

2014

INTERIM REPORT
中 期 報 告



SUSTAINABLE FOREST

HOLDINGS LIMITED

永保林業控股有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號：723

*for identification purpose only 僅供識別

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Ms. ZHOU Jing (*Chairman*)

Mr. MUNG Wai Ming

Independent Non-Executive Directors

Mr. William Keith JACOBSEN

Mr. WU Wang Li

Mr. NG Wai Hung

BOARD COMMITTEES

Executive Committee

Ms. ZHOU Jing (*Chairman*)

Mr. MUNG Wai Ming

Audit Committee

Mr. William Keith JACOBSEN (*Chairman*)

Mr. WU Wang Li

Mr. NG Wai Hung

Remuneration Committee

Mr. William Keith JACOBSEN (*Chairman*)

Mr. WU Wang Li

Mr. NG Wai Hung

Nomination Committee

Mr. William Keith JACOBSEN (*Chairman*)

Mr. WU Wang Li

Mr. NG Wai Hung

COMPANY SECRETARY

Mr. LEE Rabi (*appointed on 30 September 2014*)

Mr. CHENG Chun Shing (*resigned on 30 September 2014*)

AUTHORIZED REPRESENTATIVES

Ms. ZHOU Jing

Mr. LEE Rabi (*appointed on 30 September 2014*)

Mr. CHENG Chun Shing (*resigned on 30 September 2014*)

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

Shanghai Commercial Bank Limited

Bank of Communications Co., Ltd. Hong Kong Branch

董事會

執行董事

周靜女士 (*主席*)

蒙偉明先生

獨立非執行董事

葉偉其先生

吳弘理先生

吳偉雄先生

董事委員會

執行委員會

周靜女士 (*主席*)

蒙偉明先生

審核委員會

葉偉其先生 (*主席*)

吳弘理先生

吳偉雄先生

薪酬委員會

葉偉其先生 (*主席*)

吳弘理先生

吳偉雄先生

提名委員會

葉偉其先生 (*主席*)

吳弘理先生

吳偉雄先生

公司秘書

李揚捷先生 (*於二零一四年九月三十日獲委任*)

鄭鎮昇先生 (*於二零一四年九月三十日辭任*)

法定代表

周靜女士

李揚捷先生 (*於二零一四年九月三十日獲委任*)

鄭鎮昇先生 (*於二零一四年九月三十日辭任*)

主要往來銀行

香港上海滙豐銀行有限公司

上海商業銀行有限公司

交通銀行股份有限公司香港分行

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF OF BUSINESS IN HONG KONG

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Tel. No.: (852) 3460 6600
Fax. No.: (852) 2838 5366
E-mail: info@susfor.com

總辦事處及於香港之 主要營業地點

香港銅鑼灣
告士打道255-257號
信和廣場3樓302-305號室
電話：(852) 3460 6600
圖文傳真：(852) 2838 5366
電子郵箱：info@susfor.com

SHARE REGISTRARS

Principal Share Registrar

The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

股份過戶登記處

主要股份過戶登記處

The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Hong Kong Branch Share Registrar

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

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

AUDITORS

Crowe Horwath (HK) CPA Limited

核數師

國富浩華(香港)會計師事務所有限公司

WEBSITE ADDRESSES

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

網址

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

HONG KONG STOCK EXCHANGE CODE

723

香港聯交所股份代號

723

Chairman's Statement

主席報告

CHAIRMAN'S STATEMENT

Market conditions and the business environment in which Sustainable Forest Holdings Limited ("Company") and its subsidiaries (collectively "Group") operate remained difficult during the six months ended 30 September 2014. The Group recorded a consolidated net loss of approximately HK\$19.3 million for the period. Demand for the Group's timber products continued to be affected by the poor market sentiment and a sluggish real estate market in China. The Group has carried out aggressive cost cutting measures and will continue to tightly manage all expenses in the period ahead. The Group also explored new businesses during the current period and carried out certain fund raising activities to strengthen the financial position of the Group during and subsequent to the current period.

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

Yours sincerely,

Ms. ZHOU Jing
Chairman

Hong Kong, 28 November 2014

主席報告

截至二零一四年九月三十日止六個月內，永保林業控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）繼續面對嚴峻市況及經營環境。本集團於期內錄得綜合淨虧損約港幣19,300,000元。本集團木材產品需求持續受國內市場氣氛低迷及房地產市場不景氣之影響。本集團已積極實行減省成本措施，並將於日後持續嚴格管理所有開支。本集團亦於本期間內開拓多項新業務，並進行若干集資活動，以鞏固本集團於本期間及其後期間之財務狀況。

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

此致

主席
周靜女士

香港，二零一四年十一月二十八日

Financial Highlights

財務摘要

		For the six months ended 30 September 截至九月三十日止六個月		
		2014 二零一四年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	Changes 變化幅度
Operating results	經營業績			
Revenue	收入	3,747	26,450	(85.83)%
Gross profit	毛利	1,025	5,132	(80.03)%
Loss attributable to the owners of the Company	本公司擁有人應佔虧損	(19,331)	(89,254)	(78.34)%
			(Restated) (經重列)	
Per share information	每股資料			
Basic loss per share (Hong Kong cents)	每股基本虧損 (港幣仙)	(0.782)	(5.047) cents 仙	(84.51)%
		At 30 September 2014 於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2014 於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)	Changes 變化幅度
Financial position at period/year end	於期/年終之財務狀況			
Property, plant and equipment	物業、廠房及設備	156,894	157,769	(0.55)%
Investment properties	投資物業	23,699	23,699	- %
Biological assets	生物資產	16,297	17,538	(7.08)%
Cash and cash equivalents	現金及現金等價物	10,445	8,965	16.51%
Net current liabilities	流動負債淨值	(11,714)	(59,625)	(80.35)%
Total assets	總資產	243,946	251,052	(2.83)%
Total interest bearing borrowings from independent third parties	獨立第三方計息借貸 總額	24,215	28,304	(14.45)%
Total interest bearing borrowings from shareholders, non-controlling shareholder and related companies	股東、非控股股東 及關連公司 計息借貸總額	835	21,427	(96.10)%
Total liabilities	總負債	140,858	192,254	(26.73)%
Equity attributable to the Company's owners	本公司擁有人應佔之 權益	103,012	58,723	75.42%

Management Discussion and Analysis

管理層討論及分析

FINANCIAL PERFORMANCE

The Group's revenue decreased from HK\$26.5 million for the six months ended 30 September 2013 to HK\$3.7 million for the six months ended 30 September 2014. The total revenue consisted primarily of sales of forestry and timber products. The Group's results improved from net loss of HK\$89.3 million for the six months ended 30 September 2013 to net loss of HK\$19.3 million for the six months ended 30 September 2014.

BUSINESS REVIEW

Business environment continued to be difficult for the Group in Brazil. On 27 March 2012, the board decided to suspend harvesting operations in Acre, Brazil until the operating environment for its Brazilian subsidiary improves. For the six months ended 30 September 2014, Acre's operations remained suspended. On 5 June 2014, the board of directors changed the operation model in Acre from harvesting to leasing out the forest in Brazil so as to enhance the income stream of the Group. The Group will continue to actively identify potential leases relating to the forest in Brazil.

The PRC is the world's largest consumer and importer of timber and logs and it continues to be the primary market for our forestry and timber products. Demand for the Group's timber products remains sluggish.

In February 2014, the Group completed the acquisition of 95% equity interest in Travel Inn Limited, which is a licensed travel agent under the Travel Agents Ordinance of Hong Kong and is principally engaged in the provision of travel packages, including but not limited to airline ticketing, hotel and accommodation bookings, cruise holidays and other transportation arrangements, to retail customers in Hong Kong. Despite the keen competition in the market, the sale performance of the Group's travel business from the retail customers has remained stable since the acquisition. The management is positive about the outlook of travel industry in Hong Kong and will put efforts and resources in maintaining the operation of the Group's travel business.

In addition, the Company acquired the entire equity interest in Good Magic Limited, an investment holding company which holds 3 residential properties (the "Properties") in Hong Kong. As at 30 September 2014, the Properties had been leased out to 3 different tenants who are third parties independent to the Group.

The acquisitions of Travel Inn Limited and Good Magic Limited enable the Group to diversify into the businesses of licensed travel agent under the Travel Agents Ordinance and property investment and broaden the income base of the Group.

In order to diversify the business portfolio and further broaden the income base of the Group, the Company, through its wholly-owned subsidiary, has commenced its money lending business pursuant to the Money Lenders Ordinance of the Laws of Hong Kong since late August 2014.

財務表現

本集團之收入由截至二零一三年九月三十日止六個月之港幣26,500,000元減少至截至二零一四年九月三十日止六個月之港幣3,700,000元。總收入主要來自銷售木材及木料產品。本集團之業績由截至二零一三年九月三十日止六個月之虧損淨額港幣89,300,000元改善至截至二零一四年九月三十日止六個月之虧損淨額港幣19,300,000元。

業務回顧

本集團於巴西之營商環境仍然嚴峻。於二零一二年三月二十七日，董事會決定暫停巴西亞克里州之伐木業務直至其巴西附屬公司之經營環境有所改善為止。截至二零一四年九月三十日止六個月內，亞克里州之業務仍然暫停。於二零一四年六月五日，董事會將於亞克里州之營運模式由自有伐木改變為出租生物資產，從而改善本集團之收入流。本集團將積極就巴西森林識別潛在租約。

中國為全球最大木材及原木消耗國及進口國，其繼續為本集團木材及木料產品之主要市場。市場對本集團木材產品需求仍然疲軟。

於二零一四年二月，本集團已完成收購旅遊棧有限公司之95%股權。旅遊棧有限公司為根據香港旅行代理商條例從事持牌旅遊代理，主要從事向香港零售客戶提供旅遊套票（包括但不限於航空票務、酒店及住宿預訂、遊輪假期及其他交通安排）。儘管市場競爭激烈，自收購後，本集團來自零售客戶之旅遊業務之銷售表現一直維持穩定。管理層對香港旅遊業之前景感到樂觀，並將努力及投入資源維持本集團之旅遊業務營運。

此外，本公司收購Good Magic Limited（一間投資控股公司（其於香港持有三座住宅物業（「該等物業」））之全部股權。於二零一四年九月三十日，該等物業已出租予三名不同租戶，其為獨立於本集團之第三方。

收購旅遊棧有限公司及Good Magic Limited可令本集團擴闊其業務範圍至旅遊代理條例項下之持牌旅遊代理業務及物業投資，從而擴闊本集團之收入基礎。

收購旅遊棧有限公司及Good Magic Limited可令本集團擴闊其業務範圍至旅遊代理條例項下之持牌旅遊代理業務及物業投資，從而擴闊本集團之收入基礎。為擴闊本集團之業務組合範圍及進一步擴闊收入基礎，本公司透過其全資附屬公司自二零一四年八月起根據香港法律放債人條例開展其放債業務。

Management Discussion and Analysis

管理層討論及分析

In September 2014, the Group has provided loans with the term of three months to two separate borrowers who are third parties independent of the Company and its connected persons. The principal amount of the aforesaid loans are HK\$5.5 million and HK\$10.0 million respectively, with respective interest rate of 12% and 11% per annum. In October 2014, the aforesaid loan with principal amount of HK\$10.0 million has been fully settled by the borrower while a new loan with principal amount of HK\$9.8 million at interest rate of 10.5% per annum has been lent to a borrower who is third party independent of the Company and its connected persons for a term of one year. The Company expects that the interest income to be generated from its money lending business will strengthen the Group's income base and therefore, the Company intends to continue to expand in this particular sector.

OUTLOOK

The Group will continue to devote its resources in the operation of travel agent business, property investment business and money leading business. At the same time, the Group will also continue to identify new business opportunities with the view to diversify its business portfolio and improve Shareholders' value. The Company will give priority to consider investment opportunity(ies) that can provide the Group with a stable revenue stream as and when suitable opportunities arise.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2014, the Group had cash and cash equivalents amounted to HK\$10.4 million (31 March 2014: HK\$9.0 million).

The Group gearing ratio expressed as a percentage of total interest bearing borrowings, (including all interest bearing borrowings from shareholders and/or related companies), over equity attributable to the owners of the Company, decreased from 84.7% as at 31 March 2014 to 24.3% as at 30 September 2014.

As at 30 September 2014, the Group had HK\$24.2 million (31 March 2014: HK\$28.3 million) interest bearing borrowings from independent third parties of which HK\$1.2 million (31 March 2014: HK\$5.3 million) were repayable within one year and the remaining HK\$23.0 million (31 March 2014: HK\$23.0 million) were repayable after one year. As at 30 September 2014, the interest bearing borrowings of HK\$24.2 million (31 March 2014: HK\$28.3 million) from independent third parties consisted of HK\$13.0 million (31 March 2014: HK\$13.2 million) in bank loans and HK\$11.2 million (31 March 2014: HK\$15.0 million) in other borrowings. As at 30 September 2014, the Group had net current liabilities of HK\$11.7 million (31 March 2014: net current liabilities of HK\$59.6 million). In addition, interest bearing borrowing from a non-controlling holder amounted to HK\$0.8 million as at 30 September 2014, and interest bearing borrowings from shareholders, non-controlling shareholder and related companies totaled HK\$24.1 million as at 31 March 2014.

於二零一四年九月，本集團已向兩名獨立借貸人提供貸款，為期三個月，兩名借貸人均為獨立於本公司及其關連人士之第三方。上述貸款之本金額分別為港幣5,500,000元及港幣10,000,000元，有關年利率為12厘及11厘。於二零一四年十月，上述本金為港幣10,000,000元之貸款已由借貸人悉數清償。本公司另貸出一筆本金為港幣9,800,000元及年利率為10.5厘之新貸款予一名借貸人，為期一年，該名借貸人為獨立於本公司及其關連人士之第三方。本公司預計放債業務產生之利息收入將加強本集團之收入基礎，因此，本公司有意繼續擴展此業務。

展望

本集團將繼續投入資源經營其旅遊代理業務、物業投資業務及放債業務。同時，本集團亦將繼續物色新業務機遇，藉以擴闊本集團之業務組合範圍並提升股東價值。於適當機遇湧現時，本公司將優先考慮可為本集團提供穩定收益流之投資機遇。

流動資金及財務資源

於二零一四年九月三十日，本集團之現金及現金等價物為港幣10,400,000元（二零一四年三月三十一日：港幣9,000,000元）。

本集團之資本負債比率為計息借貸總額（包括所有來自股東及／或關連公司之計息借貸）除本公司擁有人應佔權益之百分比，由二零一四年三月三十一日之84.7%下降至二零一四年九月三十日之24.3%。

於二零一四年九月三十日，本集團擁有港幣24,200,000元（二零一四年三月三十一日：港幣28,300,000元）來自獨立第三方之計息借貸，其中港幣1,200,000元（二零一四年三月三十一日：港幣5,300,000元）已於一年內償還，餘下港幣23,000,000元（二零一四年三月三十一日：港幣23,000,000元）已於一年後歸還。於二零一四年九月三十日，來自獨立第三方之計息借貸為港幣24,200,000元（二零一四年三月三十一日：港幣28,300,000元）包括銀行貸款港幣13,000,000元（二零一四年三月三十一日：港幣13,200,000元）及其他借貸港幣11,200,000元（二零一四年三月三十一日：港幣15,000,000元）。於二零一四年九月三十日，本集團之流動負債淨值為港幣11,700,000元（二零一四年三月三十一日：流動負債淨值為港幣59,600,000元）。此外，於二零一四年九月三十日，來自一名非控股持有人之計息借貸為港幣800,000元，以及截至二零一四年三月三十一日，來自股東、非控股股東及關連公司之計息借貸為合共港幣24,100,000元。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES (continued)

The directors of the Company are considering various alternatives to strengthen the capital base of the Group including through fund raising exercises.

