210,855	5,105,428	15 July 2010 二零一零年七月十五日
		5,105,427	15 July 2011 二零一一年七月十五日
	45,040,069	18,398,633	13 January 2011 二零一一年一月十三日
		13,320,716	13 January 2012 二零一二年一月十三日
7 May 2010 二零一零年五月七日	10,210,855	5,105,427	15 July 2010 二零一零年七月十五日
		5,105,428	15 July 2011 二零一一年七月十五日
	14,488,035	2,000,000	7 November 2010 二零一零年十一月七日
		4,162,677	7 May 2011 二零一一年五月七日
		4,162,678	7 May 2012 二零一二年五月七日
		4,162,680	7 May 2013 二零一三年五月七日
28,144,944	9,381,644	13 January 2011 二零一一年一月十三日	
	9,381,646	13 January 2012 二零一二年一月十三日	
	9,381,654	13 January 2013 二零一三年一月十三日	
14 September 2010 二零一零年九月十四日	79,350,000	79,350,000	14 September 2010 二零一零年九月十四日
18 February 2011 二零一一年二月十八日	5,105,428	1,701,809	30 June 2011 二零一一年六月三十日
		1,701,809	30 June 2012 二零一二年六月三十日
		1,701,810	30 June 2013 二零一三年六月三十日
	820,588	273,529	31 July 2011 二零一一年七月三十一日
		273,529	31 July 2012 二零一二年七月三十一日
		273,530	31 July 2013 二零一三年七月三十一日
	1,000,000	333,333	6 September 2011 二零一一年九月六日
		333,333	6 September 2012 二零一二年九月六日
		333,334	6 September 2013 二零一三年九月六日
	800,000	266,666	5 December 2011 二零一一年十二月五日
		266,667	5 December 2012 二零一二年十二月五日
		266,667	5 December 2013 二零一三年十二月五日
	4,300,000	1,433,333	16 December 2011 二零一一年十二月十六日
		1,433,333	16 December 2012 二零一二年十二月十六日
		1,433,334	16 December 2013 二零一三年十二月十六日
1,000,000	333,333	2 January 2012 二零一二年一月二日	
	333,333	2 January 2013 二零一三年一月二日	
	333,334	2 January 2014 二零一四年一月二日	
1,300,000	433,333	9 January 2012 二零一二年一月九日	
	433,333	9 January 2013 二零一三年一月九日	
	433,334	9 January 2014 二零一四年一月九日	
Total share option granted 已授出購股權總數	201,770,774		
Less: Lapsed 減：已失效	(98,893,198)		
Exercised 已行使	(9,097,500)		
Outstanding at 30 September 2012 於二零一二年九月三十日 尚未行使	93,780,076		

24. 購股權計劃 (續)

(b) 購股權之歸屬期如下。

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24. SHARE OPTIONS (continued)

(b) (continued)

The option outstanding as at 30 September 2012 have a weighted average remaining contractual life of 7.30 years (31 March 2012: 7.81 years).

No share option was exercised during the six months period ended 30 September 2012. The weighted average share price at the date of exercise for share options exercised during the year ended 31 March 2012 was HK\$0.375.

No other share options granted under the New Scheme were cancelled during the six months ended 30 September 2012 (year ended 31 March 2012: Nil). The Group had no legal or constructive obligation to repurchase or settle the options in cash.

(c) The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on binomial option pricing model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial option pricing.

24. 購股權計劃 (續)

(b) (續)

於二零一二年九月三十日尚未行使購股權之加權平均餘下合約年期為7.30年(二零一二年三月三十一日：7.81年)。

截至二零一二年九月三十日止六個月期間概無行使購股權。截至二零一二年三月三十一日止年度，已行使購股權於行使日期之加權平均股價為港幣0.375元。

截至二零一二年九月三十日止六個月(截至二零一二年三月三十一日止年度：無)，概無其他根據新計劃授出之購股權獲註銷。本集團並無法律或推定責任須以現金購回或支付購股權。

(c) 以授出購股權換取之服務公平值乃參考已授出購股權之公平值計量。已授出購股權之估計公平值按二項式期權定價模式計量。購股權之合約年期作為輸入該模式之數據，而預期提早行使已計入二項式期權定價模式之中。

