



PNG Resources Holdings Limited

(Incorporated in the Cayman Islands with limited liability) Stock Code : 221

PNG Resources

2013

INTERIM REPORT



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Chan Chun Hong, Thomas
(*Chairman & Managing Director*)
Mr. Cheung Wai Kai
Mr. Wong Yiu Hung, Gary

Independent Non-executive Directors

Mr. Sin Ka Man
Mr. Yuen Kam Ho, George, *FHKIoD*
Mr. Cheung Sau Wah, Joseph, *PMSM*

AUDIT COMMITTEE

Mr. Sin Ka Man (*Chairman*)
Mr. Yuen Kam Ho, George, *FHKIoD*
Mr. Cheung Sau Wah, Joseph, *PMSM*

REMUNERATION COMMITTEE

Mr. Cheung Sau Wah, Joseph, *PMSM*
(*Chairman*)
Mr. Sin Ka Man
Mr. Yuen Kam Ho, George, *FHKIoD*
Mr. Chan Chun Hong, Thomas
Mr. Cheung Wai Kai

NOMINATION COMMITTEE

Mr. Yuen Kam Ho, George, *FHKIoD*
(*Chairman*)
Mr. Cheung Sau Wah, Joseph, *PMSM*
Mr. Sin Ka Man
Mr. Chan Chun Hong, Thomas
Mr. Cheung Wai Kai

INVESTMENT COMMITTEE

Mr. Chan Chun Hong, Thomas
(*Chairman*)
Mr. Cheung Wai Kai
Mr. Cheung Sau Wah, Joseph, *PMSM*

COMPANY SECRETARY

Mr. Cheung Chin Wa, Angus

LEGAL ADVISERS

DLA Piper Hong Kong

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

PRINCIPAL BANKERS

China Construction Bank (Asia)
Corporation Limited
The Hongkong and Shanghai Banking
Corporation Limited

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

5/F., Wai Yuen Tong Medicine Building
9 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

REGISTERED OFFICE

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT IN THE CAYMAN ISLANDS

HSBC Trustee (Cayman) Limited
P.O. Box 484, HSBC House
68 West Bay Road
Grand Cayman
KY1-1106
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

HOMEPAGE

www.pngresources.com

STOCK CODE

221



INTERIM DIVIDEND

The board of directors (the “**Board**” or “**Directors**”) of PNG Resources Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) do not recommend the payment of any interim dividend for the six months ended 30 September 2013 (2012: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATION AND BUSINESS REVIEW

During the period under review, the Group was principally engaged in the businesses of property development in the People’s Republic of China (the “**PRC**”), retailing of the fresh pork meat and related produce in Hong Kong and owned a forestry and logging project in Papua New Guinea (“**PNG**”) which has been disposed of.

For the six months ended 30 September 2013, the Group recorded a turnover of approximately HK\$525.1 million (2012: approximately HK\$154.7 million), representing a significant growth of approximately 239%, of which turnover generated from property sales in the PRC amounted to approximately HK\$490.5 million (2012: approximately HK\$120.8 million).

The Group’s net profit after tax attributable to the owners of the Company for the period was approximately HK\$14.8 million (2012: loss of approximately HK\$10.4 million). This is mainly due to the net effect of, among other things, the increase in profit realized from the sales of property in the PRC and the net loss arising from the decrease in fair value of the plantation assets in PNG.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

OPERATION AND BUSINESS REVIEW *(Continued)*

Property Development

As at 30 September 2013, the Group held approximately 1.7 million square feet site area of residential and commercial land reserves in two projects in the PRC. As at the date of this interim report, the details of the Group's two property development projects in the PRC are as follows:

City/Province	Percentage ownership/ interest	Approximate site area <i>(square feet)</i>	Approximate saleable area <i>(square feet)</i>	Development plan
Fuzhou, Jiangxi Province	100%	1.4 million	3.5 million	Residential cum commercial complex
Dongguan, Guangdong Province	100%	0.3 million	0.5 million	Residential cum commercial complex
Total		1.7 million	4.0 million	

Pre-sale of the third and fourth phases of the Fuzhou project commenced in the first half year of 2013, and the constructions are expected to be substantially completed in 2014. Pre-sale of the first and second phases of the Dongguan project commenced in March 2011 and the constructions were completed in late 2012. The pre-sales of the third phase of the Dongguan project is expected to be commenced near the year end. The Group's turnover of property sales for the period ended 30 September 2013 was approximately HK\$490.5 million.