FUND RAISING EXERCISES

- (a) As further detailed in the announcement of the Company dated 18 March 2013 and the prospectus of the Company dated 11 April 2013, the Company proposed an open offer (the "March Open Offer") to raise i) not less than approximately HK\$63.06 million and not more than approximately HK\$65.56 million before expenses by the issue of not less than 1,180,938,718 and not more than 1,227,737,503 new ordinary shares of the Company ("March Offer Shares") at a subscription price of HK\$0.0534 per March Offer Share to qualifying ordinary shareholders on the basis of one March Offer Share for every six existing ordinary shares held on 10 April 2013 with bonus issue of ordinary warrants with exercise price of HK\$0.0534 per ordinary share on the basis of one bonus share warrant for every March Offer Share subscribed; and ii) not more than approximately HK\$2.16 million by the issue of not more than 215,525,161 new convertible preferred shares of the Company ("March Offer CPS Shares") at a subscription price of HK\$0.0100125 per March Offer CPS Share to qualifying holders of convertible preferred shares on the basis of one March Offer CPS Share for every six existing convertible preferred shares held on 10 April 2013 with bonus issue of convertible preferred share warrants with exercise price of HK\$0.0100125 per convertible preferred share on the basis of one bonus convertible preferred share warrant for every March Offer CPS Share subscribed. The Directors consider that the March Open Offer will strengthen the Company's capital base and enhance its financial position and believes that the Open Offer will provide the qualifying shareholders with an opportunity to maintain their respective pro rata shareholdings in the Company and to participate in the future growth and development of the Company. The closing price of the share of the Company HK\$0.059 per share on 18 March 2013. The net proceeds were intended to be used as to i) 20% for the general working capital of the Group; ii) 60% for partial repayment of the indebtedness of the Group; and iii) 20% for investments in new business.

As further detailed in the announcement of the Company dated 6 May 2013, the March Open Offer became unconditional and 1,180,938,718 March Offer Shares, 1,180,938,718 ordinary share warrants, 215,525,161 March Offer CPS Shares and 215,525,161 convertible preferred share warrants were issued on 7 May 2013.

流動資金及財務資源 (續)

本公司董事正考慮多種鞏固本集團資本基礎之方法，包括透過集資活動。

集資活動

- (a) 誠如本公司日期為二零一三年三月十八日之公告及本公司日期為二零一三年四月十一日之售股章程進一步所詳述，本公司建議公開發售（「三月份公開發售」），i) 以通過發行不少於 1,180,938,718 股及不多於 1,227,737,503 股本公司之新普通股（「三月份發售股份」）予合資格普通股股東，認購價為每股三月份發售股份港幣 0.0534 元，基準為於二零一三年四月十日每持有六股現有普通股獲發一股三月份發售股份，另按每股普通股港幣 0.0534 元之行使價，按每認購一股三月份發售股份獲派一份紅利股份認股權證之基準發行紅利普通股認股權證，集資不少於約港幣 63,060,000 元及不多於約港幣 65,560,000 元（扣除開支前）；及 ii) 通過發行不多於 215,525,161 股本公司之新可換股優先股（「三月份發售可換股優先股股份」）予合資格可換股優先股持有人，認購價為每股三月份發售可換股優先股股份港幣 0.0100125 元，基準為於二零一三年四月十日每持有六股現有可換股優先股獲發一股三月份發售可換股優先股股份，另按每股可換股優先股港幣 0.0100125 元之行使價，按每認購一股三月份發售可換股優先股股份獲派一份紅利可換股優先股認股權證之基準發行紅利可換股優先股認股權證，集資不多於約港幣 2,160,000 元。董事認為，三月份公開發售將鞏固本公司資本基礎及改善其財務狀況，並相信該公開發售將使合資格股東有機會維持其各自於本公司所佔之股權比例，並參與本公司之未來成長和發展。於二零一三年三月十八日，本公司股份之收市價每股港幣 0.059 元。所得款項淨額擬將以 i) 其中 20% 撥作本集團之一般營運資金；ii) 60% 用於償還本集團部分債務；及 iii) 20% 用作投資新業務。

誠如本公司日期為二零一三年五月六日之公告進一步所詳述，三月份公開發售已成為無條件，並於二零一三年五月七日，本公司已發行 1,180,938,718 股三月份發售股份、1,180,938,718 份普通股認股權證、215,525,161 股三月份發售可換股優先股股份及 215,525,161 份可換股優先股股份認股權證。

Management Discussion and Analysis

管理層討論及分析

FUND RAISING EXERCISES (continued)

As at 30 September 2014, among the net proceeds of approximately HK\$60.8 million (representing a net price of approximately HK\$0.0497 per March Offer Share and approximately HK\$0.0096 per March Offer CPS Share), approximately HK\$44.0 million had been utilised for repayment of the indebtedness of the Group (the deviation from the intended use was due to the full repayment on 8 May 2013 of a loan that bore interest of 18% per annum. Due to the low interest rate environment in 2013, the Board considered that it is in the interest of the Company to apply available funding to fully settle such high interest-bearing loan), an aggregate of approximately HK\$1.6 million had been utilised for acquisition of new businesses and approximately HK\$15.2 million had been utilised for general working capital of the Group.

- (b) As further detailed in the announcement of the Company dated 27 February 2014 and the prospectus of the Company dated 16 April 2014, the Company proposed to raise i) not less than approximately HK\$44.5 million and not more than approximately HK\$53.0 million before expenses by the issue of not less than 139,173,247 and not more than 165,665,906 new ordinary shares of the Company (“February Offer Shares”) at a subscription price of HK\$0.32 per February Offer Share to qualifying shareholders on the basis of one February Offer Share for every ten existing ordinary shares held on 14 April 2014 with bonus issue of five bonus shares for every February Offer Share; and ii) not more than approximately HK\$1.7 million by the issue of not more than 172,420,129 new convertible preferred shares of the Company (“February Offer CPS Shares”) at a subscription price of HK\$0.01 per February Offer CPS Share to qualifying holders of convertible preferred shares on the basis of five bonus convertible preferred shares for every existing February Offer CPS Share subscribed. The Directors consider that the February Open Offer will strengthen the Company’s capital base and enhance its financial position and believes that the February Open Offer will provide the qualifying shareholders with an opportunity to maintain their respective pro rata shareholdings in the Company and to participate in the future growth and development of the Company. The closing price of the share of the Company was HK\$0.150 on 27 February 2014. The net proceeds were intended to be used as to i) approximately HK\$16.5 million for the repayment of the indebtedness of the Group; ii) approximately HK\$16.5 million for future investments opportunities; and iii) approximately HK\$9.6 million for the general working capital of the Group.

集資活動 (續)

於二零一四年九月三十日，公開發售之所得款項淨額約港幣60,800,000元中（相當於每股三月份發售股份約港幣0.0497元及每股三月份發售可換股優先股股份約港幣0.0096元之淨價格），約港幣44,000,000元已用作償還本集團之債務（與擬定用途金額之偏差乃由於二零一三年五月八日悉數償還年利率為18厘之貸款。由於二零一三年之低利率環境，董事會認為，動用可用資金以悉數償還有關高息貸款乃符合本公司之利益），約港幣1,600,000元之金額總數已用作收購新業務及約港幣15,200,000元已撥作於本集團之一般營運資金。

- (b) 誠如本公司日期為二零一四年二月二十七日之公告與本公司日期為二零一四年四月十六日之售股章程進一步所詳述，本公司建議，i) 通過發行不少於139,173,247股及不多於165,665,906股本公司之新普通股（「二月份發售股份」）予合資格股東，認購價為每股二月份發售股份港幣0.32元，基準為於二零一四年四月十四日每持有十股現有普通股獲發一股二月份發售股份，另按每一股二月份發售股份獲派五股紅利股份之基準發行紅股，以集資不少於約港幣44,500,000元及不多於約港幣53,000,000元（扣除開支前）；及ii) 通過發行不多於172,420,129股本公司之新可換股優先股（「二月份發售可換股優先股股份」）予合資格可換股優先股持有人，認購價為每股二月份發售可換股優先股股份港幣0.01元，按每認購一股現有二月份發售可換股優先股股份獲派五股紅利可換股優先股股份之基準，以集資不多於約港幣1,700,000元。董事認為，二月份公開發售將鞏固本公司資本基礎及改善其財務狀況，並相信二月份公開發售將使合資格股東有機會維持其各自於本公司所佔之股權比例，並參與本公司之未來成長和發展。於二零一四年二月二十七日，本公司股份之收市價每股港幣0.150元。所得款項淨額擬將以 i) 約港幣16,500,000元用於償還本集團債務；ii) 約港幣16,500,000元用作於未來投資機遇；及iii) 約港幣9,600,000元將撥作本集團之一般營運資金。

Management Discussion and Analysis

管理層討論及分析

FUND RAISING EXERCISES (continued)

As further detailed in the announcement of the Company dated 12 May 2014, the February Open Offer became unconditional and 139,179,601 February Offer Shares with 695,898,005 bonus shares, 150,867,613 February Offer CPS Shares with 754,338,065 bonus convertible preferred shares were issued on 13 May 2014. Up to the date of this report, among the net proceeds of approximately HK\$42.6 million (representing a net price of approximately HK\$0.296 per February Offer Share and approximately HK\$0.0093 per February Offer CPS Share), i) approximately HK\$16.5 million had been utilised for repayment of the indebtedness of the Group; ii) approximately HK\$15.5 million had been utilised for investment in new business; iii) approximately HK\$3.2 million had been utilised for general working capital of the Group; and iv) the rest of the net proceeds of approximately HK\$7.4 million had been placed in bank deposits and are intended to be utilised as the general working capital of the Group.

CONTINGENT LIABILITIES AND LITIGATIONS

The Group's contingent liabilities and litigations at 30 September 2014 are disclosed in Notes 26 and 27 to this report.

FOREIGN EXCHANGE RISK

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

During the six months ended 30 September 2014, revenue from operations was denominated mainly in Renminbi while its costs and expenses were primarily in Renminbi, Hong Kong dollars and Brazilian Reals where the Group's operations are based. The Group is exposed to potential foreign exchange risk as a result of fluctuations between those currencies that are not pegged.

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

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

集資活動 (續)

誠如本公司於二零一四年五月十二日之報告進一步所詳述，二月份公開發售已成為無條件，並於二零一四年五月十三日，本公司已發行139,179,601股二月份發售股份（連同695,898,005股紅股）、150,867,613股二月份發售可換股優先股股份（連同754,338,065股紅利可換股優先股）。截至本報告日期止，所得款項淨額約港幣42,600,000元中（相當於每股二月份發售股份約港幣0.296元及每股二月份發售可換股優先股股份約港幣0.0093元之淨價格），i) 約港幣16,500,000元已用於償還本集團之債務；ii) 約港幣15,500,000元已用作於投資新業務；iii) 約港幣3,200,000元已撥作於本集團之一般營運資金；及iv) 所得款項淨額之餘下部分約港幣7,400,000元已存置於銀行作為銀行存款，擬將撥作於本集團一般營運資金。

或然負債及訴訟

本集團於二零一四年九月三十日之或然負債及訴訟已於本報告附註26及27披露。

外匯風險

本集團之持續經營業務主要位於巴西、中國及香港。

截至二零一四年九月三十日止六個月，業務收入主要以人民幣列賬，其成本及開支主要基於本集團業務所在地之人民幣、港幣及巴西之雷亞爾計值。本集團因該等貨幣彼此並無掛鈎所產生之匯率波動而承受潛在外匯風險。

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

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

Management Discussion and Analysis

管理層討論及分析

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 September 2014, the Group has approximately 22 employees (31 March 2014: 24) mainly in Hong Kong, the PRC and Brazil. The total remuneration paid by the Group to its employees (including Directors) for the period was approximately HK\$2.2 million (30 September 2013: HK\$11.6 million).

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

人力資源及薪酬政策

於二零一四年九月三十日，本集團有約22名僱員（二零一四年三月三十一日：24名），主要駐於香港、中國及巴西。本集團期內支付予僱員（包括董事）之薪酬總額約為港幣2,200,000元（二零一三年九月三十日：港幣11,600,000元）。

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

Condensed Consolidated Income Statement

簡明綜合收益表

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
	Notes 附註		
Revenue	6	3,747	26,450
Cost of sales		(2,722)	(21,318)
Gross profit		1,025	5,132
Other income	7	6	12,467
Other net gain	7	6,727	2,876
Selling and distribution costs		(107)	(2,565)
Administrative expenses		(26,524)	(47,482)
Change in fair value of biological assets less costs to sell	12	-	(87,776)
Loss from operations		(18,873)	(117,348)
Finance income		233	-
Finance costs		(691)	(1,750)
Net finance costs	8(a)	(458)	(1,750)
Loss before taxation	8	(19,331)	(119,098)
Income tax	9	-	29,844
LOSS FOR THE PERIOD		(19,331)	(89,254)
Attributable to:			
Owners of the Company		(19,332)	(89,254)
Non-controlling interests		1	-
		(19,331)	(89,254)
Loss per share	11		
			(Restated)
			(經重列)
- Basic		(0.782) cents 仙	(5.047) cents 仙
- Diluted		(0.782) cents 仙	(5.047) cents 仙

The notes on pages 18 to 57 form part of these financial statements. 第 18 至 57 頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Loss for the period	期間虧損	(19,331)	(89,254)
Other comprehensive income/(loss)	其他全面收入／（虧損）		
<i>Items that may be reclassified</i>	<i>其後可能會重新分類至損益之項目：</i>		
<i>subsequently to profit or loss</i>			
Exchange differences on translation of financial statement of overseas subsidiaries	換算海外附屬公司財務報告產生之匯兌差額	19,796	(18,994)
Other comprehensive income/(loss) for the period, net of tax	期間其他全面收入／（虧損），扣除稅項	465	(18,994)
Total comprehensive income/(loss) for the period	期間全面收入／（虧損）總額	465	(108,248)
Total comprehensive income/(loss) attributable to:	以下人士應佔全面收入／（虧損）總額：		
Owners of the Company	本公司擁有人	465	(108,248)
Non-controlling interests	非控制性權益	-	-
		465	(108,248)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2014 於二零一四年九月三十日

			At 30 September 2014 於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2014 於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備		156,894	157,769
Investment properties	投資物業		23,699	23,699
Biological assets	生物資產	12	16,297	17,538
			196,890	199,006
CURRENT ASSETS	流動資產			
Inventories	存貨	14	1,088	3,741
Trade and other receivables	應收貿易款項及其他應收款項	15	35,523	39,340
Cash and cash equivalents	現金及現金等價物		10,445	8,965
			47,056	52,046
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易款項及其他應付款項	16	54,537	82,776
Loans and borrowings	貸款及借貸	17	1,240	5,310
Provision for taxation	稅項撥備		2,158	2,158
Amount due to a non-controlling shareholder	應付一名非控股股東款項	19	835	1,235
Amount due to a shareholder	應付一名股東款項	20	–	13,410
Promissory notes	承付票據	21	–	6,782
			58,770	111,671
NET CURRENT LIABILITIES	流動負債淨值		(11,714)	(59,625)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		185,176	139,381
NON-CURRENT LIABILITIES	非流動負債			
Loans and borrowings	貸款及借貸	17	22,975	22,994
Financial liabilities	財務負債	22	3,536	1,984
Deferred tax liabilities	遞延稅項負債		55,577	55,605
			82,088	80,583
NET ASSETS	資產淨值		103,088	58,798

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2014 於二零一四年九月三十日

			At 30 September 2014	At 31 March 2014
		Notes 附註	於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	23	46,408	29,005
Reserves	儲備		56,604	29,718
Total equity attributable to the owners of the Company	本公司擁有人應佔總權益		103,012	58,723
Non-controlling interests	非控制性權益		76	75
TOTAL EQUITY	總權益		103,088	58,798

The notes on pages 18 to 57 form part of these financial statements. 第18至57頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