		Date of grant			
		18/2/2011	14/9/2010	7/5/2010	13/1/2010
		二零一一年	二零一零年	二零一零年	二零一零年
		二月十八日	九月十四日	五月七日	一月十三日
Fair value of share options and assumptions	購股權之公平值及假設				
Share price	股價	HK\$0.415 港幣0.415元	HK\$0.375 港幣0.375元	HK\$0.65 港幣0.65元	HK\$0.94 港幣0.94元
Exercise price	行使價	HK\$0.42 港幣0.42元	HK\$0.375 港幣0.375元	HK\$0.71 港幣0.71元	HK\$0.94 港幣0.94元
Expected volatility (expressed as weighted average volatility used in the modeling under binomial option pricing)	預期波幅(根據二項式期權定價模式模擬時所用加權平均波幅)	55.67%	70.650%	70.53%	70.572%
Option life (expressed as weighted average life used in the modeling under binomial option pricing model)	購股權年期(根據二項式期權定價模式模擬時所用加權平均年期)	10 years 年	10 years 年	10 years 年	10 years 年
Expected dividends	預期股息	HK\$Nil 港幣零元	HK\$Nil 港幣零元	HK\$Nil 港幣零元	HK\$Nil 港幣零元
Risk-free interest rate (based on 10-year Hong Kong Exchange Fund Notes)	無風險利率(以十年期香港外匯基金票據為準)	2.868%	2.017%	2.670%	2.799%

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24. SHARE OPTIONS (continued)

(c) (continued)

The expected volatility is based on annualized standard deviations of the continuously compounded rates of return on the share prices of five comparable companies in Hong Kong and Brazil Exchange with similar business operations. No dividends are expected as the Company had no history of payment of dividends.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

25. COMMITMENTS

(a) Commitments in respect of capital expenditure

At the end of reporting period, the Group had commitments in respect of capital expenditure outstanding but not provided for in the condensed consolidated financial statements were as follows:

24. 購股權計劃(續)

(c) (續)

預期波幅乃以於香港及巴西證券交易所從事同類業務營運之五家可資比較公司之股價回報持續複合比率之年度標準差為基準。由於本公司過往並無派付股息記錄，故預期不會派付任何股息。

購股權乃根據服務條件而授出。此條件並無計入所獲取服務於授出日期之公平值。授出購股權並無附帶市場條件。

25. 承擔

(a) 有關資本開支之承擔

本集團於報告期間結算日就資本開支有下列未償還但並無於簡明綜合財務報告撥備之承擔：

		At 30 September 2012 於二零一二年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	At 31 March 2012 於二零一二年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Contracted, but not provided for	已訂約但未撥備		
— Purchase of property, plant and equipment	— 購買物業、廠房及設備	448	692
		448	692

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25. COMMITMENTS (continued)**(b) Operating lease commitment**

The Group leases certain of its office premises under operating leases. Leases for these properties are negotiated for terms ranging one to two years. At the end of reporting period, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		At 30 September 2012	At 31 March 2012
		於二零一二年 九月三十日 HK\$'000	於二零一二年 三月三十一日 HK\$'000
		千港元 (Unaudited) (未經審核)	千港元 (Audited) (經審核)
Within one year	一年內	3,473	3,478
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	4,142	5,873
		7,615	9,351

26. CONTINGENT LIABILITIES**Partnership harvesting agreement**

On 18 July 2011, UTRB entered into an agreement (the "Partnership Harvesting Agreement" or the "Agreement") with R2R Indústria e Comércio de Produtos Florestais Ltda. ("R2R"). Under the Agreement, UTRB will harvest logs on forest area supposedly owned by R2R under a Sustainable Forest Management Plan and pay R2R Florestal a total of R\$9,602,000 (or approximately HK\$41 million) by installments. R2R was responsible to obtain the necessary harvesting permit ("AUTEF") within 30 days of the Agreement. R2R was late in presenting the AUTEF to UTRB and failed to produce documentations that support its ownership of the subject forest area. In addition, UTRB's harvesting team discovered various environmental crimes in the subject forest area during its preparatory inspection. A total sum of R\$840,000 (or approximately HK\$3,869,000) was paid by UTRB under the Agreement while the remaining balance was withheld due to the above breach and irregularities. In the meantime, R2R sent various notices demanding for performance under the Agreement. On 17 January 2012, UTRB served a termination notice to R2R and demanded for the return of the deposits paid. On 23 February 2012, R2R sent UTRB an amicable settlement offer where reducing the outstanding balance to R\$1,621,000 (or approximately HK\$6,910,000) as final settlement for the immediate termination of the Agreement. According to the opinion of inhouse and external legal counsels, UTRB has adequate legal ground to terminate the Agreement, demand for the return of the deposit and ask for penalties.