As at the date of this interim report, the Group has sold more than 98% and 97% of residential and commercial units which had been put up for sales at the Fuzhou and Dongguan projects, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

OPERATION AND BUSINESS REVIEW *(Continued)*

Retail of Fresh Pork Meat and Related Produce

The sale of fresh pork meat and related produce in Hong Kong continued to generate steady income and cash flow for the Group. The Group operated 17 stalls as at 30 September 2013 (31 March 2013: 18).

Natural Resources Business in PNG

The Group entered into the natural resources business after the completion of the acquisition of a forestry project in PNG in October 2009. The project is to carry on business in timber logging, growing cereals and the plantation of oil palm and teak.

On 19 September 2013, Rich Skill Investments Limited, an indirect wholly-owned subsidiary of the Company, and Ms. To Yuk Fung, a former Director, entered into an agreement in relation to (i) selling the Group's entire 51% shareholding in Skywalker Global Resources Company Limited which holds the project in PNG; and (ii) assigning all rights and title to the Group's shareholder's loan, for the total consideration of HK\$62,000,000. Details of the transaction were disclosed in the announcement of the Company dated 19 September 2013 and the circular of the Company dated 7 November 2013.

Liquidity and Financial Resources

The Group's total assets as at 30 September 2013 were approximately HK\$2,151.4 million (31 March 2013: approximately HK\$1,980.8 million) which were financed by total liabilities and total equity of approximately HK\$1,339.5 million (31 March 2013: approximately HK\$1,176.8 million) and approximately HK\$811.9 million (31 March 2013: approximately HK\$804.0 million), respectively. The current ratio as at 30 September 2013 was approximately 1.1 times (31 March 2013: approximately 1.1 times).

As at 30 September 2013, the Group's aggregate bank borrowings amounted to approximately HK\$164.7 million (31 March 2013: approximately HK\$187.1 million). The gearing ratio was approximately 12.5% (31 March 2013: approximately 39.4%), calculated by reference to the Group's total borrowings net of cash and cash equivalents and the total equity of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

OPERATION AND BUSINESS REVIEW *(Continued)*

Liquidity and Financial Resources (Continued)

During the period under review, the Group repaid loans totaling HK\$15.0 million and approximately HK\$77.7 million to Gain Better Investments Limited (“**Gain Better**”) and Fully Finance Limited (“**Fully Finance**”), respectively. The total outstanding amount of the loans from Gain Better and Fully Finance were reduced to HK\$200.0 million and approximately HK\$107.6 million, respectively, as at 30 September 2013.

Exposure to Fluctuation in Exchange Rates

The revenue, bank deposits and operating costs of the Group are mainly denominated in Hong Kong dollars, Renminbi (“**RMB**”) and PNG Kina (“**Kina**”). The Group is not exposed to any material foreign currency exchange risk.

Employees and Remuneration Policy

As at 30 September 2013, the Group had a total of 120 employees (2012: 89), in which 45 employees were located in Hong Kong and 75 employees were located in the PRC. The Group’s remuneration policy is reviewed periodically by the remuneration committee and the Board and remuneration is determined by reference to market terms, company performance and individual qualifications and performance. The Group operates a Mandatory Provident Fund Scheme for those employees in Hong Kong who are eligible to participate.

Contingent Liabilities and Charge on Assets

As at 30 September 2013, the Group had no significant contingent liability (31 March 2013: nil).

As at 30 September 2013, (i) the PRC land reserves with a carrying value of approximately HK\$266.3 million and properties under development of approximately HK\$107.2 million (31 March 2013: the PRC land reserves with a carrying value of approximately HK\$297.9 million) were pledged to secure the Group’s banking facilities; and (ii) shares of several subsidiaries of the Group were pledged to secure a loan facility from Fully Finance.

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

OPERATION AND BUSINESS REVIEW *(Continued)*

Capital Commitment

The Group's capital commitment as at 30 September 2013 amounted to approximately HK\$923.0 million (31 March 2013: approximately HK\$629.5 million).

Future Plans and Prospects

In 2013, the PRC government continued to impose measures to cool the overheated property market. Despite the challenging environment, the rapid ongoing urbanization and industrialization continue to solidify the housing demand. The Group closely monitors its business strategy and product mix to strengthen its performance in the market. The Group is optimistic on the long-term development of the PRC property market and continues to look for the potential projects to replenish our land reserves in the PRC. Even though the Group recently entered into an agreement to dispose of its entire interest in a forestry project in PNG, we will continue to explore new potential business opportunities for delivering long term benefits to our shareholders.