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

		Attributable to the owners of the Company											
		Share capital	Share premium	Shares held by Company for acquisition consideration	Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Accumulated losses	Sub-total	Non-controlling interest	Total equity
		股本	股份溢價	本公司就償付收購代價所持股份	實繳盈餘	可供分派儲備	股本贖回儲備	匯兌波動儲備	購股權儲備	累計虧損	小計	非控制性權益	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2013 (audited)	於二零一三年四月一日 (經審核)	390,832	2,470,341	(115,920)	10,003	2,216	8,000	(37,892)	9,854	(2,220,434)	517,000	7	517,007
Loss for the period	期間虧損	-	-	-	-	-	-	-	-	(89,254)	(89,254)	-	(89,254)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	-	-	-	-	-	-	(18,994)	-	-	(18,994)	-	(18,994)
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	-	(18,994)	-	-	(18,994)	-	(18,994)
Total comprehensive loss for the period	期間全面虧損總額	-	-	-	-	-	-	(18,994)	-	(89,254)	(108,248)	-	(108,248)
Issue of new shares in connection with the open offer	就公開發售發行新股份	65,138	(4,078)	-	-	-	-	-	-	-	61,060	-	61,060
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證時發行股份	4,459	1,628	-	-	-	-	-	-	-	6,087	-	6,087
Equity-settled share-based payment	以股權結算之股份付款	-	-	-	-	-	-	-	446	-	446	-	446
Forfeiture of share options	沒收購股權	-	-	-	-	-	-	-	(8,640)	8,640	-	-	-
Total transactions with owners	與擁有人進行之交易總額	69,597	(2,450)	-	-	-	-	-	(8,194)	8,640	67,593	-	67,593
At 30 September 2013 (Unaudited)	於二零一三年九月三十日 (未經審核)	460,429	2,467,891	(115,920)	10,003	2,216	8,000	(56,886)	1,660	(2,301,048)	476,345	7	476,352
At 1 April 2014 (audited)	於二零一四年四月一日 (經審核)	29,005	34	(115,920)	2,885,431	2,216	8,000	(49,776)	1,660	(2,701,927)	58,723	75	58,798
Loss for the period	期間虧損	-	-	-	-	-	-	-	-	(19,332)	(19,332)	1	(19,331)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	-	-	-	-	-	-	19,796	-	-	19,796	-	19,796
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	-	19,796	-	-	19,796	-	19,796
Total comprehensive loss for the period	期間全面虧損總額	-	-	-	-	-	-	19,796	-	(19,332)	464	1	465
Issue of new shares in connection with the open offer	就公開發售發行新股份	17,403	43,416	-	(14,502)	-	-	-	-	-	46,047	-	46,047
Share issue expenses	股份發行開支	-	(2,224)	-	-	-	-	-	-	-	(2,224)	-	(2,224)
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證時發行股份	-	2	-	-	-	-	-	-	-	2	-	2
Total transactions with owners	與擁有人進行之交易總額	17,403	40,924	-	(14,502)	-	-	-	-	-	43,825	-	43,825
At 30 September 2014 (Unaudited)	於二零一四年九月三十日 (未經審核)	46,408	40,958	(115,920)	2,870,929	2,216	8,000	(29,980)	1,660	(2,721,259)	103,012	76	103,088

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流轉表

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Net cash used in operating activities	經營業務流出之現金淨額	(4,212)	(5,914)
Net cash generated from investing activities	投資活動流入之現金淨額	628	-
Net cash generated from/(used in) financing activities	融資活動流入/(流出)之現金淨額	5,064	(189,323)
Decrease in cash and cash equivalents	現金及現金等價物減少	1,480	(195,237)
Cash and cash equivalents at beginning of the period	於期初之現金及現金等價物	8,965	216,540
Effect of foreign exchange rate changes, net	匯率變動之影響淨額	-	(7)
Cash and cash equivalents at end of the period	於期終之現金及現金等價物	10,445	21,296
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結存分析		
Cash and cash equivalents	現金及現金等價物	10,445	21,296
		10,445	21,296

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

1. CORPORATE INFORMATION

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

The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprised sustainable forest management, investment and leasing in natural forests, and manufacturing and sale of timber products including but not limited to wooden door, furniture and wooden floor panels; leasing of properties; the business of licensed travel agent under the Travel Agents Ordinance (Chapter 218 of the Laws of Hong Kong) and money lending business pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

2. BASIS OF PREPARATION

The Group incurred a loss attributable to owners of the Company of approximately HK\$19.3 million for the six months ended 30 September 2014 and had net current liabilities of approximately HK\$11.7 million as at 30 September 2014.

In preparing these condensed consolidated financial statements, the directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group and the ability of the Group to attain positive cash flow from operations in the immediate and long term.

In order to strengthen the capital base of the Group and to improve the Group’s financial position, liquidity and cash flows in the immediate foreseeable future, and otherwise to sustain the Group as a going concern, the Group has adopted the following measures.

- (a) The Group has been taking stringent cost controls;
- (b) The Group has been exploring new business opportunities to enhance the Group’s revenue; and
- (c) The directors of the Company are considering various alternatives to strengthen the capital base of the Group including through fund raising exercises including the open offer proposed by the Company subsequent to 30 September 2014 (note 30).

On the basis of the successful implement of the measures described above in the foreseeable future, the directors of the Company are satisfied that the Group will have sufficient working capital for its current requirements. Accordingly, the directors of the Company consider that it is appropriate to prepare the financial statements on a going concern basis.

1. 公司資料

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

本公司之主要業務為投資控股，其附屬公司之主要業務包括可持續森林管理、天然森林投資及租賃，以及製造銷售木材產品，包括但不限於木門、傢俱及木地板；物業租賃；於旅行代理商條例（香港法例第218章）之持牌旅行代理業務及根據香港法律放債人條例（香港法例第163章）之放債業務。

2. 編製基準

本集團於截至二零一四年九月三十日止六個月產生本公司擁有人應佔虧損約港幣19,300,000元，及於二零一四年九月三十日之流動負債淨值為約港幣11,700,000元。

於編製該等簡明綜合財務報告時，本公司董事已審慎考慮本集團現時及預計未來流動資金之影響，以及本集團業務即時及長期維持正數現金流量之能力。

為於即時可見未來鞏固本集團之資本基礎及改善本集團之財務狀況、流動資金及現金流量，以及在其他方面讓本集團持續營運，本集團已採納以下措施。

- (a) 本集團一直進行嚴謹之成本控制；
- (b) 本集團一直探尋新商機以提高本集團之收入；及
- (c) 本公司董事正考慮多種鞏固本集團資本基礎之其他方法，包括透過集資活動（包括本公司於二零一四年九月三十日後提呈之公開發售）（附註30）。

倘上述措施能於即時可見未來成功實施，則本公司董事信納，本集團將具備足夠營運資金應付現時需要。因此，本公司董事認為，按持續經營基準編製綜合財務報告屬恰當之舉。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

2. BASIS OF PREPARATION (continued)

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in the condensed consolidated financial statements.

The condensed consolidated financial statements for the six months ended 30 September 2014 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”).

These condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2014.

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

3. COMPARATIVE FINANCIAL INFORMATION

The Company’s auditor issued a disclaimer of opinion on the consolidated financial statements of the Group for the year ended 31 March 2014. The details of the disclaimer of opinion are set out in the Company’s annual report 2013/14.

2. 編製基準 (續)

倘本集團未能持續經營業務，則須作出調整以重列其資產價值至其可收回金額，就可能產生之任何額外負債計提撥備，以及將非流動資產及負債分別分類為流動資產及負債。簡明綜合財務報告中並無反映此等潛在調整之影響。

截至二零一四年九月三十日止六個月之簡明綜合財務報告乃遵守聯交所證券上市規則（「上市規則」）附錄16之適用披露規定及國際會計準則委員會（「國際會計準則委員會」）頒佈之國際會計準則（「國際會計準則」）第34號「中期財務報告」編製。

此等簡明綜合財務報告應與本集團截至二零一四年三月三十一日止年度之年度財務報告一併閱覽。

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

3. 比較財務資料

本公司之核數師就本集團截至二零一四年三月三十一日止年度之綜合財務報告發表不表示意見。不表示意見之詳情載於本公司之二零一三／一四年年報。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accounting policies and basis of preparation adopted in preparation of these condensed consolidated financial statements are consistent with those used in the Group's annual financial statements for the year ended 31 March 2014, except as described below.

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

Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities

Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities

Amendments to IAS 36 Recoverable Amount Disclosures for Non-financial Assets

Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting

IFRIC 21 Levies

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

4. 重大會計政策概要

此等簡明綜合財務報告乃按歷史成本慣例編製，惟生物資產、財務負債及投資物業則以公平值計量。

除下述者外，編製此等簡明綜合財務報告採納之會計政策及編製基準與本集團於截至二零一四年三月三十一日止年度之年度財務報告所用者一致。

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

國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第27號之修訂 投資實體

國際會計準則第32號之修訂 金融資產及金融負債之對銷

國際會計準則第36號之修訂 非金融資產可收回金額之披露

國際會計準則第39號之修訂 衍生工具更替及對沖會計延續

國際財務報告詮釋委員會第21號 徵收

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

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

5. SEGMENT REPORTING

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

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

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

Travel and travel related business: sales of air tickets, hotel accommodation and other travel related products.

Leasing of properties: lease of premises to generate rental income and to gain from the appreciation in the property values in long term.

Money lending: money lending business pursuant to the Money Lenders Ordinance of the Laws of Hong Kong.

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

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

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

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

5. 分部報告

本集團按分部管理其業務，分部按業務線（產品及服務）及地理位置兩方面劃分。以與該等資料向本公司董事會（「董事會」）作內部報告以分配資源及評核表現一致之方式，本集團已呈列下列可報告分部。概無合併經營分部以組成下列可報告分部。

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

製造及銷售木材產品：製造及銷售木材產品，包括但不限於木門、傢俱及木地板。

旅遊及旅遊相關業務：銷售機票、酒店住宿及其他旅遊相關產品。

物業租賃：租賃物業以產生租金收入並透過長遠物業升值賺取收益。

放債：根據香港法律放債人條例進行放債業務。

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

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

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

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

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

5. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities

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

5. 分部報告 (續)

(a) 分部業績、資產及負債

本集團可報告分部之分析報告如下：

		For the six months ended 30 September 2014 (Unaudited) 截至二零一四年九月三十日止六個月 (未經審核)					
		Manufacturing Sustainable forest management 可持續 森林管理 HK\$'000 港幣千元	and sale of timber products 製造及銷售 木材產品 HK\$'000 港幣千元	Travel and travel related business 旅遊及旅遊 相關業務 HK\$'000 港幣千元	Leasing of properties 物業租賃 HK\$'000 港幣千元	Money lending 放債 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	來自外界客戶之收入	-	2,795	637	315	-	3,747
Reportable segment revenue	可報告分部收入	-	2,795	637	315	-	3,747
Reportable segment (loss)/profit before taxation	除稅前可報告分部(虧損)/溢利	(15,482)	(505)	77	(30)	-	(15,940)
Depreciation	折舊	148	138	9	78	-	373
Interest expenses	利息開支	341	-	13	273	-	627
Interest income	利息收入	2	-	-	-	-	2
Reportable segment assets	可報告分部資產	166,843	23,827	3,645	24,090	15,500	233,905
Reportable segment liabilities	可報告分部負債	(41,381)	(6,348)	(2,084)	(23,689)	-	(73,502)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

5. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities

(continued)

5. 分部報告 (續)

(a) 分部業績、資產及負債 (續)

		For the six months ended 30 September 2013 (Unaudited) 截至二零一三年九月三十日止六個月 (未經審核)					
		Manufacturing Sustainable forest management 可持續 森林管理 HK\$'000 港幣千元	and sale of timber products 製造及銷售 木材產品 HK\$'000 港幣千元	Travel and travel related business 旅遊及旅遊 相關業務 HK\$'000 港幣千元	Leasing of properties 物業租賃 HK\$'000 港幣千元	Money lending 放債 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	來自外界客戶之收入	-	26,450	-	-	-	26,450
Reportable segment revenue	可報告分部收入	-	26,450	-	-	-	26,450
Reportable segment (loss)/profit before taxation	除稅前可報告分部 (虧損)/溢利	(112,833)	7,977	-	-	-	(104,856)
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本	(87,776)	-	-	-	-	(87,776)
Depreciation	折舊	(335)	(138)	(1)	-	-	(474)
Interest expenses	利息開支	(1,683)	-	(67)	-	-	(1,750)
Interest income	利息收入	-	-	-	-	-	-

		As at 31 March 2014 (Audited) 於二零一四年三月三十一日 (經審核)					
		Manufacturing Sustainable forest management 可持續 森林管理 HK\$'000 港幣千元	and sale of timber products 製造及銷售 木材產品 HK\$'000 港幣千元	Travel and travel related business 旅遊及旅遊 相關業務 HK\$'000 港幣千元	Leasing of properties 物業租賃 HK\$'000 港幣千元	Money lending 放債 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Reportable segment assets	可報告分部資產	173,521	41,143	4,344	23,854	-	242,862
Additions to non-current segment assets	非流動分部資產添置	-	-	3,281	23,738	-	27,019
Reportable segment liabilities	可報告分部負債	(69,975)	(25,204)	(2,466)	(23,523)	-	(121,168)

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For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

5. SEGMENT REPORTING (continued)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:

5. 分部報告 (續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：

		For the six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(i) Revenue	(i) 收入		
Reportable segment revenue	可報告分部收入	3,747	26,450
Elimination of inter-segment revenue	對銷分部間收入	-	-
Consolidated revenue	綜合收入	3,747	26,450

		For the six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(ii) Loss	(ii) 虧損		
Reportable segment loss before taxation	除稅前可報告分部虧損	(15,940)	(104,856)
Unallocated corporate income	未分配企業收入	-	14,540
Unallocated depreciation	未分配折舊	(1)	(1)
Unallocated interest income	未分配利息收入	231	-
Unallocated interest expense	未分配利息開支	(64)	(67)
Unallocated corporate expenses	未分配企業開支	(3,557)	(28,714)
Loss before taxation	除稅前虧損	(19,331)	(119,098)

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5. SEGMENT REPORTING (continued)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities: (continued)

5. 分部報告 (續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：(續)

		At 30 September 2014 於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2014 於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
(iii) Assets	(iii) 資產		
Segment assets for reportable segments	可報告分部之分部資產	233,905	242,862
Unallocated corporate assets	未分配企業資產	10,041	8,190
Total assets per condensed consolidated statement of financial position	簡明綜合財務狀況表所呈列資產總值	243,946	251,052
Liabilities	負債		
Segment liabilities for reportable segments	可報告分部之分部負債	73,502	121,168
Unallocated:	未分配：		
– Provision for taxation	– 稅項撥備	2,158	2,158
– Deferred tax liabilities	– 遞延稅項負債	55,577	55,605
– Corporate liabilities	– 企業負債	9,621	13,323
Total liabilities per condensed consolidated statement financial position	簡明綜合財務狀況表所呈列負債總額	140,858	192,254

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5. SEGMENT REPORTING (continued)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities: (continued)

(iv) Other material items

5. 分部報告 (續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：(續)

(iv) 其他重要項目

		For the six months ended 30 September 2014 (Unaudited) 截至二零一四年九月三十日止六個月 (未經審核)					
		Manufacturing Sustainable forest management 可持續 森林管理 HK\$'000 港幣千元	and sale of timber products 製造及銷售 木材產品 HK\$'000 港幣千元	Travel and travel related business 旅遊及旅遊 相關業務 HK\$'000 港幣千元	Leasing of properties 物業租賃 HK\$'000 港幣千元	Money lending 放債 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Depreciation	折舊	148	138	9	78	-	373
Interest expenses	利息開支	341	-	13	273	-	627
Interest income	利息收入	2	-	-	-	-	2

		For the six months ended 30 September 2013 (Unaudited) 截至二零一三年九月三十日止六個月 (未經審核)					
		Manufacturing Sustainable forest management 可持續 森林管理 HK\$'000 港幣千元	and sale of timber products 製造及銷售 木材產品 HK\$'000 港幣千元	Travel and travel related business 旅遊及旅遊 相關業務 HK\$'000 港幣千元	Leasing of properties 物業租賃 HK\$'000 港幣千元	Money lending 放債 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Depreciation	折舊	335	138	1	-	-	474
Interest expenses	利息開支	1,683	-	67	-	-	1,750
Interest income	利息收入	-	-	-	-	-	-

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5. SEGMENT REPORTING (continued)

(c) Revenue from major products and services:

		For the six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Manufacturing and sales of forestry and timber products	製造及銷售木材及木料產品	2,795	26,450
Travel and travel related business	旅遊及旅遊相關業務	637	-
Leasing of properties	物業租賃	315	-
		3,747	26,450

6. REVENUE

Revenue represents the invoiced value of goods sold (after allowances for returns and trade discounts) and revenue from manufacturing and sales of timber products; lease of premises to generate related income; and sales of air tickets, hotel accommodation and other travel related products.