25. 承擔(續)**(b) 經營租約承擔**

本集團根據經營租約租用若干辦公室物業。該等物業之租約經磋商後為期一至兩年。於報告期間結算日，根據不可撤銷經營租約應付之日後最低租金總額如下：

26. 或然負債**夥伴伐木協議**

於二零一一年七月十八日，UTRB與R2R Indústria e Comércio de Produtos Florestais Ltda. ("R2R") 訂立協議(「夥伴伐木協議」或「協議」)。根據協議，UTRB將於據稱由R2R根據可持續森林管理計劃擁有之森林地區砍伐原木，並分期向R2R支付合共9,602,000雷亞爾(或約港幣41,000,000元)。R2R負責於協議日期起計30日內取得所需伐木許可證(「伐木許可證」)。R2R未能及時向UTRB交付伐木許可證及不能出示能證明其擁有所述森林地區之文件。此外，UTRB之伐木團隊在進行籌備檢查時於所述森林地區發現多項環保罪行。UTRB已根據協議支付合共840,000雷亞爾(或約港幣3,869,000元)，而餘額因上述違約及違規行為而扣留。於此期間內，R2R發出多項通知要求履行協議。於二零一二年一月十七日，UTRB向R2R送達終止通知並要求退還已付訂金。於二零一二年二月二十三日，R2R向UTRB發出和解提議，將未償還餘額減至1,621,000雷亞爾(或約港幣6,910,000元)以作為立即終止協議之最終款項。根據內部及外聘法律顧問之意見，UTRB有足夠法律理據終止協議、要求退還訂金及追討罰金。

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簡明綜合財務報告附註

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27. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the six months ended 30 September 2012.

(a) Key management personnel remuneration

The key management personnel of the Group are the Directors of the Company. The remuneration of Directors was as follows:

27. 重大關連人士交易

截至二零一二年九月三十日止六個月，本集團曾與關連人士進行以下交易。

(a) 主要管理人員之薪酬

本集團之主要管理人員為本公司董事。董事薪酬如下：

		For the 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)
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	2,515	450
Retirement scheme contributions	退休計劃供款	17	12
Share based payment	以股份支付	158	3,004
		2,690	3,466

(b) Other related party transactions

(b) 其他關連人士交易

		For the 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 (Audited) (經審核)
Interest on amounts due to shareholders	應付股東款項之利息	5,252	3,301
Interest on amounts due to related companies	應付關連公司款項之利息	283	—
Interest on promissory notes	承付票據之利息	65	64
Sales to a related company	銷售予一家關連公司	40,382	—
Purchases from a related company	購買自一家關連公司	10,902	—

Notes:

- (i) The interest expensed charged on amounts due to shareholders were calculated at 5% per annum.
- (ii) The interest expenses charged on amounts due to related companies were calculated at 5% per annum.
- (iii) This represent interest on promissory notes issued to Winner Global Holdings Limited was calculated at a coupon rate of 2% per annum (effective interest rate: 15.74%). The outstanding balance at the end of the reporting period is disclosed in Note 25.

附註：

- (i) 應付股東款項之利息開支乃按年利率5厘計算。
- (ii) 應付關連公司款項之利息開支乃按年利率5厘計算。
- (iii) 此乃發行予Winner Global Holdings Limited之承付票據之利息，乃按承付票據票面息率每年2厘(實際利率：15.74厘)計算之利息。於報告期間結算日之尚未償還結餘於附註25披露。

Supplementary Information 補充資料

INTERIM DIVIDEND

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

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2012, the interests and short positions of the Directors and the chief executive in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, "SFO") which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of the SFO; as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

中期股息

董事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)。

董事及最高行政人員於股份及相關股份之權益及淡倉

於二零一二年九月三十日，董事及最高行政人員於本公司或其相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，擁有根據證券及期貨條例第7及8分部知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉；或已記錄於本公司根據證券及期貨條例第352條規定所存置之登記冊，或根據聯交所證券上市規則(「上市規則」)附錄10所載上市公司董事進行證券交易的標準守則(「標準守則」)另行知會本公司及聯交所之權益及淡倉如下：

Name of Directors 董事姓名	Nature of interest 權益性質	Number and class of shares and underlying shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued shares 佔已發行股份概約百分比 (Note 1) (附註1)
Ms. Loh Jiah Yee, Katherine ("Ms. Loh") (Note 2) 樂家宜女士(「樂女士」)(附註2)	Beneficial owner 實益擁有人	4,300,000	0.061%
	Interest of controlled corporation 受控制法團之權益	1,942,274,062	27.554%
Ms. Fletcher Yurk Nam, Sandy ("Ms. Fletcher") (Note 3) 姜若男女士(「姜女士」)(附註3)	Interest of controlled corporation 受控制法團之權益	31,421,710	0.446%
Mr. Li Zhixiong ("Mr. Li") (Note 4) 李志雄先生(「李先生」)(附註4)	Beneficial owner 實益擁有人	100,000,000	1.419%
Mr. Leung Siu Hung, Joel ("Mr. Leung") (Note 5) 梁紹雄先生(「梁先生」)(附註5)	Beneficial owner 實益擁有人	2,042,171	0.029%
Mr. John Tewksbury BANIGAN ("Mr. Banigan") (Note 6) John Tewksbury BANIGAN 先生 (「Banigan 先生」)(附註6)	Beneficial owner 實益擁有人	2,042,171	0.029%