DISCLOSURE OF INTERESTS

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2013, none of the Directors, chief executives of the Company, nor their respective associates, 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 of Part XV of the Securities and Futures Ordinance (the "**SFO**")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the period for the six months ended 30 September 2013 were rights to acquire benefits by means of the acquisition of shares or underlying shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executives of the Company to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

To the best of the Directors' knowledge, as at 30 September 2013, the following persons (other than the Directors or chief executives of the Company) had, or was deemed or taken to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange pursuant to section 336 of the SFO or, who had notified the Company of the relevant interests or short positions in the shares or underlying shares of the Company:

DISCLOSURE OF INTERESTS *(Continued)*

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES *(Continued)*

Long positions in the shares of the Company:

Name of shareholder	Number of shares	Approximate percentage of the Company's total issued share capital <i>(Note 2)</i> %
Gain Better <i>(Note 1)</i>	2,663,835,000	34.63
Wai Yuen Tong Medicine Holdings Limited ("WYT") <i>(Note 1)</i>	2,663,835,000	34.63
Ever Task Limited ("Ever Task") <i>(Note 2)</i>	1,424,184,000	18.52
Wang On Enterprises (BVI) Limited ("Wang On Enterprises") <i>(Note 3)</i>	1,464,184,000	19.04
Wang On Group Limited ("WOG") <i>(Note 2)</i>	1,464,184,000	19.04

Notes:

- (1) Gain Better is an indirect wholly-owned subsidiary of WYT.
- (2) Ever Task is an indirect wholly-owned subsidiary of WOG.
- (3) Wang On Enterprises, a wholly-owned subsidiary of WOG, was the sole shareholder of Ever Task and Vast Shine Investments Limited ("Vast Shine"). Vast Shine was the sole shareholder of Maifull Investments Limited which held 40,000,000 shares of the Company.
- (4) The percentage represented the number of shares over the total issued share capital of the Company as at 30 September 2013 of 7,691,500,000 shares.

Save as disclosed above, as at 30 September 2013, there were no other persons (other than the Directors or chief executives of the Company) who had any interest or short position in the shares or underlying shares of the Company which would fall 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.

SHARE OPTION SCHEME

The Company has adopted a performance based reward system to motivate its staff and such system is reviewed on a regular basis. On 21 August 2012, the Company terminated the old share option scheme adopted on 8 October 2002 and adopted a new share option scheme (the “**New Share Option Scheme**”) in compliance with Chapter 17 of the Listing Rules. The New Share Option Scheme became effective on 21 August 2012 and, unless otherwise cancelled or amended, will remain in force for a period of 10 years from that date.

As at 30 September 2013, no share options under the New Share Option Scheme remained outstanding. During the six months ended 30 September 2013, no share options were granted, exercised, lapsed and cancelled. As at the date of this interim report, the total number of shares available for issue under the New Share Option Scheme was 769,150,000, representing 10% of the total issued share capital of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company had complied with the code provisions of the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules throughout the period for the six months ended 30 September 2013 except for the following deviation:

Code provision A.2.1

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(Continued)

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE *(Continued)*

Code provision A.2.1 (Continued)

Mr. Chan Chun Hong, Thomas currently takes up the roles of both the chairman and managing director of the Company and is responsible for overall corporate planning, strategic policy making and managing of day-to-day operations of the Group. Mr. Chan has extensive experience in the industry which is of great value to overall development of the Company. The Company does not propose to comply with code provision A.2.1 of the CG Code for the time being as the Board considers that the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals with a balance of skills and experience appropriate for the requirements of the Group. The current structure also allows flexibility and enhances the efficiency of decision-making process in response to the constantly changing competitive environment.

The Group will continue to review and recommend such proposals, as appropriate, in aspect of such deviation or other aspects in order to enhance the Company's competitiveness and operating efficiency, to ensure its sustainable development and to generate greater returns for the shareholders of the Company.

CHANGE IN THE COMPOSITION OF THE BOARD

Ms. To Yuk Fung ceased to be the deputy chairman and executive director of the Company immediately after the conclusion of the 2013 annual general meeting of the Company held on 29 August 2013.

Ms. To confirmed that she has no disagreement with the Board and there is no matter with respect to the above that need to be brought to the attention of the shareholders of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(Continued)

UPDATE ON DIRECTOR'S INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Directors' Emoluments

With effect from 1 April 2013, the basic annual salary payable to Mr. Chan Chun Hong, Thomas has been increased by HK\$41,160, to Mr. Cheung Wai Kai has been increased by HK\$4,800, to Mr. Wong Yiu Hung, Gary has been increased by HK\$18,360, respectively.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 September 2013.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors had complied with the required standard set out in the Model Code adopted by the Company throughout the period under review.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(Continued)

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) comprises three independent non-executive Directors, namely Messrs. Sin Ka Man, Yuen Kam Ho, George and Cheung Sau Wah, Joseph, and is chaired by Mr. Sin Ka Man. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2013.

