



FOREBASE INTERNATIONAL HOLDINGS LIMITED

申基國際控股有限公司

(Incorporated in Hong Kong with limited liability) (於香港註冊成立之有限公司)

(Stock Code 股份代號: 2310)

INTERIM REPORT 中期報告 2014



CONTENTS

目錄

Corporate Information	2-4	公司資料
Financial Highlights	5-7	財務摘要
Management Discussion and Analysis	8-15	管理層討論及分析
Disclosure of Interests and Other Information	16-23	權益披露及其他資料
Financial Statements		財務報表
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	24-25	簡明綜合損益及其他全面收益表
Condensed Consolidated Statement of Financial Position	26-27	簡明綜合財務狀況表
Condensed Consolidated Statement of Changes in Equity	28-29	簡明綜合權益變動表
Condensed Consolidated Statement of Cash Flows	30-31	簡明綜合現金流量表
Notes to the Condensed Consolidated Financial Statements	32-56	簡明綜合財務報表附註

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive directors

Mr. Shen Yong (*Chairman*)
 Mr. Kwan Man Kit Edmond (*Chief Executive Officer*)
(appointed with effect from 10 June 2014)
 Mr. Ronald Lew Podlas
 Mr. Shen Ke
 Mr. Li Zhi
 Mr. Xu Li Jian
(resigned with effect from 1 April 2014)
 Mr. Leung Kin Pang
(resigned with effect from 1 April 2014)
 Mr. Hong Sang Joon

Independent non-executive directors

Mr. Yu Lei
 Dr. Jiang Ying
(resigned with effect from 5 May 2014)
 Ms. Zhang Cui Lan
 Mr. Ernst Rudolf Zimmermann

EXECUTIVE COMMITTEE

Mr. Shen Yong
 Mr. Kwan Man Kit Edmond
(became a member of the committee from 10 June 2014)
 Mr. Ronald Lew Podlas
 Mr. Shen Ke
 Mr. Li Zhi
 Mr. Xu Li Jian
(ceased to be a member with effect from 1 April 2014)
 Mr. Leung Kin Pang
(ceased to be a member with effect from 1 April 2014)
 Mr. Hong Sang Joon

AUDIT COMMITTEE

Ms. Zhang Cui Lan
 Dr. Jiang Ying
(ceased to be a member with effect from 5 May 2014)
 Mr. Yu Lei
 Mr. Ernst Rudolf Zimmermann

董事會

執行董事

申勇先生 (主席)
 關文傑先生 (行政總裁)
(於二零一四年六月十日獲委任)
 包德榮先生
 申柯先生
 李智先生
 徐立堅先生
(於二零一四年四月一日辭任)
 梁健鵬先生
(於二零一四年四月一日辭任)
 洪祥準先生

獨立非執行董事

余磊先生
 蔣瑛博士
(於二零一四年五月五日辭任)
 張翠蘭女士
 司馬文先生

執行委員會

申勇先生
 關文傑先生
(於二零一四年六月十日成為委員會成員)
 包德榮先生
 申柯先生
 李智先生
 徐立堅先生
(於二零一四年四月一日停任為成員)
 梁健鵬先生
(於二零一四年四月一日停任為成員)
 洪祥準先生

審核委員會

張翠蘭女士
 蔣瑛博士
(於二零一四年五月五日停任為成員)
 余磊先生
 司馬文先生

CORPORATE INFORMATION

公司資料

REMUNERATION COMMITTEE

Mr. Yu Lei
Dr. Jiang Ying
(ceased to be a member with effect from 5 May 2014)
Ms. Zhang Cui Lan
Mr. Ernst Rudolf Zimmermann

薪酬委員會

余磊先生
蔣瑛博士
(於二零一四年五月五日停任為成員)
張翠蘭女士
司馬文先生

NOMINATION COMMITTEE

Mr. Yu Lei
Dr. Jiang Ying
(ceased to be a member with effect from 5 May 2014)
Ms. Zhang Cui Lan
Mr. Ernst Rudolf Zimmermann

提名委員會

余磊先生
蔣瑛博士
(於二零一四年五月五日停任為成員)
張翠蘭女士
司馬文先生

INDEPENDENT BOARD COMMITTEE

Mr. Yu Lei
Dr. Jiang Ying
(ceased to be a member with effect from 5 May 2014)
Ms. Zhang Cui Lan
Mr. Ernst Rudolf Zimmermann

獨立董事委員會

余磊先生
蔣瑛博士
(於二零一四年五月五日停任為成員)
張翠蘭女士
司馬文先生

COMPANY SECRETARY

Mr. Tang Sze Lok

公司秘書

鄧詩諾先生

AUTHORISED REPRESENTATIVES

Mr. Leung Kin Pang
(until 31 March 2014)
Mr. Li Zhi
(from 1 April 2014)
Mr. Tang Sze Lok

授權代表

梁健鵬先生
(至二零一四年三月三十一日止)
李智先生
(自二零一四年四月一日起)
鄧詩諾先生

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 3805, 38/F.
The Lee Gardens
33 Hysan Avenue
Causeway Bay
Hong Kong

註冊辦事處及主要營業地點

香港
銅鑼灣
希慎道33號
利園一期
38樓3805室

AUDITOR

SHINEWING (HK) CPA Limited
Certified Public Accountants

核數師

信永中和(香港)會計師事務所有限公司
執業會計師

CORPORATE INFORMATION

SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Standard Limited
Level 22
Hopewell Centre
183 Queen's Road East
Hong Kong

INVESTOR RELATIONS CONTACT

Progressive Corporate Services Limited
Room 1110, 11/F., 113 Argyle Street
Mongkok, Kowloon
Hong Kong
Tel: (852) 2783 8736
Fax: (852) 2783 8589

STOCK CODE

The Stock Exchange of Hong Kong Limited: 2310

COMPANY WEBSITE

www.kse.com.hk

公司資料

股份過戶登記處

卓佳標準有限公司
香港
皇后大道東 183 號
合和中心
22 樓

投資者關係聯絡

盈進企業服務有限公司
香港
九龍旺角
亞皆老街 113 號 11 樓 1110 室
電話 : (852) 2783 8736
傳真 : (852) 2783 8589