Supplementary Information 補充資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

董事及最高行政人員於股份及相關股份 之權益及淡倉(續)

Name of Directors 董事姓名	Nature of interest 權益性質	Number and class of shares and underlying shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued shares 佔已發行股份概約百分比 (Note 1) (附註1)
Mr. Keung Paul Hinsum ("Mr. Keung") (Note 7) 姜顯森先生(「姜先生」)(附註7)	Interest of controlled corporation 受控制法團之權益	15,334,820	0.218%
Mr. Donald Smith Worthley ("Mr. Worthley") (Note 8) Donald Smith Worthley 先生 (「Worthley 先生」)(附註8)	Beneficial owner 實益擁有人	15,334,820	0.218%

Notes:

- The percentage figures were calculated based on 7,049,061,694 ordinary shares ("Shares") of the Company having a par value of HK\$0.0533 each in issue as of 30 September 2012.
- Ms. Loh was beneficially interested in 100% of the issued share capital of Assure Gain International Limited ("Assure Gain"), which held 100% of the issued share capital of Winner Global Holdings Limited ("Winner Global") and Splendid Asset Holdings Limited ("Splendid Asset") respectively. Ms. Loh was also beneficially interested in 50% of the issued share capital of Corp Insights Holdings Inc. ("Corp Insights") held through Corporate Insights Limited. Assure Gain was the registered holder of 1,116,762,347 Shares and 621,346,723 convertible preferred shares ("CPS") of the Company convertible into 116,502,510 underlying Shares; Winner Global was the registered holder of 320,041,100 Shares; Splendid Asset was the registered holder of 331,100,463 Shares; and Corp Insights was the registered holder of 308,627,424 CPS convertible into 57,867,642 underlying Shares. Under Part XV of the SFO, Ms. Loh was therefore deemed to have interests in 1,767,903,910 Shares and 174,370,152 underlying Shares upon conversion of the CPS in which Assure Gain, Winner Global, Splendid Asset and Corp Insights were interested. Ms. Loh was also entitled to share options to subscribe for a maximum of 4,300,000 Shares upon exercise of the options in full.
- Ms. Fletcher was beneficially interested in 100% of the issued share capital of AMF Vietnam Investments Limited ("AMF"). AMF was entitled to share options to subscribe for a maximum of 31,421,710 Shares upon exercise of the options in full. Ms. Fletcher was therefore deemed to have an interest in 31,421,710 Shares in which AMF was interested under Part XV of the SFO.
- Mr. Li was the registered holder of 100,000,000 Shares.
- Mr. Leung was entitled to share options to subscribe for a maximum of 2,042,171 Shares upon exercise of the options in full.
- Mr. Banigan was entitled to share options to subscribe for a maximum of 2,042,171 Shares upon exercise of the options in full.

附註:

- 該等百分比數字乃根據本公司於二零一二年九月三十日已發行7,049,061,694股每股面值港幣0.0533元之普通股(「股份」)計算。
- 樂女士實益擁有Assure Gain International Limited(「Assure Gain」)已發行股本之全部權益，而Assure Gain分別持有Winner Global Holdings Limited(「Winner Global」)及Splendid Asset Holdings Limited(「Splendid Asset」)已發行股本之全部權益。樂女士亦通過Corporate Insights Limited持有Corp Insights Holdings Inc.(「Corp Insights」)已發行股本之50%權益。Assure Gain登記持有1,116,762,347股股份及可兌換為116,502,510股相關股份之621,346,723股本公司可換股優先股份(「可換股優先股份」)；Winner Global登記持有320,041,100股股份；Splendid Asset登記持有331,100,463股股份；而Corp Insights則登記持有可兌換為57,867,642股相關股份之308,627,424股可換股優先股份。根據證券及期貨條例第XV部，樂女士因此被視為於Assure Gain、Winner Global、Splendid Asset及Corp Insights所擁有之1,767,903,910股股份及可換股優先股份獲兌換而產生之174,370,152股相關股份中擁有權益。樂女士亦享有可於悉數行使時認購最多4,300,000股股份之購股權。
- 姜女士實益擁有AMF Vietnam Investments Limited(「AMF」)已發行股本之全部權益。AMF享有可於悉數行使時認購最多31,421,710股股份之購股權。根據證券及期貨條例第XV部，姜女士因此被視為於AMF所擁有之31,421,710股股份中擁有權益。
- 李先生登記持有100,000,000股股份。
- 梁先生享有可於悉數行使時認購最多2,042,171股股份之購股權。
- Banigan先生享有可於悉數行使時認購最多2,042,171股股份之購股權。

Supplementary Information 補充資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Notes: (continued)

- Mr. Keung was beneficially interested in 80% of the issued share capital of Million Great Investment Limited ("Million Great"). Million Great was the registered holder of 81,785,711 CPS convertible into 15,334,820 underlying Shares. Mr. Keung was therefore deemed to have an interest in 15,334,820 underlying Shares in which Million Great was interested under Part XV of the SFO.
- Mr. Worthley was the registered holder of 81,785,711 CPS carrying rights to convert into 15,334,820 underlying Shares.
- All interests stated above as at 30 September 2012 represented long positions of Shares or underlying Shares of the Company.