By Order of the Board

Chan Chun Hong, Thomas

Chairman and Managing Director

Hong Kong, 20 November 2013

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Board announces the unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2013, together with the comparative figures for the corresponding period in 2012. The unaudited condensed consolidated interim financial statements have been reviewed by the Audit Committee.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2013

		For the six months ended 30 September	
	Notes	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Turnover	4	525,102	154,653
Cost of sales		(430,675)	(99,833)
Gross profit		94,427	54,820
Other revenue	4	10,940	836
Selling and distribution expenses		(25,654)	(14,111)
Administrative expenses		(39,393)	(26,120)
Change in fair value of plantation assets	12	(49,990)	(13,283)
Share of results of an associate	13	10,743	8,087
Net profit/(loss) on financial assets at fair value through profit or loss		7,513	(5,954)
Finance costs	5	(14,945)	(19,660)
Loss before taxation	6	(6,359)	(15,385)
Taxation	7	2,674	(1,561)
Loss for the period		(3,685)	(16,946)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Continued)

For the six months ended 30 September 2013

	For the six months ended 30 September	
Notes	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent period		
Share of changes in other comprehensive income/(loss) in an associate	10,710	(4,109)
Exchange differences arising on translation of financial statements of overseas subsidiaries	8,522	(563)
Other comprehensive income/(loss) for the period	19,232	(4,672)
Total comprehensive income/(loss) for the period	15,547	(21,618)
Profit/(loss) for the period attributable to:		
— Owners of the Company	14,755	(10,393)
— Non-controlling interests	(18,440)	(6,553)
	(3,685)	(16,946)
Total comprehensive income/(loss) attributable to:		
— Owners of the Company	35,088	(15,885)
— Non-controlling interests	(19,541)	(5,733)
	15,547	(21,618)
Earnings/(loss) per share attributable to owners of the Company for the period		
— Basic and diluted	8 HK0.19 cents	(HK0.14 cents)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2013

	Notes	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Non-current assets			
Property, plant and equipment	10	5,317	4,988
Property under development		93,886	75,380
Prepaid lease payments	11	151,096	189,513
Plantation assets	12	391,334	441,324
Concession rights		12,026	12,157
Interest in an associate	13	280,468	259,015
Loans receivables		210,133	60,717
		1,144,260	1,043,094
Current assets			
Stock of properties	14	539,683	572,239
Inventories	15	201	156
Trade receivables	16	19	17
Prepayments, deposits and other receivables		77,776	83,776
Financial assets at fair value through profit or loss		18,653	11,140
Time deposits		13,390	444
Cash and bank balances		357,389	269,935
		1,007,111	937,707
Less: Current liabilities			
Trade payables	17	1	653
Deposits received, accruals and other payables		206,930	122,731
Receipts in advance		521,179	318,828
Tax payable		17,728	10,826
Interest-bearing bank loans		76,023	187,121
Interest-bearing loans	18	107,640	—
Interest-bearing loans from an immediate holding company	19	—	205,000
		929,501	845,159
Net current assets		77,610	92,548
Total assets less current liabilities		1,221,870	1,135,642

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

At 30 September 2013

	<i>Notes</i>	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Less: Non-current liabilities			
Interest-bearing bank loans		88,694	—
Interest-bearing loans	18	—	185,323
Interest-bearing loans from an immediate holding company	19	200,000	10,000
Deferred taxation		121,319	136,317
		410,013	331,640
Net assets		811,857	804,002
Capital and reserves			
Share capital	20	76,915	76,915
Reserves		609,792	582,396
Equity attributable to owners of the Company		686,707	659,311
Non-controlling interests		125,150	144,691
Total equity		811,857	804,002

