



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

Interim Report
中期報告 **2013**

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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. CHENG Chun Shing

AUTHORIZED REPRESENTATIVES

Ms. ZHOU Jing

Mr. CHENG Chun Shing

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

鄭鎮昇先生

法定代表

周靜女士

鄭鎮昇先生

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
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HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

4/F., Soho Tower
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SHARE REGISTRARS

Principal Share Registrar

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
Hamilton HM11
Bermuda

Hong Kong Branch Share Registrar

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

AUDITORS

Crowe Horwath (HK) CPA Limited

WEBSITE ADDRESSES

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

HONG KONG STOCK EXCHANGE CODE

723

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及於香港之 主要營業地點

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股份過戶登記處

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
26 Burnaby Street
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香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東28號
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核數師

國富浩華(香港)會計師事務所有限公司

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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 2013. The Group recorded a consolidated net loss of approximately HK\$89.3 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.

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, 29 November 2013

主席報告

截至二零一三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89,300,000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，二零一三年十一月二十九日

Financial Highlights

財務摘要

		For the six months ended 30 September 截至九月三十日止六個月		
		2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)	Changes 變化幅度
Operating results	經營業績			
Revenue	收入	26,450	47,526	(44.3%)
Gross profit	毛利	5,132	1,622	216.4%
(Loss)/Profit attributable to the owners of the Company	本公司擁有人應佔 (虧損)/溢利	(89,254)	10,054	(987.7%)
			(Restated) (經重列)	
Per share information	每股資料			
Basic (loss)/earnings per share (Hong Kong cents)	每股基本(虧損)/盈利 (港幣仙)	(6.647) cents 仙	0.866 cents 仙	(867.6%)
		At 30 September 2013 於二零一三年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2013 於二零一三年 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	171,646	190,274	(9.8%)
Biological assets	生物資產	225,550	344,172	(34.5%)
Goodwill	商譽	302,118	302,118	-
Cash and cash equivalents	現金及現金等價物	21,296	216,540	(90.2%)
Net current (liabilities)/assets	流動(負債)/資產淨值	(102,191)	59,024	(273.1%)
Total assets	總資產	734,549	1,068,024	(31.2%)
Total interest bearing borrowings from independent third parties	獨立第三方計息借貸總額	-	36,132	(100%)
Total interest bearing borrowings from shareholders and/or related companies	股東及/或關連公司計息借貸總額	19,913	241,933	(91.8%)
Total liabilities	總負債	258,197	551,017	(53.1%)
Equity attributable to the Company's owners	本公司擁有人應佔之權益	476,345	517,000	(7.9%)
			(Restated) (經重列)	
Per share information	每股資料			
Net asset value per share	每股資產淨值	34.2 cents 仙	43.8 cents 仙	(21.9%)

Management Discussion and Analysis

管理層討論及分析

FINANCIAL PERFORMANCE

The Group's revenue decreased from HK\$47.5 million for the six months ended 30 September 2012 to HK\$26.5 million for the six months ended 30 September 2013. The total revenue consisted primarily of sales of forestry and timber products. The Group's results decreased from net profit of HK\$10.1 million for the six months ended 30 September 2012 to net loss of HK\$89.3 million for the six months ended 30 September 2013. The net loss for the current interim period was primarily due to a decrease in fair value of biological assets of HK\$87.8 million.

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 2013, Acre's operations remained suspended.

The PRC is the world's largest consumer and importer of timber and logs and it continues to be the primary market for our forestry and timber products. During the six months ended 30 September 2013, all revenue was derived from sales to customers in the PRC.

Demand for the Group's timber products remained sluggish as the slow down of the economy and real estate sector continued during the six months ended 30 September 2013.

OUTLOOK

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

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2013, the Group had cash and cash equivalents amounted to HK\$21.3 million (31 March 2013: HK\$216.5 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 53.8% as at 31 March 2013 to 4.2% as at 30 September 2013.

As at 30 September 2013, the Group did not have any interest bearing borrowings from independent third parties (31 March 2013: HK\$36.1 million). As at 30 September 2013, the Group had net current liabilities of HK\$102.2 million (31 March 2013: net current assets of HK\$59.0 million). In addition, interest bearing borrowings from shareholders and related companies totaled HK\$19.9 million and HK\$241.9 million as at 30 September and 31 March 2013, respectively.

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

財務表現

本集團之收入由截至二零一二年九月三十日止六個月之港幣47,500,000元減少至截至二零一三年九月三十日止六個月之港幣26,500,000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二零一二年九月三十日止六個月之純利港幣10,100,000元減少至截至二零一三年九月三十日止六個月之淨虧損港幣89,300,000元。本中期期間之淨虧損乃主要由於生物資產之公平值減少港幣87,800,000元所致。

業務回顧

本集團於巴西之營商環境仍然嚴峻。於二零一二年三月二十七日，董事會決定暫停巴西亞克裏州之伐木業務直至其巴西附屬公司之經營環境有所改善為止。截至二零一三年九月三十日止六個月內，亞克裏州之業務仍然暫停。

中國為全球最大木材及原木消耗國及進口國，其繼續為本集團木材及木料產品之主要市場。截至二零一三年九月三十日止六個月，收入全部來自對中國客戶之銷售。

由於截至二零一三年九月三十日止六個月內之經濟及房地產市場持續放緩，市場對本集團木材產品之需求依然疲弱。

展望

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

流動資金及財務資源

於二零一三年九月三十日，本集團之現金及現金等價物為港幣21,300,000元（二零一三年三月三十一日：港幣216,500,000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，由二零一三年三月三十一日之53.8%下降至二零一三年九月三十日之4.2%。

於二零一三年九月三十日，本集團並無任何來自獨立第三方之計息借貸（二零一三年三月三十一日：港幣36,100,000元）。於二零一三年九月三十日，本集團之流動負債淨值為港幣102,200,000元（二零一三年三月三十一日：流動資產淨值為港幣59,000,000元）。此外，於二零一三年九月三十日及三月三十一日來自股東及關連公司之計息借貸分別為合共港幣19,900,000元及港幣241,900,000元。

本公司董事正考慮多種加強本集團資本基礎之方法，包括透過集資活動。

Management Discussion and Analysis

管理層討論及分析

CONTINGENT LIABILITIES AND LITIGATIONS

The Group's contingent liabilities and litigations at 30 September 2013 are disclosed in Notes 26 and 27 to the condensed consolidated financial statement.

FOREIGN EXCHANGE RISK

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

During the six months ended 30 September 2013, 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 Reais have been weakening somewhat against US dollars during the current period. In the event that Reais were to rise substantially against US dollars, the risk can be mitigated by increasing local sales denominated in Reais. 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.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 September 2013, the Group has approximately 281 employees (31 March 2013: 305) 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\$11.6 million (30 September 2012: HK\$22.7 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.

或然負債及訴訟

本集團於二零一三年九月三十日之或然負債及訴訟已於簡明綜合財務報告附註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。

截至二零一三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。

人力資源及薪酬政策

於二零一三年九月三十日，本集團有約281名僱員（二零一三年三月三十一日：305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11,600,000元（二零一二年九月三十日：港幣22,700,000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 2013 截至二零一三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	
			2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
		Notes 附註		
Revenue	收入	6	26,450	47,526
Cost of sales	銷售成本		(21,318)	(45,904)
Gross profit	毛利		5,132	1,622
Other income	其他收入	7	12,467	124,498
Other net gain	其他收益淨額	7	2,876	5,919
Selling and distribution costs	銷售及分銷成本		(2,565)	(1,613)
Administrative expenses	行政支出		(47,482)	(54,365)
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	13	(87,776)	(90,594)
Loss from operations	經營虧損		(117,348)	(14,533)
Finance income	融資收入		-	6
Finance costs	融資費用		(1,750)	(6,221)
Net finance costs	融資費用淨額	8(a)	(1,750)	(6,215)
Loss before taxation	除稅前虧損	8	(119,098)	(20,748)
Income tax	所得稅	9	29,844	30,802
(LOSS)/PROFIT FOR THE PERIOD	期間(虧損)/溢利		(89,254)	10,054
Attributable to:	應佔:			
Owners of the Company	本公司擁有人		(89,254)	10,054
Non-controlling interests	非控制性權益		-	-
			(89,254)	10,054
(Loss)/Earnings per share	每股(虧損)/盈利	11		
				(Restated) (經重列)
- Basic	- 基本		(6.647) cents 仙	0.866 cents 仙
- Diluted	- 攤薄		(6.647) cents 仙	0.827 cents 仙

The notes on pages 14 to 53 form part of these financial statements.

第14至53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 2013 截至二零一三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	
		2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(Loss)/Profit for the period	期間(虧損)/溢利	(89,254)	10,054
Other comprehensive loss	其他全面虧損		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能會重新分類至損益之項目：</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	(18,994)	(50,058)
Other comprehensive loss for the period, net of tax	期間其他全面虧損， 扣除稅項	(18,994)	(50,058)
Total comprehensive loss for the period	期間全面虧損總額	(108,248)	(40,004)
Total comprehensive loss attributable to:	以下人士應佔全面虧損 總額：		
Owners of the Company	本公司擁有人	(108,248)	(40,004)
Non-controlling interests	非控制性權益	-	-
		(108,248)	(40,004)

The notes on pages 14 to 53 form part of these financial statements.