股份代號

香港聯合交易所有限公司 : 2310

公司網址

www.kse.com.hk

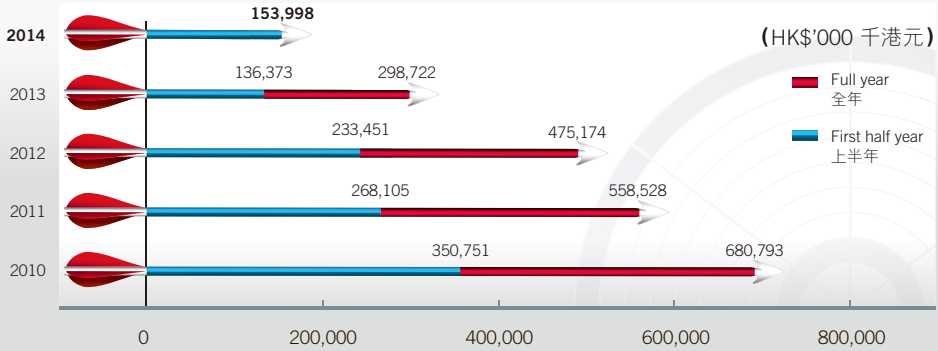
FINANCIAL HIGHLIGHTS

Six months ended 30 June

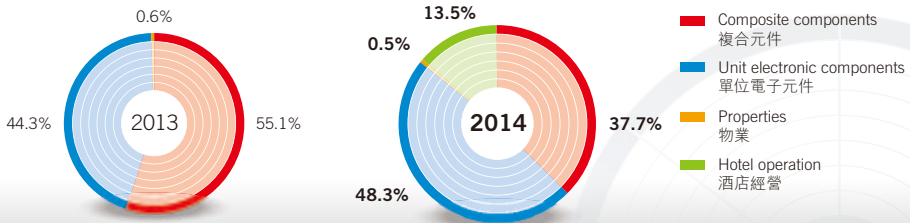
財務摘要

截至六月三十日止六個月

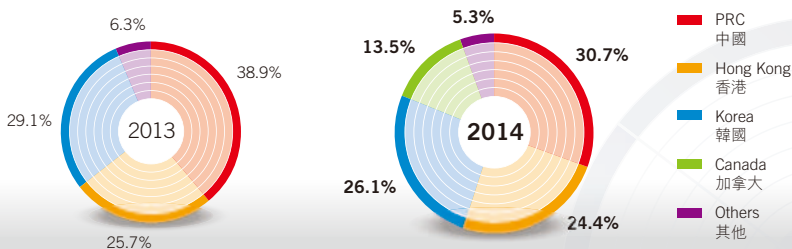
Revenue 收益



Revenue by Business Segments 按業務分部劃分之收益分析



Revenue by Geographical Segments 按地區分部劃分之收益分析



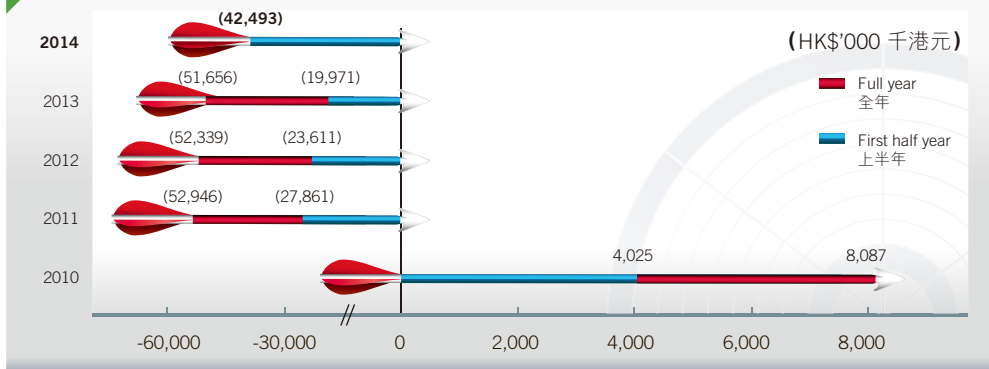
FINANCIAL HIGHLIGHTS

Six months ended 30 June

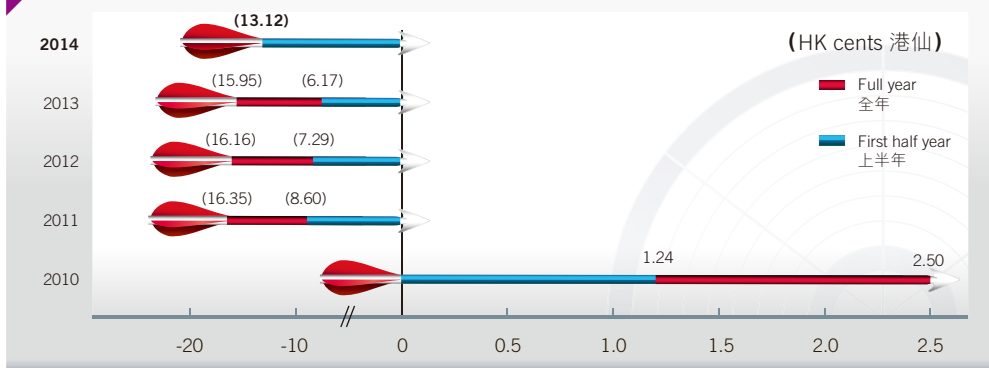
財務摘要

截至六月三十日止六個月

Profit (Loss) Attributable to Owners of the Company 本公司擁有人應佔溢利（虧損）



Basic Earnings (Loss) per Share 每股基本盈利（虧損）



FINANCIAL HIGHLIGHTS

Six months ended 30 June

財務摘要

截至六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月		
		2014 二零一四年 (Unaudited) (未經審核)	2013 二零一三年 (Unaudited) (未經審核)	% changes 變動百分比
Results (HK\$'000)	業績 (千港元)			
Revenue	收益	153,998	136,373	12.9
Gross loss	毛損	(2,605)	(1,063)	145.1
Loss before tax	除稅前虧損	(46,145)	(19,055)	142.2
Loss for the period	本期間虧損	(42,493)	(19,971)	112.8
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(42,493)	(19,971)	112.8
Per Share Data (HK cents)	每股數據 (港仙)			
Basic loss	基本虧損	(13.12)	(6.17)	112.6
Diluted loss	攤薄虧損	(13.12)	(6.17)	112.6
Financial Ratio (%)	財務比率 (%)			
Gross loss margin	毛損率	(1.69)	(0.78)	116.7
Net loss margin	淨虧損率	(27.59)	(14.64)	88.5
		At 30 June 2014 於二零一四年 六月三十日 (Unaudited) (未經審核)	At 31 December 2013 二零一三年 十二月三十一日 (Audited) (經審核)	% changes 變動百分比
Assets and Liabilities (HK\$'000)	資產與負債 (千港元)			
Total assets	總資產	310,558	348,370	(10.9)
Total liabilities	總負債	230,661	228,303	1.0
Total equity	總權益	79,897	120,067	(33.5)
Per Share Data (HK dollars)	每股數據 (港元)			
Total equity	總權益	0.25	0.37	(32.4)
Financial Ratio	財務比率			
Current ratio	流動比率	1	1.47	(42.6)
Quick ratio	速動比率	2	1.28	(41.6)

Notes:

- Current ratio represents current assets divided by current liabilities.
- Quick ratio represents current assets excluding inventories divided by current liabilities.

附註：

- 流動比率指流動資產除以流動負債。
- 速動比率指不包括存貨的流動資產除以流動負債。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Because of the completion of major acquisition of certain assets pertaining to the operation of a resort located in Victoria, British Columbia, Canada in November 2013, the Group has a new segment – hotel operation. Accordingly, the Group's turnover increased by approximately 12.9% to approximately HK\$153,998,000, as compared with the corresponding period last year. Cost of sales increased by approximately HK\$19,167,000 or 13.9% to approximately HK\$156,603,000 which was in line with the increase in revenue.

Other income and gains for the six months ended 30 June 2014 decreased by approximately HK\$3,407,000 as compared with the corresponding period last year. The decrease was primarily due to increase in fair value of investment properties during the period ended 30 June 2013 while no such item reported this period.

Operating expenses for the six months ended 30 June 2014 increased by approximately HK\$14,125,000 or 65.0% as compared with the corresponding period last year. The increase was mainly due to net effect of increase in administrative expenses arising from the acquisition of the resort that accounted for the entire interim review period, recognition of fair value losses and loss on disposal of certain investment properties (included in other operating expenses) of approximately HK\$7,092,000 and increase in research and development expenses of approximately HK\$2,970,000 arising from setting up of a research and development office in Korea in June 2014.

The increase in finance costs was mainly due to the interest charged on the secured note issued by the Group in November 2013.

財務回顧

繼於二零一三年十一月完成收購加拿大英屬哥倫比亞省維多利亞市一營運中的渡假酒店的相關資產，為本集團帶來了一個新分部 – 「酒店經營」。據此，本集團之收益相比去年同期增長約12.9%至約153,998,000港元。銷售成本上升約19,167,000港元或13.9%至約156,603,000港元，銷售成本之增加與收益上漲一致。

截至二零一四年六月三十日止六個月，其他收入及收益較去年同期相比減少約3,407,000港元。其他收入及收益之減少乃因於二零一三年六月三十日止期間計入投資物業公允價值之增加，而於本期間並無該等增幅。

截至二零一四年六月三十日止六個月，經營開支較去年同期相比增加約14,125,000港元或65.0%。該增幅乃主要因收購該酒店而其相關行政開支充分反映於整個中期回顧期內、確認投資物業公允價值之減少及出售若干投資物業之虧損（已計入其他經營開支）約7,092,000港元及因於二零一四年六月於韓國設立研發辦公室引致研發開支增加約2,970,000港元之淨影響所致。

融資成本之增加主要因為於二零一三年十一月發行有抵押票據產生之相關利息支出所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Taxation represented a net tax credit of approximately HK\$3,652,000 as compared to income tax expenses of approximately HK\$916,000 in the corresponding period last year. The difference was due to a deferred tax credit arising from the disposal of certain investment properties during the period under review.

所得稅開支為稅項抵免淨額約3,652,000港元，而與去年同期相比所得稅費用約916,000港元。該相差仍因於本回顧期間內出售若干投資物業所產生之遞延稅項抵免。

As a result of the foregoing, the Group reported a loss for the period of approximately HK\$42,493,000 as compared to approximately HK\$19,971,000 recorded in the corresponding period last year.

基於上述結果，本集團截至本期間錄得除稅後虧損約42,493,000港元，去年同期則錄得約19,971,000港元。

Liquidity and Financial Resources

As at 30 June 2014, the Group's net current assets amounted to approximately HK\$53,624,000 (31 December 2013: approximately HK\$110,835,000).

流動資金及財務資源

於二零一四年六月三十日，本集團之流動資產淨值約53,624,000港元（二零一三年十二月三十一日：約110,835,000港元）。

Current ratio, being the ratio of current assets to current liabilities, decreased from 2.56 as at 31 December 2013 to 1.47 as at 30 June 2014. The decrease in ratio mainly reflected the decrease in current assets and increase in current liabilities.

流動比率（即流動資產與流動負債之比率），由二零一三年十二月三十一日之2.56下跌至二零一四年六月三十日之1.47。流動比率下跌主要反映了流動資產之減少及流動負債之增加。

As at 30 June 2014, the Group's restricted bank deposits and bank and cash balances amounted to approximately HK\$79,120,000 (31 December 2013: approximately HK\$77,866,000) and bank overdrafts amounted to approximately HK\$389,000 (31 December 2013: nil).

於二零一四年六月三十日，本集團之受限制銀行存款及銀行結餘及現金約79,120,000港元（二零一三年十二月三十一日：約77,866,000港元）及銀行透支約389,000港元（二零一三年十二月三十一日：無）。

Charge on Assets

As at 30 June 2014, the Group's bank deposits of approximately HK\$4,126,000 and land and buildings held for own use of approximately HK\$108,020,000 (31 December 2013: bank deposits of approximately HK\$10,007,000, land and buildings held for own use of approximately HK\$108,655,000 and investment properties of approximately HK\$20,223,000) were pledged to secure banking facilities granted to and secured note issued by the Group.

資產抵押

於二零一四年六月三十日，本集團以銀行存款約4,126,000港元以及持有作自用之土地及樓宇約108,020,000港元（二零一三年十二月三十一日：銀行存款約10,007,000港元、持有作自用之土地及樓宇約108,655,000港元及投資物業約20,223,000港元）作為抵押以獲取銀行融資及本集團發行之抵押票據。

MANAGEMENT DISCUSSION AND ANALYSIS

Capital Structure

For the six months ended 30 June 2014, the Group financed its liquidity requirements through a combination of cash flow as generated from operations, secured note, advances from a director and ultimate holding company.

Capital Commitment and Contingent Liabilities

As at 30 June 2014, the Group had capital commitments of approximately HK\$264,000 (31 December 2013: nil) in respect of acquisition of property, plant and equipment and approximately HK\$21,714,000 (31 December 2013: approximately HK\$22,290,000) as operating lease commitments. As at 30 June 2014, the Group did not have any significant contingent liabilities.

Investment Activities

The Group did not make any material acquisition or disposal of any of its subsidiaries or associated company for the six months ended 30 June 2014.

Staff and Remuneration Policies

As at 30 June 2014, the Group had approximately 889 employees, including 712 based in the PRC, 39 based in Hong Kong, 108 based in Canada and 30 based in Korea. Staff costs for the six months ended 30 June 2014 were approximately HK\$49,380,000, representing an increase of approximately HK\$20,617,000 as compared to approximately HK\$28,763,000 in the corresponding period last year.

Employee remuneration is determined in accordance with prevailing industry practice and employees' performance and experience. Discretionary bonuses are awarded to employees with outstanding performance with reference to the performance of the Group. Employees are also entitled to other staff benefits including medical insurance and mandatory provident fund.

管理層討論及分析

資本結構

截至二零一四年六月三十日止六個月，本集團透過經營所得現金流、抵押票據、董事及最終控股公司之代墊款以支持流動資金需要。

資本承擔及或然負債

於二零一四年六月三十日，有關收購物業、機器及設備之資本承擔約為264,000港元（二零一三年十二月三十一日：無）及約為21,714,000港元（二零一三年十二月三十一日：約22,290,000港元）作為營運租賃承擔。於二零一四年六月三十日，本集團並無任何重大或然負債。

投資活動

截至二零一四年六月三十日止六個月，本集團概無任何重大收購或出售任何其附屬公司或聯營公司。

僱員及薪酬政策

於二零一四年六月三十日，本集團共有約889位員工，當中712位於中國、39位於香港、108位於加拿大及30位於韓國。截至二零一四年六月三十日止六個月，員工成本約49,380,000港元，較去年同期約28,763,000港元相比上升約20,617,000港元。

僱員酬金乃根據現行行業慣例及僱員表現及經驗而釐定。酌情花紅乃根據本集團之業績表現，以資獎勵表現優異之僱員。僱員亦享有其他員工福利（包括醫療保險及強制性公積金）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Foreign Exchange Fluctuation and Hedge

The Group is exposed to foreign currency risk arising from various currency exposures, primarily with respect to Renminbi, United States Dollar, Korean Won and Canadian Dollar. Foreign exchange risk arises from commercial transactions, recognised assets and liabilities and net investment in foreign operations. During the six months ended 30 June 2014, the Group did not enter into any forward foreign currency contracts.

外匯波動及對沖

本集團承受來自多種貨幣之外匯風險，主要涉及人民幣、美元、韓圓及加元。外匯風險來自商業交易、已確認之資產及負債，以及海外業務之淨投資。於截至二零一四年六月三十日止六個月，本集團概無訂立任何遠期外匯合約。

BUSINESS REVIEW

For the six months ended 30 June 2014, revenue from composite components business decreased by approximately 22.7% to approximately HK\$58,126,000, as compared with approximately HK\$75,177,000 for the corresponding period last year. The decrease was mainly attributable to decrease in sales of tuner modules for home audios and sales of dual docking systems. The revenue amount represented approximately 37.7% of the Group's total revenue.

業務回顧

截至二零一四年六月三十日止六個月，複合元件業務之收益減少約22.7%至約58,126,000港元，去年同期則錄得約75,177,000港元。該下降主要是由於銷售調諧器模塊及家用音響和銷售雙對接系統減少所致。該收益金額佔本集團總收益約37.7%。

Revenue from unit electronic components business amounted to approximately HK\$74,373,000, representing an increase of approximately 23.2% as compared to approximately HK\$60,357,000 over the corresponding period last year. The increase was mainly due to increase in customer orders. The revenue amount represented approximately 48.3% of the Group's total revenue.