Save as disclosed above, as at 30 September 2012, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHERS PERSONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2012, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

董事及最高行政人員於股份及相關股份 之權益及淡倉 (續)

附註：(續)

- 姜先生實益擁有萬偉投資有限公司(「萬偉」)已發行股本之80%權益。萬偉登記持有可兌換為15,334,820股相關股份之81,785,711股可換股優先股份。根據證券及期貨條例第XV部，姜先生因此被視為為萬偉所擁有之15,334,820股相關股份中擁有權益。
- Worthley先生登記持有可兌換為15,334,820股相關股份之81,785,711股可換股優先股份。
- 於二零一二年九月三十日，上列全部權益均為本公司股份或相關股份的好倉。

除上文披露者外，於二零一二年九月三十日，各董事及本公司最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中，擁有根據證券及期貨條例第7及第8分部須知會本公司及聯交所，或已記錄於本公司根據證券及期貨條例第352條規定所存置之登記冊，或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

主要股東及其他人士於股份及相關股份 之權益

於二零一二年九月三十日，除董事及本公司最高行政人員外，以下人士於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露，或登記在本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉如下：

Name of Shareholders 股東姓名／名稱	Nature of interest 權益性質	Number and class of shares and underlying shares held	Approximate percentage of issued shares
		所持股份及 相關股份之 數目及類別	佔已發行股份 概約百分比 (Note 1) (附註1)
Mr. Lau Jack ("Mr. Lau") (Note 2) 廖家俊先生(「廖先生」)(附註2)	Interest of spouse 配偶權益	1,946,574,062	27.615%
Assure Gain (Note 3) Assure Gain (附註3)	Beneficial owner/Interest of Controlled Corporation 實益擁有人／ 受控制法團之權益	1,884,406,420	26.733%

Supplementary Information 補充資料

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHERS PERSONS IN SHARES AND UNDERLYING SHARES (continued)

主要股東及其他人士於股份及相關股份
之權益(續)

Name of Shareholders 股東姓名/名稱	Nature of interest 權益性質	Number and class of shares and underlying shares held 所持股份及 相關股份之 數目及類別	Approximate percentage of issued shares 佔已發行股份 概約百分比 (Note 1) (附註1)
Ms. Wu Guanwen ("Ms. Wu") (Note 4) 吳觀文女士(「吳女士」)(附註4)	Interest of spouse 配偶權益	100,000,000	1.419%
NWS Financial Management Services Limited ("NWS Financial") (Note 5) NWS Financial Management Services Limited (「NWS Financial」)(附註5)	Beneficial owner 實益擁有人	404,102,500	5.733%
Integrated Asset Management (Asia) Limited ("IAM") (Note 6) Integrated Asset Management (Asia) Limited (「IAM」)(附註6)	Beneficial owner 實益擁有人	437,581,867	6.208%

Notes:

- The percentage figures were calculated based on 7,049,061,694 Shares in issue as of 30 September 2012.
- Mr. Lau, being the spouse of Ms. Loh, was deemed to have an interest in the same parcel of the Shares and underlying Shares in which Ms. Loh was interested under Part XV of the SFO.
- Assure Gain held 100% of the issued share capital of Winner Global and Splendid Asset respectively. Assure Gain was the registered holder of 1,116,762,347 Shares and 621,346,723 CPS convertible into 116,502,510 underlying Shares; Winner Global was the registered holder of 320,041,100 Shares and Splendid Asset was the registered holder of 331,100,463 Shares. Under Part XV of the SFO, Assure Gain was therefore interested and deemed to have interests in 1,767,903,910 Shares and 116,502,510 underlying Shares in which itself, Winner Global and Splendid Asset were interested.
- Ms. Wu, being the spouse of Mr. Li, was deemed to have an interest in the same parcel of the Shares and underlying Shares in which Mr. Li was interested under Part XV of the SFO.
- NWS Service Management Limited (incorporated in British Virgin Islands) ("NWS Service (BVI)") owned 100% interest in the issued share capital of NWS Financial, and was therefore deemed to have an interest in the Shares in which NWS Financial was interested.
 - NWS Service Management Limited (incorporated in Cayman Islands) ("NWS Service (Cayman)") owned 100% interest in the issued share capital of NWS Service (BVI), and was therefore deemed to have an interest in the Shares in which NWS Service (BVI) was interested.