第14至53頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2013 於二零一三年九月三十日

			At	At
			30 September	31 March
			2013	2013
			於二零一三年	於二零一三年
			九月三十日	三月三十一日
	Notes		HK\$'000	HK\$'000
	附註		港幣千元	港幣千元
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment		物業、廠房及設備	171,646	190,274
Biological assets	12	生物資產	225,550	344,172
Goodwill	13	商譽	302,118	302,118
			699,314	836,564
CURRENT ASSETS		流動資產		
Inventories		存貨	8,606	4,337
Trade and other receivables	15	應收貿易款項及其他應收款項	5,333	10,583
Cash and cash equivalents	16	現金及現金等價物	21,296	216,540
			35,235	231,460
CURRENT LIABILITIES		流動負債		
Trade and other payables		應付貿易款項及其他應付款項	80,456	79,401
Loans and borrowings	17	貸款及借貸	-	36,132
Provision for taxation	18	稅項撥備	50,255	50,255
Promissory notes	21	承付票據	6,715	6,648
			137,426	172,436
NET CURRENT (LIABILITIES)/ASSETS		流動(負債)/資產淨值	(102,191)	59,024
TOTAL ASSETS LESS CURRENT LIABILITIES		總資產減流動負債	597,123	895,588
NON-CURRENT LIABILITIES		非流動負債		
Amounts due to shareholders		應付股東款項	13,198	231,568
Amounts due to related companies	20	應付關連公司款項	-	3,717
Financial liabilities		財務負債	7,175	-
Deferred tax liabilities	22	遞延稅項負債	100,398	143,296
			120,771	378,581
NET ASSETS		資產淨值	476,352	517,007

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2013 於二零一三年九月三十日

			At 30 September 2013	At 31 March 2013
		<i>Notes 附註</i>	於二零一三年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	於二零一三年 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	460,429	390,832
Reserves	儲備		15,916	126,168
Total equity attributable to the owners of the Company	本公司擁有人應佔總權益		476,345	517,000
Non-controlling interests	非控制性權益		7	7
TOTAL EQUITY	總權益		476,352	517,007

The notes on pages 14 to 53 form part of these financial statements.

第14至53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 2013 截至二零一三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											
		Shares held by Company for settlement of acquisition consideration 本公司就處付收購代價所持股份										Non-controlling interest 非控制性權益	Total equity 總權益
Share capital 股本	Share premium 股份溢價	Contributed surplus 實繳盈餘	Distributable reserve 可供分派儲備	Capital redemption reserve 股本贖回儲備	Exchange fluctuation reserve 匯兌波動儲備	Share option reserve 購股權儲備	Accumulated losses 累計虧損	Sub-total					
HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
At 1 April 2012 (audited)	於二零一二年四月一日 (經審核)	384,328	2,468,674	(115,920)	10,003	2,216	8,000	11,638	19,524	(1,903,154)	875,309	86	875,395
Profit for the period	期間溢利	-	-	-	-	-	-	-	-	10,054	10,054	-	10,054
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	-	-	-	-	-	-	(50,058)	-	-	(50,058)	-	(50,058)
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	-	(50,058)	-	-	(50,058)	-	(50,058)
Total comprehensive loss for the period	期間全面虧損總額	-	-	-	-	-	-	(50,058)	-	10,054	(40,004)	-	(40,004)
Issuance of shares pursuant to the equity line facility	根據股本融資發行股份	6,013	10,787	-	-	-	-	-	-	-	16,800	-	16,800
Equity-settled share-based payment	以股權結算之股份付款	-	-	-	-	-	-	(100)	-	-	(100)	-	(100)
Forfeiture of share options	沒收購股權	-	-	-	-	-	-	(1,185)	1,185	-	-	-	-
Total transactions with owners	與擁有人進行之交易總額	6,013	10,787	-	-	-	-	(1,285)	1,185	-	16,700	-	16,700
At 30 September 2012 (unaudited)	於二零一二年九月三十日 (未經審核)	390,341	2,469,461	(115,920)	10,003	2,216	8,000	(38,420)	18,239	(1,891,915)	882,005	86	882,091
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

The notes on pages 14 to 53 form part of these financial statements.

第14至53頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流轉表

For the six months ended 30 September 2013 截至二零一三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	
		2013	2012
		二零一三年	二零一二年
		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	(5,914)	(19,183)
Net cash used in investing activities	投資活動流出之現金淨額	-	(790)
Net cash (used in)/generated from financing activities	融資活動(流出)/流入之現金淨額	(189,323)	14,685
Decrease in cash and cash equivalents	現金及現金等價物減少	(195,237)	(5,288)
Cash and cash equivalents at beginning of the period	於期初之現金及現金等價物	216,540	7,760
Effect of foreign exchange rate changes, net	匯率變動之影響淨額	(7)	(6)
Cash and cash equivalents at end of the period	於期終之現金及現金等價物	21,296	2,466
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	21,296	2,466
Cash and bank balances classified as held for sale	分類為持作待售之現金及銀行結餘	-	-
		21,296	2,466

The notes on pages 14 to 53 form part of these financial statements.

第14至53頁之附註構成此等財務報告之一部分。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2013 截至二零一三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 and manufacturing and sale of timber products including but not limited to wooden door, furniture and wooden floor panels.

2. BASIS OF PREPARATION

The Group incurred a loss attributable to owners of the Company of approximately HK\$89,254,000 for the six months ended 30 September 2013 and had net current liabilities of approximately HK\$102,191,000 as at 30 September 2013.

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.

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及製造銷售木材產品，包括但不限於木門、傢俱及木地板。

2. 編製基準

本集團於截至二零一三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89,254,000元，及於二零一三年九月三十日之流動負債淨額為約港幣102,191,000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) 本集團一直進行嚴格之成本控制；
- (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。

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 2013 截至二零一三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 2013 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 2013.

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 qualified opinions on the condensed consolidated financial statements of the Group for the six months ended 30 September 2012 and the consolidated financial statements of the Group for the year ended 31 March 2013. The details of the qualified opinions are set out in the Company's interim report 2012 and annual report 2012/13.

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。

截至二零一三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二零一三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二零一二年九月三十日止六個月之簡明綜合財務報告及本集團截至二零一三年三月三十一日止年度之綜合財務報告發表保留意見。保留意見之詳情載於本公司之二零一二年中期報告及二零一二／一三年年報。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2013 截至二零一三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 and financial liabilities are stated at fair values.

The accounting policies and basis of preparation adopted in preparation of these condensed consolidated financial statements are consistent with those used in the Group's annual financial statements for the year ended 31 March 2013, 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 IFRSs	Annual Improvements to IFRSs 2009 – 2011 Cycle
Amendments to IFRS 1	Government Loans
Amendments to IFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income
IAS 19 (revised)	Employee Benefits
IAS 27 (revised)	Separate Financial Statements
IAS 28 (revised)	Investments in Associates and Joint Ventures
IFRIC-Int 20	Stripping Costs in the Production Phase of a Surface Mine

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

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

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，惟生物資產及財務負債則以公平值計量。

除下述者外，編製此等簡明綜合財務報告採納之會計政策及編製基準與本集團於截至二零一三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 (修訂本)	二零零九年至二零一一年國 際財務報告準則之年度改 進項目
國際財務報告準則 第1號(修訂本)	政府貸款
國際財務報告準則 第7號(修訂本)	披露—金融資產及金融負債 之對銷
國際財務報告準則 第10號	綜合財務報告
國際財務報告準則 第11號	共同安排
國際財務報告準則 第12號	披露其他實體權益
國際財務報告準則 第13號	公平值計量
國際會計準則 第1號(修訂本)	其他全面收入項目的呈列 方式
國際會計準則 第19號(經修訂)	僱員利益
國際會計準則 第27號(經修訂)	獨立財務報告
國際會計準則 第28號(經修訂)	於聯營公司及合營企業的 投資
國際財務報告詮釋 委員會—詮釋 第20號	露天礦場生產階段的剝採 成本

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

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂國際財務報告準則：

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2013 截至二零一三年九月三十日止六個月

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Amendments to IAS 32	Offsetting Finance Assets and Financial Liabilities ¹
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities ¹
Amendments to IAS 36	Recoverable Amount Disclosures for Non-financial Assets ¹
IFRIC – Int 21	Levies ¹
IFRS 9	Financial Instruments ²
Amendments to IFRS 7 and IFRS 9	Mandatory Effective Date of IFRS 9 and Transition Disclosures ²

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

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

The Group is assessing the impact of such new standards, amendments to standards and interpretations and will adopt the relevant standards, amendments to standards and interpretations in the subsequent periods as required.