單位電子元件業務之收益由二零一三年約60,357,000港元增加約23.2%至二零一四年約74,373,000港元。該增加主要由於客戶訂單增加所致。該收益金額佔本集團總收益約48.3%。

Revenue from properties business decreased by approximately HK\$148,000 from approximately HK\$839,000 in the corresponding period last year to approximately HK\$691,000 for the six months ended 30 June 2014. The decrease was due to disposal of the Group's investment properties in the PRC during the six months ended 30 June 2014. The revenue amount represented approximately 0.5% of the Group's total revenue.

來自物業投資業務之收益由去年同期約839,000港元下降約148,000港元至截至二零一四年六月三十日止六個月約691,000港元。該收益下降主要因本集團於二零一四年六月三十日止六個月出售了於中國的投資物業。該收益金額佔本集團總收益約0.5%。

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue generated from hotel operation in Canada contributed approximately HK\$20,808,000 for the six months ended 30 June 2014 which represented 13.5% of the Group's total revenue.

PROSPECTS

Looking forward, the Group anticipates that the consumer electronics market is still stagnant and the demand for electronic components will remain challenging with no signs of recovery. The rising trend in costs of both labour and materials is expected to continue to place repeated pressure on profit margin. To cope with the challenges of intense competition and hostile environment, the Group will adopt appropriate business strategies to weaken continuing impacts from these tough conditions and to inspire a turnaround for the Group. The Group expects that its turnaround strategy will eventually help deliver competitive returns to the Company's shareholders in the long term.

In addition, the Group will strive to boost up revenue from the Canadian resort in all aspects by introducing tourists from the Mainland and other countries.

As announced on 24 July 2014, the Company has initiated to acquire a target group holding a parcel of land in Yunnan Province, the PRC with a view to developing a hotel and residential composite. The Group has also been actively exploring other investment opportunities in hotel operation, property investment and development both in the PRC and other overseas countries which can enhance the shareholders' return and are within the core competence of the Group, when materialized and completed, the Company will make further announcement(s) should any acquisition(s) materialized to comply with the Listing Rules as and when required.

管理層討論及分析

截至二零一四年六月三十日止六個月，經營酒加拿大店之收益為20,808,000港元，佔本集團總收益約13.5%。

前景

展望未來，本集團預期消費類電子產品市場仍然停滯不前及對電子元件之需求仍然充滿挑戰且無復甦跡象。勞動力及原材料成本上漲之趨勢對利潤率構成沉重壓力。為應付激烈競爭及敵對環境之挑戰，本集團將積極採取適當的運營的策略，以削弱持續惡劣環境下之影響及協助本集團扭虧為盈。本集團預期，就長遠而言，其扭虧策略將最終為本公司股東帶來可觀的回報。

據此，本集團將引進來自中國內地及其他國家的遊客群力爭提升加拿大酒店整體收益。

茲提述二零一四年七月二十四日之公告，本公司已起動收購一目標集團，該目標集團現持有一幅位於中國雲南省之土地，該土地擬用於發展酒店及住宅綜合項目。本集團亦積極發掘其他於中國及其他海外國家之酒店經營、物業投資及發展的投資機會，此乃屬於本集團的核心競爭力並能夠提高本集團股東之回報。本集團將於適當時候按相關上市規則的要求於適當的時間作出公佈。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

INVESTOR RELATIONS

The Company values its relationship with investors, and guided by its management philosophy, is committed to maintaining transparency of operational performance and strategic development plans. The management communicates continually with analysts and institutional investors and provides them with up-to-date comprehensive information regarding the Company's development. The Company practices timely dissemination of information and makes sure its website www.kse.com.hk contains the most current information, including annual reports, interim reports, announcements, monthly returns and press releases, and is updated in a timely manner to maintain transparency.

投資者關係

本公司重視與投資者之關係，並且在其管理理念之指引下，致力維護營運表現之透明度及策略發展計劃。管理層保持與分析師及機構投資者溝通，並向其提供有關本公司發展之最新綜合資料，本公司及時發佈資料並確保其網站(www.kse.com.hk)刊載最新資料，包括年度報告、中期報告、公告、月報表以及新聞稿並且及時更新，以保持透明度。

CORPORATE SOCIAL RESPONSIBILITY

As a caring corporation, the Group has been active in fulfilling its social responsibility to the interest of all stakeholders and society. The Group's corporate social responsibility efforts fall into the three following categories:

企業社會責任

作為一家關懷社會之企業，本集團積極地履行其企業社會責任，維護本公司所有利益相關者以及社會之利益。本集團在企業社會責任方面所作出之努力可分為下列三類：

Marketplace

In the interest of shareholders, the Group adheres to the business objectives of contributing to the sustainable development of the electronics industry, improving consumer electronics to heighten product efficiency and delivering the best end-user experience. To these ends, the Group invests substantially in research and development and internal quality control to ensure the continuous delivery of quality and reliable products to customers. The Company complies with the requirements of ISO/TS 16949:2009 on design and manufacture of its car tuners and ISO 9001:2008 on production and servicing of electronic products. These products include transformers, intermediate frequency transformers, antennas, filters, coils, coil inductors, electrical meters, dielectric filters, tuners, tuner modules, wireless modules,

市場

為符合股東之利益，本集團堅持為電子業的可持續發展作出貢獻、以及改善消費者電子產品以提高效率及帶來最佳客戶體驗的商業目標工作。為此，本集團大量投資於研究、開發及內部質量監控，以確保不斷生產優質可靠之產品予客戶。本集團亦符合多項標準：ISO/TS16949:2009之汽車調諧器的設計和製造，ISO 9001:2008標準之電子產品生產及服務，該等產品包括變壓器、中周變壓器、天線、濾波器、線圈、電感器、電子儀表、誘電體濾波器、高頻頭、調諧器模組、無線接收器、開關電源板、DAB及數碼功率放大器之數碼調諧器模

MANAGEMENT DISCUSSION AND ANALYSIS

switching mode power supplies, digital tuner modules for DAB and digital amplifiers. The Group has also frequently received customers' performance certificates that signified recognition of the Group's professional procedures and appreciation of product quality.

The Group recognises the need and the cross-fertilisation benefits of collaboration between industry and academia. It hopes to ride on the resources of universities and selected research institutes to customise training courses and programmes that can help develop the business and professional competence of its people in successfully competing globally. In return, the Group provides consultancy services, financial aid and internships to university students.

Employee Health and Welfare

Caring about the health and work safety of its staff, the Group has introduced appropriate safety systems and processes to minimise staffs exposure to potential hazardous materials or adverse working conditions. As an equal opportunity employer, the Group strives to provide a fair work environment to employees and does not tolerate any form of harassment or discrimination in respect of employment and occupation. To retain the best talents, the Group ensures its employee remuneration packages are competitive and that rewards are linked with performance excellence.

The Group also encourages employees to enroll in external job-related courses and sponsors these initiatives when appropriate. As part of the orientation procedure, all new employees are required to participate in programmes on topics include internal control and information protection, ISO and quality management systems.

管理層討論及分析

組。本集團亦經常收到客戶之表現證書，肯定本集團之專業程序並對本集團產品質量表示嘉許。

本集團認同業界與大學合作之需要及裨益。本公司期望借助大學及若干研究院之資源訂制培訓，以助發展員工之業務及管理專業知識，應付全球競爭。本集團亦會向大學學生提供諮詢服務、資助及實習。

僱員健康及福利

本集團一向關注僱員的健康及工作安全，已引入適當的安全系統及措施，以減低僱員接觸潛在有害物質或處於惡劣環境工作。作為平等機會僱主，本集團確保各僱員均享有平等機會，且不容許有關就業及職業上的任何騷擾或歧視行為。為挽留最佳人才，本集團確保僱員薪酬待遇具競爭力，並因應其卓越表現作出獎勵。

本集團亦鼓勵僱員報讀外界與工作相關的課程，並在適當情況下就此作出贊助。所有新僱員均須參加內容包括內部監控及資訊保護、ISO及質量管理系統的課程，作為入職迎新的一部份。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group also arranges regular health checks for all employees to protect their health and therefore maintain their productivity at work. In case of sickness, employees are protected by comprehensive group medical insurance policies. Retirement and comprehensive pension funds are also provided to employees in accordance to relevant legislation.

Environment and Community

The Company complies with the requirements of ISO 14001:2004 on environmental management systems and procedures.

The Group also continues to make sure its products comply with the European Union's environmental protection guidelines including the Directive on the Restriction of the use of certain Hazardous Substances in Electrical Equipment ("RoHS") for manufacturing activities. All products manufactured by the Group are lead-free and RoHS compliant.

The Group also encourages employees to save energy and resources. To cut down on paper consumption, the Group encourages double-sided printing and printing when necessary only. The Group also relays energy saving tips to staff members through a daily learning programme. To fulfill its commitment to the society during the year, the Company has also provided donations to charities to help the needy.

本集團亦為全體僱員安排定期體檢，確保他們的健康並在工作上具生產力。如有染病，僱員亦獲本集團的全面醫療保險政策所保障。另外，亦有根據相關法例，向僱員提供退休福利及全面退休金。

環境及社會

本集團符合 ISO 14001:2004 環境管理體系之標準。

本集團亦持續確保產品符合歐盟環保指引，包括其生產程序符合在電氣電子設備中限制使用某些有害物質指令（「RoHS」）的規條。本集團生產的所有產品均不含鉛並已符合 RoHS。

本集團亦鼓勵僱員節省能源及資源。為減少耗紙，本集團鼓勵雙面打印及僅於必要時打印。本集團亦透過每日學習計劃向員工傳達節能小知識。年內，為履行對社會之承諾，本公司亦有捐款予慈善團體，幫助有需要人士。

DISCLOSURE OF INTERESTS AND
OTHER INFORMATION

權益披露及其他資料

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2014, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules adopted by the Company (the "Model Code") (collectively "disclosure interests") to be notified to the Company and the Stock Exchange, were as follows:

(1) Interests in Issued Shares of the Company

Name of directors	董事姓名	Beneficial Owner 實益擁有人				
Mr. Shen Yong	申勇先生	-	176,272,950 (note 1) (附註1)			
Mr. Shen Ke	申柯先生	5,500,000	176,272,950 (note 1) (附註1)			
Mr. Kwan Man Kit, Edmond	關文傑先生	3,238,969 (note 2) (附註2)	-			

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於二零一四年六月三十日，董事或本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中，擁有須(i)根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼等被視作或視為擁有之權益及淡倉）；或(ii)根據證券及期貨條例第352條記入該條所述登記冊之權益及淡倉；或(iii)根據本公司所採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所之權益及淡倉（統稱「須予披露權益」）如下：

(1) 本公司已發行股份權益

Ordinary shares 每股面值					
Interest of controlled corporation 受控制法團 之權益	Total number of shares held 持有之 股份總數	% of total issued shares 佔已發行股份 總數之百分比			

176,272,950 (note 1) (附註1)	176,272,950	54.42%			
176,272,950 (note 1) (附註1)	181,772,950	56.12%			
-	3,238,969	0.99%			

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

權益披露及其他資料

Notes:

- (1) These shares were held by Ultra Harvest Limited (“**Ultra Harvest**”), of which Ultra Harvest was owned as to 60% by Mr. Shen Yong and 40% by Mr. Shen Ke. Mr. Shen Yong is the father of Mr. Shen Ke.
- (2) This relates to the options granted under the share options scheme of the Company to Mr. Kwan Man Kit, Edmond to subscribe for 3,238,969 shares from 1 April 2017, all at the exercise price of HK\$2.41 per share.

