



PROVIEW INTERNATIONAL HOLDINGS LIMITED

唯冠國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 334)

Interim Report 2011

* *for identification purpose only*

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Ms. Sun Min (*Chairman*) (*appointed as
Chief Executive Officer on 18 September 2011*)

Mr. Yu Genming (*resigned as Chief Executive
Officer on 18 September 2011*)

Mr. Han Su

Mr. Chang I Sun

Mr. Lu Gui-fang

Mr. Wang Chih-cheng (*resigned on 7 July 2011*)

Ms. Hui Siu-ling, Elina (*retired on 17 January 2012*)

Non-Executive Directors

Mr. Chang I-hua (*resigned on 11 July 2011*)

Mr. Huang Ying-che, Michael (*resigned on 11 July 2011*)

PRINCIPAL REGISTRAR

The Bank of Bermuda Limited
(*Ceased services since 2012*)

Bank of Bermuda Building

6 Front Street

Hamilton HM 11

Bermuda

AUDITOR

ZHONGHUI ANDA CPA Limited

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

1712-1716, 17th Floor

Hopewell Centre

183 Queen's Road East

Wanchai

Hong Kong

REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

PRINCIPAL PLACE OF BUSINESS

Room 2708, 27/F

Shui On Centre

6-8 Harbour Road

Wanchai

Hong Kong

STOCK CODE

0334

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2011

INTERIM RESULTS

The Board of Directors (the "Board") of Proview International Holdings Limited (the "Company") present the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 31 December 2011 together with the comparative figures for the corresponding period in 2010 as follows:

	NOTES	Six months ended	
		31 December 2011 HK\$'000 (Unaudited)	31 December 2010 HK\$'000 (Unaudited)
Revenue	3	–	–
Administrative expenses		(2,341)	(229)
Loss before taxation		(2,341)	(229)
Income tax expense	4	–	–
Loss for the period	5	(2,341)	(229)
Attributable to:			
Owners of the Company		(2,341)	(229)
Non-controlling interests		–	–
		(2,341)	(229)
Loss per share			
– basic and diluted (HK cents)	7	(0.30)	(0.03)

Condensed Consolidated Statement of Financial Position

At 31 December 2011

	NOTES	31 December 2011 HK\$'000 (Unaudited)	30 June 2011 HK\$'000 (Audited)
Current Liabilities			
Accruals and other payables	8	480,601	478,260
Financial guarantee liabilities	9	2,810,000	2,810,000
NET LIABILITIES		(3,290,601)	(3,288,260)
Capital and Reserves			
Share capital	10	77,200	77,200
Reserves		(3,367,801)	(3,365,460)
TOTAL EQUITY		(3,290,601)	(3,288,260)

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2011

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Accumulated loss HK\$'000	Attributable to owners of the Company HK\$'000	Non- controlling interests HK\$'000	Total HK\$'000
For the six months ended							
31 December 2011							
At 1 July 2011	77,200	316,692	40,824	(3,722,976)	(3,288,260)	-	(3,288,260)
Loss for the period	-	-	-	(2,341)	(2,341)	-	(2,341)
Total comprehensive expenses	-	-	-	(2,341)	(2,341)	-	(2,341)
At 31 December 2011	77,200	316,692	40,824	(3,725,317)	(3,290,601)	-	(3,290,601)
For the six months ended							
31 December 2010							
At 1 July 2010	77,200	316,692	40,824	(3,722,161)	(3,287,445)	-	(3,287,445)
Loss for the period	-	-	-	(229)	(229)	-	(229)
Total comprehensive expenses	-	-	-	(229)	(229)	-	(229)
At 31 December 2010	77,200	316,692	40,824	(3,722,390)	(3,287,674)	-	(3,287,674)

Condensed Consolidated Statement of Cash Flows

For the six months ended 31 December 2011

	Six months ended	
	31 December 2011 HK\$'000 (Unaudited)	31 December 2010 HK\$'000 (Unaudited)
Cash flows from operating activities		
Loss before tax and operating cash flows		
before working capital changes	(2,341)	(229)
Change in accruals and other payables	2,341	229
Net cash used in operating activities	-	-
Net change in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the period	-	-
Cash and cash equivalents at the end of the period	-	-

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2011

1. BASIS OF PREPARATION

These condensed consolidated financial statements for the six months ended 31 December 2011 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 ‘Interim Financial Reporting’ issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements in accordance of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The condensed consolidated financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2011, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 30 June 2011 except as stated below.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current interim period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to its operations and effective for its accounting period beginning on or after 1 July 2010. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revise HKFRSs did not result in any substantial changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