4. 重大會計政策概要 (續)

國際會計準則第32號(修訂本)	金融資產及金融負債之對銷 ¹
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(修訂本)	投資實體 ¹
國際會計準則第36號(修訂本)	非金融資產可收回金額之披露 ¹
國際財務報告詮釋委員會—詮釋第21號	徵收 ¹
國際財務報告準則第9號	金融工具 ²
國際財務報告準則第7號及國際財務報告準則第9號(修訂本)	國際財務報告準則第9號之強制生效日期及過渡性之披露 ²

¹ 於二零一四年一月一日或之後開始之年度期間生效。

² 於二零一五年一月一日或之後開始之年度期間生效。

本集團正評估此等新準則、準則之修訂及詮釋之影響，並將按要求於隨後期間採納相關準則、準則之修訂及詮釋。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2013 截至二零一三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 (previously named as Zhongshan Operations).

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.

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（前稱為中山業務）。

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。

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簡明綜合財務報告附註

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5. SEGMENT REPORTING (continued)

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.

(a) Segment results, assets and liabilities

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

5. 分部報告(續)

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。

(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 2013 (Unaudited) 截至二零一三年九月三十日止六個月 (未經審核)		
		Sustainable forest management 可持續 森林管理 HK\$'000 港幣千元	Manufacturing and sale of timber products 製造及銷售 木材產品 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
Reporting 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)	(473)
Waiver of liabilities by trade creditors	貿易債權人豁免負債	-	-	-
Interest expenses	利息開支	(1,683)	-	(1,683)
Interest income	利息收入	-	-	-
Reportable segment assets	可報告分部資產	699,331	17,921	717,252
Additions to non-current segment assets	非流動分部資產添置	-	-	-
Reportable segment liabilities	可報告分部負債	(69,090)	(21,241)	(90,331)

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簡明綜合財務報告附註

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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 2012 (Unaudited) 截至二零一二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	Total 總計 HK\$'000 港幣千元
Revenue from external customers	來自外界客戶之收入	193	47,333	47,526
Reporting segment revenue	可報告分部收入	193	47,333	47,526
Reportable segment loss before taxation	除稅前可報告分部虧損	(5,256)	(10,153)	(15,409)
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本	(90,594)	–	(90,594)
Depreciation	折舊	(621)	(137)	(758)
Waiver of liabilities by trade creditors	貿易債權人豁免負債	123,684	–	123,684
Interest expenses	利息開支	(5,591)	–	(5,591)
Interest income	利息收入	6	–	6

		As at 31 March 2013 (Audited) 於二零一三年三月三十一日 (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	Total 總計 HK\$'000 港幣千元
Reportable segment assets	可報告分部資產	836,011	14,906	850,917
Additions to non-current segment assets	非流動分部資產添置	450	2,239	2,689
Reportable segment liabilities	可報告分部負債	(319,476)	(26,038)	(345,514)

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簡明綜合財務報告附註

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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	
		2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(i) Revenue	(i) 收入		
Reportable segment revenue	可報告分部收入	26,450	47,526
Elimination of inter-segment revenue	對銷分部間收入	-	-
		26,450	47,526
Consolidated revenue	綜合收入	26,450	47,526
		For the six months ended 30 September	
		截至九月三十日止六個月	
		2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(ii) Loss	(ii) 虧損		
Reportable segment loss before taxation	除稅前可報告分部虧損	(104,856)	(15,409)
Unallocated corporate income	未分配企業收入	14,540	6,423
Unallocated depreciation	未分配折舊	(1)	(9)
Unallocated interest income	未分配利息收入	-	-
Unallocated interest expense	未分配利息開支	(67)	(630)
Unallocated corporate expenses	未分配企業開支	(28,714)	(11,123)
		(119,098)	(20,748)
Loss before taxation	除稅前虧損	(119,098)	(20,748)

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簡明綜合財務報告附註

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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 2013	At 31 March 2013
		於二零一三年 九月三十日	於二零一三年 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)
(iii) Assets	(iii) 資產		
Segment assets for reportable segments	可報告分部之分部資產	717,252	850,917
Unallocated corporate assets	未分配企業資產	17,297	217,107
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	734,549	1,068,024
Liabilities	負債		
Segment liabilities for reportable segments	可報告分部之分部負債	90,331	345,514
Unallocated:	未分配：		
– Provision for taxation	– 稅項撥備	50,255	50,255
– Deferred tax liabilities	– 遞延稅項負債	100,398	143,296
– Corporate liabilities	– 企業負債	17,213	11,952
Total liabilities per condensed consolidated statement of financial position	簡明綜合財務狀況表所呈列負債總額	258,197	551,017

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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 2013 (Unaudited) 截至二零一三年九月三十日止六個月 (未經審核)			
		Sustainable forest management 可持續森林管理	Manufacturing and sale of timber products 製造及銷售木材產品	Unallocated 未分配	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation	折舊	335	138	1	474
Interest expenses	利息開支	1,683	-	67	1,750
Interest income	利息收入	-	-	-	-

		For the six months ended 30 September 2012 (Unaudited) 截至二零一二年九月三十日止六個月 (未經審核)			
		Sustainable forest management 可持續森林管理	Manufacturing and sale of timber products 製造及銷售木材產品	Unallocated 未分配	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation	折舊	621	137	9	767
Interest expenses	利息開支	5,591	-	630	6,221
Interest income	利息收入	6	-	-	6

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簡明綜合財務報告附註

For the six months ended 30 September 2013 截至二零一三年九月三十日止六個月

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	
		2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Sales of forestry and timber products	出售木材及木料產品	26,450	47,526

6. REVENUE

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

An analysis of revenue is as follows:

6. 收入

收入指計及退貨及商業折扣備抵後出售貨品之發票淨值及收入。

收入分析如下：

		For the six months ended 30 September 截至九月三十日止六個月	
		2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Sales of forestry and timber products	出售木材及木料產品	26,450	47,526

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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	
		2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Other income	其他收入		
Rental income	租金收入	-	15
Reversal of write down of inventories	撥回存貨撇減	12,375	-
Waiver of liabilities by trade creditors (note i)	貿易債權人豁免負債 (附註i)	-	123,684
Others	其他	92	799
		12,467	124,498
Other net gain	其他收益淨額		
Change in fair value of financial liabilities (note 22), (2012: note ii)	財務負債公平值變動 (附註22), (二零一二年: 附註ii)	14,540	5,903
Net exchange (loss)/gain	匯兌 (虧損)/收益淨額	(11,664)	16
		2,876	5,919

Notes:

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

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

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

附註:

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

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

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

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7. OTHER INCOME AND OTHER NET GAIN

(continued)

Notes: (continued)

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

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

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

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

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

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

7. 其他收入及其他收益淨額(續)

附註:(續)

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

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

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

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

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

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

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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	
		2013	2012
		二零一三年	二零一二年
		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	-	(6)
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	1,009	573
Interest on promissory notes	承付票據之利息	67	65
Interest on amounts due to shareholders	應付股東款項之利息	668	5,252
Interest on amounts due to related companies	應付關連公司款項之 利息	6	283
Finance charges on obligations under finance leases	融資租約承擔之 融資開支	-	48
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	1,750	6,221
		1,750	6,215
(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	10,526	22,055
Pension scheme contributions	公積金計劃供款	663	791
Equity-settled share-based payment expenses	以股權結算以股份 支付開支	446	(98)
		11,635	22,748
(c) Other items	(c) 其他項目		
Cost of inventories*	存貨成本*	21,318	45,904
Reversal of write down of inventories	撥回存貨撇減	(12,375)	-
Depreciation	折舊	474	767
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	240	2,267
Auditor's remuneration	核數師酬金		
- audit services	- 審核服務	-	-
- other services	- 其他服務	587	764

* Cost of inventories sold includes depreciation of HK\$6,000 (2012: HK\$8,000) and staff costs of HK\$1,746,000 (2012: HK\$1,655,000), the amount of which is also included in the respective total amounts disclosed separately above.

* 已售出之存貨成本包括折舊港幣6,000元(二零一二年:港幣8,000元)及員工成本港幣1,746,000元(二零一二年:港幣1,655,000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:

Current tax	即期稅項
– Hong Kong Profits Tax	– 香港利得稅
Deferred tax	遞延稅項
– Reversal of temporary differences	– 撥回暫時差額

Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) of the estimated assessable profits arising in Hong Kong. Brazil income tax has been provided at the rate of 34% of the estimated assessable profits arising in Brazil. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

10. DIVIDENDS

The Directors do not recommend the payment or declaration of any dividend for both six months ended 30 September 2012 and 30 September 2013 respectively.