附註:

- 該等百分比數字乃根據於二零一二年九月三十日已發行7,049,061,694股股份計算。
- 廖先生為樂女士之配偶，根據證券及期貨條例第XV部被視為於樂女士所擁有權益之同一批股份及相關股份中擁有權益。
- Assure Gain 分別擁有 Winner Global 及 Splendid Asset 已發行股本之全部權益。Assure Gain 登記持有1,116,762,347股股份及可兌換為116,502,510股相關股份之621,346,723股可換股優先股份；Winner Global 登記持有320,041,100股股份及 Splendid Asset 登記持有331,100,463股股份。根據證券及期貨條例第XV部，Assure Gain 因此自身擁有及被視為於 Winner Global 及 Splendid Asset 所擁有的上述1,767,903,910股股份及116,502,510股相關股份中擁有權益。
- 吳女士為李先生之配偶，根據證券及期貨條例第XV部被視為於李先生所擁有權益之同一批股份及相關股份中擁有權益。
- NWS Service Management Limited (「NWS Service (BVI)」，於英屬處女群島註冊成立)擁有 NWS Financial 已發行股本之全部權益，因此被視為於 NWS Financial 擁有權益之股份中擁有權益。
 - NWS Service Management Limited (「NWS Service (Cayman)」，於開曼群島註冊成立)擁有 NWS Service (BVI) 已發行股本之全部權益，因此被視為於 NWS Service (BVI) 擁有權益之股份中擁有權益。

Supplementary Information 補充資料

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHERS PERSONS IN SHARES AND UNDERLYING SHARES (continued)

Notes: (continued)

- (iii) NWS Holdings Limited ("NWS Holdings") owned 100% interest in the issued share capital of NWS Service (Cayman), and was therefore deemed to have an interest in the Shares in which NWS Service (Cayman) was interested.
 - (iv) New World Development Company Limited ("New World") owned 60.73% interest in the issued share capital of NWS Holdings, and was therefore deemed to have an interest in the Shares in which NWS Holdings was interested.
 - (v) Chow Tai Fook Enterprises Limited ("Chow Tai Fook") owned 42.24% interest in the issued share capital of New World, and was therefore deemed to have an interest in the Shares in which New World was interested.
 - (vi) Chow Tai Fook (Holding) Limited ("CTF Holding") owned 100% interest in the issued share capital of Chow Tai Fook, and was therefore deemed to have an interest in the Shares in which Chow Tai Fook was interested.
 - (vii) Chow Tai Fook Capital Limited ("CTF Capital") owned 74.07% interest in the issued share capital of CTF Holding, and was therefore deemed to have an interest in the Shares in which CTF Holding was interested.
 - (viii) Cheng Yu Tung Family (Holdings) Limited ("CYTF") and Cheng Yu Tung Family (Holdings II) Limited ("CYTF II") owned 48.98% and 46.65% interest in the issued share capital of CTF Capital respectively, and CYTF and CYTF II were therefore deemed to have interests in the Shares in which CTF Capital was interested.
6. Mr. Yam Tak Cheung owned 100% interested in the issued share capital of IAM, and was therefore deemed to have an interest in the Shares in which IAM was interested.
7. All interests stated above as at 30 September 2012 represented long positions of Shares or underlying Shares of the Company.

Save as disclosed above, as at 30 September 2012, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHT TO ACQUIRE SECURITIES

Save as disclosed in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above, during the six months ended 30 September 2012, none of the Director nor the chief executive of the Company had been granted any right to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors, their respective spouses nor their respective children under the age of 18 had any right to subscribe for the securities of the Company or had exercised any such rights.

主要股東及其他人士於股份及相關股份 之權益(續)

附註：(續)

- (iii) 新創建集團有限公司(「新創建集團」)擁有 NWS Service (Cayman) 已發行股本之全部權益，因此被視為於 NWS Service (Cayman) 擁有權益之股份中擁有權益。
 - (iv) 新世界發展有限公司(「新世界」)擁有新創建集團已發行股本之 60.73% 權益，因此被視為於新創建集團擁有權益之股份中擁有權益。
 - (v) 周大福企業有限公司(「周大福」)擁有新世界已發行股本之 42.24% 權益，因此被視為於新世界擁有權益之股份中擁有權益。
 - (vi) Chow Tai Fook (Holding) Limited (「CTF Holding」) 擁有周大福已發行股本之全部權益，因此被視為於周大福擁有權益之股份中擁有權益。
 - (vii) Chow Tai Fook Capital Limited (「CTF Capital」) 擁有 CTF Holding 已發行股本之 74.07% 權益，因此被視為於 CTF Holding 擁有權益之股份中擁有權益。
 - (viii) Cheng Yu Tung Family (Holdings) Limited (「CYTF」) 及 Cheng Yu Tung Family (Holdings II) Limited (「CYTF II」) 分別擁有 CTF Capital 已發行股本之 48.98% 及 46.65% 權益，因此 CYTF 及 CYTF II 被視為於 CTF Capital 擁有權益之股份中擁有權益。
6. 任德章先生擁有 IAM 已發行股本之全部權益，因此被視為於 IAM 擁有之股份中擁有權益。
7. 於二零一二年九月三十日，上列全部權益均為本公司股份或相關股份的好倉。