附註：

- (1) 該等股份由Ultra Harvest Limited (「**Ultra Harvest**」) 持有，而Ultra Harvest由申勇先生擁有60%及申柯先生擁有40%。申勇先生為申柯先生之父親。
- (2) 此乃根據本公司之購股權計劃向關文傑先生授出合共可認購本公司3,238,969股股份之購股權，自二零一七年三月自授出日期起，行使價為每股份2.41港元。

(2) Interests in Ordinary Shares of USD1.00 each in the Issued Share Capital in Ultra Harvest, the Associated Corporation of the Company

(2) 本公司相聯公司Ultra Harvest已發行股本中每股面值1.00美元之普通股權益

Name of directors	董事姓名	Nature of interest/ Capacity 權益性質／身份	Total number of shares held 持有之股份總數	% of total issued shares of Ultra Harvest 佔已發行股份 總數之百分比
Mr. Shen Yong	申勇先生	Beneficial owner 實益擁有人	60	60%
Mr. Shen Ke	申柯先生	Beneficial owner 實益擁有人	40	40%

Save as disclosed above, as at 30 June 2014, none of the directors and/or the chief executive of the Company, or their respective associates had any other discloseable interests as required.

除上文披露者外，於二零一四年六月三十日，概無本公司之董事及／或最高行政人員或彼等之各自關連人士擁有任何其他須予披露之權益。

DISCLOSURE OF INTERESTS AND
OTHER INFORMATION

權益披露及其他資料

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2014, the following persons (other than the directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO or as otherwise notified to the Company were as follows:

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一四年六月三十日，除本公司之董事或最高行政人員外，下列人士於本公司之股份及相關股份中，擁有本公司根據證券及期貨條例第336條須予備存之登記冊所記錄或已知會本公司之權益或淡倉如下：

Substantial shareholders 主要股東	Ordinary shares 普通股		% of issued share capital 佔已發行 股份百分比
	No. of ordinary shares held 持有之 普通股數目	Nature of interest/Capacity 權益性質／身份	
Ultra Harvest (Note 1) Ultra Harvest (附註1)	176,272,950 (L)	Beneficial owner 實益擁有人	54.42%
Ms. Meng Qing (Note 2) 孟青女士 (附註2)	176,272,950 (L)	Interest of spouse 配偶之權益	54.42%
	5,500,000 (L)	Beneficial owner 實益擁有人	1.70%
Ms. Peng Jingyi (Note 3) 彭婧一女士 (附註3)	181,772,950 (L)	Interest of spouse 配偶之權益	56.12%

(L) Long position

(L) 好倉

Notes:

附註：

(1) Ultra Harvest is owned as to 60% by Mr. Shen Yong and 40% by Mr. Shen Ke. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, each of Mr. Shen Yong and Mr. Shen Ke is deemed to be interested in all the ordinary shares in which Ultra Harvest is, or is deemed to be, interested. Mr. Shen Yong is the father of Mr. Shen Ke, both of whom are directors of Ultra Harvest.

(1) Ultra Harvest分別由申勇先生及申柯先生擁有60%及40%。根據證券及期貨條例第XV部第2及3分部之條款，申勇先生及申柯先生被視為於Ultra Harvest擁有或視為擁有權益之所有普通股中擁有權益。申勇先生為申柯先生之父親，兩人均為Ultra Harvest之董事。

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

權益披露及其他資料

- (2) Ms. Meng Qing is the spouse of Mr. Shen Yong. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, she is deemed to be interested in all the ordinary shares in which Mr. Shen Yong is, or is deemed to be, interested.
- (3) Ms. Peng Jingyi is the spouse of Mr. Shen Ke. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, she is deemed to be interested in all the ordinary shares in which Mr. Shen Ke is, or is deemed to be, interested.

- (2) 孟青女士為申勇先生之配偶。根據證券及期貨條例第XV部第2及3分部之條款，彼被視為於申勇先生擁有或視為擁有權益之所有普通股中擁有權益。
- (3) 彭靖一女士為申柯先生之配偶。根據證券及期貨條例第XV部第2及3分部之條款，彼被視為於申柯先生擁有或視為擁有權益之所有普通股中擁有權益。

Save as disclosed above, as at 30 June 2014, no other interests required to be recorded in the register kept under Section 336 of the SFO had been notified to the Company.

除上文所披露者外，於二零一四年六月三十日，本公司並無得悉其他需要記錄於依據證券及期貨條例第336條須予備存之登記冊內之權益。

SHARE OPTION SCHEME

The share option scheme (the “**Old Scheme**”) adopted by the Company on 16 June 2003 expired on 15 June 2013. The Company has adopted a new share option scheme (the “**New Scheme**”) on 3 June 2013 whereby the directors of the Company are authorised, at their discretion, to invite, among other eligible participants, employees of the Group (including directors of any member of the Group), advisers and consultants, to take up options to subscribe for shares of the Company. Each option gives the holder the right to subscribe for one ordinary share of the Company. The New Scheme shall be valid and effective for a period of ten years ending on 2 June 2023, after which no further options can be granted.

購股權計劃

本公司於二零零三年六月十六日採納之購股權計劃（「**舊計劃**」）已於二零一三年六月十五日屆滿。本公司於二零一三年六月三日採納新購股權計劃（「**新計劃**」），本公司董事獲授權酌情向（包括其他合資格參與者）本集團僱員（包括本集團內任何成員公司之董事）、顧問及諮詢人提出接納購股權之要約，以認購本公司股份。各份購股權均授權持有人認購一股本公司普通股。新計劃有效期為十年，直至二零二三年六月二日止，其後不可授出額外購股權。

DISCLOSURE OF INTERESTS AND
OTHER INFORMATION

權益披露及其他資料

Particulars of the movement of the options held by each of the directors and, the employees of the Company in aggregate granted under the New Scheme during the period ended 30 June 2014, were as follows:

於二零一四年六月三十日止期間，根據新計劃授予本公司董事及僱員之購股權變動詳情載列如下：

Category of participants	Date of grant	Exercise period	Exercise price per share 每股股份 行使價 HK\$ 港元	Number of outstanding share options 尚未行使之購股權數目				Held at 30 June 2014 於二零一四年六月三十日 持有
				Held at 1 January 2014 於二零一四年一月一日 持有	Granted during the period 於本期間 授予	Exercised during the period 於本期間 行使	Lapsed during the period 於本期間 失效	
Directors of the Company								
本公司董事								
Mr. Kwan Man Kit, Edmond								
關文傑先生	10.6.2014	1.4.2017-9.6.2024	2.41	-	3,238,969	-	-	3,238,969
Total 合共				-	3,238,969	-	-	3,238,969

The fair value of the options determined at the date of grant using the Binomial model was approximately HK\$4,172,000.

購股權於授出日期之公允價值仍按二項式期權定價模式計算約為4,172,000港元。

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

權益披露及其他資料

The following assumptions were used to calculate the fair value of the share options:

以下假設用於計算購股權之公允價值：

10 June 2014

二零一四年

六月十日

Grant date share price	授出日期之股價	HK\$2.38 港元
Exercise price	行使價	HK\$2.41 港元
Expected life	預期年期	10 years 年
Expected volatility	預期波幅	54.65%
Dividend yield	股息收入	0%
Risk-free interest rate	無風險利率	2.053%

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

二項式期權定價模式已用於估算購股權之公允價值。計算購股權之公允價值所使用之參數及假設乃基於董事之最佳預測。參數及假設之變動將可能導致購股權的公允價值變化。

Other than disclosed above, no other share options had been granted during the period. No share options had been cancelled or had lapsed during the period.

除上文披露外，於本期間，概無授出其他購股權。於本期間，亦概無購股權被註銷或失效。

As at 30 June 2014, the total number of outstanding share options under the New Scheme were 3,238,969 share options.

於二零一四年六月三十日，在新計劃下尚未行使之購股權總數目為3,238,969份。

OTHER INFORMATION

Interim Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2014 (six months ended 30 June 2013: nil).

其他資料

中期股息

董事會不建議派付截至二零一四年六月三十日止六個月之中期股息（截至二零一三年六月三十日止六個月：無）。

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

Corporate Governance

The Company is committed to achieving a high standard of practices of corporate governance so as to ensure the protection of shareholders' interests with better transparency. The Company has complied with the code provisions of the Corporate Governance Code set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2014, except for the following:

The Company held its annual general meeting on 30 May 2014 (the "AGM"). Code Provision E.1.2 stipulates that the Chairman of the Board should attend the AGM. Due to other business engagements, the Chairman of the Board was unable to attend the AGM.

The Company will continue to create excellent conditions for independent non-executive directors and (if any) non-executive directors to attend general meetings, so as to support non-executive directors to respond to shareholders' questions in the general meetings.

Model Code for Securities Transactions by Directors

The Company has adopted Appendix 10, Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules (the "Model Code") as the code of practice for carrying out securities transactions by the directors of the Company. The Company, having made specific enquiries to all directors of the Company, confirmed that throughout the six months ended 30 June 2014, all directors have complied with the code provisions as set out in the Model Code. The relevant employees who, because of their office in the Company, are likely to be in possession of unpublished inside information, have been requested to comply with the provisions of the Model Code.

權益披露及其他資料

企業管治

本公司一向恪守嚴謹之企業管治常規，藉提高透明度確保股東利益。本公司於截至二零一四年六月三十日止六個月已遵守聯交所證券上市規則附錄十四所載企業管治守則所載的守則條文，惟下列除外：

本公司於二零一四年五月三十日舉行股東週年大會（「股東週年大會」）。守則條文第E.1.2條規定董事會主席應出席股東週年大會。由於有其他事務在身，董事會主席未能出席股東週年大會。

本公司將繼續為獨立非執行董事及非執行董事（若有）提供最佳狀況以供彼等出席股東大會，以支持非執行董事回應股東於股東大會之提問。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十之《上市發行人董事進行證券交易的標準守則》（「標準守則」），作為本公司董事進行證券交易的行為守則。本公司向本公司所有董事作出具體查詢後確認，於截至二零一四年六月三十日止六個月，所有董事均有遵守標準守則所載之守則條文。該等由於在本公司所持有之職務而可能擁有未經發表之內幕消息之有關僱員已被要求遵守標準守則所載之守則條。

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

權益披露及其他資料

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 June 2014.

購買、出售或贖回本公司上市證券

本公司或任何其附屬公司於截至二零一四年六月三十日止六個月概無購買、出售或贖回本公司任何上市證券。

Review of Accounts

The audit committee of the Board (the "Audit Committee") has reviewed and discussed with the management of the Company the accounting principles and practices, financial reporting process, internal control matters, and the unaudited interim financial results for the six months ended 30 June 2014. The Audit Committee consists of three independent non-executive directors of which at least one of them has appropriate professional qualifications and experience in financial matters.