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2013

	Attributable to equity holders of the Company						Attributable to owners of the Company	Non-controlling interests	Total equity
	Share capital	Share premium	Exchange fluctuation reserve	Other reserve (Note i)	Statutory reserve fund (Note ii)	Accumulated losses			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2012 (audited)	76,915	647,146	77,777	(4,240)	—	(190,206)	607,392	165,250	772,642
Loss for the period	—	—	—	—	—	(10,393)	(10,393)	(6,553)	(16,946)
Other comprehensive(loss)/ income for the period	—	—	(5,492)	—	—	—	(5,492)	820	(4,672)
Total comprehensive loss for the period	—	—	(5,492)	—	—	(10,393)	(15,885)	(5,733)	(21,618)
At 30 September 2012 (unaudited)	76,915	647,146	72,285	(4,240)	—	(200,599)	591,507	159,517	751,024
At 1 April 2013 (audited)	76,915	647,146	87,434	(4,240)	1,946	(149,890)	659,311	144,691	804,002
Profit/(loss) for the period	—	—	—	—	—	14,755	14,755	(18,440)	(3,685)
Other comprehensive income/(loss) for the period	—	—	20,333	—	—	—	20,333	(1,101)	19,232
Total comprehensive income/(loss) for the period	—	—	20,333	—	—	14,755	35,088	(19,541)	15,547
Dividend paid	—	—	—	—	—	(7,692)	(7,692)	—	(7,692)
Share premium reduction (Note iii)	—	(149,890)	—	—	—	149,890	—	—	—
Transfer to statutory reserve fund	—	—	—	—	240	(240)	—	—	—
At 30 September 2013 (unaudited)	76,915	497,256	107,767	(4,240)	2,186	6,823	686,707	125,150	811,857

Notes:

- (i) Other reserve represents the share of the changes in the associate's ownership interests in its subsidiaries that do not result in loss of control in previous year.
- (ii) According to the relevant PRC regulations applicable to PRC group companies are foreign investment enterprises, each of these subsidiaries is required to allocate a certain portion (not less than 10%) of its profit after tax, as determined in accordance with the PRC Accounting Regulations, to the statutory reserve fund until such reserve reaches 50% of its registered capital.
- (iii) On 29 August 2013, the share premium reduction has been approved in the annual general meeting of the Company. The share premium account of the Company was reduced by approximately HK\$149,890,000 and therefore the accumulated losses were eliminated by the same amount.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2013

	For the six months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Net cash generated from operating activities	701,715	243,933
Net cash used in investing activities	(480,231)	(143,399)
Net cash (used in)/generated from financing activities	(125,338)	14,442
Net increase in cash and cash equivalents	96,146	114,976
Cash and cash equivalents at the beginning of the period	270,379	214,954
Effects of exchange rate changes on the balance of cash held in foreign currencies	4,254	(903)
Cash and cash equivalents at the end of the period	370,779	329,027
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	357,389	325,020
Time deposits	13,390	4,007
	370,779	329,027

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

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

The unaudited condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 March 2013, which has been prepared in accordance with Hong Kong Financial Reporting Standards (the “**HKFRSs**”).

The preparation of the unaudited condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unaudited condensed consolidated interim financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimate uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2013.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

Application of new and revised HKFRSs

In the current period, the Group has applied for the first time, the following new and revised standards, amendments and interpretations (the “**new HKFRSs**”) issued by the HKICPA, which are effective for the Group’s financial period beginning 1 April 2013.

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HKFRS (Amendments)	Annual Improvements 2009-2011 Cycle
HKFRS 1 (Amendments)	Government Loans
HKFRS 7 (Amendments)	Disclosures — Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 10, 11 & 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HK(IFRIC) — Int 20	Stripping Costs in the Production Phase of a Surface Mine

The application of the above new HKFRSs had no material effect on the results and financial positions of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(Continued)*

Application of new and revised HKFRSs (Continued)

The Group has not early applied the following new HKFRSs that have been issued but are not yet effective.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27(2011)	Investment Entities ¹
HKAS 32 (Amendments)	Presentation — Offsetting Financial Assets and Financial Liabilities ¹
HKAS 36 (Amendments)	Impairment of Assets — Recoverable Amount Disclosures for Non-Financial Assets ¹
HKAS 39 (Amendments)	Financial Instruments: Recognition and Measurement — Novation of Derivatives and Continuation of Hedge Accounting ¹
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosure ²
HKFRS 9	Financial Instruments ²
HK(IFRIC) — Int 21	Levies ¹

¹ Effective for annual periods beginning on or after 1 January 2014

² Effective for annual periods beginning on or after 1 January 2015

The Group is in the process of assessing the potential impact of the above new HKFRSs upon initial application but is not yet in a position to state whether the above new HKFRSs will have a significant impact on the Group's and the Company's results of operations and financial position.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

3. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and contribution to operating results by operating segments for the six months ended 30 September 2013 and 2012, respectively:

2013

	Property development operation (Unaudited) HK\$'000	Sales of fresh pork meat and related produce operation (Unaudited) HK\$'000	Forestry and logging operation (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
Segment revenue:				
External revenue	490,546	34,556	—	525,102
Segment results	37,671	1,914	(53,278)	(13,693)
Unallocated interest income and gains				9,438
Corporate and other unallocated expenses				(5,415)
Net profit on financial assets at fair value through profit or loss				7,513
Share of results of an associate				10,743
Finance costs				(14,945)
Loss before taxation				(6,359)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