3. REVENUE

There were no revenue generated for the six months ended 31 December 2011 (2010: Nil).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2011

4. INCOME TAX EXPENSE

	Six months ended	
	31 December 2011 HK\$'000 (Unaudited)	31 December 2010 HK\$'000 (Unaudited)
Hong Kong Profit Tax		
Current year	-	-
Other jurisdictions		
Current year	-	-
	<u>-</u>	<u>-</u>

No provision for Hong Kong Profits Tax has been made for the period ended 31 December 2011 as the Group did not generate any assessable profits arising in Hong Kong during the period.

The Company is incorporated in Bermuda and is exempted from taxation in Bermuda.

5. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging (crediting) the following items:

	Six months ended	
	31 December 2011 HK\$'000 (Unaudited)	31 December 2010 HK\$'000 (Unaudited)
Auditors' remuneration	150	150
Staff cost, including director's remuneration	938	-
	<u>1088</u>	<u>150</u>

6. DIVIDENDS

The Directors did not recommend the payment of the final dividend for the year ended 30 June 2011.

No interim dividend is proposed by the Directors for the six months ended 31 December 2011 (2010: Nil).

7. LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK\$2,341,000 (2010: HK\$229,000) and the weighted average number of approximately 772,009,000 ordinary shares (2010: approximately 772,009,000 ordinary shares) in issue during the period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2011

8. ACCRUALS AND OTHER PAYABLES

	31 December 2011 HK\$'000 (Unaudited)	30 June 2011 HK\$'000 (Audited)
Accruals and other payables (note (a))	84,044	81,970
Due to a director (note (b))	267	–
Due to deconsolidated subsidiaries (note (b))	396,290	396,290
	480,601	478,260

Notes:

- (a) All amounts of the accruals and other payables as stated above were recognised based on the books and records of the Group made available to the Directors.
- (b) The amounts due to a director and deconsolidated subsidiaries are unsecured, non-interest bearing and have no fixed term of repayment.

9. FINANCIAL GUARANTEE LIABILITIES

The financial guarantee liabilities represented the borrowings due by the Company's subsidiaries which were deconsolidated from the consolidated financial statements of the Company since 1 January 2010. Since the Company provided corporate guarantee for these borrowings, the Company was therefore liable to the financial guarantee liabilities at the end of the reporting period.

10. SHARE CAPITAL

	Number of ordinary shares of HK\$0.10 each	Amount HK\$'000
Authorised:		
At 1 July 2011 and 31 December 2011	2,000,000,000	200,000
Issued and fully paid:		
At 1 July 2011 and 31 December 2011	772,008,992	77,200

11. CAPITAL COMMITMENTS

At the end of the reporting period, the Group had no significant capital commitment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2011

12. LITIGATIONS

There are litigations being undertaken against and for the Group as at and after the end of the reporting period, details of which are summarised as follows:

- (a) *Apple Inc (1st Plaintiff) and IP Application Development Limited (2nd Plaintiff) vs the Company (1st Defendant); Proview Electronics Co. Ltd. (2nd Defendant); Proview Technology (Shenzhen) Co., Ltd. (3rd Defendant); YANG Long-san, Rowell (4th Defendant); and Yoke Technology (Shenzhen) Co. Ltd. (5th Defendant) – High Court Action 739 of 2010*

On 25 June 2010, the Plaintiffs alleged that there was an agreement entered into in or about December 2009 between the 2nd Plaintiff and the Company, 2nd and 3rd Defendants in relation to the sale, transfer and assignment of certain Trademarks. It was given to understand that the 2nd Defendant was the sole proprietor of such Trademarks. However, it found out that the 3rd Defendant instead is the registered proprietor of the Trademarks during the process of making application to the Trademarks Office of the PRC to assign the Trademarks from the 2nd Defendant to the 1st Plaintiff. As such, the 3rd Defendant has to execute a replacement assignment of the Trademark in honouring the transfer and assign of the Trademarks to the 1st Plaintiff.

The Plaintiffs claimed (i) the specific performance of the agreement for the transfer and assignment of the Trademarks made between the counterparties as before; (ii) the declaration that the 3rd and/or 5 Defendants merely held the Trademarks on trust for the Plaintiff's benefits; (iii) including the Company as constructive trustee and liable to the Plaintiffs; (iv) the injunction against the Company, and all of the remaining Defendants from selling, transferring, disposing the Trademarks without the Plaintiff's consent, nor to make any oral or written representation to any person that they have any title or rights in the Trademarks; (v) damages for conspiracy, equitable compensation, interest and costs, etc.