An analysis of revenue is as follows:

6. 收入

收入指出售貨品之發票價值(計及退貨及商業折扣備抵後)及來自製造銷售木材產品;租賃物業以產生租金收入;以及銷售機票、酒店住宿及其他旅遊相關產品之收入。

收入分析如下:

		For the six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Manufacturing and sales of forestry and timber products	製造及銷售木材及木料產品	2,795	26,450
Travel and travel related business	旅遊及旅遊相關業務	637	-
Leasing of properties	物業租賃	315	-
		3,747	26,450

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簡明綜合財務報告附註

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

7. OTHER INCOME AND OTHER NET GAIN

7. 其他收入及其他收益淨額

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Other income	其他收入		
Reversal of write down of inventories	撥回存貨撇減	-	12,375
Others	其他	6	92
		6	12,467
Other net gain	其他收益淨額		
Waiver of interest on a loan from an independent third party	豁免一名獨立第三方之一筆借貸利息	4,046	-
Net gain on disposal of a wholly-owned subsidiary	出售一家全資附屬公司之收益淨額	4,233	-
Change in fair value of financial liabilities (note 22)	財務負債公平值變動 (附註 22)	(1,552)	14,540
Net exchange gain	匯兌收益淨額	-	(11,664)
		6,727	2,876

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簡明綜合財務報告附註

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

8. LOSS BEFORE TAXATION

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

8. 除稅前虧損

本集團除稅前虧損乃經扣除／（計入）下列各項後得出：

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
(a) Net finance costs	(a) 融資費用淨額		
Finance income on financial assets not at fair value through profit or loss	並非按公平值計入損益賬之財務資產之融資收入	(233)	-
Finance costs:	融資費用：		
Interest on bank and other borrowings wholly repayable within five years	須於五年內悉數償還銀行及其他借貸之利息	286	1,009
Interest on promissory notes	承付票據之利息	64	67
Interest on amounts due to shareholders	應付股東款項之利息	341	668
Interest on amounts due to related companies	應付關連公司款項之利息	-	6
Total interest expenses on financial liabilities not at fair value through profit or loss	並非按公平值計入損益賬之財務負債之利息開支總額	691	1,750
		458	1,750
(b) Staff costs (including Directors' remuneration)	(b) 員工成本 (包括董事薪酬)		
Salaries, wages and other benefits	薪金、工資及其他福利	2,079	10,526
Pension scheme contributions	公積金計劃供款	151	663
Equity-settled share-based payment expenses	以股權結算以股份支付開支	-	446
		2,230	11,635
(c) Other items	(c) 其他項目		
Cost of inventories*	存貨成本*	2,721	21,318
Net exchange loss	匯兌虧損淨額	17,435	-
Reversal of write down of inventories	撥回存貨撇減	-	(12,375)
Depreciation	折舊	375	474
Minimum lease payments under operating leases for land and buildings (including Directors' quarters)	土地及樓宇（包括董事宿舍）經營租約之最低租金	234	240
Auditor's remuneration – other services	核數師酬金 – 其他服務	25	587

* Cost of inventories sold includes depreciation of approximately HK\$70,000 (2013: HK\$6,000) and staff costs of HK\$Nil (2013: HK\$1,746,000), the amount of which is also included in the respective total amounts disclosed separately above.

已售出之存貨成本包括折舊約港幣70,000元（二零一三年：港幣6,000元）及員工成本港幣零元（二零一三年：港幣1,746,000元），有關款項亦已包括在上文分別披露之相關總額當中。

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9. INCOME TAX

Income tax in the condensed consolidated income statement represents:

9. 所得稅

簡明綜合收益表之所得稅代表：

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Deferred tax	遞延稅項		
– Reversal of temporary differences	– 撥回暫時差額	-	(29,844)
		-	(29,844)

No provision for profits tax has been made for the six months ended 30 September 2014 as the Group did not generate any assessable profits in Hong Kong. Hong Kong Profits Tax for the six months ended 30 September 2013 was calculated at 16.5% of the estimated assessable profits arising in Hong Kong. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

由於本集團並無於香港產生任何應課稅溢利，故截至二零一四年九月三十日止六個月未有作出利得稅撥備。截至二零一三年九月三十日止六個月之香港利得稅根據於香港產生之估計應課稅溢利按稅率16.5厘計算。於其他司法權區產生之稅項按相關司法權區之現行稅率計算。

10. DIVIDENDS

The Directors do not recommend the payment or declaration of any dividend for both six months ended 30 September 2014 and 30 September 2013 respectively.

10. 股息

董事不建議就截至二零一四年九月三十日及二零一三年九月三十日止兩段六個月派發或宣派任何股息。

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For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

11. LOSS PER SHARE

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

11. 每股虧損

每股基本及攤薄虧損乃根據以下數據計算：

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(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攤薄虧損之虧損		
– Loss attributable to the owners of the Company	– 本公司擁有人應佔虧損	(19,331)	(89,254)
		'000	'000
		千股	千股
			(Restated)
			(經重列)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purposes of basic loss per share	用以計算每股基本虧損之普通股加權平均數	2,472,035	1,768,419

Diluted loss per share equals to the basic loss per share for the six months ended 30 September 2014 and 2013 because the outstanding convertible preferred share, share options, warrants and other potential ordinary shares in issue had an anti-dilutive effect on the basic loss per share.

由於尚未行使之可換股優先股、購股權、認股權證以及其他已發行潛在普通股之每股基本虧損具反攤薄影響，故截至二零一四年及二零一三年九月三十日止六個月之每股攤薄虧損相等於每股基本虧損。

Note: The weighted average number of ordinary shares held in the six months ended 30 September 2013, for the purpose of calculating basic and diluted loss per share, has been adjusted for the open offer, on the basis of one offer share for every ten existing shares held with bonus issue of five bonus shares for every share subscribed, which was completed during the six months ended 30 September 2014.

附註： 截至二零一三年九月三十日止六個月所持有之普通股加權平均數乃用作計算每股基本及攤薄之虧損，已就公開發售而調整，基準為每持有十股現有股份獲發一股發售股份，另按每認購一股股份獲派五股紅股發行紅股，其已於截至二零一四年九月三十日止六個月完成。

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12. BIOLOGICAL ASSETS

12. 生物資產

		HK\$'000 港幣千元
At 1 April 2013 (Audited)	於二零一三年四月一日 (經審核)	344,172
Changes in fair value less costs to sell	公平值變動減銷售成本	(292,758)
Exchange movement	匯兌變動	<u>(33,876)</u>
At 31 March 2014 (Audited)	於二零一四年三月三十一日 (經審核)	17,538
Exchange movement	匯兌變動	<u>(1,241)</u>
At 30 September 2014 (Unaudited)	於二零一四年九月三十日 (未經審核)	<u>16,297</u>

The Group's forest assets, acquired through the business combination of Amplewell and its subsidiaries, are located in the Northwest of Brazil, the State of Acre, Amazon Region (the "Brazil Forest"). As at 31 March 2014 and 30 September 2014, the biological assets represented natural tropical forests. The total area of the Brazil Forest is approximately 44,500 hectares. Under the environmental laws in Brazil, 20% or 8,939 hectares of the Brazil Forest area is the permanent preservation area and therefore is restricted from logging. At least 80% of the remaining area is designated as the sustainable forest management area and the balance is the permissible clear cut area that has no restriction on felling under the environmental laws of Brazil. In the sustainable forest management area, minimum impact logging techniques are used and forests are managed in a sustainable manner which means that the harvesting rate is below the overall natural growth of the forest. The main objective in sustainable forest management program is to ensure the substance of the forests be preserved. The maximum logging rate allowed under relevant regulations governing sustainable forest management is 30m³ per hectare, an average, over a 25 to 30-year harvesting cycle.

本集團透過沛源及其附屬公司之業務合併收購之森林資產位於巴西西北部之亞克里州亞馬遜叢林區(「巴西森林」)。於二零一四年三月三十一日及二零一四年九月三十日，生物資產指天然熱帶森林。巴西森林之總面積約44,500公頃。根據巴西之環保法律，巴西森林面積之20%或8,939公頃為永久保護區，故此嚴禁砍伐。餘下範圍最少80%指定作為可持續森林管理區，根據巴西環保法，餘下範圍屬並無砍伐限制之砍伐區。在可持續森林管理範圍內，已採用構成最低影響之砍伐技術，而森林乃以可持續之方式管理，保持砍伐比率低於森林整體天然生長速度。可持續森林管理計劃之主要目的為確保森林內之林木得到保護。根據可持續森林管理之相關監管規例，最高砍伐率為二十五至三十年之砍伐周期內平均每公頃30立方米。

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12. BIOLOGICAL ASSETS (continued)

In November 2009, Universal Timber Resources Do Brasil Participacao Ltda (“UTRB”), a subsidiary of the Company in Brazil, and a main contractor being an independent third party of the Group (“Main Contractor”) entered into a service agreement, pursuant to which the Main Contractor engaged UTRB to provide tree felling services in the hydropower plant in Rondonia, Brazil. The main contract was signed between the operator of the hydropower plant and the Main Contractor. In May 2010, the alleged agent (“Alleged Agent”) of the Main Contractor’s owner started negotiation with UTRB for the proposed sale of the equity interest of the Main Contractor to UTRB (the “Proposed Deal”). UTRB was not satisfied with the results of due diligence exercise on the Main Contractor and the Alleged Agent failed to provide proper authorization document from the equity-owner of the Main Contractor to proceed with the Proposed Deal. As such, the Proposed Deal did not materialize. Since around February 2011, UTRB and its staff had been harassed by the Alleged Agent of the Main Contractor in the tree felling service project in Rondonia. Not only was the tree felling service project adversely affected by the Alleged Agent, he has also created a difficult and hostile environment for UTRB and its staff in Brazil. The Alleged Agent harassed UTRB’s staff and their family with death threats in numerous instances. The Group’s employees especially in Brazil were scared and UTRB had experienced high turnover of personnel. As such, it was decided to suspend harvesting operations in Acre to address the concerns of its staff. There was no significant change in fair value less cost to sell on biological assets during the six months ended 30 September 2014. For the year ended 31 March 2014, the Group recorded a decrease in fair value less cost to sell on biological assets of HK\$292.8 million. The loss was primarily attributable to decrease in log prices.

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

12. 生物資產 (續)

於二零零九年十一月，本公司於巴西之附屬公司Universal Timber Resources DoBrasil Participacao Ltda (「UTRB」) 與主承包商(「主承包商」，為本集團之獨立第三方)訂立服務協議，據此，主承包商委聘UTRB在巴西朗多尼亞州之水力發電廠提供伐木服務。水力發電廠之經營者與主承包商簽訂主合約。於二零一零年五月，主承包商擁有人之指稱代理(「指稱代理」)開始與UTRB就向UTRB建議銷售主承包商之股本權益(「建議交易」)進行磋商。UTRB對主承包商之盡職審查結果並不滿意，而指稱代理無法提供由主承包商之權益擁有人發出之適當授權文件以進行建議交易。因此，建議交易無法實現。大概自二零一一年二月以來，UTRB及其員工在朗多尼亞州之伐木服務項目上被主承包商之指稱代理騷擾。指稱代理不單為伐木服務項目帶來不利影響，彼亦令UTRB及其員工在巴西面對鉅額及敵對局面。指稱代理多次以死亡威脅騷擾UTRB員工及彼等之家人。本集團之員工，特別於巴西之員工深感恐懼，導致UTRB之員工流失率高企。因此，本集團決定暫停亞克里州之伐木業務以解除員工之憂慮。於截至二零一四年九月三十日止六個月，出售生物資產之公平值減成本並無重大變動。截至二零一四年三月三十一日止年度，本集團就生物資產錄得公平值減銷售成本下跌港幣292,800,000元。虧損主要由於原木價格下跌所致。

森林工程師於作估值用途之技術報告中採用下列方法釐定巴西森林之可供砍伐範圍。該新方法或準則 (Modelflora— Digital Model of Forest Exploration) 由Embrapa (Brazilian Enterprise for Agricultural Research)於巴西研發。國家並無強制要求採用該方法，惟已向專業森林工程師推薦。

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12. BIOLOGICAL ASSETS (continued)

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

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

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

- (i) a logging volume of 21.5m³ per hectare in the sustainable forest management program area.
- (ii) a post tax discount rate of 17.30% based on the data and factors relevant to the economy of Brazil, the industry of forest business and the harvestable resources in the Brazil Forest, and the weighted average cost of capital.

12. 生物資產 (續)

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

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

漢華評估就評估巴西森林採用貼現現金流轉法。以下為評估所用主要假設：

- (i) 可持續森林管理計劃範圍之砍伐量為每公頃21.5立方米。
- (ii) 折現率17.30%乃按照與巴西經濟、林業業務行業概況、於巴西森林之可供砍伐資源有關之數據及因素以及資本加權平均成本釐定。

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12. BIOLOGICAL ASSETS (continued)

- (iii) harvesting activities for the first 30-year cycle will resume from the calendar year of 2014 and complete in 8 years. Revenue or costs from subsequent harvesting cycles are not taken into account.
- (iv) average log price growth at a rate of 3% per annum in the next 8 years, which is the expected long term growth rate estimated by reference to the Consumer Price Index in USA.

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

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in Brazil in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks. The Directors are not aware of any environmental liabilities as at 30 September 2014.

(ii) Supply and demand risk

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

12. 生物資產 (續)

- (iii) 首三十年周期之砍伐活動將自公曆二零一四年起恢復，並於八年內完成。並無計及往後砍伐周期之收入或成本。
- (iv) 未來八年之平均原木價格增幅為每年3%，即參考美國消費物價指數估計之預期長期增長率。

本集團就其天然森林面對多項風險。

(i) 監管及環境風險

本集團受其業務所在之巴西法例及規例規管。本集團已制定環境政策及程序，旨在遵守當地之環保及其他法例。管理層定期進行檢討，以識別環境風險及確保現行制度足以管理有關風險。於二零一四年九月三十日，董事並不知悉有任何環保責任。

(ii) 供求風險

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

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13. GOODWILL

13. 商譽

		Sustainable forest management <i>(note i)</i> 可持續森林 管理 <i>(附註i)</i> HK\$'000 港幣千元	Manufacturing and sale of timber products <i>(note ii)</i> 製造及銷售 木材產品 <i>(附註ii)</i> HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost	成本			
At 1 April 2013 (Audited) and 31 March 2014 (Audited), at 1 April 2014 and 30 September 2014 (Unaudited)	於二零一三年四月一日(經審核)及二零一四年三月三十一日(經審核), 於二零一四年四月一日及二零一四年九月三十日(未經審核)	1,686,883	77,353	1,764,236
Accumulated impairment losses	累計減值虧損			
At 1 April 2013 (Audited)	於二零一三年四月一日(經審核)	1,384,765	77,353	1,462,118
Impairment losses recognised during the year ended 31 March 2014	截至二零一四年三月三十一日止年度確認之減值虧損	302,118	-	308,118
Accumulated impairment losses	於年內已確認減值虧損			
At 31 March 2014 (Audited), at 1 April 2014 and 30 September 2014 (Unaudited)	於二零一四年三月三十一日(經審核), 於二零一四年四月一日及二零一四年九月三十日(未經審核)	1,686,883	77,353	1,764,236
Carrying amount	賬面值			
At 30 September 2014 (Unaudited)	於二零一四年九月三十日(未經審核)	-	-	-
At 31 March 2014 (Audited)	於二零一四年三月三十一日(經審核)	-	-	-

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簡明綜合財務報告附註

For the six months ended 30 September 2014 截至二零一四年九月三十日止六個月

13. GOODWILL (continued)

Notes:

(i) Sustainable forest management

Goodwill was allocated to the Group's cash-generating unit identified according to the operating segment. Goodwill as at 30 September 2014 and 31 March 2014 was attributable to the cash-generating unit that comprises the sustainable forest management segment.

For the year ended 31 March 2014, goodwill relating to sustainable forest management segment suffered an impairment loss of approximately HK\$302,118,000 primarily as a result of the change in operation model for the year. The board of directors changed the operation model in Acre from own harvesting to leasing out of the forest in Brazil so as to enhance the income stream of the Group.