賬目審閱

董事會審核委員會（「審核委員會」）已與本公司管理層審閱及討論會計原則及慣例、財務報告程序、內部監控事宜，以及截至二零一四年六月三十日止六個月之未經審核財務業績。審核委員會由三名獨立非執行董事組成，彼等中至少一位具有財務方面之專業資格及經驗。

By order of the Board
Forebase International Holdings Limited
SHEN YONG
Chairman

承董事會命
申基國際控股有限公司
主席
申勇

Hong Kong, 29 August 2014

香港，二零一四年八月二十九日

CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2014

簡明綜合損益及其他
全面收益表

截至二零一四年六月三十日止六個月

		Six months ended 30 June		
		截至六月三十日止六個月		
		2014	2013	
		二零一四年	二零一三年	
		HK\$'000	HK\$'000	
		千港元	千港元	
		(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	
Revenue	收益	4	153,998	136,373
Cost of sales	銷售成本		(156,603)	(137,436)
Gross loss	毛損		(2,605)	(1,063)
Other income and gains	其他收入及收益		716	4,123
Selling and distribution expenses	銷售及分銷開支		(3,080)	(4,080)
Administrative expenses	行政開支		(16,986)	(10,880)
Research and development expenses	研發開支		(4,663)	(1,693)
Other operating expenses	其他經營開支		(11,115)	(5,066)
Finance costs	融資成本		(8,412)	(396)
Loss before tax	除稅前虧損		(46,145)	(19,055)
Income tax credit (expense)	所得稅抵免(開支)	6	3,652	(916)
Loss for the period	本期間虧損	7	(42,493)	(19,971)

Notes
附註

**CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

**簡明綜合損益及其他
全面收益表**

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
Note		HK\$'000	HK\$'000
附註		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Other comprehensive income:	其他全面收益：		
<i>Item that will not be reclassified to profit or loss:</i>	將不會重新分類至損益的項目：		
Release of deferred tax upon disposal of investment properties	因出售投資物業而釋放之遞延稅項	1,962	-
<i>Item that may be subsequently reclassified to profit or loss:</i>	或會重新分類至損益的項目：		
Exchange differences arising on translation	因換算而產生之匯兌差額	274	4,048
Other comprehensive income for the period	本期間其他全面收益	2,236	4,048
Total comprehensive expense for the period	本期間全面開支總額	(40,257)	(15,923)
Loss per share	每股虧損		
- Basic and diluted (HK cents)	- 基本及攤薄 (港仙)	(13.12)	(6.17)

CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

簡明綜合財務狀況表

於二零一四年六月三十日

			30 June 2014	31 December 2013
			於二零一四年 六月三十日	於二零一三年 十二月三十一日
		Notes 附註	HK\$'000	HK\$'000
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	10	132,538	136,259
Investment properties	投資物業	11	9,600	29,823
Club memberships	會所會籍		600	600
Deposits for purchase of property, plant and equipment	購置物業、機器及設備 之按金		445	–
			143,183	166,682
Current assets	流動資產			
Inventories	存貨		21,967	26,385
Trade and other receivables	應收貿易及其他賬款	12	66,288	77,437
Restricted bank deposits	受限制銀行存款		4,126	10,007
Bank balances and cash	銀行結餘及現金		74,994	67,859
			167,375	181,688
Current liabilities	流動負債			
Trade and other payables	應付貿易及其他賬款	13	70,157	65,481
Amount due to ultimate holding company	應付最終控股公司款項	14	18,943	–
Amount due to a director	應付一名董事款項	14	21,491	–
Tax payables	應付稅項		2,634	5,239
Obligation under a finance lease	融資租賃責任		137	133
Bank overdrafts	銀行透支		389	–
			113,751	70,853
Net current assets	流動資產淨值		53,624	110,835
Total assets less current liabilities	資產總值減流動負債		196,807	277,517

**CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION**

簡明綜合財務狀況表

As at 30 June 2014

於二零一四年六月三十日

			30 June 2014	31 December 2013
			於二零一四年 六月三十日	於二零一三年 十二月三十一日
		Notes 附註	HK\$'000	HK\$'000
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
Capital and reserves	資本及儲備			
Share capital	股本	15	90,956	32,390
Reserves	儲備		(11,059)	87,677
Equity attributable to owners of the Company and total equity	本公司擁有人應佔權益 及總權益		79,897	120,067
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債		268	7,647
Obligation under a finance lease	融資租賃責任		375	444
Amount due to ultimate holding company	應付最終控股公司款項	14	-	16,565
Amount due to a director	應付一名董事款項	14	-	16,478
Secured note	抵押票據	16	116,267	116,316
			116,910	157,450
			196,807	277,517

CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2014

截至二零一四年六月三十日止六個月

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元 (Note (a)) (附註(a))	Contribution reserve 出資儲備 HK\$'000 千港元 (Note (b)) (附註(b))	Properties revaluation reserve 物業重估儲備 HK\$'000 千港元 (Note (c)) (附註(c))	Statutory reserve 法定儲備 HK\$'000 千港元 (Note (d)) (附註(d))	Share options reserve 購股權儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Retained profits (accumulated losses) 保留溢利 (累計虧損) HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
For the six months ended 30 June 2013	截至二零一三年六月三十日止六個月									
At 1 January 2013 (audited)	於二零一三年一月一日 (經審核)	32,390	58,566	8,478	23,142	10,215	-	(6,686)	40,665	166,770
Loss for the period	本期間虧損	-	-	-	-	-	-	-	(19,971)	(19,971)
Other comprehensive income (expense) for the period	本期間其他全面收益 (開支)									
- Release of deferred tax upon disposal of an investment property	- 因出售投資物業而釋放之遞延稅項	-	-	-	27	-	-	-	(27)	-
- Exchange differences arising on translation	- 因換算而產生之匯兌差額	-	-	-	-	-	4,048	-	-	4,048
		-	-	-	27	-	4,048	(27)	4,048	
Total comprehensive income (expense) for the period	本期間其他全面收益 (開支)	-	-	-	27	-	4,048	(19,998)	(15,923)	
Release upon disposal of an investment property	因出售投資物業而釋放	-	-	-	(294)	-	-	294	-	-
At 30 June 2013 (unaudited)	於二零一三年六月三十日 (未經審核)	32,390	58,566	8,478	22,875	10,215	-	(2,638)	20,961	150,847
For the six months ended 30 June 2014	截至二零一四年六月三十日止六個月									
At 1 January 2014 (audited)	於二零一四年一月一日 (經審核)	32,390	58,566	8,478	10,397	10,215	-	(4,492)	4,513	120,067
Loss for the period	本期間虧損	-	-	-	-	-	-	-	(42,493)	(42,493)
Other comprehensive income for the period	本期間其他全面收益									
- Release of deferred tax upon disposal of investment properties	- 因出售投資物業而釋放之遞延稅項	-	-	-	1,962	-	-	-	-	1,962
- Exchange differences arising on translation	- 因換算而產生之匯兌差額	-	-	-	-	-	274	-	-	274
		-	-	-	1,962	-	274	-	2,236	
Total comprehensive income (expense) for the period	本期間其他全面收益 (開支)	-	-	-	1,962	-	274	(42,493)	(40,257)	
Transfer upon abolition of par value under the new Hong Kong Companies Ordinance	按新香港公司條例廢除面值時轉出	58,566	(58,566)	-	-	-	-	-	-	-
Recognition of equity-settled share-based payments	確認以股權結算之股份付款	-	-	-	-	-	87	-	-	87
Release upon disposal of investment properties	因出售投資物業而釋放	-	-	-	(11,890)	-	-	-	11,890	-
At 30 June 2014 (unaudited)	於二零一四年六月三十日 (未經審核)	90,956	-	8,478	469	10,215	87	(4,218)	(26,090)	79,897

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2014

Notes:

(a) Share premium

During the six months ended 30 June 2013, the application of the share premium is governed by section 48B of the Hong Kong Companies Ordinance. With effect from 3 March 2014, under the new Hong Kong Companies Ordinance (Cap. 622), the concept of authorised share capital no longer exists and the Company's shares no longer have a par value. The share premium was transferred to share capital upon the abolition of par value under the new Hong Kong Companies Ordinance.

(b) Contribution reserve

Contribution reserve represents contributions from shareholders for indemnity liabilities payable for periods prior to 30 June 2003.

(c) Properties revaluation reserve

The properties revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for land and buildings held for own use. The reserve was arising from land and buildings under revaluation model adopted in prior years. The land and buildings were transferred to investment properties during the year ended 31 December 2012 and the properties revaluation reserve will be released upon the disposal of the respective properties.

(d) Statutory reserve

In accordance with the People's Republic of China (the "PRC") laws applicable to wholly-foreign owned investment enterprises, subsidiaries of the Company operating in the PRC are required to set up a general reserve fund and appropriate at least 10% of respective company's annual profit after tax, as determined under the PRC accounting rules and regulations, to the general reserve fund until the balance of the reserve equals to 50% of its registered capital. This fund can be used to make good losses and to convert into paid-up capital.

簡明綜合權益變動表

截至二零一四年六月三十日止六個月

附註：

(a) 股份溢價

截至二零一三年六月三十日止六個月，股份溢價之用途受香港公司條例第48B條規管。從二零一四年三月三日起生效，根據新的香港公司條例（香港法例第622），法定股本的概念已不存在，而本公司的股份不再有面值。股份溢價轉移後面值按新香港公司條例的廢除轉增股本。

(b) 其他儲備

出資儲備指股東就二零零三年六月三十日期間之應付彌償負債出資。

(c) 物業重估儲備

物業重估儲備乃按有關持作自用土地及樓宇之會計政策設立及處理。該儲備是因過往年度對土地及樓宇採納重估模式所產生。於截至二零一二年十二月三十一日止年度，土地及樓宇轉撥至投資物業及物業重估儲備將於出售有關物業時被釋放。

(d) 法定儲備

根據適用於外商獨資企業之中華人民共和國（「中國」）法律，本公司於中國營運之附屬公司需要設立一般儲備基金，並把各公司最少10%之年度稅後純利（按中國會計規則及條例計算）撥入一般儲備基金，直至儲備結餘達至其註冊資本50%為止。一般儲備基金可用作彌補虧損及轉換為已繳股本。

CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS

For the six months ended 30 June 2014

簡明綜合現金流量表

截至二零一四年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2014	2013
		於二零一四年	於二零一三年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Net cash used in operating activities	經營活動所用之現金淨額	(10,646)	(41,547)
INVESTING ACTIVITIES	投資活動		
Proceeds on disposal of investment properties	出售投資物業所得款項	12,967	-
Decrease in restricted bank deposits	受限制銀行存款減少	5,881	-
Interest received	已收利息	391	173
Proceeds on disposal of property, plant and equipment	出售物業、機器及設備所得款項	-	978
Purchases of property, plant and equipment	收購物業、機器及設備	(1,565)	(4,090)
Increase in deposits for purchase of property, plant and equipment	購置物業、機器及設備之按金增加	(445)	-
Net cash from (used in) investing activities	投資活動所得(所用)之現金淨額	17,229	(2,939)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2014

簡明綜合現金流量表

截至二零一四年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2014	2013
		於二零一四年	於二零一三年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
FINANCING ACTIVITIES	融資活動		
Advance from a director	一名董事借款	4,596	1,298
Advance from ultimate holding company	最終控股公司借款	1,960	7,929
Interest paid	已付利息	(5,898)	(396)
Repayment of obligation under finance lease	償還融資租賃責	(65)	(62)
Net cash from financing activities	融資活動所得之現金淨額	593	8,769
Net increase (decrease) in cash and cash equivalents	現金及現金等價物之增加(減少)淨額	7,176	(35,717)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物	67,859	99,241
Effect of foreign exchange rate changes	匯率變動影響	(430)	2,939
Cash and cash equivalents at 30 June, represented by	於六月三十日之現金及現金等價物	74,605	66,463
Bank balances and cash	銀行結餘及現金	74,994	66,463
Bank overdrafts	銀行透支	(389)	-
		74,605	66,463

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

1. GENERAL

Forebase International Holdings Limited (the “**Company**”) was incorporated in Hong Kong with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the interim report.

The Company is an investment holding company and the principal activities of its subsidiaries are the manufacture and sale of electronic components and properties investment. In addition, upon the completion of the major acquisition of relevant assets pertaining to the operation of a resort on 20 November 2013, the Group further extended its principal activities to hotel operation.

In the opinion of the directors of the Company, Ultra Harvest Limited (“**Ultra Harvest**”), a company incorporated in the British Virgin Islands with limited liability, is the ultimate holding company of the Company and Mr. Shen Yong, the Chairman of the Company, is the ultimate controlling party of the Company.