On 25 June 2012, a settlement was reached in relation to a related proceedings taken out by the Plaintiffs against the 3rd Defendant in the PRC Shenzhen Court. The terms of the settlement resulted in the resolution of the dispute matter, including the current action, are in the process of being implemented by the parties and was still ongoing.

By an order on 12 September 2012, it was ordered that all further proceedings in the action be stayed with liberty to the Plaintiffs to restore the same upon giving 21 days' notice in writing.

- (b) *China Development Bank Corporation (Plaintiff) vs the Company (Defendant) – High Court Action 623 of 2011*

On 28 December 2006, the Plaintiff entered into a loan agreement with Proview Technology (Shenzhen) Co., Ltd. for a loan of Rmb 100 million. The Company and YANG Long-san, Rowell executed 2 separate deeds of guarantee both dated 28 December 2006 in favor of the Plaintiff for repayment of such loan within 30 days after demand from the Plaintiff. An extension agreement dated 17 September 2009 was signed by the Company, Proview Technology (Shenzhen) Co., Ltd. and YANG Long-san, Rowell as supplementary of the initial Loan Agreement. Despite a settlement agreement dated 10 September 2010 was entered among all 4 parties, Proview Technology (Shenzhen) Co., Ltd, YANG Long-san, Rowell has nonetheless failed to repay the loan.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2011

12. LITIGATIONS (CONTINUED)

- (b) *China Development Bank Corporation (Plaintiff) vs the Company (Defendant) – High Court Action 623 of 2011 (Continued)*

The Plaintiff thus claimed against the Company for the judgement debt, interest and costs for relief. Since the Company has not filed any Notice of Intention to defend, the Court entered the judgement for the Plaintiff on 7 June 2011 for (i) the judgement sum of approximately Rmb 88 million; (ii) interest on the sum of Rmb 80 million at Rmb lending rate times 150% from 21 March 2011 to 7 June 2011, and (iii) at judgement rate of 8% thereafter and fix costs of HK\$11,045.

The Plaintiff made 5 Garnishee Order to Show Cause on 19 August 2011 against 5 bankers of the Company. By an order on 28 September 2011, the Garnishee Order made against the HSBC was made absolute, i.e. approximately of HK\$260,000 of the Company was garnisheed.

- (c) *The Company (Plaintiff) vs Ms. HUI Siu-ling, Elina (1st Defendant) and Ms. WANG Pik-lan (2nd Defendant) – High Court Action 1564 of 2011*

On 14 September 2011, the Company commenced legal proceedings against HUI and WANG in the Court of First Instance of the High Court of HKSAR for their breach of duties and refusal to cooperating with the Board by: (i) failing and/or refusing to provide the documents, records, and accounts of the Company to the Board; (ii) changing the bank mandate for operating the bank accounts of the Company; and (iii) failing to notify the Company of the winding-up proceedings commenced against the Company in Bermuda, such that the Board had to incur substantial costs in contesting the Bermuda proceedings and setting aside the winding-up order.

On 24 February 2012, the Defendants defended that they were not handed over the proper control of management, business, operations, finance, accounts and affairs of the Group by the ex-chairman – YANG Long-san, Rowell, who was at all material time and in actual control of the said matters. It was denied that they had ever agreed to deliver such items to the Company.

The Company had not filed any Reply or provided any Answer to the Request for Further and Better Particulars of the Statement of Claim. In addition, by an order dated 27 April 2012, the Company's legal adviser – Henry Wai & Co. ceased to act as the Company's solicitors, the action had been dormant hitherto.

- (d) *The Company applied under Order 102, Rule 2 of the Rules of the High Court of HKSAR and in accordance with Section 166(1) of the Companies Ordinance – High Court Miscellaneous Proceedings 1918 of 2011*

The Company filed an *ex parte* originating summons to the Hong Kong Court on 20 September 2011 to convene a meeting of the Creditors of the Company other than Preferential Creditors to consider, if thought fit, approve with or without modification a proposed Scheme of Arrangement. The Bermuda Court ordered that a meeting with all creditors of the Company be convened for the purpose of considering the Bermuda Scheme and if appropriate, approving it.