Up to the date of approval of financial statements for the year ended 31 March 2014, the change in operation model was not crystallized and no lease relating to the Group's forest in Brazil was entered into by the Group. The directors of the Company considered the economic value of the future income stream from leasing out the Group's forest could not be reasonably assessed. The Group had to preclude the economic value of the future income stream from leasing out of the Group's forest from measurement of the fair value of the CGU for prudence.

The Group engaged an independent professional valuer to perform the valuation for the fair value of the CGU. The original business plan regarding the operation was assumed to be changed. As the MOU lapsed before the date of the approval of the financial statement for the year ended 31 March 2014, the valuer could not validate the feasibility of leasing business. There was no reliable projection for the business and income approach of the valuation methodology of the business value could not be used.

In assessing the valuation of the CGU, the valuer adopted the asset approach, which was breaking the CGU into pieces, i.e. the freehold land (included the naked land, pastures and betterments) and the biological assets, so the business value was the sum of them. The valuer adopted the market approach for the freehold land and adopted the income approach based on the projection developed based on the market participant's point of view for the biological assets.

The fair value less cost of disposal of the CGU valuation as at 31 March 2014 was approximately HK\$169,076,000 included the fair value of the biological assets and the fair value of freehold land. During the year ended 31 March 2014, an impairment loss of goodwill, approximately HK\$302,118,000 was recognised in the profit or loss. The fair value on which the recoverable amount based on is categorised as a Level 3 fair value measurement.

(ii) Manufacturing and sale of timber products

The goodwill of HK\$77,353,000 arising from the acquisition of Originate Tech Global Investments Limited and its subsidiaries represented the future economic benefits from the synergy effect of the business combination.

The recoverable amount of manufacturing and sale of timber products segment cash-generating unit was based on value in use. The value in use was determined by discounting the future cash flows generated from the continuing use of the unit.

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

13. 商譽 (續)

附註：

(i) 可持續森林管理

商譽分配至根據經營分部識別之本集團現金產生單位。於二零一四年九月三十日及二零一四年三月三十一日之商譽乃源自組成可持續森林管理分部之現金產生單位。

截至二零一四年三月三十一日止年度，有關可持續森林管理分部之商譽錄得減值虧損約港幣302,118,000元，此乃主要由經營模式改變所致。董事會將其於亞克里州之營運模式由自有伐木改為出租巴西的森林，藉以改善本集團的收入來源。

截至批准截至二零一四年三月三十一日止年度財務報表日期，經營模式變動並未發揮影響力，本集團亦無就本集團於巴西擁有之森林訂立租賃。本公司董事認為，尚未能合理評估出租本集團森林之未來收入來源之經濟價值。為審慎起見，本集團於計量現金產生單位之公平值時，須撇除出租本集團森林之未來收入來源之經濟價值。

本集團已委聘獨立專業估值師估算現金產生單位之公平值。關於營運之原有業務計劃被假設為已改變。由於諒解備忘錄於截至二零一四年三月三十一日止年度財務報表批准前失效，估值師未能核實租賃業務之可行性。該業務並無進行可靠預測，亦不可使用收入法作為該業務價值之估值法。

於評估現金產生單位之估值，估值師採取資產法，即將現金產生單位分為不同成份，即永久業權土地（包括空地、草地及增值地）及生物資產，而業務價值為兩者之總和。估值師就永久業權土地採取市場法，以及就生物資產採取收入法，參考市場參與者之看法，根據已發展的計劃作出。

於二零一四年三月三十一日現金產生單位估值之公平值減出售成本約為港幣169,076,000元，包括生物資產之公平值及永久業權土地之公平值。於截至二零一四年三月三十一日止年度，已於損益確認商譽之減值虧損，金額約為港幣302,118,000元。可收回金額所依據之公平值被分類為第3級公平值計量。

(ii) 製造及銷售木材產品

收購創科環球投資有限公司及其附屬公司產生商譽港幣77,353,000元代表業務合併所帶來協同效應之未來經濟利益。

製造及銷售木材產品分部現金產生單位之可收回金額以使用價值為基礎。使用價值乃按貼現來自持續使用該單位之未來現金流轉釐定。

於截至二零一二年三月三十一日止年度，涉及製造及銷售木材產品分部之商譽錄得減值虧損港幣77,000,000元。製造及銷售木材產品分部於與本集團合併後之營運首年產生虧損淨額約港幣18,000,000元。虧損淨額主要來自中國物業市場於短時間內放緩及中國物業價格下跌。由於中國經濟不明朗及木材需求及價格持續受壓，本集團認為與製造及銷售木材產品分部有關之商譽已出現減值。

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13. GOODWILL (continued)

Notes: (continued)

(ii) Manufacturing and sale of timber products (continued)

The entire value of manufacturing and sale of timber products segment was considered impaired as of 31 March 2012, and an impairment loss on goodwill of approximately HK\$77.4 million was recorded.

13. 商譽 (續)

附註：(續)

(ii) 製造及銷售木材產品 (續)

於二零一二年三月三十一日，製造及銷售木材產品分部之全部價值被視為已減值，並錄得商譽減值虧損約港幣77,400,000元。

14. INVENTORIES

14. 存貨

		At 30 September 2014	At 31 March 2014
		於二零一四年 九月三十日	於二零一四年 三月三十一日
		HK\$'000	HK\$'000
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Sawn timber	鋸材	1,088	1,308
Finished goods	製成品	-	2,433
		1,088	3,741

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15. TRADE AND OTHER RECEIVABLES

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

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

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

15. 應收貿易款項及其他應收款項

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

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

於報告日期，按發票日期計算之應收貿易款項之賬齡分析如下：

		At 30 September 2014 於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2014 於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日	15,577	19,235
31 to 60 days	31至60日	-	141
61 to 90 days	61至90日	-	58
Over 90 days	90日以上	-	3,113
Trade receivables, net	應收貿易款項淨額	15,577	22,547
Other receivables	其他應收款項	19,573	16,139
Prepayment and deposits	預付款項及按金	373	654
		35,523	39,340

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16. TRADE AND OTHER PAYABLES

16. 應付貿易款項及其他應付款項

			At 30 September 2014	At 31 March 2014
		<i>Note 附註</i>	於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Trade payables	應付貿易款項	(a)	34,099	56,910
Other payables and accruals	其他應付款項及應計費用		20,438	25,866
			54,537	82,776

(a) Trade payables

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

(a) 應付貿易款項

於報告日期結束時，按發票日期計算之本集團應付貿易款項之賬齡分析如下：

			At 30 September 2014	At 31 March 2014
			於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日		355	17,402
31 to 60 days	31至60日		-	10
61 to 90 days	61至90日		-	4
Over 90 days	90日以上		33,744	39,494
Total trade payables	應付貿易款項總額		34,099	56,910

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17. LOANS AND BORROWINGS

17. 貸款及借貸

			At 30 September 2014	At 31 March 2014
			於二零一四年 九月三十日	於二零一四年 三月三十一日
		Notes 附註	HK\$'000	HK\$'000
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
Secured interest-bearing loan	有抵押之計息貸款		-	4,046
Secured bank loans	有抵押銀行貸款	(a)	13,029	13,237
Unsecured interest-bearing loans from an independent third party	來自獨立第三方之 無抵押計息貸款	(b)	11,186	11,021
			24,215	28,304

The analysis of the carrying amount of loans and borrowings is as follows:

有抵押銀行貸款賬面值分析如下：

			At 30 September 2014	At 31 March 2014
			於二零一四年 九月三十日	於二零一四年 三月三十一日
			HK\$'000	HK\$'000
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
Current liabilities	流動負債			
Portion of secured interest-bearing loan from an independent third party	來自獨立第三方之有抵押計息 貸款部分		-	4,046
Portion of term loans from banks due for repayment within 1 year	須於一年內償還之銀行有期貨 款部分		425	420
Portion of term loans from banks due for repayment after 1 year which contain a repayment on demand clause	須於一年後償還之銀行有期貨 款部分 (設有按要要求還款條 款)		815	844
			1,240	5,310
Non-current liabilities	非流動負債			
Secured bank loans	有抵押銀行貸款		11,789	11,973
Unsecured interest-bearing loans from an independent third party	來自獨立第三方之無抵押計息 貸款		11,186	11,021
			22,975	22,994
Total	總計		24,215	28,304

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17. LOANS AND BORROWINGS (continued)

At 31 March 2014, loans and borrowings were due for repayment as follows:

17. 貸款及借貸 (續)

於二零一四年三月三十一日，貸款及借貸須按以下日期償還：

		At 30 September 2014 於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) 港幣千元	At 31 March 2014 於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) 港幣千元
Secured bank loans	有抵押銀行貸款		
Portion of term loans from banks due for repayment within 1 year	須於一年內償還之有期 銀行貸款部分	425	420
Term loans from banks due for repayment after 1 year:	須於一年後償還之有期 銀行貸款		
After 1 year but within 2 years	一年後但兩年內	433	429
After 2 years but within 5 years	兩年後但五年內	1,500	1,487
More than 5 years	超過五年	10,671	10,901
		13,029	13,237
Other borrowings	其他借款		
Portion of borrowings due for repayment within 1 year	須於一年內償還之借貸部分	-	4,046
Borrowings due for repayment after 1 year	須於一年後償還之借貸	-	-
After 2 years but within 5 years	兩年後但五年內	11,186	11,021
		11,186	15,067
		24,215	28,304

The amounts due are based on the scheduled repayment dates as stipulated in the respective loan agreements.

該款項乃根據相關貸款協議規定之預期還款日期到期償還。

All of the banking facilities are subject to the fulfilment of covenants. If the Group were in breach of the covenants, the drawn down facilities would become repayable on demand. In addition, certain of the Group's bank loan agreements contain clauses which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

所有銀行融資受相關契諾所規限。倘本集團違反契諾，已動用的信貸額須於要求時償還。此外，本集團的若干銀行貸款協議包含的條款給予貸方自主權，可隨時要求立即償還（無論本集團是否遵守契諾及履行預定的償還義務）。

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17. LOANS AND BORROWINGS (continued)

The Group regularly monitors its compliance with these covenants, is up to date with the scheduled repayments of the term loans and does not consider it is probable that the bank will exercise its discretion to demand repayment so long as the Group continues to meet these requirements. As at 30 September 2014, none of the covenants relating to drawn down facilities had been breached (31 March 2014: Nil).

All of the secured bank loans, including amounts repayable on demand, and unsecured interest-bearing loans from an independent third party are carried at amortised cost.

None of the portion of bank loans due for repayment after one year which contain a repayment on demand clause and that is classified as a current liability is expected to be settled within one year.

- (a) The Group's bank borrowings were secured by mortgage over the Group's property of approximately HK\$3,209,000 (31 March 2014: HK\$3,218,000 and investment properties of approximately HK\$23,699,000 (31 March 2014: HK\$23,699,000) in Hong Kong.
- (b) The interest expenses charged on unsecured interest-bearing loans from an independent third party was calculated at 3% per annum. The outstanding balances are repayable in January 2017.

18. SEASONALITY OF OPERATIONS

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

19. AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER

The amount was unsecured, interest-free and had no fixed terms of repayment.

20. AMOUNT DUE TO A SHAREHOLDER

The amount as at 31 March 2014 was unsecured, bearing interest at 5% per annum and was fully settled during the six months ended 30 September 2014.

17. 貸款及借貸 (續)

本集團定期監察是否遵守該等契諾，及時按預定的期限償還定期貸款，並認為在本集團持續遵守該等規定的情況下銀行不大可能行使自主權要求償還。於二零一四年九月三十日，本集團並無違反有關動用信貸額的契諾（二零一四年三月三十一日：無）。

所有有抵押銀行貸款（包括須按要求償還之款額）及獨立第三方無抵押計息貸款乃按攤銷成本入賬。

預期須於一年後償還之銀行貸款部分（設有按還款條款及分類為流動負債）概不會於一年內結付。

- (a) 本集團之銀行借貸透過抵押本集團於香港價值約港幣3,209,000元（二零一四年三月三十一日：港幣3,218,000元之物業及價值約港幣23,699,000元（二零一四年三月三十一日：港幣23,699,000元之投資物業作擔保。
- (b) 來自一名獨立第三方之無抵押計息貸款收取之利息開支按年利率3厘計算。未償還結餘於二零一七年一月償還。

18. 業務之季節性因素

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

19. 應付一名非控股股東

款項並無抵押、免息及無固定還款期。

20. 應付一名股東款項

於二零一四年三月三十一日，該等款項為無抵押、按年利率5厘計息及於截至二零一四年九月三十日止六個月期間悉數清償。

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21. PROMISSORY NOTES

21. 承付票據

		At 30 September 2014 於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2014 於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
At beginning of the period/year	於期／年初	6,782	6,648
Accrued effective interests	應計實際利息	64	134
Repayment	還款	(6,846)	-
		-	6,782

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

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

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

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

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21. PROMISSORY NOTES (continued)

The promissory notes are held by a substantial shareholder. On 23 September 2009, the Company made repayment of promissory notes with carrying amount of HK\$84,529,000 at par value for HK\$100,000,000. On 2 November 2009, the Company made another repayment of promissory notes with carrying amount of HK\$90,188,000 at par value for HK\$105,000,000. The excess of the repayment amount over the carrying amount of HK\$30,283,000 for the year ended 31 March 2010 was accounted for as distribution to the shareholder.

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

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

A full repayment of approximately HK\$6.8 million was made during the period ended 30 September 2014.

22. FINANCIAL LIABILITIES

At beginning of the period/year	於期／年初
Issue of warrants	發行認股權證
Exercise of warrants	行使認股權證
Change in fair value	公平值變動

On 7 May 2013, the Company issued 1,180,938,718 ordinary share warrants and 215,525,161 convertible preferred share warrants in connection with an open offer. The warrants are classified as financial liabilities and measured at fair value at each end of the reporting period. The valuations as at 30 September 2014 were carried out by Element Consultants Limited independently based on Black-Scholes Option Pricing Model. The valuations as at 31 March 2014 were carried out by GCA independently based on Black-Scholes Option Pricing Model and Merton's Model.