3. SEGMENT INFORMATION *(Continued)*

2012

	Property development operation (Unaudited) HK\$'000	Sales of fresh pork meat and related produce operation (Unaudited) HK\$'000	Forestry and logging operation (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
Segment revenue:				
External revenue	120,813	33,840	—	154,653
Segment results	20,896	2,792	(18,114)	5,574
Unallocated interest income and gains				694
Corporate and other unallocated expenses				(4,126)
Net loss on financial assets at fair value through profit or loss				(5,954)
Share of results of an associate				8,087
Finance costs				(19,660)
Loss before taxation				(15,385)

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the period (six months ended 30 September 2012: Nil).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

4. TURNOVER AND OTHER REVENUE

Turnover represents stock of properties sold, after allowances for returns and trade discounts and the net invoiced value of fresh pork meat and related produce. All significant intra-group transactions have been eliminated on consolidation.

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

	For the six months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Turnover:		
Sale of stock of properties	490,546	120,813
Sale of fresh pork meat and related produce	34,556	33,840
	525,102	154,653

	For the six months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Other revenue:		
Bank interest income	553	694
Interest income from loans receivable	9,416	—
Sundry income	971	142
	10,940	836

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

5. FINANCE COSTS

	For the six months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Effective interest on interest-bearing loans wholly repayable within five years	6,490	10,996
Effective interest on interest-bearing loans from an immediate holding company wholly repayable within five years	8,453	8,621
Effective interest on interest-bearing bank loans wholly repayable within five years	3,704	5,320
	18,647	24,937
Less: Amounts capitalised on the cost of property under developments	(3,702)	(5,277)
	14,945	19,660

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

6. LOSS BEFORE TAXATION

	For the six months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Loss before taxation is stated after charging/(crediting):		
Cost of inventories sold	19,916	19,072
Cost of completed properties sold	363,349	72,131
Business taxes and other levies	45,298	6,826
Depreciation of property, plant and equipment	554	596
Minimum lease payments under operating leases for land and buildings	5,482	3,940
Exchange (gain)/loss	(366)	130
Amortisation of concession right	131	131
Net (profit)/loss on financial assets at fair value through profit or loss	(7,513)	5,954

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

7. TAXATION

	For the six months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
The Group:		
Current taxation — Hong Kong	316	353
Current taxation — Mainland China	12,007	5,193
Deferred taxation — Papua New Guinea ("PNG")	(14,997)	(3,985)
Total tax (credit)/charge for the period	(2,674)	1,561

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the current and prior periods.

Subsidiaries in mainland China are subject to the PRC corporate income tax of the People's Republic of China (the "PRC") at 25% on the estimated assessable profits arising in mainland China during the current and prior periods.

The standard PNG profit tax rate is 30%. No provision for PNG profit tax has been made in the interim financial statement as the subsidiaries operated in PNG had no assessable profit in the current and prior periods.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

8. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY FOR THE PERIOD

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

	For the six months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
<i>Profit/(loss)</i>		
Profit/(loss) for the purpose of basic earnings/(loss) per share (profit/(loss) for the period attributable to owners of the Company)	14,755	(10,393)
	'000	'000
<i>Number of shares</i>		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	7,691,500	7,691,500

Diluted earnings/(loss) per share for the periods ended 30 September 2013 and 2012 were the same as the basic earnings/(loss) per share. There was no dilutive event existed during both periods.

9. DIVIDEND

The directors do not recommend the payment of interim dividend in respect of the six months ended 30 September 2013 (2012: Nil).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2013, the Group had acquired property, plant and equipment amounting approximately to HK\$1,365,000 (for the six months ended 30 September 2012: approximately HK\$399,000).

During the six months ended 30 September 2013, the Group had disposed property, plant and equipment amounting approximately to HK\$52,000 (for the six months ended 30 September 2012: Nil).

11. PREPAID LEASE PAYMENTS

	The Group HK\$'000
Cost	
At 31 March 2013 and 1 April 2013	206,351
Transfer to stock of properties	(43,399)
Exchange realignment	2,704
	<hr/>
At 30 September 2013	165,656
	<hr/>
Accumulated amortisation and impairment	
At 31 March 2013 and 1 April 2013	13,868
Charge for the period	1,203
Transfer to stock of properties	(3,034)
Exchange realignment	136
	<hr/>
At 30 September 2013	12,173
	<hr/>
Net book value	
At 30 September 2013 (Unaudited)	153,483
	<hr/> <hr/>
At 31 March 2013 (Audited)	192,483
	<hr/> <hr/>

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

11. PREPAID LEASE PAYMENTS *(Continued)*

The prepaid lease payments comprise of leasehold lands situated in the PRC held under long-term leases.