By an order of the Hong Kong Court dated 1 November 2011, the hearing for the *ex parte* originating summons for leave to convene the Creditors' meeting for approval of the Hong Kong Scheme be adjourned sine die with liberty to restore. By an order dated 27 April 2012, the Company's legal adviser – Henry Wai & Co. ceased to act as the Company's solicitors.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2011

12. LITIGATIONS (CONTINUED)

(e) *3M Hong Kong Limited (Plaintiff) vs the Company (Defendant) – District Court Civil Action 4675 of 2009*

Pursuant to an oral agreement and evidenced by a letter dated 25 November 2002, Proview Group (L) Limited – a then-subsiary of the Company had agreed to make purchase from the Plaintiff and the Company provided the Plaintiff with a continuing guarantee whereby in the event of default payment of Proview Group (L) Limited and the Company had to be immediately liable for settlement. Despite numerous demands, Proview Group (L) Limited failed to settle its outstanding dues to the Plaintiff.

The Plaintiff thereby claimed against the Company for: (i) the net outstanding sum of approximately US\$30,000; (ii) interest; (iii) costs; and (iv) further or other relief. On 17 February 2011, the District Court of HKSAR ordered that the Plaintiff do have leave to wholly discontinue its claim with no order as to costs.

(f) *Henry Wai & Company (Plaintiff) vs the Company (Defendant) – District Court Civil Action 1694 of 2012*

On 23 May 2012, the Plaintiff filed a Statement of Claim for: (i) the sums of approximately HK\$392,000 and US\$43,000 being fees and disbursements of professional services rendered by the Plaintiff to the Company; (ii) interests of the said sums in the aforesaid; (iii) costs; and (iv) further or other relief.

As the Company had not filed any Notice of Intention to Defend, the District Court of HKSAR entered judgement for the Plaintiff on 13 September 2012 for: (i) the judgement sum of approximately HK\$392,000 and US\$43,000; (ii) interest on the respective sums at judgement rate of 8% from 23 May 2012 until payment and (iii) fix costs of approximately HK\$7,000.

(g) *Capital Financial Press Limited (Claimant) vs the Company (Defendant) – Small Claim Tribunal 30860 of 2011*

On 27 October 2011, the Company was ordered to pay the Claimant (i) sum of HK\$26,000; (ii) pre-judgement interest on the said sum at judgement rate from 1 August 2011 to 27 October 2011; (iii) costs in the sum of HK\$120; and (iv) post judgement interest on the sum of the aforesaid together at the judgement rate from 27 October 2011 until payment.

(h) *High Court Miscellaneous Proceedings 1392 of 2014*

The Company filed an originating summons to the Hong Kong Court on 9 June 2014 to convene a meeting of Creditors (as defined in the joint announcement of the Company dated 30 May 2014 (the “Joint Announcement”)) to consider, if thought fit, approve the Hong Kong scheme (as defined in the Joint Announcement).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2011

13. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in these financial statements, during the period, the Group had the following transactions with related parties:

Related party	Nature of transactions	Six months ended	
		31 December 2011 HK\$'000	31 December 2010 HK\$'000
Key management personnel, including the Company's directors and all of the highest pay employees	Short-term benefits	855	–

14. CONTINGENT LIABILITIES

A full search of the contingent liabilities of the Group and its deconsolidated subsidiaries has not been conducted. Upon the scheme becoming effective, all claims against the Company will be subject to a formal adjudication process, dealt with and compromised under the provisions thereof.

Other than those disclosed in the litigations above, the Directors do not aware of any significant contingent liabilities of the Group at the end of the reporting period.

15. SUBSEQUENT EVENT

Subsequent to the six-months ended 31 December 2011 there are certain updates on the Group's corporate development, changes of the Company's directors, litigation involved, and details of which are stated in notes 12 to the condensed consolidated financial statements and the related public announcements of the Company on the Stock Exchange.

16. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements were approved by the Board of Directors on 26 June 2014.

Management Discussion and Analysis

RESULTS

The Group's consolidated loss for the interim period ended 31 December 2011 amounted to approximately HK\$2.3 million as compared with the loss of approximately HK\$0.2 million for the corresponding period ended 31 December 2010. The increase of loss was due to increase in administrative expenses and director's remuneration for the period.

SEGMENT INFORMATION

Details are set out in note 3 to the condensed consolidated financial statements.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2011, the Group's total net liabilities and financial guarantee liabilities amounted to approximately HK\$3,290.6 million and approximately HK\$2,810.0 million respectively. As at 31 December 2011, the Group's current asset and current liabilities amounted to approximately HK\$Nil and approximately HK\$3,290.6 million respectively. As at 31 December 2011, the Group had no borrowing and a zero gearing ratio (30 June 2011: Nil), which is defined as net debt (total borrowings net of cash and bank balances) over total equity, is resulted. The majority of the Group's assets and liabilities were denominated in Hong Kong and RMB dollars, and the exposure to foreign exchange risk is insignificant to the Group.