21. 承付票據 (續)

承付票據乃由一名主要股東持有。於二零零九年九月二十三日，本公司按面值港幣100,000,000元償還賬面值港幣84,529,000元之承付票據。於二零零九年十一月二日，本公司另行按面值港幣105,000,000元償還賬面值港幣90,188,000元之承付票據。截至二零一零年三月三十一日止年度，償還金額超出賬面值之金額港幣30,283,000元入賬列作股東分派。

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

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

於截至二零一四年九月三十日止期間，約港幣6,800,000元悉數償還。

22. 財政負債

	At 30 September 2014 於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2014 於二零一四年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
	1,984	-
	-	23,337
	-	(1,075)
	1,552	(20,278)
	3,536	1,984

於二零一三年五月七日，本公司就公開發售發行1,180,938,718份普通股認股權證及215,525,161份可換股優先股認股權證。認股權證分類為財務負債，並按各報告期間結算日之公平值計量。於二零一四年九月三十日之估值乃由元方顧問有限公司根據柏力克-舒爾斯期權定價於二零一四年三月三十一之模型作出估值由漢華評值按柏力克-舒爾斯期權定價模式及墨頓模式獨立進行。

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23. SHARE CAPITAL

23. 股本

		Number of ordinary shares of HK\$0.05333 per share 每股面值 港幣0.05333元 之普通股數目	Number of ordinary shares of HK\$0.32 per share 每股面值 港幣0.32元 之普通股數目	Number of ordinary shares of HK\$0.01 per share 每股面值 港幣0.01元 之普通股數目	Number of convertible preferred shares of HK\$0.01 per share 每股面值 港幣0.01元 之可換股 優先股數目	Total 總計	
	Notes 附註	'000 千股	'000 千股	'000 千股	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Authorised:	法定：						
At 1 April 2013	於二零一三年四月一日	12,000,000	-	-	640,000	27,534,000	275,340
Share consolidation	股份合併	(a) (12,000,000)	2,000,000	-	-	-	-
Capital reorganization	資本重組						
- cancellation of paid up capital	- 註銷繳足資本	(b) -	(1,391,695)	1,391,695	(431,425)	-	(431,425)
- cancellation of unissued shares	- 註銷未發行股份	(b) -	(608,305)	-	(194,658)	-	(194,658)
- increased in authorised ordinary shares	- 增加法定普通股	(b) -	-	28,608,305	286,083	-	286,083
As at 31 March 2014, 1 April 2014 and 30 September 2014	於二零一四年三月三十一日、二零一四年四月一日及二零一四年九月三十日	-	-	30,000,000	300,000	27,534,000	273,540
Issued and fully paid:	已發行及繳足：						
At 1 April 2013	於二零一三年四月一日	7,085,632	-	-	377,900	1,293,151	12,932
Issue of new shares in connection with the open offer	透過公開發售發行新股	(c) 1,180,939	-	-	62,983	215,525	2,155
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證後發行股份	(d) 83,599	-	-	4,459	-	4,459
Share consolidation	股份合併	(a) (8,350,170)	1,391,695	-	-	-	-
Capital reorganization	資本重組						
- cancellation of paid up capital	- 註銷繳足資本	(b)(f) -	(1,391,695)	1,391,695	(431,425)	-	(431,425)
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證後發行股份	(e) -	-	101	1	-	1
As at 31 March 2014 and 1 April 2014	於二零一四年三月三十一日及二零一四年四月一日	-	-	1,391,796	13,918	1,508,676	15,078
Issue of new shares in connection with the open offer	就公開發售發行新股份	(f) -	-	835,078	8,351	905,206	9,052
Share issue upon exercise of ordinary share warrants	於行使普通股認股權證時發行股份	(g) -	-	12	-	-	-
At 30 September 2014	於二零一四年九月三十日	-	-	2,226,886	22,269	2,413,882	24,139

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23. SHARE CAPITAL (continued)

Notes:

- (a) Pursuant to an ordinary resolution passed on 30 September 2013, the share consolidation was approved and effective from 2 October 2013 every six ordinary shares of HK\$0.05333 each in the authorised and issued share capital of the Company were consolidated into one ordinary share of HK\$0.32 each in the authorised and issued share capital of the Company.
- (b) Pursuant to a special resolution passed on 30 September 2013, the capital reorganization was approved and effective from 2 October 2013 in the following manner (i) the issued ordinary share capital of the Company was reduced through a cancellation of paid up capital of the Company to the extent of HK\$0.31 on each of the ordinary shares of HK\$0.32 such that the nominal value of each issued ordinary share was reduced from HK\$0.32 to HK\$0.01; (ii) all of the authorised but unissued ordinary shares of HK\$0.32 each were cancelled; and (iii) the authorised share capital of the Company was increased to HK\$575,340,000 by the creation of an additional 28,608,305,027 unissued ordinary shares of HK\$0.01 each so that the authorised share capital of the Company comprised a total of 30,000,000,000 ordinary shares of HK\$0.01 each and 27,534,000,000 convertible preferred shares of HK\$0.01 each.
- (c) On 11 April 2013, the Company issued a prospectus (the "Prospectus") pursuant to which the Company proposed an open offer (the "Open Offer") to issue i) not less than 1,180,938,718 and not more than 1,227,737,503 new ordinary shares of the Company ("Offer Shares") at a subscription price of HK\$0.0534 per Offer Share to qualifying ordinary shareholders on the basis of one Offer Share for every six existing ordinary shares held on 10 April 2013 with bonus issue of ordinary share warrants with exercise price of HK\$0.0534 per ordinary share on the basis of one bonus share warrant for every Offer Share subscribed; and ii) not more than 215,525,161 new convertible preferred shares of the Company ("Offer CPS Shares") at a subscription price of HK\$0.0100125 per Offer CPS Share to qualifying holders of convertible preferred shares on the basis of one Offer CPS Share for every six existing convertible preferred shares held on 10 April 2013 with bonus issue of convertible preferred share warrants with exercise price of HK\$0.0100125 per convertible preferred share on the basis of one bonus convertible preferred share warrant for every Offer CPS share subscribed. Pursuant to the announcement of the Company dated 6 May 2013 (the "Announcement"), the Open Offer became unconditional and 1,180,938,718 Offer Shares, 1,180,938,718 ordinary share warrants, 215,525,161 Offer CPS Shares and 215,525,161 convertible preferred share warrants were issued on 7 May 2013. The dealing of the Offer Shares was commenced on the Stock Exchange on 8 May 2013. Further details of the Open Offer were disclosed in the Prospectus and the Announcement.
- (d) During the year ended 31 March 2014 and before capital reorganization, 83,598,813 ordinary share warrants were exercised to subscribe for 83,598,813 new ordinary shares of HK\$0.05333 of the Company at a consideration of approximately HK\$4,465,000 of which approximately HK\$4,459,000 was credited to share capital and the balance of approximately HK\$6,000 was credited to share premium account.
- (e) During the year ended 31 March 2014 and after capital reorganization, 606,240 ordinary share warrants were exercised to subscribe for 101,040 new ordinary shares of HK\$0.01 each of the Company at a consideration of approximately HK\$32,000 of which approximately HK\$1,000 was credited to share capital and the balance of approximately HK\$31,000 was credited to share premium account.

23. 股本 (續)

附註:

- a) 根據於二零一三年九月三十日通過之特別決議案，股份合併獲得批准，並由二零一三年十月二日起生效，本公司法定及已發行股本中每六股每股面值港幣0.05333元合併為本公司法定及已發行股本中一股每股面值港幣0.32元之普通股。
- (b) 根據於二零一三年九月三十日通過之特別決議案，股本重組獲得批准，並由二零一三年十月二日起生效，重組方式如下：(i)透過註銷本公司繳足股本削減本公司已發行普通股股本，以每股港幣0.32元之普通股削減港幣0.31元為限，致使每股已發行普通股本之面值由港幣0.32元削減至港幣0.01元；(ii)註銷所有每股港幣0.32元之法定但未發行普通股；及(iii)透過增設額外28,608,305,027股每股面值港幣0.01元之未發行普通股，將本公司之法定股本增加至港幣575,340,000元，致使本公司之法定股本包括30,000,000,000股每股面值港幣0.01元之普通股及27,534,000,000股每股面值港幣0.01元之可換股優先股。
- (c) 於二零一三年四月十一日，本公司刊發售股章程（「售股章程」），據此，本公司建議公開發售（「公開發售」），以i)按認購價每股發售股份港幣0.0534元向合資格普通股股東發行本公司不少於1,180,938,718股及不多於1,227,737,503股新普通股（「發售股份」），基準為於二零一三年四月十日每持有六股現有普通股獲發一股發售股份，另按行使價每股普通股港幣0.0534元發行紅利普通股認股權證，基準為每認購一股發售股份獲派一份紅利股份認股權證；及ii)按認購價每股發售CPS股份港幣0.0100125元向可換股優先股合資格持有人發行本公司不多於215,525,161股新可換股優先股（「發售CPS股份」），基準為於二零一三年四月十日每持有六股現有可換股優先股獲發一股發售CPS股份，另按行使價每股可換股優先股港幣0.0100125元發行紅利可換股優先股認股權證，基準為每認購一股發售CPS股份獲派一份紅利可換股優先股認股權證。根據本公司日期為二零一三年五月六日之公告（「該公告」），公開發售成為無條件及1,180,938,718股發售股份、1,180,938,718份普通股認股權證、215,525,161股發售CPS股份及215,525,161份可換股優先股認股權證於二零一三年五月七日發行。發售股份於二零一三年五月八日在聯交所開始買賣。公開發售之進一步詳情於售股章程及該公告內披露。
- (d) 於截至二零一四年三月三十一日止年度期間本財政年度及資本重組前，83,598,813份普通股認股權證已獲行使，以認購本公司83,598,813股每股面值港幣0.05333元之新普通股，代價約為港幣4,465,000元，當中約港幣4,459,000元已計入股本，餘額約港幣6,000元則計入股份溢價賬。
- (e) 於截至二零一四年三月三十一日止年度期間及資本重組後，606,240份普通股認股權證已獲行使，以認購本公司101,040股每股面值港幣0.01元之新普通股，代價約為港幣32,000元，當中約港幣1,000元已計入股本，餘額約港幣31,000元則計入股份溢價賬。

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23. SHARE CAPITAL (continued)

Notes: (continued)

(f) On 16 April 2014, the Company issued a prospectus (the "Prospectus 1") pursuant to which the Company proposed an open offer (the "Open Offer 1") to issue i) not less than 139,173,247 and not more than 165,665,906 new ordinary shares of the Company ("Offer Shares 1") at a subscription price of HK\$0.32 per Offer Share 1 to qualifying shareholders on a basis of one Offer Share 1 for every ten existing ordinary shares held on 14 April 2014 with bonus issue of five bonus shares for every Offer Share 1; and ii) not more than 172,420,129 new convertible preferred shares of the Company ("Offer CPS Shares 1") at a subscription price of HK\$0.01 per Offer CPS Share 1 to qualifying holders of convertible preferred shares on the basis of one Offer CPS Share 1 for every five existing convertible preferred shares held on 14 April 2014 with bonus issue of convertible preferred shares on the basis of five bonus convertible preferred shares for every existing Offer CPS Share 1 subscribed. Pursuant to the announcement of the Company dated 12 May 2014 (the "Announcement 1"), the Open Offer 1 became unconditional and 139,179,601 Offer Shares 1 with 695,898,005 bonus shares, 150,867,613 Offer CPS Shares 1 with 754,338,065 bonus convertible preferred shares were issued on 13 May 2014. The dealing of the Offer Shares 1 was commenced on the Stock Exchange on 14 May 2014. Further details of the Open Offer 1 were disclosed in the Prospectus 1 and the Announcement 1.

(g) During the six months ended 30 September 2014 and after the Open Offer, 55,000 ordinary share warrants were exercised to subscribe for 12,091 new ordinary shares of HK\$0.01 each of the Company at a consideration of approximately HK\$3,000 of which approximately HK\$120 was credited to Share Capital and the balance of approximately HK\$2,880 was credited to share premium account.

24. SHARE OPTION SCHEME

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

(a) Movements of the share options for the six months ended 30 September 2014 are as below.

23. 股本 (續)

附註：(續)

(f) 於二零一四年四月十六日，本公司刊發一份售股章程（「首份售股章程」），據此，本公司提呈公開發售（「首次公開發售」），i) 按於二零一四年四月十四日每持有十股現有普通股獲發一股首批發售股份之基準，向合資格股東按認購價每股首批發售股份（「首批發售股份」）港幣 0.32 元發行不少於 139,173,247 股及不超過 165,665,906 股本公司之新普通股，連同每股首批發售股份獲發五股紅股之紅股發行；及 ii) 按於二零一四年四月十四日每持有五股現有可換股優先股獲發一股首批發售可換股優先股股份（「首批發售可換股優先股股份」）之基準，向可換股優先股之合資格持有人按認購價每股首批發售可換股優先股股份港幣 0.01 元發行不超過 172,420,129 股本公司之新可換股優先股，另按每認購一股現有首批發售可換股優先股股份獲發五股紅利可換股優先股之發行紅利可換股優先股之基準發行紅股。根據本公司日期為二零一四年五月十二日之公告（「首份公告」），首次公開發售已成為無條件，而 139,179,601 股首批發售股份連同 695,898,005 股紅股，以及 150,867,613 股首批發售可換股優先股股份連同 754,338,065 股紅利可換股優先股已於二零一四年五月十三日發行。首批發售股份已於二零一四年五月十四日在聯交所開始買賣。首次公開發售之進一步詳情已於首份售股章程及首份公告所披露。

(g) 於截至二零一四年九月三十日止六個月及公開發售後，55,000 股普通股認股權證已獲行使，以認購本公司 12,091 股每股面值港幣 0.01 元之新普通股，代價約為港幣 3,000 元，當中約港幣 120 元已計入股本，餘額約港幣 2,880 元則計入股份溢價賬。

24. 購股權計劃

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

(a) 截至二零一四年九月三十日止六個月之購股權變動如下。

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24. SHARE OPTION SCHEME (continued)

(a) (continued)

24. 購股權計劃 (續)

(a) (續)

Date of Grant 授出日期	Exercise period 行使期	Exercise price per share before open offer 於公開發售前之每股行使價	Exercise price per share after open offer 於公開發售後之每股行使價	Number of share options 購股權數目					
				Outstanding at 1 April 2014 於二零一四年四月一日尚未行使	Granted 已授出	Lapsed 已失效	Adjusted upon open offer 於公開發售時經調整	Outstanding at 30 September 2014 於二零一四年九月三十日尚未行使	Exercisable at 30 September 2014 於二零一四年九月三十日可行使
13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至二零二零年一月十二日	HK\$5.640 港幣5.640元	HK\$4.2750 港幣4.2750元	86,810	-	-	27,719	114,529	114,529
13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至二零二零年一月十二日	HK\$5.640 港幣5.640元	HK\$4.2750 港幣4.2750元	86,810	-	-	27,719	114,529	114,529
13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至二零二零年一月十二日	HK\$5.640 港幣5.640元	HK\$4.2750 港幣4.2750元	86,811	-	-	27,718	114,529	114,529
7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至二零二零年五月六日	HK\$4.260 港幣4.260元	HK\$3.2289 港幣3.2289元	46,810	-	-	14,949	61,759	61,759
7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至二零二零年五月六日	HK\$4.260 港幣4.260元	HK\$3.2289 港幣3.2289元	46,810	-	-	14,949	61,759	61,759
7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至二零二零年五月六日	HK\$4.260 港幣4.260元	HK\$3.2289 港幣3.2289元	46,811	-	-	14,948	61,759	61,759
14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至二零一九年十一月二十七日	HK\$2.250 港幣2.250元	HK\$1.7054 港幣1.7054元	33,333	-	-	10,646	43,979	43,979
30 August 2013 二零一三年八月三十日	30 August 2013 to 29 August 2023 二零一三年八月三十日至二零二三年八月二十九日	HK\$0.3204 港幣0.3204元	HK\$0.2429 港幣0.2429元	27,758,622	-	-	8,856,702	36,615,324	36,615,324
				28,192,817	-	-	8,995,350	37,188,167	37,188,167
Weighted average exercise price: 加權平均行使價:				HK\$0.3914 港幣0.3914元	-	-	-	HK\$0.2968 港幣0.2968元	HK\$0.2968 港幣0.2968元

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24. SHARE OPTION SCHEME (continued)

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

24. 購股權計劃 (續)

(b) 購股權之歸屬期如下。

Date of Grant 授出日期	No. of share options granted 已授出購股權數目	Vesting conditions 歸屬條件	
		No. of share options vested 已歸屬購股權數目	Vesting date 歸屬日期
13 January 2010 二零一零年一月十三日	10,210,855	5,105,428	15 July 2010二零一零年七月十五日
		5,105,427	15 July 2011二零一一年七月十五日
	45,040,069	18,398,633	13 January 2011二零一一年一月十三日
		13,320,716	13 January 2012二零一二年一月十三日
		13,320,720	13 January 2013二零一三年一月十三日
7 May 2010 二零一零年五月七日	10,210,855	5,105,427	15 July 2010二零一零年七月十五日
		5,105,428	15 July 2011二零一一年七月十五日
	14,488,035	2,000,000	7 November 2010二零一零年十一月七日
		4,162,677	7 May 2011二零一一年五月七日
		4,162,678	7 May 2012二零一二年五月七日
		4,162,680	7 May 2013二零一三年五月七日
	28,144,944	9,381,644	13 January 2011二零一一年一月十三日
		9,381,646	13 January 2012二零一二年一月十三日
9,381,654		13 January 2013二零一三年一月十三日	
14 September 2010 二零一零年九月十四日	79,350,000	79,350,000	14 September 2010二零一零年九月十四日
18 February 2011 二零一一年二月十八日	5,105,428	1,701,809	30 June 2011二零一一年六月三十日
		1,701,809	30 June 2012二零一二年六月三十日
	820,588	1,701,810	30 June 2013二零一三年六月三十日
		273,529	31 July 2011二零一一年七月三十一日
		273,529	31 July 2012二零一二年七月三十一日
		273,530	31 July 2013二零一三年七月三十一日
	1,000,000	333,333	6 September 2011二零一一年九月六日
		333,333	6 September 2012二零一二年九月六日
		333,334	6 September 2013二零一三年九月六日
	800,000	266,666	5 December 2011二零一一年十二月五日
		266,667	5 December 2012二零一二年十二月五日
		266,667	5 December 2013二零一三年十二月五日
	4,300,000	1,433,333	16 December 2011二零一一年十二月十六日
		1,433,333	16 December 2012二零一二年十二月十六日
		1,433,334	16 December 2013二零一三年十二月十六日
		1,000,000	333,333
	333,333	2 January 2013二零一三年一月二日	
	333,334	2 January 2014二零一四年一月二日	
1,300,000	433,333	9 January 2012二零一二年一月九日	
	433,333	9 January 2013二零一三年一月九日	
	433,334	9 January 2014二零一四年一月九日	
30 August 2013 二零一三年八月三十日	166,551,732	166,551,732	30 August 2014二零一四年八月三十日
Total share options granted 已授出購股權總數	368,322,506		
Less: Lapsed 減：已失效	(190,068,080)		
Exercised 已行使	(9,097,500)		

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24. SHARE OPTION SCHEME (continued)

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

Date of Grant 授出日期	No. of share options granted 已授出購股權數目	No. of share options vested 已歸屬購股權數目	Vesting conditions 歸屬條件 Vesting date 歸屬日期
Adjustment upon share consolidation effective on 2 October 2013 於二零一三年十月二日 股份合併生效後調整	(140,964,109)		
Adjustment upon open offer effective on 14 May 2014 於二零一四年五月十四日 公開發售生效後調整	<u>8,995,350</u>		
Outstanding at 30 September 2014 於二零一四年九月三十日 尚未行使		<u>37,188,167</u>	

The option outstanding as at 30 September 2014 have a weighted average remaining contractual life of 8.86 years (31 March 2014: 9.36 years).