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

2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
-	-
(29,844)	(30,802)
(29,844)	(30,802)

香港利得稅根據於香港產生之估計應課稅溢利按稅率16.5% (二零一二年：16.5%) 計算。巴西所得稅根據於巴西產生之估計應課稅溢利按稅率34%計提撥備。於其他司法權區產生之稅項按相關司法權區之現行稅率計算。

10. 股息

董事不建議就截至二零一二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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11. (LOSS)/EARNINGS PER SHARE

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

11. 每股(虧損)/盈利

每股基本及攤薄(虧損)/盈利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	
		2013	2012
		二零一三年	二零一二年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
(Loss)/Earnings	(虧損)/盈利		
(Loss)/Earnings for the purpose of basic and diluted (loss)/earnings per share	用以計算每股基本及攤薄(虧損)/盈利之(虧損)/盈利		
– (Loss)/Profits attributable to the owners of the Company	– 本公司擁有人應佔(虧損)/溢利	(89,254)	10,054
		'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)/earnings per share	用以計算每股基本(虧損)/盈利之普通股加權平均數	1,342,763	1,160,944
Effect of dilutive potential ordinary shares arising from conversion of convertible preference shares	兌換可換股優先股份產生之潛在攤薄普通股之影響	–	54,993
Effect of dilutive potential ordinary shares arising from exercise of share options	行使購股權產生之潛在攤薄普通股之影響	–	–
Effect of dilutive potential ordinary shares arising from exercise of warrants	行使認股權證產生之潛在攤薄普通股之影響	–	–
Weighted average number of ordinary shares for the purposes of diluted (loss)/earnings per share	用以計算每股攤薄(虧損)/盈利之普通股加權平均數	1,342,763	1,215,937

Diluted loss per share equals to the basic loss per share for the six months ended 30 September 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.

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

Note: As disclosed in note 30, the share consolidation became effect from 2 October 2013. The figures of basic and diluted loss per share for the six months ended 30 September 2013 have been taken up the effect of the share consolidation. The figures of basic and diluted earnings for the six months ended 30 September 2012 have been restated for the effect of the share consolidation.

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。

購股權及認股權證對截至二零一二年九月三十日止六個月之每股基本盈利並無攤薄影響。

附註: 誠如附註30所披露，股份合併自二零一三年十月二日起生效。計算截至二零一三年九月三十日止六個月之每股基本及攤薄虧損數字已計入股份合併所產生影響。計算截至二零一二年九月三十日止六個月之每股基本及攤薄盈利之數字已作出重列，以反映股份合併之影響。

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12. PROPERTY, PLANT AND EQUIPMENT

Acquisitions and disposals

During the six months ended 30 September 2013, the Group did not acquire or dispose of any property, plant and equipment.

During the six months ended 30 September 2012, the Group acquired property, plant and equipment of HK\$1,645,000 and disposed of property, plant and equipment with carrying amount of HK\$970,000, resulting in a loss on disposal of HK\$131,000.

12. 物業、廠房及設備

收購及出售

截至二零一三年九月三十日止六個月，本集團並無購入或出售任何物業、廠房及設備。

截至二零一二年九月三十日止六個月，本集團購入港幣1,645,000元之物業、廠房及設備以及出售賬面值港幣970,000元之物業、廠房及設備，導致出售虧損港幣131,000元。

13. BIOLOGICAL ASSETS

13. 生物資產

		HK\$'000 港幣千元
At 1 April 2012 (Audited)	於二零一二年四月一日 (經審核)	913,049
Changes in fair value less costs to sell	公平值變動減銷售成本	(482,190)
Exchange movement	匯兌變動	(86,687)
At 31 March 2013 (Audited)	於二零一三年三月三十一日 (經審核)	344,172
Changes in fair value less costs to sell	公平值變動減銷售成本	(87,776)
Exchange movement	匯兌變動	(30,846)
At 30 September 2013 (Unaudited)	於二零一三年九月三十日 (未經審核)	225,550

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 2013 and 30 September 2013, 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裏州亞馬遜叢林區(「巴西森林」)。於二零一三年三月三十一日及二零一三年九月三十日，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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13. 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. For the period ended 30 September 2013, the Group recorded a decrease in fair value less cost to sell on biological assets of HK\$87.8 million (year ended 31 March 2013: HK\$482.2 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 (Modeflora – 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.

13. 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 Do Brasil Participacao Ltda (「UTRB」)與主承包商(「主承包商」，為本集團之獨立第三方)訂立服務協議，據此，主承包商委聘UTRB在巴西朗多尼亞州之水力發電廠提供伐木服務。水力發電廠之經營者與主承包商簽訂主合約。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艱鉅及敵對局面。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裏州之伐木業務以解除員工之憂慮。截至二零一三年九月三十日止期間，本集團就生物資產錄得公平值減銷售成本下跌港幣87,800,000元(截至二零一三年三月三十一日止年度：港幣482,200,000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(Modeflora — 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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13. 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.

13. 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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13. BIOLOGICAL ASSETS (continued)

- (iii) harvesting activities for the first 30-year cycle will resume from the calendar year of 2014 and complete in 7 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 7 years, which is the expected long term growth rate estimated by reference to the Consumer Price Index in USA.
- (v) the Group will obtain Forest Stewardship Council ("FSC") certification in 2015. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2015 when the Group obtains the FSC certification.

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

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in Brazil in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks. The Directors are not aware of any environmental liabilities as at 30 September 2013.

(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.

13. 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，並於七年內完成。並無計及往後砍伐周期之收入或成本。
- (iv) 未來七年之平均原木價格增幅為每年3%，即參考美國消費物價指數估計之預期長期增長率。
- (v) 本集團將於二零一五年取得森林管理委員會（「FSC」）認證，FSC認證反映符合社會及生態標準，同時可提升木材產品售價。按現時市場慣例，董事估計本集團於二零一五年取得FSC認證後可享有較非FSC木材產品高出15%之溢價。

本集團就其天然森林面對多項風險。

(i) 監管及環境風險

本集團受其業務所在之巴西法例及規例規管。本集團已制定環境政策及程序，旨在遵守當地之環保及其他法例。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。於二零一三年九月三十日，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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14. GOODWILL

14. 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 2012 (Audited) and 31 March 2013 (Audited), at 1 April 2013 and 30 September 2013 (Unaudited)	於二零一二年四月一日 (經審核)及二零一三年 三月三十一日 (經審核), 於二零一三年四月一日 及二零一三年 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 2012 (Audited) and 31 March 2013 (Audited), at 1 April 2013 and 30 September 2013 (Unaudited)	於二零一二年四月一日 (經審核)及二零一三年 三月三十一日 (經審核), 於二零一三年四月一日 及二零一三年 九月三十日(未經審核)	1,384,765	77,353	1,462,118
Carrying amount	賬面值			
At 30 September 2013 (Unaudited)	於二零一三年九月三十日 (未經審核)	302,118	-	302,118
At 31 March 2013 (Audited)	於二零一三年三月三十一日 (經審核)	302,118	-	302,118

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14. 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 2013 and 31 March 2013 was attributable to the cash-generating unit that comprises the sustainable forest management segment.

For the period ended 30 September 2013 and for the year ended 31 March 2013, the recoverable amount of the sustainable forest management segment was determined to be higher than its carrying amount, therefore, there was no impairment.

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.

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

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

- Cash flows for sustainable forest management segment were projected based on past experience and financial budget approved by management. The financial budget is for 9 years. The management considers that the harvesting activities have 30-year cycle so long period of budget can be justified. Management estimated that the cash flows after 9 years are immaterial to the overall recoverable amount of the unit because the management planned to complete the harvesting and selling activities for the first 30-year cycle of the Brazil Forest within 9 years. Therefore, cash flows after 9 years are not included in the value in use calculations. Management estimated that there would be a negative growth of 58% in year 9 as a result of the completion of harvesting and selling activities for the first 30-year cycle of the Brazil Forest.
- Revenue was projected based on management's past experience and their expectations for market development and the harvesting plan.
- Timber product average price growth at 3% per annum. The expected long term growth rate was estimated by reference to the Consumer Price Index in USA.
- A pre-tax discount rate of 28.38% based on the data and factors relevant to the economy of Brazil, the forest industry, the timber products in the Brazil Forest, and the weighted average cost of capital.
- The Group will obtain FSC certification in 2015. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2015 when the Group obtains the FSC certification.

14. 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。於二零一三年九月三十日及二零一三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。

截至二零一三年九月三十日止期間及截至二零一三年三月三十一日止年度，可持續森林管理分部之可收回金額被釐定為高於其賬面值，因此並無減值。

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。該方法或準則 (Modelflora – Digital Model of Forest Exploration) 由 Embrapa (Brazilian Enterprise for Agricultural Research) 於巴西研發。國家並無強制要求採用該方法，惟已向專業森林工程師推薦。

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

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

- 可持續森林管理分部之現金流轉乃按過往經驗及管理層批准之財務預算預測。財務預算供九年使用。管理層認為，由於砍伐活動周期為三十年，故較長預算期屬合理。由於管理層計劃於九年內完成巴西森林之首三十年周期之砍伐及銷售活動，故管理層估計九年後之現金流轉對單位之整體可收回金額而言並不重大，因此，於計算使用價值時並無計入九年後之現金流轉。管理層估計待巴西森林首三十年周期之砍伐及銷售活動完成後，於第九年將出現58%負增長。
- 收入乃按管理層之過往經驗及彼等對市場發展及砍伐計劃之預期作出預測。
- 木材產品之平均價格增幅為每年3%。預計長期增長率乃參考美國消費物價指數估計得出。
- 除稅前貼現率28.38%乃根據與巴西經濟、林業行業以及巴西森林木材產品相關之數據及因素以及加權平均資本成本計算。
- 本集團將於二零一五年取得FSC認證。FSC認證顯示符合社會及生態標準，同時可提升木材產品售價。按現時市場慣例，董事估計本集團自二零一五年取得FSC認證後，產品價格可較非FSC木材產品高出15%。

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14. GOODWILL (continued)

Notes: (continued)

(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.