除上文披露者外，於二零一二年九月三十日，本公司並無獲悉任何其他人士(董事或本公司最高行政人員除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第 XV 部第 2 及 3 分部之條文須向本公司披露，或記錄於本公司根據證券及期貨條例第 336 條規定所存置之登記冊之權益或淡倉。

董事購買證券之權利

除上文「董事及最高行政人員於股份及相關股份之權益及淡倉」一節所披露外，於截至二零一二年九月三十日止六個月，董事及本公司最高行政人員並無獲授予任何權利可藉收購本公司或任何其他法團之股份或債券而獲益，且董事或彼等各自之配偶或彼等各自未滿 18 歲之子女概無擁有任何認購本公司證券之權利亦無行使任何該等權利。

Supplementary Information
補充資料

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目		Outstanding at 30 September 2012 於二零一二年 九月三十日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2012 於二零一二年 四月一日 尚未行使	Lapsed 已失效				
Directors (continued) 董事(續)							
Mr. LEUNG Siu Hung, Joel ("Mr. Leung") 梁紹雄先生(「梁先生」)	Personal 個人	680,723	—	680,723	7 May 2010 二零一零年五月七日	7 May 2011 to 6 May 2020 二零一一年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Personal 個人	680,724	—	680,724	7 May 2010 二零一零年五月七日	7 May 2012 to 6 May 2020 二零一二年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Personal 個人	680,724	—	680,724	7 May 2010 二零一零年五月七日	7 May 2013 to 6 May 2020 二零一三年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
Mr. SHIH Chiu, David ("Mr. Shin") (Note 1) 施秋先生(「施先生」)(附註 1)	Personal 個人	333,333	(333,333)	—	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
	Personal 個人	333,333	(333,333)	—	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
	Personal 個人	333,334	(333,334)	—	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
	Personal 個人	333,333	(333,333)	—	7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Personal 個人	333,333	(333,333)	—	7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Personal 個人	333,334	(333,334)	—	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Personal 個人	1,000,000	(1,000,000)	—	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣0.375元
Mr. John Tewksbury BANIGAN John Tewksbury BANIGAN 先生	Personal 個人	680,723	—	680,723	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
	Personal 個人	680,724	—	680,724	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
	Personal 個人	680,724	—	680,724	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
Sub-total 小計		42,806,052	(3,000,000)	39,806,052			

Supplementary Information

補充資料

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目		Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)	
		Outstanding at 1 April 2012 於二零一二年四月一日尚未行使	Lapsed 已失效				Outstanding at 30 September 2012 於二零一二年九月三十日尚未行使
Employees and other participants (Note) 僱員及其他參與者(附註)		895,630	(191,649)	703,981	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣 0.940元
		895,631	(191,649)	703,982	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣 0.940元
		895,633	(191,649)	703,984	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣 0.940元
		832,938	(345,580)	487,358	7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣 0.710元
		144,935	(144,935)	-	7 May 2010 二零一零年五月七日	7 May 2011 to 6 May 2020 二零一一年五月七日至 二零二零年五月六日	HK\$0.710 港幣 0.710元
		832,938	(345,580)	487,358	7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	HK\$0.710 港幣 0.710元
		144,935	(144,935)	-	7 May 2010 二零一零年五月七日	7 May 2012 to 6 May 2020 二零一二年五月七日至 二零二零年五月六日	HK\$0.710 港幣 0.710元
		832,942	(345,581)	487,361	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$0.710 港幣 0.710元
		144,935	(144,935)	-	7 May 2010 二零一零年五月七日	7 May 2013 to 6 May 2020 二零一三年五月七日至 二零二零年五月六日	HK\$0.710 港幣 0.710元
		51,552,500	(1,152,500)	50,400,000	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣 0.375元
Sub-total 小計		57,173,017	(3,198,993)	53,974,024			
Total 總計		99,979,069	(6,198,993)	93,780,076			

Note:

Mr. Shih resigned as Director of the Company on 30 September 2012.