No share option was exercised during the six months ended 30 September 2014 and during the year ended 31 March 2013.

No other share options granted under the New Scheme were cancelled during the six months ended 30 September 2014 (year ended 31 March 2014: Nil). The Group had no legal or constructive obligation to repurchase or settle the options in cash.

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

24. 購股權計劃 (續)

(b) 購股權之歸屬期如下。(續)

於二零一四年九月三十日尚未行使購股權之加權平均餘下合約年期為8.86年(二零一四年三月三十一日: 9.36年)。

截至二零一四年九月三十日止六個月及截至二零一三年三月三十一日止年度內概無行使購股權。

截至二零一四年九月三十日止六個月(截至二零一四年三月三十一日止年度: 無), 概無其他根據新計劃授出之購股權獲註銷。本集團並無法律或推定責任須以現金購回或支付購股權。

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

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24. SHARE OPTION SCHEME (continued)

(c) (continued)

24. 購股權計劃 (續)

(c) (續)

		Date of grant				
		30/8/2013	18/2/2011	14/9/2010	7/5/2010	13/1/2010
		二零一三年	二零一一年	二零一零年	二零一零年	二零一零年
		八月三十日	二月十八日	九月十四日	五月七日	一月十三日
Fair value of share options and assumptions	購股權之公平值及假設					
Share price	股價	HK\$0.033 港幣 0.033元	HK\$0.415 港幣 0.415元	HK\$0.375 港幣 0.375元	HK\$0.65 港幣 0.65元	HK\$0.94 港幣 0.94元
Exercise price	行使價	HK\$0.0534 港幣 0.0534元	HK\$0.42 港幣 0.42元	HK\$0.375 港幣 0.375元	HK\$0.71 港幣 0.71元	HK\$0.94 港幣 0.94元
Expected volatility (expressed as weighted average volatility used in the modeling under binomial option pricing)	預期波幅 (根據二項式期權定價模式模擬時所用加權平均波幅)	35.28%	55.67%	70.650%	70.53%	70.572%
Option life (expressed as weighted average life used in the modeling under binomial option pricing model)	購股權年期 (根據二項式期權定價模式模擬時所使用加權平均年期)	10 years年	10 years年	10 years年	10 years年	10 years年
Expected dividends	預期股息	HK\$Nil 港幣零元	HK\$Nil 港幣零元	HK\$Nil 港幣零元	HK\$Nil 港幣零元	HK\$Nil 港幣零元
Risk-free interest rate (based on 10-year Hong Kong Exchange Fund Notes)	無風險利率 (以十年期香港外匯基金票據為準)	2.335%	2.868%	2.017%	2.670%	2.799%

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

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

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

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

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25. OPERATING LEASE COMMITMENTS

As lessee:

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

		At 30 September 2014	At 31 March 2014
		於二零一四年 九月三十日	於二零一四年 三月三十一日
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within one year	一年內	247	521
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)		
		247	521

As lessor:

The Group leases its investment properties under operating lease arrangements to tenants, with leases negotiated for terms ranging from one to two years. The terms of the leases generally require the tenants to pay security deposits. At the end of the reporting period, the Group had total future minimum lease payments receivables under non-cancellable operating leases with its tenants falling due as follow:

25. 經營租約承擔

本集團為承租人：

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

	At 30 September 2014	At 31 March 2014
	於二零一四年 九月三十日	於二零一四年 三月三十一日
	HK\$'000	HK\$'000
	港幣千元	港幣千元
	(Unaudited)	(Audited)
	(未經審核)	(經審核)
Within one year	247	521
In the second to fifth years, inclusive		
	247	521

本集團為出租人：

本集團根據經營租賃安排出租投資物業予租戶，經磋商租賃年期介乎一至兩年。租賃條款一般要求租戶支付抵押按金。於報告期間結算日，本集團有根據其與租戶訂立之不可撤銷經營租賃，有於以下時限到期之應收最低未來租賃付款總額：

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25. OPERATING LEASE COMMITMENTS (continued)

	At 30 September 2014	At 31 March 2014
	於二零一四年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	於二零一四年 三月三十一日 港幣千元 (Audited) (經審核)
Within one year 一年內	430	73
	430	73

26. CONTINGENT LIABILITIES

Partnership harvesting agreement

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

26. 或然負債

夥伴伐木協議

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

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27. LITIGATIONS

Service agreement

On 30 May 2010, UTRB entered into a service agreement (“Service Agreement”) with F Um Terraplanagem (“Terraplanagem”). Under the Service Agreement, Terraplanagem would carry out earthwork service in the hydropower plant in Rondonia, Brazil for a service fee of R\$892,500 (or approximately HK\$3,097,000). After signing the agreement, Terraplanagem did not provide any earthwork service and UTRB had to hire another company to complete the earthworks. However, in the land search of the freehold lands of UTRB, it revealed that Terraplanagem submitted a claim to a court against UTRB to pay for alleged outstanding service fee of approximately R\$1,291,000 (or approximately HK\$4,439,000) and filed a precautionary injunction to prevent UTRB of selling its freehold lands without properly paying possible claim to itself. At the moment, UTRB did not receive any writ from the court in due course. According to some preliminary information, the court hearing has not yet been scheduled. UTRB will investigate the issue and defend itself vigorously in the legal proceeding. To the best understanding of the Company, the claim was at a preliminary stage. The Company will inform its shareholders in due course. For the sake of prudence, the claim of R\$1,291,000 (or approximately HK\$4,439,000) (31 March 2014: R\$1,291,000 (or approximately HK\$4,439,000)) has been provided and included in other payables.

Labour claim

In the land search of the freehold lands of UTRB, it revealed that a labour claim against UTRB for approximately R\$1,354,000 (or approximately HK\$4,655,000) and a precautionary injunction to prevent UTRB of selling its freehold lands without properly paying possible claim was filed by Leandro Dos Martires Guerra (“Leandro”), a former director of the Company. At the moment UTRB did not receive any writ from the court in due course. According to some preliminary information, the court made an order to UTRB for paying Leandro the claim of R\$1,354,000 (or approximately HK\$4,655,000). UTRB filed a legal appeal after consulting legal counsels. The Company will inform its shareholders in due course. For the sake of prudence, the claim of R\$1,354,000 (or approximately HK\$4,655,000) (31 March 2014: R\$1,354,000 (or approximately HK\$4,655,000)) has been provided and included in other payables.

27. 訴訟

服務協議

於二零一零年五月三十日，UTRB與F Um Terraplanagem（「Terraplanagem」）訂立服務協議（「服務協議」）。根據服務協議，Terraplanagem將於巴西朗多尼亞之水力發電廠從事土方工程服務，服務費為892,500雷亞爾（或約港幣3,097,000元）。於簽訂協議後，Terraplanagem並未提供任何土方工程服務，而UTRB不得不僱用另一間公司以完成土方工程。然而，於對UTRB之永久業權工地進行土地查冊時，其發現Terraplanagem向法院遞交針對UTRB之索償，要求支付指稱尚未償付之服務費約1,291,000雷亞爾（或約港幣4,439,000元）並已申請預防性禁止令，以防UTRB在向其適當支付可能之索償前出售其永久業權土地。目前UTRB並未適時地接獲法院之任何令狀。根據若干初步資料，法院尚未就聆訊作出安排。UTRB將調查此事並將於法律訴訟中進行強烈抗辯。就本公司所盡知，索償尚處於初步階段。本公司將適時知會其股東。為審慎起見，本公司已對1,291,000雷亞爾（二零一四年三月三十一日：1,291,000雷亞爾（或約港幣4,439,000元））之索償作出撥備並已計入其他應付款項內。

勞動索償

於對UTRB之永久業權土地進行土地查冊時，其發現本公司前董事Leandro Dos Martires Guerra（「Leandro」）向法院遞交針對UTRB之勞動索償約1,354,000雷亞爾（或約港幣4,655,000元），並已申請預防性禁止令，以防UTRB在向彼適當支付可能之索償前出售其永久業權土地。目前UTRB並未適時地接獲法院之任何令狀。根據若干初步資料，法院已頒令要求UTRB向Leandro支付索償1,354,000雷亞爾（或約港幣4,655,000元）。UTRB已於諮詢法律顧問後提呈上訴。本公司將適時知會其股東。為審慎起見，本公司已對1,354,000雷亞爾（或約港幣4,655,000元）（二零一四年三月三十一日：1,354,000雷亞爾（或約港幣4,655,000元））之索償作出撥備並已計入其他應付款項內。

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28. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the six months ended 30 September 2014.

(a) Key management personnel remuneration

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

		For the six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	360	360
Share based payment	以股份支付	-	446
		360	806

(b) Other related party transactions

		For the six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Interest on amounts due to shareholders	應付股東款項之利息	317	668
Interest on amounts due to related companies	應付關連公司款項之利息	-	6
Interest on promissory notes	承付票據之利息	64	67
Sales to a related company	銷售予一家關連公司	-	25,185
Purchases from a related company	購買自一家關連公司	-	7,032

Notes:

- (i) The interest expensed charged on amounts due to shareholders were calculated at 5% per annum.
- (ii) The interest expenses charged on amounts due to related companies were calculated at 5% per annum.
- (iii) This represent interest on promissory notes issued to Winner Global Holdings Limited was calculated at a coupon rate of 2% per annum (effective interest rate: 15.74%). The outstanding balance at the end of the reporting period is disclosed in Note 21.

28. 重大關連人士交易

截至二零一四年九月三十日止六個月，本集團曾與關連人士進行以下交易。

(a) 主要管理人員之薪酬

本集團之主要管理人員為本公司董事。董事薪酬如下：

		For the six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	360	360
Share based payment	以股份支付	-	446
		360	806

(b) 其他關連人士交易

		For the six months ended 30 September 截至九月三十日止六個月	
		2014 二零一四年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Interest on amounts due to shareholders	應付股東款項之利息	317	668
Interest on amounts due to related companies	應付關連公司款項之利息	-	6
Interest on promissory notes	承付票據之利息	64	67
Sales to a related company	銷售予一家關連公司	-	25,185
Purchases from a related company	購買自一家關連公司	-	7,032

附註：

- (i) 應付股東款項之利息開支乃按年利率5厘計算。
- (ii) 應付關連公司款項之利息開支乃按年利率5厘計算。
- (iii) 此乃發行予Winner Global Holdings Limited之承付票據之利息，乃按承付票據票面息率每年2厘（實際利率：15.74厘）計算之利息。於報告期間結算日之尚未償還結餘於附註21披露。

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29. FAIR VALUE

The directors of the Company consider that the carrying amounts of the current financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements are not materially different from their fair values because of the immediate or short-term maturity of these financial instruments. The carrying amounts of the amounts due to the shareholders and amounts due to related companies approximate their fair values. The fair values of the amounts due to the shareholders and amounts due to related companies are estimated as the present value of future cash flows, discounted at the current market interest rates for similar financial instruments.

30. SUBSEQUENT EVENT

On 3 November 2014 and 28 November 2014, the Company issued a circular (the "Circular") and a prospectus (the "Prospectus 2"), respectively, pursuant to which the Company proposed the open offers to raise approximately HK\$122.8 million. The open offers had not been completed as the date of this report. Details and effect of the open offers are set out in the Circular and the Prospectus 2.

29. 公平值

本公司董事認為，於簡明綜合財務報告按攤銷成本入賬之現有財務資產及財務負債之賬面值與其公平值並無重大差異，此乃由於該等財務工具將即時或於短期內到期。應付股東款項及應付關連公司款項之賬面值與其公平值相若。應付股東款項及應付關連公司款項之公平值乃按未來現金流轉之現值作估計，並按同類財務工具之現行市場利率貼現。

30. 結算日後事項

於二零一四年十一月三日及二零一四年十一月二十八日，本公司分別刊發一份通函（「該通函」）及一份售股章程（「第二份售股章程」），據此，本公司建議公開發售，以籌集約港幣122,800,000元。於本報告日期，公開發售尚未完成。股份公開發售之詳情及影響載於該通函及第二份售股章程內。

Supplementary Information

補充資料

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2014 (2013: Nil).

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

As at 30 September 2014, the interests and short positions of the Directors and the chief executive in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, "SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of the SFO; as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

Name of Directors 董事姓名	Nature of interest 權益性質	Number and class of shares and underlying shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued shares 佔已發行股份概約百分比 (Note 1) (附註1)
Ms. ZHOU Jing ("Ms. Zhou") (Note 2) 周靜女士(「周女士」)(附註2)	Beneficial owner 實益擁有人	250,461,304	11.25%
Mr. MUNG Wai Ming ("Mr. Mung") (Note 3) 蒙偉明先生(「蒙先生」)(附註3)	Beneficial owner 實益擁有人	18,307,662	0.82%

Notes:

- The percentage figures were calculated based on 2,226,885,710 ordinary shares ("Shares") of the Company having a par value of HK\$0.01 each in issue as of 30 September 2014.
- Ms. Zhou was entitled to share options to subscribe for a maximum of 18,307,662 Shares upon exercise of the options in full. Ms. Zhou was also the registered holder of ordinary share warrants with nominal value of HK\$54,754,149.13 and convertible preferred share warrants with nominal value of HK\$2,157,945.67 convertible into 225,418,481 and 6,735,161 underlying Shares respectively. Under Part XV of the SFO, Ms. Zhou was therefore interested and deemed to have interests in 18,307,662 Shares and 232,153,642 underlying Shares upon exercise of the ordinary share warrants and convertible preferred share warrants.
- Mr. Mung was entitled to share options to subscribe for a maximum of 18,307,662 Shares upon exercise of the options in full.
- All interests stated above as at 30 September 2014 represented long positions of Shares or underlying Shares of the Company.