Amortisation expense on prepaid lease payments of approximately HK\$1,203,000 (for the six months ended 30 September 2012: approximately HK\$3,936,000) has been capitalised to properties under development for the period.

As at 30 September 2013, prepaid lease payment was pledged for interest-bearing bank loans of approximately HK\$76,023,000 (31 March 2013: approximately HK\$112,406,000) (Note 25).

Analysed for reporting purposes as:

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Current assets (included in prepayments, deposits and other receivables)	2,387	2,970
Non-current assets	151,096	189,513
	153,483	192,483

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

12. PLANTATION ASSETS

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
At the beginning of the period	441,324	492,383
Changes in fair value less costs to sell	(49,990)	(51,659)
At the end of the period	391,334	441,324

13. INTEREST IN AN ASSOCIATE

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Cost of investment in an associate — listed in Hong Kong	135,508	135,508
Share of net assets	280,468	259,015

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

13. INTEREST IN AN ASSOCIATE *(Continued)*

Details of the Group's associate which is held indirectly by the Company at 30 September 2013 and 31 March 2013 are as follows:

Name of associate	Form of entity	Place of incorporation	Principal place of operation	Class of shares held	Proportion of nominal value of issued share capital held	Proportion of voting power held	Principal activities
China Agri-Products Exchange Limited ("CAP")	Limited company	Bermuda	The PRC	Ordinary	28.22%	28.22%	Property rental and sale

For the purpose of applying the equity method of accounting for the current period, the unaudited consolidated financial statements of CAP for the six months ended 30 June 2013 have been used.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

13. INTEREST IN AN ASSOCIATE *(Continued)*

The summarised financial information in respect of the Group's interests in an associate is set out below:

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Revenue for the period	259,267	287,482
Profit for the period attributable to the owners of the associate	38,070	145,678
Profit attributable to the Group	10,743	41,118
Other comprehensive income attributable to the Group	10,710	4,585
Total assets	4,651,700	4,331,898
Total liabilities	(3,285,354)	(3,064,392)
Non-controlling interests	1,366,346 (372,482)	1,267,506 (349,826)
Total equity attributable to the owners of the associate	993,864	917,680
Net assets attributable to the Group	280,468	259,015
Market value of interest in an associate	90,994	187,545

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

14. STOCK OF PROPERTIES

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Completed properties	99,634	196,428
Properties under development	440,049	375,811
	539,683	572,239

15. INVENTORIES

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Fresh pork meat and related produce	201	156

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

16. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit. The credit terms are generally for a period of 30 days (31 March 2013: 30 days) for sales of fresh pork meat and related produce segment. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. No trade receivable is past due as at 30 September 2013. The Group does not hold any collateral over these balances.

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Trade receivables	55	53
Less: Impairment loss	(36)	(36)
	19	17

The aged analysis of trade receivables as at the end of reporting period, based on invoice date, net of impairment is as follows:

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Within 30 days	19	17

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

16. TRADE RECEIVABLES *(Continued)*

Movements of impairment loss on trade receivables:

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
At the beginning of the period	36	37
Impairment loss reversed	—	(1)
	<hr/>	<hr/>
At the end of the period	36	36
	<hr/> <hr/>	<hr/> <hr/>

As at 30 September 2013, the Group's trade receivables of approximately HK\$36,000 (31 March 2013: approximately HK\$36,000) were individually determined to be impaired. The individual impaired receivables related to customers that were in financial difficulties and directors assessed that the receivables were not expected to be recovered.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

17. TRADE PAYABLES

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

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Within 30 days	1	653

18. INTEREST-BEARING LOANS

The loan with principal amount of HK\$20,000,000, HK\$10,000,000 and remaining loan balance of approximately HK\$20,323,000 from Fully Finance Limited ("**Fully Finance**"), were fully repaid during the period ended 30 September 2013.

During the period ended 30 September 2013, the loan with principal amount of HK\$135,000,000 from Fully Finance was partly repaid approximately HK\$27,360,000 and the remaining outstanding balance is approximately HK\$107,640,000 at 30 September 2013. The remaining loan balance is secured by pledge of shares of several subsidiaries of the Group and carries an interest rate of 8% per annum. The loan is repayable on 22 August 2014 and is classified under current liabilities.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

19. INTEREST-BEARING LOANS FROM AN IMMEDIATE HOLDING COMPANY

The loan with principal amount of HK\$15,000,000 from Gain Better Investments Limited ("**Gain Better**"), was fully repaid during the period ended 30 September 2013.