The functional currency of the Company is Hong Kong dollar (“**HK\$**”) and the functional currencies for certain subsidiaries are Renminbi (“**RMB**”), Canadian dollar (“**CAD**”) and Korean Won (“**KRW**”). For the purposes of presenting the condensed consolidated financial statements, the Group adopted HK\$ as its presentation currency as its shares are listed in Hong Kong.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

1. 一般資料

申基國際控股有限公司（「**本公司**」）是一間於香港註冊成立之有限公司，其股份於香港聯合交易所有限公司（「**聯交所**」）上市。本公司之註冊辦事處及主要營業地址載列於中期報告公司資料部分內。

本公司為投資控股公司，其附屬公司的主要業務為製造及銷售電子元件及投資物業。此外，於二零一三年十一月二十日完成主要收購一渡假酒店相關資產後，本集團進一步擴展其主要業務為酒店經營。

本公司董事認為Ultra Harvest Limited（「**Ultra Harvest**」，於英屬處女群島註冊成立之有限公司）為本公司之最終控股公司，本公司主席申勇先生為本公司之最終控股方。

本公司之功能貨幣為港元（「**港元**」）、人民幣（「**人民幣**」）、加拿大元（「**加元**」）及韓圓（「**韓圓**」）。就呈列財務報表而言，本集團採納港元為其呈列貨幣，因為其股份於香港上市。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the Hong Kong Accounting Standard 34 (“**HKAS 34**”) Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as 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**”).

3. PRINCIPAL ACCOUNTING POLICIES

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

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2014 are the same as those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2013.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

2. 編製基準

本簡明綜合財務報表已按照香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號（「香港會計準則第34號」）「中期財務報告」之規定以及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄16內適用之披露規定編製。

3. 主要會計政策

簡明綜合財務報表乃根據歷史成本基準編製，惟若干物業及金融工具則按公允價值計量（如適用）。

除下文所述者外，截至二零一四年六月三十日止六個月之簡明綜合財務報表所採用之會計政策以及計算方法與編製本集團截至二零一三年十二月三十一日止年度全年綜合財務報表所採用者相同。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

In the current interim period, the Group has applied, for the first time, the following new Interpretation (“Int”) and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) – Int 21	Levies

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

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

3. 主要會計政策 (續)

於本中期期間，本集團首次應用以下由香港會計師公會頒佈適用於編製本集團簡明綜合財務報表之香港財務報告準則（「香港財務報告準則」）之新訂詮釋（「詮釋」）及修訂本：

香港財務報告準則 第10號、香港 財務報告準則 第12號及香港 會計準則第27號 (修訂本)	投資實體
香港會計準則 第32號(修訂本)	抵銷金融資產 及金融負債
香港會計準則 第36號(修訂本)	非金融資產之 可收回金額 披露
香港會計準則 第39號(修訂本)	衍生工具更替 及對沖會計法 之延續
香港(國際財務 報告詮釋委員會) – 詮釋第21號	征費

於本中期期間應用上述香港財務報告準則新訂詮釋及修訂本對該等簡明綜合財務報表所呈報金額及／或該等簡明綜合財務報表所載列披露事項概無任何重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the sales of goods to customers less goods returned and trade discounts, rental income under operating leases and service income from hotel operation.

The Group is principally engaged in the manufacture and sales of electronic components, properties investment and development and hotel operation. The Group's reportable and operating segments, based on information reported to the chief executive officer, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on goods or services provided are as follows:

(1) Composite components segment

Sales and manufacture of composite components for electronic appliances and communication equipment.

(2) Unit electronic components segment

Sales and manufacture of unit electronic components for electronic appliances and communication equipment.

(3) Properties segment

Leasing office premises to generate rental income and development and sale of properties.

(4) Hotel operation segment

Operation of a resort in Canada.

No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

4. 收益及分部資料

收益乃供應予客戶之產品之銷售價值，扣除退貨及貿易折扣，以及經營租賃下之租金收入及酒店經營收入。

本集團主要從事製造及銷售電子元件、物業投資及發展及酒店經營。本集團之可呈報及營運分部是根據首席執行官所辨識之資料，即最高營運決策者進行資源配置及評估分部表現而言，側重於產品或提供之服務如下：

(1) 複合元件分部

銷售及製造電子設備和通訊設備專用的複合元件。

(2) 單位電子元件分部

銷售及製造電子設備和通訊設備專用的單位電子元件。

(3) 物業分部

租賃辦公室物業以賺取租金收入及發展及銷售物業。

(4) 酒店經營分部

經營加拿大渡假酒店。

在達致本集團可呈報分部時，概無將最高營運決策者所識別之營運分部予以合併。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

4. REVENUE AND SEGMENT INFORMATION (Continued)

During the six months ended 30 June 2014, the Group has a new reportable and operating segment, hotel operation upon the completion of major acquisition of certain assets pertaining to the operation of a resort located in Victoria, British Columbia, Canada in November 2013.

(a) Segment revenue and results

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

Six months ended 30 June 2014

		Unit electronic		Hotel		Total
		Composite components	components	Properties	operation	
		複合元件 HK\$'000 千港元 (Unaudited) (未經審核)	電子元件 HK\$'000 千港元 (Unaudited) (未經審核)	物業 HK\$'000 千港元 (Unaudited) (未經審核)	酒店經營 HK\$'000 千港元 (Unaudited) (未經審核)	總計 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收益	58,126	74,373	691	20,808	153,998
Segment (loss) profit	分部(虧損)溢利	(12,118)	(12,010)	(6,610)	1,730	(29,008)
Unallocated operating income	未經分配經營收入					716
Unallocated operating expenses	未經分配經營開支					(9,441)
Finance costs	融資成本					(8,412)
Loss before tax	除稅前虧損					(46,145)

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

4. 收益及分部資料(續)

於截至二零一四年六月三十日止六個月，當於二零一三年十一月完成重大收購位於加拿大英屬哥倫比亞省維多利亞市一渡假酒店若干資產後，本集團將酒店經營歸納為新營運分部。

(a) 分部收益及業績

以下為本集團之收益及業績按可呈報及營運分部所作之分析：

截至二零一四年六月三十日止六個月

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

4. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Segment revenue and results (Continued)

Six months ended 30 June 2013

4. 收益及分部資料 (續)

(a) 分部收益及業績 (續)

截至二零一三年六月三十日止六個月

		Unit electronic Composite components 複合元件 HK\$'000 千港元 (Unaudited) (未經審核)	components 單位 電子元件 HK\$'000 千港元 (Unaudited) (未經審核)	Properties 物業 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收益	75,177	60,357	839	136,373
Segment (loss) profit	分部(虧損)溢利	(8,190)	(7,441)	3,805	(11,826)
Unallocated operating income	未經分配經營收入				949
Unallocated operating expenses	未經分配經營開支				(7,782)
Finance costs	融資成本				(396)
Loss before tax	除稅前虧損				(19,055)

Segment (loss) profit represents the (loss from) profit earned by each segment without allocation of part of other income, certain other operating expenses and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

分部(虧損)溢利指各分部(所蒙虧損)所賺溢利,當中並無分配部分之其他收入、其他經營開支及融資成本。此乃向主要營運決策者報告以決定資源配置及表現評估之計量。

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS

For the six months ended 30 June 2014

4. REVENUE AND SEGMENT
INFORMATION (Continued)

(b) Segment assets and liabilities

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

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

4. 收益及分部資料 (續)

(b) 分部資產及負債

以下為本集團之資產與負債按可呈報分部所作之分析：

		Composite components		Unit electronic components		Properties		Hotel operation		Total	
		複合元件		單位電子元件		物業		酒店經營		總計	
		30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
		二零一四年	二零一三年	二零一四年	二零一三年	二零一四年	二零一三年	二零一四年	二零一三年	二零一四年	二零一三年
		六月三十日	十二月三十一日	六月三十日	十二月三十一日	六月三十日	十二月三十一日	六月三十日	十二月三十一日	六月三十日	十二月三十一日
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
		(未經審核)	(經審核)	(未經審核)	(經審核)	(未經審核)	(經審核)	(未經審核)	(經審核)	(未經審核)	(經審核)
Segment assets	分部資產	53,157	57,785	47,458	52,696	17,707	29,843	107,390	115,975	225,712	256,299
Unallocated assets	未經分配資產										
- Restricted bank deposits	- 受限制銀行存款									4,126	10,007
- Bank balances and cash	- 銀行結餘及現金									74,994	67,859
- Others	- 其他									5,726	14,205
Consolidated assets	綜合資產									310,558	348,370
Segment liabilities	分部負債	26,469	27,064	33,867	27,284	55	74	6,083	7,832	66,474	62,254
Unallocated liabilities	未經分配負債										
- Bank overdrafts	- 銀行透支									389	-
- Others	- 其他									163,798	166,049
Consolidated liabilities	綜合負債									230,661	228,303

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

4. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities (Continued)

For the purposes of monitoring segment performances and allocating resources between segments for the six months ended 30 June 2014 and the year ended 31 December 2013:

- all assets are allocated to reportable segments other than cash and cash equivalents and part of other receivables. Assets used jointly by reportable segments are allocated on the basis of the production capacity; and
- all liabilities are allocated to reportable segments other than part of other payables, amount due to ultimate holding company, amount due to a director, obligation under a finance lease, bank overdrafts, deferred tax liabilities and secured note.

5. SEASONALITY OF OPERATIONS

The sales of composite components segment, unit electronic components segment and hotel operation segment of the Group are subject to seasonal fluctuations, with peak demand in the third quarter of each year.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

4. 收益及分部資料 (續)

(b) 分部資產及負債 (續)

截至二零一四年六月三十日止六個月及二零一三年十二月三十一日止年度，為監督分部表現及在各分部之間分配資源：

- 所有資產分配至可呈報分部，惟現金及現金等價物及部分其他應收賬款除外。可呈報分部共用之資產乃按產能分配；及
- 所有負債分配至可呈報分部，惟部分其他應付帳款、應付最終控股公司款項、應付一名董事款項、融資租賃責任、銀行透支、遞延稅項負債及抵押票據除外。

5. 經營季節性

本集團複合元件分部、單位電子元件分部之銷售及酒店經營分部受季節性波動所影響，需求高峰期於每年第三季度。

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS

For the six months ended 30 June 2014

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

6. INCOME TAX (CREDIT) EXPENSE

6. 所得稅(抵免)開支

Six months ended 30 June

截至六月三十日止六個月

	2014	2013
	二零一四年	二零一三年
	HK\$'000	HK\$'000
	千港元	千港元
	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)
Current tax		
	本期稅項	
PRC Enterprise Income Tax	中國企業所得稅	
Provision for the period	本期間撥備	757
Over-provision in prior years	過往年度超額撥備	(22)
	1,446	
		735
Canada Corporate Tax	加拿大企業所得稅	
Provision for the period	本期間撥備	–
	319	
Deferred tax	遞延稅項	
(Credited) charged for the period	本期間經(計入)扣除	181
	(5,417)	
	(3,652)	916

No provision for Hong Kong Profits Tax has been made for the six months ended 30 June 2014 and 2013 as the Group did not have any assessable profit derived from Hong Kong.

Provision for the PRC Enterprise Income Tax for its subsidiaries in the People's Republic of China (the "PRC") are calculated at 25% (2013: 25%) of estimated assessable profits for the six months ended 30 June 2014 and 2013.