Save as disclosed above, as at 30 September 2014, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

中期股息

董事不建議派發截至二零一四年九月三十日止六個月之中期股息(二零一三年:無)。

董事及最高行政人員於股份及相關股份之權益及淡倉

於二零一四年九月三十日,董事及最高行政人員於本公司或其相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中,擁有根據證券及期貨條例第7及8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉;或已記錄於本公司根據證券及期貨條例第352條規定所存置之登記冊,或根據聯交所證券上市規則(「上市規則」)附錄10所載上市公司董事進行證券交易的標準守則(「標準守則」)另行知會本公司及聯交所之權益及淡倉如下:

附註:

- 該等百分比數字乃根據本公司於二零一四年九月三十日已發行2,226,885,710股每股面值港幣0.01元之普通股(「股份」)計算。
- 周女士享有可於悉數行使時認購最多18,307,662股股份之購股權。周女士亦為面值金額為港幣54,754,149.13元之普通股認股權證及面值金額為港幣2,157,945.67元之可換股優先股認股權證之登記持有人,分別可轉換為225,418,481股及6,735,161股相關股份。根據證券及期貨條例第XV部,周女士因此於在行使普通股認股權證及可換股優先股認股權證所產生之18,307,662股股份及232,153,642股相關股份中擁有及被視為擁有權益。
- 蒙先生享有可於悉數行使時認購最多18,307,662股股份之購股權。
- 於二零一四年九月三十日,上列全部權益均為本公司股份或相關股份的好倉。

除上文披露者外,於二零一四年九月三十日,各董事及本公司最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中,擁有根據證券及期貨條例第7及8分部須知會本公司及聯交所,或已記錄於本公司根據證券及期貨條例第352條規定所存置之登記冊,或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

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

As at 30 September 2014, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

主要股東及其他人士於股份及相關股份之權益

於二零一四年九月三十日，除董事及本公司最高行政人員外，以下人士於本公司股份或相關股份中，擁有根據證券及期貨條例第 XV 部第 2 及第 3 分部之條文須向本公司披露，或登記在本公司根據證券及期貨條例第 336 條須存置之登記冊之權益或淡倉如下：

Name of Shareholders 股東姓名／名稱	Nature of interest 權益性質	Number and class of shares and underlying shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued shares 佔已發行股份概約百分比 (Note 1) (附註1)
Ms. Loh Jiah Yee, Katherine (“Ms. Loh”) (Note 2) 樂家宜女士（「樂女士」）（附註2）	Interest of controlled corporation 受控制法團之權益	323,712,342	14.54%
Mr. Lau Jack (“Mr. Lau”) (Note 3) 廖家俊先生（「廖先生」）（附註3）	Interest of spouse 配偶權益	323,712,342	14.54%
Assure Gain International Limited （“Assure Gain”） (Note 4) Assure Gain International Limited （「Assure Gain」）（附註4）	Beneficial owner/Interest of controlled corporation 實益擁有人／受控制法團之權益	314,067,735	14.10%
Expert Plan Limited (Note 5) Expert Plan Limited (附註5)	Beneficial owner 實益擁有人	177,628,260	7.98%
Mr. Ho Ka Kui, Boniface (“Mr. Ho”) (Note 6) 何家駒先生（「何先生」）（附註6）	Interest of controlled corporation 受控制法團之權益	177,628,260	7.98%
Ocean Honor Limited (“Ocean Honor”) (Note 7) Ocean Honor Limited（「Ocean Honor」）（附註7）	Beneficial owner 實益擁有人	568,513,146	25.53%
Mr. Chan Yuen Ming (“Mr. Chan”) 陳遠明先生（「陳先生」）	Interest of controlled corporation 受控制法團之權益	568,513,146	25.53%

Notes:

1. The percentage figures were calculated based on 2,226,885,710 Shares in issue as of 30 September 2014.

附註：

1. 該等百分比數字乃根據於二零一四年九月三十日已發行2,226,885,710股股份計算。

Supplementary Information

補充資料

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

Notes: (continued)

- Ms. Loh was beneficially interested in 100% of the issued share capital of Assure Gain, which held 100% of the issued share capital of Winner Global Holdings Limited ("Winner Global") and Splendid Asset Holdings Limited ("Splendid Asset") respectively. Ms. Loh was also beneficially interested in 50% of the issued share capital of Corp Insights Holdings Inc. ("Corp Insights") held through Corporate Insights Limited. Assure Gain was the registered holder of 186,127,057 Shares and 621,346,723 convertible preferred shares ("CPS") of the Company convertible into 19,417,085 underlying Shares; Winner Global was the registered holder of 53,340,183 Shares; Splendid Asset was the registered holder of 55,183,410 Shares; and Corp Insights was the registered holder of 308,627,424 CPS convertible into 9,644,607 underlying Shares. Under Part XV of the SFO, Ms. Loh was therefore deemed to have interests in 294,650,650 Shares and 29,061,692 underlying Shares upon conversion of the CPS in which Assure Gain, Winner Global, Splendid Asset and Corp Insights were interested.
- Mr. Lau, being the spouse of Ms. Loh, was deemed to have an interest in the same parcel of the Shares and underlying Shares in which Ms. Loh was interested under Part XV of the SFO.
- Assure Gain held 100% of the issued share capital of Winner Global and Splendid Asset respectively. Assure Gain was the registered holder of 186,127,057 Shares and 621,346,723 CPS convertible into 19,417,085 underlying Shares; Winner Global was the registered holder of 53,340,183 Shares and Splendid Asset was the registered holder of 55,183,410 Shares. Under Part XV of the SFO, Assure Gain was therefore interested and deemed to have interests in 294,650,650 Shares and 19,417,085 underlying Shares upon conversion of the CPS in which itself. Winner Global and Splendid Asset were interested.
- Expert Plan Limited was the registered holder of 170,893,099 Shares and 215,525,161 CPS convertible into 6,735,161 underlying Shares. Under Part XV of the SFO, Expert Plan Limited was therefore interested and deemed to have interests in 170,893,099 Shares and 6,735,161 underlying Shares upon conversion of the CPS.
- Mr. Ho was beneficially interested in 100% of the issued share capital of Expert Plan Limited. Under Part XV of the SFO, Mr. Ho was therefore deemed to have interests in 170,893,099 Shares and 6,735,161 underlying Shares upon conversion of the CPS in which Expert Plan Limited was interested.
- Ocean Honor was the registered holder of 548,711,772 Shares and 633,643,974 CPS convertible into 19,801,374 underlying Shares. Under Part XV of the SFO, Ocean Honor was therefore interested and deemed to have interests in 548,711,772 Shares and 19,801,374 underlying Shares upon conversion of the CPS.

主要股東及其他人士於股份及相關股份之權益 (續)

附註：(續)

- 樂女士實益擁有Assure Gain已發行股本之全部權益，而Assure Gain分別持有Winner Global Holdings Limited (「Winner Global」)及Splendid Asset Holdings Limited (「Splendid Asset」)已發行股本之全部權益。樂女士亦通過Corporate Insights Limited持有Corp Insights Holdings Inc. (「Corp Insights」)已發行股本之50%實益權益。Assure Gain登記持有186,127,057股股份及可兌換為19,417,085股相關股份之621,346,723股本公司可換股優先股(「可換股優先股」)；Winner Global登記持有53,340,183股股份；Splendid Asset登記持有55,183,410股股份；而Corp Insights則登記持有可兌換為9,644,607股相關股份之308,627,424股可換股優先股。根據證券及期貨條例第XV部，樂女士因此被視為於Assure Gain、Winner Global、Splendid Asset及Corp Insights所擁有之294,650,650股股份及可換股優先股獲兌換而產生之29,061,692股相關股份中擁有權益。
- 廖先生為樂女士之配偶，根據證券及期貨條例第XV部被視為於樂女士所擁有權益之同一批股份及相關股份中擁有權益。
- Assure Gain分別擁有Winner Global及Splendid Asset已發行股本之全部權益。Assure Gain登記持有186,127,057股股份及可兌換為19,417,085股相關股份之621,346,723股可換股優先股；Winner Global登記持有53,340,183股股份及Splendid Asset登記持有55,183,410股股份。根據證券及期貨條例第XV部，Assure Gain因此自身擁有及被視為於Winner Global及Splendid Asset所擁有的上述294,650,650股股份及可換股優先股獲兌換而產生之19,417,085股相關股份中擁有權益。
- Expert Plan Limited登記持有170,893,099股股份、可兌換為6,735,161股相關股份之215,525,161股可換股優先股。根據證券及期貨條例第XV部，Expert Plan Limited因此於及被視為於170,893,099股股份及於兌換可換股優先股及行使股份認股權證及可換股優先股認股權證時產生之6,735,161股相關股份中擁有權益。
- 何先生實益擁有Expert Plan Limited已發行股本之全部權益。根據證券及期貨條例第XV部，何先生因此被視為於Expert Plan Limited擁有權益之170,893,099股股份及可換股優先股獲兌換以及股份認股權證及可換股優先股認股權證獲行使而產生之6,735,161股相關股份中擁有權益。
- Ocean Honor為548,711,772股股份及633,643,974股可換股優先股之登記持有人，可轉換為19,801,374股相關股份。根據證券及期貨條例第XV部，Ocean Honor因此於兌換可換股優先股時於548,711,772股股份及19,801,374股相關股份中擁有及被視為擁有權益。

Notes: (continued)

8. Mr. Chan was beneficially interested in 100% of the issued share capital of Ocean Honor. Under Part XV of the SFO, Mr. Chan was therefore deemed to have interests in 548,711,772 Shares and 19,801,374 underlying Shares upon conversion of the CPS in which Ocean Honor was interested.
9. All interests stated above as at 30 September 2014 represented long positions of Shares or underlying Shares of the Company.

Save as disclosed above, as at 30 September 2014, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHT TO ACQUIRE SECURITIES

Save as disclosed in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above, during the six months ended 30 September 2014, none of the Director nor the chief executive of the Company had been granted any right to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors, their respective spouses nor their respective children under the age of 18 had any right to subscribe for the securities of the Company or had exercised any such rights.

SHARE OPTION SCHEME

Pursuant to the share option scheme adopted by the shareholders on 27 November 2009 ("Share Option Scheme"), the Company may grant share options to the directors, employees, executive or officers, managers, consultants, any customers, suppliers of goods or services to any member of the Group or any entity in which any member of the Group holds any equity interests who, in the sole discretion of the Board have contributed or will contribute to the growth and development of the Group, to provide incentives or rewards for their contribution to the success of the Group's operation.

附註：(續)

8. 陳先生為於Ocean Honor 全部已發行股本中實益擁有權益。根據證券及期貨條例第XV部，陳先生因此於兌換可換股優先股(Ocean Honor於其中擁有權益)時於548,711,772股股份及19,801,374股相關股份中擁有及被視為擁有權益。
9. 於二零一四年九月三十日，上列全部權益均為本公司股份或相關股份的好倉。

除上文披露者外，於二零一四年九月三十日，本公司並無獲悉任何其他人士(董事或本公司最高行政人員除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條規定所存置之登記冊之權益或淡倉。

董事購買證券之權利

除上文「董事及最高行政人員於股份及相關股份之權益及淡倉」一段所披露者外，於截至二零一四年九月三十日止六個月，董事及本公司最高行政人員並無獲授予任何權利可藉收購本公司或任何其他法團之股份或債券而獲益，且董事或彼等各自之配偶或彼等各自未滿18歲之子女概無擁有任何認購本公司證券之權利，亦無行使任何該等權利。

購股權計劃

根據股東於二零零九年十一月二十七日採納之購股權計劃(「購股權計劃」)，本公司可向董事會全權認為曾經或將會對本集團之增長及發展作出貢獻之本集團任何成員或本集團任何成員持有其股本權益之實體之董事、僱員、行政人員或職員、經理、顧問、任何客戶、提供貨品或服務之供應商授出購股權，以獎勵或回饋彼等對本集團成功營運所作出之貢獻。

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SHARE OPTION SCHEME (continued)

During the period, the movements in the share options under the Share Option Scheme were as follows:

購股權計劃 (續)

於期內，根據購股權計劃之購股權變動如下：

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目					Date of grant 授出日期	Exercise period 行使期	Exercise price per share before open offer 公開發售前每股行使價 (HK\$) (港幣)	Exercise price per share after open offer 公開發售後每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2014 於二零一四年四月一日尚未行使	Granted 已授出	Lapsed 已失效	Adjusted upon open offer 公開發售後已調整	Outstanding at 30 September 2014 於二零一四年九月三十日尚未行使				
Directors 董事										
Ms. ZHOU Jing 周靜女士	Personal 個人	13,879,311	-	-	4,428,351	18,307,662	30 August 2013 二零一三年八月三十日	30 August 2013 to 29 August 2023 二零一三年八月三十日至二零二三年八月二十九日	HK\$0.3204 港幣0.3204元	HK\$0.2429 港幣0.2429元
Mr. MUNG Wai Ming 蒙偉明先生	Personal 個人	13,879,311	-	-	4,428,351	18,307,662	30 August 2013 二零一三年八月三十日	30 August 2013 to 29 August 2023 二零一三年八月三十日至二零二三年八月二十九日	HK\$0.3204 港幣0.3204元	HK\$0.2429 港幣0.2429元
Sub-total 小計		27,758,622	-	-	8,856,702	36,615,324				
Employees and other participants 僱員及其他參與者										
		86,810		-	27,719	114,529	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至二零二零年一月十二日	HK\$5.640 港幣5.640元	HK\$4.2750 港幣4.2750元
		86,810		-	27,719	114,529	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至二零二零年一月十二日	HK\$5.640 港幣5.640元	HK\$4.2750 港幣4.2750元

SHARE OPTION SCHEME (continued)

購股權計劃 (續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Adjusted upon open offer 公開發售後 已調整	Outstanding at 30 September 2014 於二零一四年 九月三十日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share before open offer 公開發售前 每股行使價 (HK\$) (港幣)	Exercise price per share after open offer 公開發售後 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2014 於二零一四年 四月一日 尚未行使	Granted 已授出	Lapsed 已失效							
Employees and other participants (continued) 僱員及其他參與者 (續)		86,811	-	-	27,718	114,529	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零一零年一月十二日	HK\$5.640 港幣5.640元	HK\$4.2750 港幣4.2750元	
		46,810	-	-	14,949	61,759	7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零一零年五月六日	HK\$4.260 港幣4.260元	HK\$3.2289 港幣3.2289元	
		46,810	-	-	14,949	61,759	7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零一零年五月六日	HK\$4.260 港幣4.260元	HK\$3.2289 港幣3.2289元	
		46,811	-	-	14,948	61,759	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零一零年五月六日	HK\$4.260 港幣4.260元	HK\$3.2289 港幣3.2289元	
		33,333	-	-	10,646	43,979	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一零年十一月二十七日	HK\$2.250 港幣2.250元	HK\$1.7054 港幣1.7054元	
Sub-total 小計		434,195	-	-	138,648	572,843					
Total 總計		28,192,817	-	-	8,995,350	37,188,167					

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 September 2014.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2014.

董事進行證券交易之標準守則

本公司已採納標準守則，作為其本身董事買賣本公司證券之操守守則。經向全體董事作出特定查詢後，全體董事確認於截至二零一四年九月三十日止六個月內一直遵守標準守則所載規定準則。

購買、出售或贖回本公司上市證券

於截至二零一四年九月三十日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

Supplementary Information

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CORPORATE GOVERNANCE PRACTICES

During the six months ended 30 September 2014, the Company has applied the principles of, and complied with, the applicable code provisions of the Code on Corporate Governance Practices (“Code Provisions”) as set out in Appendix 14 to the Listing Rules, except for deviation mentioned below:

Code Provision A.2.1

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

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

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

CHANGES IN DIRECTORSHIP AND OTHER CHANGES IN DIRECTORS’ INFORMATION

There are no changes in directorship during the six months ended 30 September 2014.

企業管治常規

本公司於截至二零一四年九月三十日止六個月內已應用並一直遵守上市規則附錄十四所載企業管治常規守則之原則並一直遵守其適用守則條文（「守則條文」），惟下文所述若干偏離情況除外：

守則條文A.2.1

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

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

本公司定期檢討其企業管治常規，確保其繼續符合守則條文之規定。

董事變動及董事資料其他變動

於截至二零一四年九月三十日止六個月內概無董事職務變動。

AUDIT COMMITTEE

During the six months ended 30 September 2014, the audit committee of the Board comprised three independent non-executive directors of the Company, namely Mr. William Keith JACOBSEN, Mr. WU Wang Li and Mr. NG Wai Hung. The audit committee has reviewed the unaudited condensed consolidated financial statements and the interim report for the six months ended 30 September 2014. After review and discussions, the audit committee recommended the Board to approve the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2014.

By order of the Board

Ms. ZHOU Jing
Chairman

Hong Kong, 28 November 2014

審核委員會

截至二零一四年九月三十日止六個月內，董事會審核委員會由三名本公司獨立非執行董事葉偉其先生、吳弘理先生及吳偉雄先生組成。審核委員會已審閱截至二零一四年九月三十日止六個月之未經審核簡明綜合財務報告及中期報告。審核委員會於審閱及磋商後，建議董事會批准截至二零一四年九月三十日止六個月之未經審核簡明綜合中期財務報告。

承董事會命

主席
周靜女士

香港，二零一四年十一月二十八日

SUSTAINABLE FOREST HOLDINGS LIMITED

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