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 HK\$77 million was recorded.

15. INVENTORIES

14. 商譽(續)

附註：(續)

(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。

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港幣77,000,000元。

15. 存貨

		At 30 September 2013 於二零一三年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2013 於二零一三年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Timber logs	木材原木	-	-
Sawn timber	鋸材	3,960	3,320
Raw materials	原材料	-	-
Work in progress	在製品	1,806	-
Finished goods	製成品	2,840	1,017
		8,606	4,337

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16. 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:

		At 30 September 2013 於二零一三年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2013 於二零一三年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日	334	197
31 to 60 days	31至60日	3	-
61 to 90 days	61至90日	-	-
Over 90 days	90日以上	74	77
Trade receivables, net	應收貿易款項淨額	411	274
Other receivables	其他應收款項	4,134	5,608
Amount due from a director	應收一名董事款項	-	183
Amount due from a shareholder	應收一名股東款項	-	422
Prepayment and deposits	預付款項及按金	788	4,096
		5,333	10,583

16. 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 2013 於二零一三年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2013 於二零一三年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	334	197
31 to 60 days	3	-
61 to 90 days	-	-
Over 90 days	74	77
Trade receivables, net	411	274
Other receivables	4,134	5,608
Amount due from a director	-	183
Amount due from a shareholder	-	422
Prepayment and deposits	788	4,096
	5,333	10,583

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17. TRADE AND OTHER PAYABLES

17. 應付貿易款項及其他應付款項

			At 30 September 2013 於二零一三年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2013 於二零一三年 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)	39,729	51,650
Other payables and accruals	其他應付款項及應計費用		34,221	19,818
Amount due to related companies	應付關連公司款項		6,506	7,933
			80,456	79,401

(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

於報告期間結算日，按發票日期計算之本集團應付貿易款項之賬齡分析如下：

			At 30 September 2013 於二零一三年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2013 於二零一三年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日		1	3,930
31 to 60 days	31至60日		-	190
61 to 90 days	61至90日		11	-
Over 90 days	90日以上		39,717	47,530
Total trade payables	應付貿易款項總額		39,729	51,650

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18. LOANS AND BORROWINGS

18. 貸款及借貸

		At 30 September 2013	At 31 March 2013
		於二零一三年 九月三十日	於二零一三年 三月三十一日
		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	-	36,132
		-	36,132
Carrying amount repayable:	於以下期間須償還之賬面值：		
On demand or within one year	應要求或一年內	-	36,132
More than one year but not exceeding two years	超過一年但不超過兩年	-	-
More than two years but not more than five years	超過兩年但不超過五年	-	-
		-	36,132
Less: Amounts due within one year shown under current liabilities	減：流動負債項下列為於 一年內到期之款項	-	(36,132)
Non-current liabilities	非流動負債	-	-

At 31 March 2013, the interest-bearing loan was secured by share charge in favour of the lender over the entire issued share capital of a wholly owned subsidiary, Acenergy Limited. The Group may borrow up to HK\$50 million within a 12-month period commencing the date of the loan agreement. Interest rate is 18% per annum and maturity in one lump sum 18 months after the first draw down under the loan agreement. Notwithstanding the above, the Group may prepay any loan amount outstanding after 12 months from the first draw down without penalties. The principal of the interest-bearing loan was fully repaid on 8 May 2013.

於二零一三年三月三十一日，計息貸款以一家全資附屬公司Acenergy Limited之全部已發行股本作為股份押記抵押予貸款人。由貸款協議日期起計十二個月期間內，本集團最多可借入港幣50,000,000元，年利率為18厘，將於根據貸款協議首次提款後十八個月到期時一筆過清償。在不違反上述情況下，本集團可於首次提款起計十二個月後預先繳付任何結欠貸款金額而毋須罰息。計息貸款之本金已於二零一三年五月八日悉數償還。

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19. 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.

20. AMOUNTS DUE TO SHAREHOLDERS

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

21. PROMISSORY NOTES

At beginning of the period/year	於期／年初
Accrued effective interests	應計實際利息

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.

19. 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。

20. 應付股東款項

該等款項為無抵押、按年利率5厘計息及毋須於十二個月內償還。

21. 承付票據

At 30 September 2013	At 31 March 2013
於二零一三年 九月三十日	於二零一三年 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)
6,648	6,517
67	131
6,715	6,648

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。

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21. PROMISSORY NOTES (continued)

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

The promissory notes are held by a substantial shareholder. On 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.

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 were carried out by GCA independently based on Black-Scholes Option Pricing Model and Merton's Model.

21. 承付票據(續)

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

承付票據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。

22. 財務負債

At 30 September 2013 於二零一三年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2013 於二零一三年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
-	6,030
23,337	-
(1,622)	-
(14,540)	(6,030)
7,175	-

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。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\$0.0533 per share 每股面值 港幣0.0533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
	<i>Notes 附註</i>	'000 千股	HK\$'000 港幣千元	'000 千股	HK\$'000 港幣千元	HK\$'000 港幣千元
Authorised:	法定:					
At 1 April 2012	於二零一二年四月一日	8,437,500	450,000	27,534,000	275,340	725,340
Increased in authorised ordinary shares	法定普通股增加	(a) 3,562,500	190,000	-	-	190,000
At 31 March 2013, 1 April 2013 and 30 September 2013	於二零一三年三月三十一日、二零一三年四月一日及二零一三年九月三十日	12,000,000	640,000	27,534,000	275,340	915,340
Issued and fully paid:	已發行及繳足:					
At 1 April 2012	於二零一二年四月一日	6,702,364	357,459	2,686,861	26,869	384,328
Conversion of convertible preferred shares	兌換可換股優先股	(b) 261,321	13,937	(1,393,710)	(13,937)	-
Issuance of shares pursuant to the equity line facility	根據股本融資發行股份	(c) 121,947	6,504	-	-	6,504
At 31 March 2013 and 1 April 2013	於二零一三年三月三十一日及二零一三年四月一日	7,085,632	377,900	1,293,151	12,932	390,832
Issue of new shares in connection with the open offer	就公開發售發行新股份	(d) 1,180,939	62,983	215,525	2,155	65,138
Shares issue upon exercise of ordinary share warrants	於行使普通股認股權證時發行股份	(e) 83,599	4,459	-	-	4,459
At 30 September 2013	於二零一三年九月三十日	8,350,170	445,342	1,508,676	15,087	460,429

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23. SHARE CAPITAL (continued)

Notes:

- (a) Pursuant to a special resolution passed on 11 April 2012, the authorised share capital of the Company was increased from HK\$725,340,000 divided into 8,437,500,000 ordinary shares of HK\$0.0533 each and 27,534,000,000 convertible preference shares of HK\$0.01 each to HK\$915,340,000 divided into 12,000,000,000 ordinary shares of HK\$0.0533 each and 27,534,000,000 convertible preference share of HK\$0.01 each.
- (b) During the year ended 31 March 2012, an aggregate of 261,320,704 new ordinary shares of HK\$0.0533 each were issued upon the conversion of 1,393,710,434 convertible preferred shares of HK\$0.01 each.
- (c) On 19 December 2011, the Company and an independent third party ("Investor") entered into (1) the equity line facility agreement ("ELF Agreement") and (2) the debt facility agreement ("DF Agreement"). Under the ELF Agreement, the Company may require the Investor to subscribe up to HK\$350 million, subject to a floor price of HK\$0.149 per share ("Floor Price"), worth of the Company's shares during a maximum of 3-year period after the commencement date of the ELF Agreement. Pursuant to the DF Agreement, the Investor agreed to grant an initial loan of HK\$30 million ("Initial Loan") and additional term loan of up to HK\$80 million ("Renewal Loan"). On 21 December 2011 and 19 January 2011, the Company and the Investor entered into supplemental ELF Agreements reducing the maximum commitment amount from HK\$350 million to finally HK\$115 million. During the year ended 31 March 2012, 121,947,271 shares were issued to and subscribed by the Investor under the ELF Agreement.
- (d) 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.
- (e) During the six months ended 30 September 2013, 83,598,813 ordinary share warrants were exercised to subscribe for 83,598,813 new ordinary shares of the Company at a consideration of approximately HK\$4,464,000 of which approximately HK\$4,459,000 was credited to share capital and the balance of approximately HK\$5,000 was credited to share premium account.