ASSETS AND LIABILITIES

As at 31 December 2011, the Group had total assets of approximately HK\$Nil (30 June 2011: HK\$Nil), total liabilities of approximately HK\$3,290.6 million (30 June 2011: HK\$3,288.3 million). The net liabilities of the Group as at 31 December 2011 were HK\$3,290.6 million (30 June 2011: HK\$3,288.3 million).

SIGNIFICANT INVESTMENTS AND ACQUISITION

On the basis of the available books and records, the Group did not have any significant investment nor did it make any material acquisition or disposal of subsidiaries and associates throughout the interim period ended 31 December 2011.

Management Discussion and Analysis

CHARGES ON GROUP ASSETS

As at 31 December 2011, the Group has no charged asset (30 June 2011: Nil).

RESERVES

As at 31 December 2011, the Company did not have any reserves available for distribution. Details of movements in the reserves of the Company and the Group during the period are set out in the condensed consolidated statement of changes in equity.

RESUMPTION PROPOSAL

On 30 November 2012, the Company submitted to Listing (Review) Committee of the Stock Exchange (the "Listing (Review) Committee") the revised resumption proposal (the "Revised Resumption Proposal"), which sets out, inter alia, the proposed acquisition (the "Acquisition") of TCL Display Technology (Huizhou) Company Limited (the "TCL Display") by the Company. TCL Display is principally engaged in the manufacturing of LCD modules for use mainly in mobile phones, which technology is in line with existing business of the Group. Pursuant to Rule 14.06(5) of the Rule Governing the Listing Securities on the Main Board of the Stock Exchange, the Acquisition constitutes a very substantial acquisition of the Company.

On 1 February 2013, the listing sub-committee of the directors of the Stock Exchange (the "Listing Committee") decided the Acquisition constitutes a reverse takeover and the Company should submit a new listing application to enable the Listing Committee to consider the Revised Resumption Proposal.

Apart from the Acquisition, the Revised Resumption Proposal includes, among other things, (i) the Capital Restructuring; (ii) the Revised Debt Restructuring by way of the Schemes involving issuance of the Bonds A, which constitutes a connected transaction; (iii) the Offer; and (vi) the Open Offer. For details, please refer to the Company's announcement dated 30 May 2014 (the "Announcement"). Capitalised terms used above shall have the same meanings as defined in the Announcement.

Management Discussion and Analysis

EXPOSURE TO EXCHANGE RATE FLUCTUATIONS

The Group does not engage in interest rate or foreign exchange speculative activities.

CAPITAL STRUCTURE

The share capital of the Company comprises only ordinary shares. As at 31 December 2011, the Company had in issue 772,008,992 ordinary shares (30 June 2011: 772,008,992 shares). During the period, no new shares were issued.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The details of capital commitments and contingent liabilities are set out in notes 11 and 14 to the condensed consolidated financial statements respectively.

EMPLOYEE INFORMATION

The Group's emolument policies are formulated on the basis of the performance of individual employees and are reviewed annually.

INTERIM DIVIDEND

In view of need of the Group's future development, the Board of Directors of the Company has resolved not to declare any interim dividend for the six months ended 31 December 2011 (2010: Nil).

Other Information

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

To the best knowledge of the current Directors 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 period under review.

DIRECTORS' INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2011, to the best knowledge of the current Directors of the Company, interests and short positions held by the Directors in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance (the "SFO")), as notified to The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

a) *Long positions in the shares of HK\$0.10 each of the Company*

Name of Director	Nature of interest	Number of shares held	Approximate percentage of issued share capital
Mr. Lu Gui-fang ("Mr. Lu")	Beneficial owner	460,000	0.06%

b) *Long positions in the underlying shares of the Company under equity derivatives*

Name of Director	Nature of interest	Number of underlying shares held	Approximate percentage of issued share capital
Mr. Lu (Note)	Beneficial owner	60,000	0.008%
Ms. Hui Siu-ling, Elina ("Ms. Hui") (Note)	Beneficial owner	5,200,000	0.67%

Other Information

DIRECTORS' INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

b) *Long positions in the underlying shares of the Company under equity derivatives (Continued)*

Note:

Mr. Lu and Ms. Hui were interested in the following share options granted under the share option scheme of the Company at the following exercise price per share with the following exercisable period:

Name of Director	No. of share options	Exercise price	Exercisable period
Mr. Lu	30,000	HK\$2.05	16 Feb 2005 – 10 Feb 2014
	30,000	HK\$2.05	16 Aug 2005 – 10 Feb 2014
Ms. Hui	66,000	HK\$2.05	16 Feb 2005 – 10 Feb 2014
	66,000	HK\$2.05	16 Aug 2005 – 10 Feb 2014
	68,000	HK\$2.05	16 Feb 2006 – 10 Feb 2014
	2,500,000	HK\$1.02	1 Dec 2007 – 31 Dec 2013
	2,500,000	HK\$1.02	1 Jun 2008 – 31 Dec 2013

Save as disclosed above and to the best knowledge of the current Directors of the Company, as at 31 December 2011, the Directors were not aware of any Directors, chief executives of the Company or any of their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations.

SHARE OPTIONS

To the best knowledge of the current Directors of the Company, there is insufficient information and document including the share option scheme of the Company to meet the disclosure requirements under the Listing Rules.

Other Information

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 December 2011, to the best knowledge of the current Directors of the Company, the interests and short positions of the substantial shareholders in more than 5% of the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of the SFO were as follows:

Long Positions in the shares of HK\$0.10 each of the Company

Name of substantial shareholder	Nature of interest	Number of shares held	Approximate percentage of issued share capital
Peipus International Ltd. ("Peipus") (Note (i))	Beneficial owner	231,562,724	29.99%
Smartview Invest Limited ("Smartview")	Interest in controlled corporation (Note (i))	231,562,724	29.99%
Mr. Yang Christian Laurent Tan ("Christian")	Interest in controlled corporation (Note (i))	231,562,724	29.99%
San-Chih Asset International Holding Corp. ("San-Chih") (Note (ii))	Beneficial owner	125,190,000	16.22%
Shan Chih Assets Development Company Limited ("Shan Chih")	Interest in controlled corporation (Note (ii))	125,190,000	16.22%
大同股份有限公司 ("Tatung")	Interest in controlled corporation (Note (ii))	125,190,000	16.22%

Notes:

- (i) The entire issued share capital of Peipus is owned by Smartview which in turn, approximately 99.85% of the issued share capital of Smartview is owned by Christian. Accordingly, Smartview and Christian are deemed to be interested in all the shares in which Peipus is interested in pursuant to the SFO.
- (ii) The entire issued share capital of San-Chih is owned by Shan Chih which in turn, the entire issued share capital of Shan Chih is owned by Tatung. Accordingly, Shan Chih and Tatung are deemed to be interested in all the shares in which San-Chih is interested in pursuant to the SFO.

Other Information

Save as disclosed above and to the best knowledge of the current Directors of the Company, as at 31 December 2011, the Directors were not aware of any person (other than Directors) who had interests or short positions in the shares, underlying shares or debentures of the Company which were recorded in the register required to be kept under Section 336 of the SFO.

CORPORATE GOVERNANCE

To the best knowledge of the current Directors of the Company, the Company had applied the principles as set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Listing Rules. Due to the severe financial difficulties of the Group and the prolonged suspension in trading of the shares of the Company on the Stock Exchange, the Directors are unable to comment as to whether the Company had complied with the CG Code throughout the six months ended 31 December 2011.

NON-COMPLIANCE WITH RULES 3.10(1), 3.10(2), 3.10A AND 3.21 OF THE LISTING RULES

During the six months ended 31 December 2011 and as at the date of this report, the Company has no independent non-executive Director ("INED") to constitute the audit committee of the Company and meet the requirements under rules 3.10(1), 3.10(2), 3.10A (to be complied by 31 December 2012) and 3.21 of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

To the best knowledge of the current Directors of the Company, the Company had adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standards set out in the Model Code. During the six months ended 31 December 2011, the Company was not aware of any non-compliance with the required standards as set out in the Model Code.

AUDIT COMMITTEE

There is no INED to be the member of the audit committee of the Company. The Company's unaudited condensed consolidated results for the six months ended 31 December 2011 have not been reviewed by the audit committee of the Company. However, the unaudited condensed consolidated results of the Company for the six months ended 31 December 2011 have been reviewed by the board of the Company.

By Order of the Board

PROVIEW INTERNATIONAL HOLDINGS LIMITED

Sun Min

Chairman

Hong Kong, 26 June 2014