附註：

施先生於二零一二年九月三十日辭任本公司董事。

Supplementary Information 補充資料

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code during the six months period 30 September 2012.

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

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

CORPORATE GOVERNANCE PRACTICES

During the six months ended 30 September 2012, the Company has applied the principles of, and complied with, the applicable code provisions of the Code on Corporate Governance Practices ("Code Provisions") as set out in Appendix 14 to the Listing Rules, except for deviation mentioned below:

Code Provision A.2.1

Under the Code Provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The roles of the chairman ("Chairman") and the chief executive officer ("CEO") of the Company are segregated and are clearly defined to ensure their respective independence, accountability and responsibilities. The Chairman is responsible for the formulation of the Group's overall business development policies while the CEO is responsible for the implementation of major decisions of the Board and overall management of the Group's businesses.

On 6 April 2011, Mr. LEUNG Chau Ping, Paul was re-designated from the position as an executive director of the Company to a non-executive director and resigned as the CEO. Since then and to up the date of this report, the position of the CEO has not been appointed. Since the beginning of the current financial period, Mr. John Tewksbury BANIGAN acted as the Chairman. During the current financial period when no CEO was appointed, the functions of the CEO have been performed by the executive Directors with the assistance of the management of the Company. The Board considers that such structure does not impair the balance of power and authority between the Board and the management of the Company. The Board will however regularly review the effectiveness of this structure to ensure that such structure is appropriate in view of the Group's prevailing circumstances.

The Company periodically reviews its corporate governance practices to ensure that it continues to meet the requirements under the Code Provisions.

董事進行證券交易之標準守則

本公司已採納標準守則，作為其本身董事買賣本公司證券之操守守則。經向全體董事作出特定查詢後，全體董事確認於截至二零一二年九月三十日止六個月期間內一直遵守標準守則所載規定準則。

購買、出售或贖回本公司上市證券

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

企業管治常規

本公司於截至二零一二年九月三十日止六個月內已應用並一直遵守上市規則附錄十四企業管治常規守則所載之適用守則條文（「守則條文」），惟下文所述若干偏離情況除外：

守則條文 A.2.1

根據守則條文 A.2.1，主席及行政總裁之職責應有所區分，且不應由同一人擔任。本公司設有主席（「主席」）及行政總裁（「行政總裁」）兩個獨立職位，且已清楚界定兩者角色，以確保彼等各自之獨立身分、問責性與職責。主席負責制訂本集團整體業務發展政策，而行政總裁則負責實行董事會之重要決策，以及整體管理本集團業務。

於二零一一年四月六日，梁秋平先生由本公司執行董事調任為非執行董事，並辭任行政總裁職務。自此至本報告日期，行政總裁一職尚未委任。自本財政期間開始，John Tewksbury BANIGAN 先生出任主席。於本財政期間行政總裁職位懸空期間，行政總裁之職務於本公司管理層之協助下由執行董事履行。董事會認為，此架構並不影響董事會與本公司管理層之權力及授權平衡。然而，董事會將定期檢討此架構之成效，以確保此架構適用於本集團當前情況。

本公司定期檢討其企業管治常規，確保其繼續符合守則條文之規定。

Supplementary Information 補充資料

CHANGES IN DIRECTORSHIP AND OTHER CHANGES IN DIRECTORS' INFORMATION

Changes in directorship during the six months ended 30 September 2012 are as follows:

Mr. Shih Chiu, David resigned as an executive director of the Company on 30 September 2012.

AUDIT COMMITTEE

During the six months ended 30 September 2012, the audit committee of the Board comprised three independent non-executive directors of the Company, namely Mr. John Tewksbury BANIGAN, Mr. KEUNG Paul Hinsum and Mr. Donald Smith WORTHLEY. The audit committee has reviewed the unaudited condensed consolidated financial statements and the interim report for the six months ended 30 September 2012. After review and discussions, the audit committee recommended the Board to approve the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2012.

By order of the Board

FLETCHER Yurk Nam, Sandy

Executive Director

Hong Kong, 28 December 2012

董事變動及董事資料其他變動

於截至二零一二年九月三十日止六個月內，董事於變動如下：

施秋先生於二零一二年九月三十日辭任本公司執行董事。

審核委員會

截至二零一二年九月三十日止六個月內，董事會審核委員會由三名本公司獨立非執行董事 John Tewksbury BANIGAN 先生、姜顯森先生及 Donald Smith WORTHLEY 先生組成。審核委員會已審閱截至二零一二年九月三十日止六個月之未經審核簡明綜合財務報告及中期報告。審核委員會於審閱及磋商後，建議董事會批准截至二零一二年九月三十日止六個月之未經審核簡明綜合中期財務報告。

承董事會命

執行董事

姜若男

香港，二零一二年十二月二十八日

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