23. 股本 (續)

附註:

- (a) 根據於二零一二年四月十一日通過之一項特別決議案，本公司之法定股本由港幣725,340,000元(分為8,437,500,000股每股面值港幣0.0533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)增至港幣915,340,000元(分為12,000,000,000股每股面值港幣0.0533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)。
- (b) 於截至二零一二年三月三十一日止年度，合共261,320,704股每股面值港幣0.0533元之新普通股於兌換1,393,710,434股每股面值港幣0.01元之可換股優先股後予以發行。
- (c) 於二零一一年十二月十九日，本公司與一名獨立第三方(「投資者」)訂立(1)股本融資協議(「股本融資協議」)及(2)債務融資協議(「債務融資協議」)。根據股本融資協議，本公司可要求投資者於股本融資協議開始日期後最多三年期間認購價值最多為港幣350,000,000元之本公司股份(限定於最低價為每股股份港幣0.149元(「最低價」))。根據債務融資協議，投資者同意授出港幣30,000,000元之初步貸款(「初步貸款」)及最多為港幣80,000,000元之額外有期貨款(「更新貸款」)。於二零一一年十二月二十一日及二零一一年一月十九日，本公司與投資者訂立補充股本融資協議，將最高承諾金額由港幣350,000,000元減至最終港幣115,000,000元。截至二零一二年三月三十一日止年度，已根據股本融資協議向投資者發行並由投資者認購121,947,271股股份。
- (d) 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(「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」)，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。開發售之進一步詳情於售股章程及該公告內披露。
- (e) 截至二零一三年九月三十日止六個月內，83,598,813份普通股認股權證已獲行使，以認購本公司之83,598,813股新普通股，代價約為港幣4,464,000元，當中約港幣4,459,000元已計入股本，餘額約港幣5,000元則計入股份溢價賬。

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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 2013 are as below.

24. 購股權計劃

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

(a) 截至二零一三年九月三十日止六個月之購股權變動如下。

Date of Grant 授出日期	Exercise period 行使期	Exercise price 每股行使價	Number of share options 購股權數目				
			Outstanding at 1 April 2013 於二零一三年 四月一日 尚未行使	Granted 已授出	Lapsed 已失效	Outstanding at 30 September 2013 於二零一三年 九月三十日 尚未行使	Exercisable at 30 September 2013 於二零一三年 九月三十日 可行使
13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	520,865	-	-	520,865	520,865
13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	520,865	-	-	520,865	520,865
13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	520,867	-	-	520,867	520,867
13 January 2010 二零一零年一月十三日	15 July 2010 to 12 January 2020 二零一零年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	5,105,428	-	(5,105,428)	-	-
13 January 2010 二零一零年一月十三日	15 July 2011 to 12 January 2020 二零一一年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	5,105,427	-	(5,105,427)	-	-
7 May 2010 二零一零年五月七日	15 July 2010 to 6 May 2020 二零一零年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元	5,105,427	-	(5,105,427)	-	-
7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	280,865	-	-	280,865	280,865
7 May 2010 二零一零年五月七日	15 July 2011 to 6 May 2020 二零一一年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元	5,105,428	-	(5,105,428)	-	-

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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 每股行使價	Number of share options 購股權數目				
			Outstanding at 1 April 2013 於二零一三年 四月一日 尚未行使	Granted 已授出	Lapsed 已失效	Outstanding at 30 September 2013 於二零一三年 九月三十日 尚未行使	Exercisable at 30 September 2013 於二零一三年 九月三十日 可行使
7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	280,865	-	-	280,865	280,865
7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	280,867	-	-	280,867	280,867
14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣0.375元	11,200,000	-	(11,000,000)	200,000	200,000
18 February 2011 二零一一年二月十八日	16 December 2011 to 17 February 2021 二零一一年十二月十六日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,433,333	-	(1,433,333)	-	-
18 February 2011 二零一一年二月十八日	16 December 2012 to 17 February 2021 二零一二年十二月十六日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,433,333	-	(1,433,333)	-	-
18 February 2011 二零一一年二月十八日	16 December 2013 to 17 February 2021 二零一三年十二月十六日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,433,334	-	(1,433,334)	-	-
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\$0.0534 港幣0.0534元	-	166,551,732	-	166,551,732	166,551,732
			38,326,904	166,551,732	(35,721,710)	169,156,926	169,156,926
Weighted average exercise price:	加權平均行使價:		HK\$0.6517 港幣0.6517元	HK\$0.0534 港幣0.0534元	HK\$0.6377 港幣0.6377元	HK\$0.0652 港幣0.0652元	HK\$0.0652 港幣0.0652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 shares options vested 已歸屬購股權數目	Vesting date 歸屬日期	
13 January 2010 二零一零年一月十三日	10,210,855	5,105,428	15 July 2010 二零一零年七月十五日	
		5,105,427	15 July 2011 二零一一年七月十五日	
	45,040,069	18,398,633	13 January 2011 二零一一年一月十三日	
		13,320,716	13 January 2012 二零一二年一月十三日	
		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	
		1,701,810	30 June 2013 二零一三年六月三十日	
	820,588	273,529	31 July 2011 二零一一年七月三十一日	
		273,529	31 July 2012 二零一二年七月三十一日	
	1,000,000	273,530	31 July 2013 二零一三年七月三十一日	
		333,333	6 September 2011 二零一一年九月六日	
		333,333	6 September 2012 二零一二年九月六日	
		333,334	6 September 2013 二零一三年九月六日	
		800,000	266,666	5 December 2011 二零一一年十二月五日
	266,667		5 December 2012 二零一二年十二月五日	
	266,667		5 December 2013 二零一三年十二月五日	
	4,300,000	1,433,333	16 December 2011 二零一一年十二月十六日	
		1,433,333	16 December 2012 二零一二年十二月十六日	
		1,433,334	16 December 2013 二零一三年十二月十六日	
		1,000,000	333,333	2 January 2012 二零一二年一月二日
	333,333		2 January 2013 二零一三年一月二日	
333,334	2 January 2014 二零一四年一月二日			
1,300,000	433,333		9 January 2012 二零一二年一月九日	
	433,333		9 January 2013 二零一三年一月九日	
	433,334	9 January 2014 二零一四年一月九日		
30 August 2013 二零一三年八月三十日	166,551,732	166,551,732	30 August 2013 二零一三年八月三十日	
Total share option 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)			
Outstanding at 30 September 2013 於二零一三年九月三十日 尚未行使	169,156,926			

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24. SHARE OPTION SCHEME (continued)

(b) (continued)

The option outstanding as at 30 September 2013 have a weighted average remaining contractual life of 9.86 years (31 March 2013: 8.32 years).

No share option was exercised during the six months ended 30 September 2013 and during the year ended 31 March 2012.

No other share options granted under the New Scheme were cancelled during the six months ended 30 September 2013 (year ended 31 March 2013: Nil). The Group had no legal or constructive obligation to repurchase or settle the options in cash.

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

24. 購股權計劃 (續)

(b) (續)

於二零一三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9.86年(二零一三年三月三十一日: 8.32年)。

截至二零一三年九月三十日止六個月及截至二零一二年三月三十一日止年度內概無行使購股權。

截至二零一三年九月三十日止六個月(截至二零一三年三月三十一日止年度:無),概無其他根據新計劃授出之購股權獲註銷。本集團並無法律或推定責任須以現金購回或支付購股權。

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

		Date of grant				
		授出日期				
		30/8/2013	18/2/2011	14/9/2010	7/5/2010	13/1/2010
		二零一三年 八月三十日	二零一一年 二月十八日	二零一零年 九月十四日	二零一零年 五月七日	二零一零年 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%

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24. SHARE OPTION SCHEME (continued)

(c) (continued)

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

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

25. OPERATING LEASE COMMITMENTS

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:

24. 購股權計劃 (續)

(c) (續)

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

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

25. 經營租約承擔

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

		At 30 September 2013 於二零一三年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2013 於二零一三年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Within one year	一年內	524	530
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	240	500
		764	1,030

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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\$1,300,000 (or approximately HK\$4,511,000) 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\$1,300,000 (or approximately HK\$4,511,000) 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\$1,100,000 (or approximately HK\$3,817,000) 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\$1,100,000 (or approximately HK\$3,817,000). UTRB will investigate the issue and is consulting legal counsels for legal appeal. The Company will inform its shareholders in due course. For the sake of prudence, the claim of R\$1,100,000 (or approximately HK\$3,817,000) 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1,300,000雷亞爾（或約港幣4,511,000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1,300,000雷亞爾（或約港幣4,511,000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1,100,000雷亞爾（或約港幣3,817,000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1,100,000雷亞爾（或約港幣3,817,000元）。UTRB將調查此事並正就上訴諮詢法律顧問。本公司將適時知會其股東。為審慎起見，本公司已對1,100,000雷亞爾（或約港幣3,817,000元）之索償作出撥備並已計入其他應付款項內。

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27. LITIGATIONS (continued)

Logistical agreement and long-term supply agreement

On 19 July 2010, SFH Trading Limited, a subsidiary of the Company, entered into a logistical agreement and a long-term supply agreement with Viewscm Corporation Ltd. ("Viewscm"). According to the logistical agreement, Viewscm was appointed as the sole logistics service provider to SFH Trading Limited for export of logs and timbers from hydroelectric power plant area in the state of Rondonia, Brazil to China. However, after Viewscm formulated the logistic plan under the logistical agreement, the proposed transportation cost from Viewscm did not meet the target cost of SFH Trading Limited. Thus, SFH Trading Limited did not use any logistics service by Viewscm. Also, according to the long-term supply agreement, SFH Trading Limited would sell logs to Viewscm in Brazil and the origin of the logs should be from the hydroelectric power plant area. The Group was engaged by the Main Contractor to provide tree felling service in the hydroelectric power plant area. The relationship with the Main Contractor deteriorated since occurrence of the harassments from the Alleged Agent of the Main Contractor and operating staff and officers of our Group were rejected access to the hydroelectric power plant area. As such, SFH Trading Limited could not sell any logs to Viewscm.