由於本集團於香港概無獲得任何應課稅溢利，故於截至二零一四年及二零一三年六月三十日止六個月並無就香港利得稅作出撥備。

位於中華人民共和國(「中國」)之附屬公司之中國企業所得稅撥備乃以截至二零一四年及二零一三年六月三十日止六個月估計之應課稅溢利按25%(二零一三年：25%)計算。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

6. INCOME TAX (CREDIT) EXPENSE (Continued)

The Korea branch operated in Korea is subject to Korean Corporate Income Tax. The basic Korean Corporate Tax rates for the six months ended 30 June 2014 and 2013 are 11% on the first KRW200,000,000 of the tax base and 22% for the excess. In addition to the basic tax rate, there is a resident surcharge of 10% on the income tax liability. No provision for taxation has been made as there is no assessable profit for the six months ended 30 June 2014 and 2013.

Canadian Corporate Tax is calculated at Federal tax rate of 15% and British Columbia provincial tax rate of 11% on the estimated assessable profits for the six months ended 30 June 2014 (2013: nil).

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

6. 所得稅(抵免)開支(續)

在韓國經營之韓國分公司須繳納韓國企業所得稅。截至二零一四年及二零一三年六月三十日止六個月，基本韓國企業稅率為稅基中首200,000,000韓圓為11%，超過之部份則為22%。除基本稅率外，亦須就所得稅負債徵收10%居民附加稅。截至二零一四年及二零一三年六月三十日止六個月，各期間內均無應課稅溢利，故並無作出稅項撥備。

加拿大企業所得稅乃以截至二零一四年六月三十日止六個月估計之應課稅溢利按聯邦稅率15%及英屬哥倫比亞省稅率11%計算(二零一三年：無)。

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS

For the six months ended 30 June 2014

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

7. LOSS FOR THE PERIOD

7. 本期間虧損

		Six months ended 30 June	
		截至六月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Loss for the period has been arrived at after charging (crediting):	本期間虧損經扣除(計入):		
Minimum lease payments for rented premises under operating leases	經營租賃下租用物業之最低租賃付款	3,989	3,039
Gross rental income less outgoing of approximately HK\$190,000 (2013: HK\$208,000)	租金收入總額(扣除支銷約190,000港元)(二零一三年: 約208,000港元)	(502)	(631)
Cost of inventories recognised as an expense	確認為開支之存貨成本	87,154	83,896
Impairment loss recognised on trade and other receivables (included in other operating expenses)	就應收貿易及其他賬款確認之減值虧損(計入其他經營開支)	123	637
Reversal of impairment loss recognised on trade and other receivables (included in other income and gains)	應收貿易及其他賬款確認減值虧損之回撥(計入其他收入及收益)	-	(225)
Net foreign exchange losses	匯兌虧損淨額	25	412
Allowance of inventories (included in cost of sales)	存貨撥備(計入銷售成本)	3,206	2,211
Reversal of allowance of inventories (included in cost of sales)	存貨撥備回撥(計入銷售成本)	(1,561)	(1,312)
Equity-settled share-based payments (included in other operating expenses)	以股權結算之股份付款(計入其他經營開支)	87	-
Depreciation	折舊	5,219	4,560
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	-	(50)
Interest income	利息收入	(391)	(173)
Loss on disposal of investment properties	出售投資物業之虧損	4,191	-
Change in fair value of investment properties	投資物業之公允價值變動	2,901	(3,174)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

8. DIVIDEND

No dividend was paid, declared or proposed during the interim period (six months ended 30 June 2013: nil). The directors of the Company have determined that no dividend will be paid in respect of the interim period (six months ended 30 June 2013: nil).

8. 股息

於中期間並無派發、宣派或建議派發股息（截至二零一三年六月三十日止六個月：無）。本公司董事不建議派發中期股息（截至二零一三年六月三十日止六個月：無）。

9. LOSS PER SHARE

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

9. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃按下列數據計算：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Loss	虧損		
Loss for the purpose of basic and diluted loss per share	用以計算每股基本及分攤虧損		
Loss for the period attributable to owners of the Company	本公司擁有人應佔本期間之虧損	(42,493)	(19,971)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	用以計算每股基本及攤薄虧損之普通股加權平均數	323,896,933	323,896,933

The computation of diluted loss per share does not assume the exercise of the Company's share options as the exercise price of those options was higher than the average market price of the Company's shares for the six months ended 30 June 2014.

由於本公司之購股權之行使價較本公司股份截至二零一四年六月三十日止六個月之平均市價為高，故計算每股攤薄虧損時並無假設本公司之購股權已被行使。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

9. LOSS PER SHARE (Continued)

The diluted loss per share is the same as basic loss per share as the Company has no dilutive potential shares outstanding for the six months ended 30 June 2014 and 2013.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2014, the Group acquired items of property, plant and equipment with a cost of approximately HK\$1,565,000 (six months ended 30 June 2013: approximately HK\$4,897,000).

The Group had no disposal of property, plant and equipment during the six months ended 30 June 2014 (six months ended 30 June 2013: certain fully depreciated property, plant and equipment were disposed with cash proceeds of HK\$50,000, resulting in a gain on disposal of approximately HK\$50,000).

As at 30 June 2014, the Group's land and buildings held for own use of approximately HK\$108,020,000 (31 December 2013: approximately HK\$108,655,000) were pledged to secure secured note issued by the Group.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

9. 每股虧損 (續)

本公司於截至二零一四年及二零一三年六月三十日止六個月並無潛在具攤薄性之股份，故每股攤薄虧損與每股基本虧損相同。

10. 物業、機器及設備

於截至二零一四年六月三十日止六個月，本集團以成本約1,565,000港元（截至二零一三年六月三十日止六個月：約4,897,000港元）購置物業、機器及設備。

於截至二零一四年六月三十日止六個月，本集團概無出售物業、機器及設備（截至二零一三年六月三十日止六個月：出售若干已提足折舊之物業、機器及設備，取得50,000港元現金收入及錄得出售收益約50,000港元）。

於二零一四年六月三十日，本集團以持有作自用之土地及樓宇，價值約108,020,000港元（二零一三年十二月三十一日：約108,655,000港元）已予抵押作為發行本集團有抵押票據之擔保。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

11. INVESTMENT PROPERTIES

The Group's investment properties as at 30 June 2014 and 31 December 2013 were fair valued by Roma Appraisals Limited, an independent qualified professional valuer not connected to the Group. The fair values are determined using market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis using market data which is publicly available. The resulting decrease in fair value of approximately HK\$2,901,000 (six months ended 30 June 2013: increase in fair value of approximately HK\$3,174,000) has been recognised directly in profit or loss for the six months ended 30 June 2014.

In addition, during the six months ended 30 June 2014, the Group disposed of certain investment properties with net sales proceeds of approximately RMB10,278,000 (equivalent to approximately HK\$12,967,000) (six months ended 30 June 2013: KRW137,500,000 (equivalent to approximately HK\$1,023,000)), resulting in a loss on disposal of approximately HK\$4,191,000 (six months ended 30 June 2013: nil).

As at 30 June 2014, no investment properties were pledged (31 December 2013: approximately HK\$20,223,000) to secure banking facilities granted to the Group.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

11. 投資物業

本集團之投資物業於二零一四年六月三十日及二零一三年十二月三十一日之公允價值仍由與本集團並無關連之獨立專業估值師羅馬國際評估有限公司進行。該公允價值乃按市場比較法參考可資比較物業近期公開市場數據按每平方尺基準銷售價格而釐定。公允價值減少約2,901,000港元(截至二零一三年六月三十日止六個月:增加約3,174,000港元)已於截至二零一四年六月三十日止六個月之損益中直接確認入賬。

此外,本集團於二零一四年六月三十日止六個月出售了若干投資物業,所得現金約為人民幣10,278,000元(相等於約12,967,000港元)(截至二零一三年六月三十日止六個月:137,500,000韓圓)(相等於約1,023,000港元)及錄得出售虧損約4,191,000港元(截至二零一三年六月三十日止六個月:零)。

於二零一四年六月三十日,概無投資物業已予抵押(二零一三年十二月三十一日:約20,223,000港元)作為授予本集團之銀行融資額之擔保。

NOTES TO THE CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS

For the six months ended 30 June 2014

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

12. TRADE AND OTHER RECEIVABLES

12. 應收貿易及其他賬款

		30 June	31 December
		2014	2013
		二零一四年	二零一三年
		六月三十日	十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Trade receivables	應收貿易賬款	62,354	62,332
Less: impairment loss recognised	減：減值虧損撥備	(10,956)	(10,960)
		51,398	51,372
Deposits and other receivables	按金及其他應收賬款	12,490	19,275
Prepayments	預付款項	2,400	6,790
Total trade and other receivables	應收貿易及其他賬款總額	66,288	77,437

The Group allows an average credit period of 30 to 90 days to its trade customers.

本集團給予其貿易客戶之平均信貸期為30至90日。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

12. TRADE AND OTHER RECEIVABLES (Continued)

The following is an aged analysis of trade receivables net of impairment loss presented based on the date of delivery of goods or date of rendering of services which approximated the respective dates on which revenue was recognised.

12. 應收貿易及其他賬款 (續)

以下為根據向客戶交付貨品或提供服務的日期(與收益確認日期相若)呈列的經扣除呆賬撥備的貿易應收款項的賬齡分析。

		30 June 2014	31 December 2013
		二零一四年 六月三十日	二零一三年 十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within 90 days	90日內	50,271	50,054
91 to 180 days	91至180日	1,127	1,318
		51,398	51,372

13. TRADE AND OTHER PAYABLES

Trade payables
Accrued expenses and other payables

應付貿易賬款
應計費用及其他應付賬款

30 June 2014	31 December 2013
二零一四年 六月三十日	二零一三年 十二月三十一日
HK\$'000	HK\$'000
千港元	千港元
(Unaudited)	(Audited)
(未經審核)	(經審核)

44,236	42,937
25,921	22,544
70,157	65,481

The average credit period on purchases of goods is 0 to 90 days.

購貨之平均信貸期為0至90日。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

13. TRADE AND OTHER PAYABLES (Continued)

The following is an aged analysis of trade payables presented based on the invoice date.

		30 June	31 December
		2014	2013
		二零一四年	二零一三年
		六月三十日	十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within 90 days	90日內	41,918	33,955
91 to 180 days	91至180日	78	412
181 to 365 days	181至365日	51	459
Over 365 days	365日以上	2,189	8,111
		44,236	42,937

14. AMOUNTS DUE TO ULTIMATE HOLDING COMPANY/A DIRECTOR

The amounts are unsecured, non-interest bearing and repayable in June 2015.