The loans with principal amount of HK\$190,000,000 and HK\$10,000,000 from Gain Better are unsecured, carry interest at 8% per annum and are repayable on 12 November 2013 and 9 July 2014 respectively. On 22 August 2013, the Company and Gain Better entered into two supplemental agreements in respect of the extension the repayment dates of these two loans for 3 years in consideration for the increase in interest rate from 8% to 10% per annum. These two supplemental agreements were effected on 26 September 2013. These two loans are classified under non-current liabilities.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

20. SHARE CAPITAL

	Number of shares '000	Share capital HK\$'000
Authorised:		
At 31 March 2013 and 1 April 2013 ordinary shares of HK\$0.01 each (audited)	<u>20,000,000</u>	<u>200,000</u>
At 30 September 2013, ordinary shares of HK\$0.01 each (unaudited)	<u>20,000,000</u>	<u>200,000</u>
Issued and fully paid:		
At 31 March 2013 and 1 April 2013 ordinary shares of HK\$0.01 each (audited)	<u>7,691,500</u>	<u>76,915</u>
At 30 September 2013, ordinary shares of HK\$0.01 each (unaudited)	<u>7,691,500</u>	<u>76,915</u>

Share option scheme

Details of the Company's share option scheme are set out in the section "Share Option Scheme" on page 10 of this interim report.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

21. OPERATING LEASE ARRANGEMENTS

As lessee

The Group leases certain of its office premises and pork stalls under operating lease arrangements which are negotiated for lease terms of from one to three years.

At 30 September 2013, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Within one year	9,447	7,974
In the second to fifth years, inclusive	8,832	9,925
	18,279	17,899

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

22. MATERIAL RELATED PARTY TRANSACTIONS

During the period, the Group had entered into the following transactions with related parties which, in the opinion of the Directors, were carried out in the ordinary course of the Group's business.

	For the six months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Rental paid by the Group to Wai Yuen Tong Medicine Holdings Limited ("WYT") and its subsidiaries	303	275
Interest expenses to an immediate holding company	8,453	8,621
Interest income from an associate	9,416	—

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

22. MATERIAL RELATED PARTY TRANSACTIONS *(Continued)*

Key management personnel compensation

Remuneration for key management personnel, including amounts paid to the Company's Directors during the period is as follows:

	For the six months ended 30 September	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Salaries and other short-term employee benefits	7,741	3,297
Employer contribution to pension scheme	45	31
	7,786	3,328

23. FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

23. FAIR VALUE HIERARCHY *(Continued)*

Assets measured at fair value:

The Group

As at 30 September 2013

	Level 1 (Unaudited) HK\$'000	Level 2 (Unaudited) HK\$'000	Level 3 (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
Financial assets at fair value through profit or loss	18,653	—	—	18,653

As at 31 March 2013

	Level 1 (Audited) HK\$'000	Level 2 (Audited) HK\$'000	Level 3 (Audited) HK\$'000	Total (Audited) HK\$'000
Financial assets at fair value through profit or loss	11,140	—	—	11,140

During the period ended 30 September 2013, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (six months ended 30 September 2012: Nil).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

24. CAPITAL COMMITMENT

At 30 September 2013, the Group had the following capital commitments:

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Contracted but not provided for:		
Additions of property under development	890,770	589,717
Additions of construction in progress	32,218	39,770
	922,988	629,487

25. PLEDGED OF ASSETS

Assets with the following carrying amount have been pledged to secure interest-bearing bank loans of the Group are as follows:

	As at 30 September 2013 (Unaudited) HK\$'000	As at 31 March 2013 (Audited) HK\$'000
Prepaid lease payment	266,328	297,922
Properties under development	107,247	—
	373,575	297,922

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

25. PLEDGED OF ASSETS *(Continued)*

Shares of several subsidiaries of the Company have been pledged to secure an interest-bearing loan (Note 18).

26. CONTINGENT LIABILITIES

The Group and the Company have no material contingent liabilities as at 30 September 2013 and 31 March 2013.

27. EVENTS AFTER THE REPORTING PERIOD

On 6 November 2013, CAP completed a placing of 490,000,000 new shares which rendered the Group's shareholdings in CAP to be diluted from approximately 28.22% to approximately 23.54%.

28. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENT

The unaudited condensed consolidated financial statements were approved by the Board on 20 November 2013.