Viewscm asserted claims against SFH Trading Limited by reason of the alleged breaches of the logistical agreement and long-term supply agreement by SFH Trading Limited. The alleged breaches of the logistical agreement and long-term supply agreement were dealt with under arbitration proceedings which hearings were held at South China International Economic and Trade Arbitration Commission and Shenzhen Arbitration Commission respectively. On 20 March 2013, South China International Economic and Trade Arbitration Commission issued an award of approximately RMB784,000 (or approximately HK\$991,000) in favour of Viewscm for the alleged breach of logistical agreement by SFH Trading Limited and on 12 April 2013, Shenzhen Arbitration Commission issued an award of approximately RMB703,000 (or approximately HK\$888,000) in favour of Viewscm for the alleged breach of long-term supply agreement by SFH Trading Limited.

On 19 September 2013, SFH Trading Limited received two court orders for the enforcement of arbitration awards issued by South China International Economic and Trade Arbitration Commission and Shenzhen Arbitration Commission totaling approximately RMB1,487,000 (or approximately HK\$1,879,000) and related legal expenses in favour of Viewscm. The Company will inform its shareholders for new development in due course. The total claims of RMB1,487,000 (or approximately HK\$1,879,000) has been provided and included in other payables.

SFH Trading Limited has been inactive since 1 April 2012 and was in net liabilities position as at 30 September 2013.

27. 訴訟(續)

物流協議及長期供應協議

於二零一零年七月十九日，本公司之附屬公司永保貿易有限公司與Viewscm Corporation Ltd. (「Viewscm」)訂立物流協議及長期供應協議。根據物流協議，Viewscm獲指定為永保貿易有限公司之唯一物流服務供應商，以將原木及木材由巴西朗多尼亞州之水力發電廠區域運送至中國。然而，於Viewscm根據物流協議制定物流計劃後，Viewscm給出之擬定運輸成本與永保貿易有限公司之目標成本不符。因此，永保貿易有限公司並未使用Viewscm提供之任何物流服務。此外，根據長期供應協議，永保貿易有限公司將於巴西出售原木予Viewscm，且原木之產地應為水力發電廠區域。本集團透過主承包商於水力發電廠區域從事伐木服務。由於來自主承包商之指稱代理之騷擾，故本集團與主承包商之關係已惡化，而本集團之操作員工及高級職員被拒進入水力發電廠區域。因此，永保貿易有限公司未能出售任何原木予Viewscm。

Viewscm因永保貿易有限公司對物流協議及長期供應協議之指稱違反而針對永保貿易有限公司提出索償。對物流協議及長期供應協議之指稱違反已按仲裁程序進行處理，並已分別於華南國際經濟貿易仲裁委員會及深圳仲裁委員會舉行聆訊。於二零一三年三月二十日，華南國際經濟貿易仲裁委員會頒佈裁決，因永保貿易有限公司對物流協議之指稱違反而向Viewscm賠償約人民幣784,000元（或約港幣991,000元），及於二零一三年四月十二日，深圳仲裁委員會頒佈裁決，因永保貿易有限公司對長期供應協議之指稱違反而向Viewscm賠償約人民幣703,000元（或約港幣888,000元）。

於二零一三年九月十九日，永保貿易有限公司接獲兩份強制執行華南國際經濟貿易仲裁委員會及深圳仲裁委員會頒佈之賠償Viewscm合共約人民幣1,487,000元（或約港幣1,879,000元）及相關法律開支之仲裁裁決之法院指令。本公司將適時知會其股東新發展。本公司已對人民幣1,487,000元（或約港幣1,879,000元）之索償總額作出撥備並已計入其他應付款項內。

永保貿易有限公司已由二零一二年四月一日起暫停營業，及於二零一三年九月三十日處於淨負債狀況。

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For the six months ended 30 September 2013 截至二零一三年九月三十日止六個月

28. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the six months ended 30 September 2013.

(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	
		2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	360	2,515
Retirement scheme contributions	退休計劃供款	-	17
Share based payment	以股份支付	446	158
		806	2,690

(b) Other related party transactions

		For the six months ended 30 September 截至九月三十日止六個月	
		2013 二零一三年 HK\$'000 港幣千元 (Audited) (經審核)	2012 二零一二年 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	668	5,252
Interest on amounts due to related companies	應付關連公司款項之利息	6	283
Interest on promissory notes	承付票據之利息	67	65
Sales to a related company	銷售予一家關連公司	25,185	40,382
Purchases from a related company	購買自一家關連公司	7,032	10,902

Notes:

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

28. 重大關連人士交易

截至二零一三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	
		2013 二零一三年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	360	2,515
Retirement scheme contributions	退休計劃供款	-	17
Share based payment	以股份支付	446	158
		806	2,690

(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	
Notes 附註		2013 二零一三年 HK\$'000 港幣千元 (Audited) (經審核)	2012 二零一二年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(i)	Interest on amounts due to shareholders	668	5,252
(ii)	Interest on amounts due to related companies	6	283
(iii)	Interest on promissory notes	67	65
	Sales to a related company	25,185	40,382
	Purchases from a related company	7,032	10,902

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 6 September 2013, the Company issued a circular (the "Circular") pursuant to which the Company proposed share consolidation, capital reorganisation and share premium cancellation. Pursuant to the announcement of the Company dated 30 September 2013 (the "Announcement"), as all conditions of each of the share consolidation, the capital reorganisation and the share premium cancellation were fulfilled, the share consolidation, the capital reorganisation and the share premium cancellation became effective from 2 October 2013. Details and effect of the share consolidation, the capital reorganisation and the share premium cancellation are set out in the Circular.

As a result of the share consolidation, adjustments have been made to the conversion price of the convertible preferred shares, the exercise prices and the numbers of the outstanding share options and the exercise price of the ordinary share warrants pursuant to the relevant terms of the convertible preferred shares, the share option scheme and the ordinary share warrants, details of which are set out in the Announcement.

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

於二零一三年九月六日，本公司刊發一份通函（「該通函」），據此，本公司建議股份合併、股本重組及股份溢價註銷。根據本公司日期為二零一三年九月三十日之公告（「該公告」），股份合併、股本重組及股份溢價註銷各自所有條件均獲達成，股份合併、股本重組及股份溢價註銷已於二零一三年十月二日起生效。股份合併、股本重組及股份溢價註銷之詳情及影響載於該通函內。

由於股份合併，可換股優先股之兌換價、尚未行使之購股權行使價及數目以及普通股認股權證之行使價已根據可換股優先股、購股權計劃及普通股認股權證之相關條款作出調整，有關詳情載於該公告內。

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 2013 (2012: Nil).

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

As at 30 September 2013, 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	83,275,866	0.997%
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	83,275,866	0.997%

Notes:

- The percentage figures were calculated based on 8,350,169,841 ordinary shares ("Shares") of the Company having a par value of HK\$0.0533 each in issue as of 30 September 2013.
- Ms. Zhou was entitled to share options to subscribe for a maximum of 83,275,866 Shares upon exercise of the options in full.
- Mr. Mung was entitled to share options to subscribe for a maximum of 83,275,866 Shares upon exercise of the options in full.
- All interests stated above as at 30 September 2013 represented long positions of Shares or underlying Shares of the Company.