The effective interest rate of the amounts due to ultimate holding company and the director is 5% per annum.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

13. 應付貿易及其他賬款 (續)

以下為根據發票日期於報告期末呈列的應付貿易賬款賬齡分析。

		30 June	31 December
		2014	2013
		二零一四年	二零一三年
		六月三十日	十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within 90 days	90日內	41,918	33,955
91 to 180 days	91至180日	78	412
181 to 365 days	181至365日	51	459
Over 365 days	365日以上	2,189	8,111
		44,236	42,937

14. 應付最終控股公司／董事款項

該款項乃無抵押、免息及需於二零一五年六月內償還。

應付最終控股公司／董事款項之實際利率為年利率5%。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

15. SHARE CAPITAL

15. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Authorised:	法定股本：		
At 1 January 2013, 30 June 2013 and 1 January 2014 – Ordinary shares of HK\$0.1 each	於二零一三年一月一日、 二零一三年六月三十日 及二零一四年一月一日 – 每股面值0.1港元 之普通股	1,500,000	150,000
At 30 June 2014	於二零一四年六月三十日	Note 附註	Note 附註
Note: Under the new Hong Kong Companies Ordinance (Cap. 622), with effect from 3 March 2014, the concept of authorised share capital no longer exists and the Company's shares no longer have a par value. There is no impact on the number of shares in issue or the relative entitlement of any of the shareholders as a result of this transition.	附註：從二零一四年三月三日起生效，根據新的香港公司條例（香港法例第622章），法定股本的概念已不存在，而本公司的股份不再有面值。這過渡期事項對於已發行股份數目或任何股東的相對權利概無影響。		
Issued and fully paid:	已發行及繳足之普通股：		
At 1 January 2013, 30 June 2013 and 1 January 2014 Transfer from share premium upon abolition of par value	於二零一三年一月一日、 二零一三年六月三十日 及二零一四年一月一日 於廢除面值後由股份 溢價轉入	323,897 –	32,390 58,566
At 30 June 2014 (unaudited)	於二零一四年六月三十日 (未經審核)		
– Ordinary shares with no par value	– 沒有面值之普通股	323,897	90,956

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

16. SECURED NOTE

On 20 November 2013, the Company issued a 13% guaranteed senior secured note due 2014 with aggregate principal amount of US\$15,000,000 (equivalent to approximately HK\$116,271,000) (the “Notes”). The Notes are guaranteed by two directors of the Company, have a maturity term of two years and bear a fixed interest rate of 13% per annum with interest payable annually in arrears. The Notes are secured by, among other things, the land and buildings of approximately HK\$108,020,000 of the Group as at 30 June 2014 (31 December 2013: HK\$108,655,000).

The proceeds of approximately US\$15,000,000 (equivalent to approximately HK\$116,271,000) was used for financing the acquisition of certain assets pertaining to the operation of a resort located in Victoria, British Columbia, Canada.

In the opinions of the directors of the Company, the effective interest rate of the secured note approximated to the nominal interest rate of 13% per annum.

The carrying amount of the secured note was approximately HK\$116,267,000 as at 30 June 2014 (31 December 2013: HK\$116,316,000).

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

16. 抵押票據

於二零一三年十一月二十日，本公司發行二零一四年到期總本金額為15,000,000美元之13%優先有擔保有抵押票據（相等於約116,271,000港元）（「票據」）。該等票據由本公司其中兩位董事作為擔保人。到期日為兩年，利息每年按13%單息計算。該等票據以本集團之土地及樓宇，於二零一四年六月三十日價值約108,020,000港元作為抵押品（二零一三年十二月三十一日：108,655,000港元）。

發售票據所得的款項約15,000,000美元（相等於約116,271,000港元），用於融資收購位於加拿大英屬哥倫比亞省維多利亞市經營之渡假酒店部分資產。

本公司董事認為該抵押票據的實際年利率接近票面利率13%。

該抵押票據於二零一四年六月三十日之賬面值約116,267,000港元（於二零一三年十二月三十一日：116,316,000港元）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

17. EQUITY SETTLED SHARE-BASED PAYMENT TRANSACTIONS

The share option scheme (the “**Old Scheme**”) adopted by the Company on 16 June 2003 expired on 15 June 2013. The Company has adopted a new share option scheme (the “**New Scheme**”) on 3 June 2013 whereby the directors of the Company are authorised, at their discretion, to invite, among other eligible participants, employees of the Group (including directors of any member of the Group), advisers and consultants, to take up options to subscribe for shares of the Company. Each option gives the holder the right to subscribe for one ordinary share of the Company. The New Scheme shall be valid and effective for a period of ten years ending on 2 June 2023, after which no further options can be granted.

The table below discloses movement of the Company’s share options held by a director of the Company:

17. 以股權結算之股份付款交易

本公司於二零零三年六月十六日採納之購股權計劃（「**舊計劃**」）已於二零一三年六月十五日屆滿。根據本公司一項於二零一三年六月三日採納之新購股權計劃（「**新計劃**」），本公司董事獲授權酌情向（包括其他合資格參與者）本集團僱員（包括本集團內任何成員公司之董事）、顧問及諮詢人提出接納購股權之要約，以認購本公司股份。各份購股權均授權持有人認購一股本公司普通股。新計劃有效期為十年，直至二零二三年六月二日止，其後不可授出額外購股權。

下表披露由一董事持有本公司購股權之變動：

		Number of share options 購股權數目
Outstanding as at 30 June 2013 and 1 January 2014	於二零一三年六月三十日及 於二零一四年一月一日尚未行使	–
Granted during the period	於本期間所授出	3,238,969
Outstanding as at 30 June 2014	於二零一四年六月三十日尚未行使	3,238,969

The closing price of the Company’s shares immediately before 10 June 2014, the date of grant, was HK\$2.38. The validity period of the share options is 10 years from the date of grant of the share options and the share options will be vested on 31 March 2017.

緊接二零一四年六月十日前，即授出日期，本公司股份之收市價為2.38港元。購股權之有效期為十年，由授出購股權日期起計及將於二零一七年三月三十一日歸屬。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

17. EQUITY SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

In the current interim period, 3,238,969 share options were granted on 10 June 2014 under the New Scheme to Mr. Kwan Man Kit, Edmond, an executive director of the Company. One ordinary share of the Company will be allotted and issued upon exercise of each share option granted. No other share options had been granted during the period. The fair value of the options determined at the date of grant using the Binomial model was approximately HK\$4,172,000.

The following assumptions were used to calculate the fair value of the share options:

Grant date share price	授出日期之股價	HK\$2.38 港元
Exercise price	行使價	HK\$2.41 港元
Expected life	預期年期	10 years 年
Expected volatility	預期波幅	54.65%
Dividend yield	股息收入	0%
Risk-free interest rate	無風險利率	2.053%

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

17. 以股權結算之股份付款 交易 (續)

於本中期期間，於二零一四年六月十日根據新計劃向本公司執行董事關文傑先生授出3,238,969份購股權。於行使各份已授出購股權時，一股本公司普通股將會予以配發及發行。於本期間，概無授出其他購股權。購股權於授出日期之公允價值仍按二項式期權定價模式計算約為4,172,000港元。

以下假設用於計算購股權之公允價值：

10 June 2014
二零一四年
六月十日

二項式期權定價模式已用於估算購股權之公允價值。計算購股權之公允價值所使用之參數及假設乃基於董事之最佳預測。參數及假設之變動將可能導致購股權的公允價值變化。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

18. COMMITMENTS

(a) Operating leases

(i) The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		30 June 2014 二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2013 二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	7,731	6,841
In the second to fifth year inclusive	第二年後至第五年內 (包括首尾兩年)	13,983	15,449
		21,714	22,290

Operating lease payments represent rentals payable by the Group for certain of its office premises and staff quarter. Leases are negotiated for an average terms from one to eight years and rentals are fixed for the leases period.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

18. 承擔

(a) 經營租賃

(i) 本集團作為承租人

於報告期末，本集團根據不可解除經營租賃有日後應付之最低租賃款項承擔如下：

經營租賃款項指本集團及本公司就若干辦公室物業及員工宿舍之應付租金。租約經磋商平均為期分別為一年至八年，租賃期間之租金為固定。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

18. COMMITMENTS (Continued)

(a) Operating leases (Continued)

(ii) The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease receipts which fall due as follows:

		30 June 2014 二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2013 二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	354	1,293
In the second to fifth year inclusive	第二年後至第五年內 (包括首尾兩年)	73	249
		427	1,542

(b) Capital commitment

As at 30 June 2014, capital expenditure in respect of purchase of property, plant and equipment contracted for but not provided for in the condensed consolidated financial statements amounted to approximately HK\$264,000 (31 December 2013: nil).

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

18. 承擔 (續)

(a) 經營租賃 (續)

(ii) 本集團作為出租人

於報告期末，本集團與租戶簽訂且到期之租約之最低租賃款項承擔如下：

		30 June 2014 二零一四年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2013 二零一三年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	354	1,293
In the second to fifth year inclusive	第二年後至第五年內 (包括首尾兩年)	73	249
		427	1,542

(b) 資本承擔

於二零一四年六月三十日，於本簡明綜合財務報表中已訂約但尚未於財務報表提撥準備就收購物業、機器及設備之資本支出約264,000港元(二零一三年十二月三十一日：無)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

19. MATERIAL RELATED PARTY BALANCES AND TRANSACTIONS

(a) The balances with related parties at the end of the reporting period are disclosed elsewhere in the condensed consolidated financial statements.

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the period was as follows:

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

19. 重大關連人士交易

(a) 於報告期末，與關聯方往來餘額已於簡明綜合財務內披露。

(b) 主要管理人員之酬金

董事及其他主要管理人員於本期間內之酬金載列如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 HK\$'000 千港元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 千港元 (Unaudited) (經審核)
Short-term benefits	短期僱員福利	4,315	5,683
Post-employment benefits	離職後福利	30	49
Equity-settled share-based payments	以股權結算之股份付款	87	-
		4,432	5,732

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

20. EVENTS AFTER THE END OF THE REPORTING PERIOD

- (i) On 24 July 2014, the Company entered into an agreement with Mr. Shen Yong, the chairman of the board, an executive director and a beneficial owner of 60% equity interest in Ultra Harvest. Pursuant to which the Company has conditionally agreed to purchase, and the vendor has conditionally agreed to sell the entire issued share capital of Best Dollar International Limited and its subsidiaries, at a consideration of HK\$10,000,000. The consideration will be satisfied by way of allotment and issue of 4,000,000 new shares, representing approximately 1.22% of the issued share capital of the Company. Details of the proposed acquisition are set out in the Company's announcement dated 24 July 2014 and circular dated 22 August 2014.

The proposed acquisition is not yet completed up to the report date.

- (ii) On 31 July 2014, the Company entered into a placing agreement with a placing agent, Ample Orient Capital Limited. Pursuant to the placing agreement, the placing agent has agreed to endeavour to procure placees who are not and whose ultimate beneficial owner(s), if applicable, are not, connected persons of the Company on a best effort basis to subscribe for the bonds in an aggregated principal amount of up to HK\$200,000,000 within the placing period. The bonds will be placed in denomination of HK\$5,000,000. Details are set out in the Company's announcement dated 31 July 2014.

The placing is not yet completed up to the report date.

Saved as disclosed above, the Group did not have any other significant events which took place subsequent to the end of the reporting period.

簡明綜合財務報表附註

截至二零一四年六月三十日止六個月

20. 報告期結束後事項

- (i) 於二零一四年七月二十四日，本公司與申勇先生（作為董事會主席、執行董事及持有 Ultra Harvest 60% 權益之實益擁有人）訂立協議。據此，本公司有條件同意收購而賣方有條件同意出售 Best Dollar International Limited 及其附屬公司之全部已發行股本，代價為 10,000,000 港元。代價將以配發及發行合共 4,000,000 股新股份（約佔本公司已發行股本約 1.22%）償付。建議收購事項之詳情載列於本公司日期為二零一四年七月二十四日之公告及日期為二零一四年八月二十二日之通函內。

建議收購事項於本報告日期尚未完成。

- (ii) 於二零一四年七月三十一日，本公司與配售代理豐盛東方資本有限公司訂立配售協議。據此，配售代理同意竭盡所能，努力促使承配人及（如適用）彼等之最終實益擁有人並非為本公司之關連人士，於配售期內認購本金總額最高達 200,000,000 港元之債券。債券將按面值 5,000,000 港元配售。詳情載列於本公司日期為二零一四年七月三十一日之公告內。

配售事項於本報告日期尚未完成。

除上文所披露外，本集團概無其他重大事項於報告期後發生。

FOREBASE INTERNATIONAL HOLDINGS LIMITED

申基國際控股有限公司