Save as disclosed above, as at 30 September 2013, 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二零一三年九月三十日止六個月之中期股息(二零一二年:無)。

董事及最高行政人員於股份及相關股份之權益及淡倉

於二零一三年九月三十日,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二零一三年九月三十日已發行8,350,169,841股每股面值港幣0.0533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83,275,866股股份之購股權。
- 蒙先生享有可於悉數行使時認購最多83,275,866股股份之購股權。
- 於二零一三年九月三十日,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,於二零一三年九月三十日,各董事及本公司最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中,擁有根據證券及期貨條例第7及第8分部須知會本公司及聯交所,或已記錄於本公司根據證券及期貨條例第352條規定所存置之登記冊,或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

Supplementary Information

補充資料

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

As at 30 September 2013, 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

於二零一三年九月三十日，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	1,942,274,062	23.26%
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	1,942,274,062	23.26%
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	1,884,406,420	22.57%
Expert Plan Limited (Note 5) Expert Plan Limited (附註5)	Beneficial owner 實益擁有人	2,131,539,130	25.53%
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	2,131,539,130	25.53%

Notes:

- The percentage figures were calculated based on 8,350,169,841 Shares in issue as of 30 September 2013.
- 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 1,116,762,347 Shares and 621,346,723 convertible preferred shares ("CPS") of the Company convertible into 116,502,510 underlying Shares; Winner Global was the registered holder of 320,041,100 Shares; Splendid Asset was the registered holder of 331,100,463 Shares; and Corp Insights was the registered holder of 308,627,424 CPS convertible into 57,867,642 underlying Shares. Under Part XV of the SFO, Ms. Loh was therefore deemed to have interests in 1,767,903,910 Shares and 174,370,152 underlying Shares upon conversion of the CPS in which Assure Gain, Winner Global, Splendid Asset and Corp Insights were interested.

附註：

- 該等百分比數字乃根據於二零一三年九月三十日已發行8,350,169,841股股份計算。
- 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1,116,762,347股股份及可兌換為116,502,510股相關股份之621,346,723股本公司可換股優先股 (「可換股優先股」)；Winner Global登記持有320,041,100股股份；Splendid Asset登記持有331,100,463股股份；而Corp Insights則登記持有可兌換為57,867,642股相關股份之308,627,424股可換股優先股。根據證券及期貨條例第XV部，樂女士因此被視為於Assure Gain、Winner Global、Splendid Asset及Corp Insights所擁有之1,767,903,910股股份及可換股優先股獲兌換而產生之174,370,152股相關股份中擁有權益。

Supplementary Information

補充資料

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

Notes: (continued)

- Mr. Lau, being the spouse of Ms. Loh, was deemed to have an interest in the same parcel of the Shares and underlying Shares in which Ms. Loh was interested under Part XV of the SFO.
- Assure Gain held 100% of the issued share capital of Winner Global and Splendid Asset respectively. Assure Gain was the registered holder of 1,116,762,347 Shares and 621,346,723 CPS convertible into 116,502,510 underlying Shares; Winner Global was the registered holder of 320,041,100 Shares and Splendid Asset was the registered holder of 331,100,463 Shares. Under Part XV of the SFO, Assure Gain was therefore interested and deemed to have interests in 1,767,903,910 Shares and 116,502,510 underlying Shares upon conversion of the CPS in which itself. Winner Global and Splendid Asset were interested.
- Expert Plan Limited was the registered holder of 1,025,358,598 Shares, 215,525,161 CPS convertible into 40,410,967 underlying Shares, 1,025,358,598 ordinary share warrants convertible into 1,025,358,598 underlying Shares and 215,525,161 convertible preferred share warrants convertible into 40,410,967 underlying Shares. Under Part XV of the SFO, Expert Plan Limited was therefore interested and deemed to have interests in 1,025,358,598 Shares and 1,106,180,532 underlying Shares upon conversion of the CPS and exercise of the share warrants and convertible preferred share warrants.
- 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 1,025,358,598 Shares and 1,106,180,532 underlying Shares upon conversion of the CPS and exercise of the share warrants and convertible preferred share warrants in which Expert Plan Limited was interested.
- All interests stated above as at 30 September 2013 represented long positions of Shares or underlying Shares of the Company.

Save as disclosed above, as at 30 September 2013, 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 2013, none of the Director nor the chief executive of the Company had been granted any right to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors, their respective spouses nor their respective children under the age of 18 had any right to subscribe for the securities of the Company or had exercised any such rights.

主要股東及其他人士於股份及相關股份之權益 (續)

附註：(續)

- 廖先生為樂女士之配偶，根據證券及期貨條例第XV部被視為於樂女士所擁有權益之同一批股份及相關股份中擁有權益。
- Assure Gain分別擁有Winner Global及Splendid Asset已發行股本之全部權益。Assure Gain登記持有1,116,762,347股股份及可兌換為116,502,510股相關股份之621,346,723股可換股優先股；Winner Global登記持有320,041,100股股份及Splendid Asset登記持有331,100,463股股份。根據證券及期貨條例第XV部，Assure Gain因此自身擁有及被視為於Winner Global及Splendid Asset所擁有的上述1,767,903,910股股份及可換股優先股獲兌換而產生之116,502,510股相關股份中擁有權益。
- Expert Plan Limited登記持有1,025,358,598股股份、可兌換為40,410,967股相關股份之215,525,161股可換股優先股、可兌換為1,025,358,598股相關股份之1,025,358,598股普通股認股權證及可兌換為40,410,967股相關股份之215,525,161股可換股優先股認股權證。根據證券及期貨條例第XV部，Expert Plan Limited因此於及被視為於1,025,358,598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1,106,180,532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1,025,358,598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1,106,180,532股相關股份中擁有權益。
- 於二零一三年九月三十日，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，於二零一三年九月三十日，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，於截至二零一三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。

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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.

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

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。

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 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2013 於二零一三年四月一日尚未行使	Granted 已授出	Lapsed 已失效	Outstanding at 30 September 2013 於二零一三年九月三十日尚未行使			
Directors 董事								
Ms. ZHOU Jing 周靜女士	Personal 個人	-	83,275,866	-	83,275,866	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\$0.0534 港幣0.0534元
Mr. MUNG Wai Ming 蒙偉明先生	Personal 個人	-	83,275,866	-	83,275,866	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\$0.0534 港幣0.0534元
Sub-total 小計		-	166,551,732	-	166,551,732			
Employees and other participants (Note) 僱員及其他參與者(附註)								
		5,105,428	-	(5,105,428)	-	13 January 2010 二零一零年一月十三日	15 July 2010 to 12 January 2020 二零一零年七月十五日至二零二零年一月十二日	HK\$0.940 港幣0.940元
		5,105,427	-	(5,105,427)	-	13 January 2010 二零一零年一月十三日	15 July 2011 to 12 January 2020 二零一一年七月十五日至二零二零年一月十二日	HK\$0.940 港幣0.940元
		520,865	-	-	520,865	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至二零二零年一月十二日	HK\$0.940 港幣0.940元
		520,865	-	-	520,865	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至二零二零年一月十二日	HK\$0.940 港幣0.940元

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SHARE OPTION SCHEME (continued)

購股權計劃 (續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目			Outstanding at 30 September 2013 於二零一三年 九月三十日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2013 於二零一三年 四月一日 尚未行使	Granted 已授出	Lapsed 已失效				
Employees and other participants (Note)(continued) 僱員及其他參與者(附註) (續)		520,867	-	-	520,867	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
		5,105,427	-	(5,105,427)	-	7 May 2010 二零一零年五月七日	15 July 2010 to 6 May 2020 二零一零年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		5,105,428	-	(5,105,428)	-	7 May 2010 二零一零年五月七日	15 July 2011 to 6 May 2020 二零一一年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		280,865	-	-	280,865	7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		280,865	-	-	280,865	7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		280,867	-	-	280,867	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		1,433,333	-	(1,433,333)	-	18 February 2011 二零一一年二月十八日	16 December 2011 to 17 February 2021 二零一一年十二月十六日至 二零二零年二月十七日	HK\$0.420 港幣 0.420元
		1,433,333	-	(1,433,333)	-	18 February 2011 二零一一年二月十八日	16 December 2012 to 17 February 2021 二零一二年十二月十六日至 二零二零年二月十七日	HK\$0.420 港幣 0.420元
		1,433,334	-	(1,433,334)	-	18 February 2011 二零一一年二月十八日	16 December 2013 to 17 February 2021 二零一三年十二月十六日至 二零二零年二月十七日	HK\$0.420 港幣 0.420元
		11,200,000	-	(11,000,000)	200,000	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣 0.375元
Sub-total 小計		38,326,904	-	(35,721,710)	2,605,194			
Total 總計		38,326,904	166,551,732	(35,721,710)	169,156,926			

Note:

Ms. Loh Jiah Yee, Katherine and Ms. Fletcher Yurk Nam, Sandy resigned as Directors of the Company on 15 February 2013 and 1 March 2013 respectively. The details of the outstanding options held by them during the six months ended 30 September 2013 were accounted and described under the heading "Employees and other participants".

附註:

樂家宜女士及姜若男女士分別於二零一三年二月十五日及二零一三年三月一日辭任本公司董事。彼等於截至二零一三年九月三十日止六個月所持有之尚未行使購股權詳情已於「僱員及其他參與者」列賬及闡述。

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 2013.

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 2013.

CORPORATE GOVERNANCE PRACTICES

During the six months ended 30 September 2013, 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.

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二零一三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

於截至二零一三年九月三十日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

企業管治常規

本公司於截至二零一三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。

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CORPORATE GOVERNANCE PRACTICES (continued)

Code Provision A.6.7

Under Code Provision A.6.7, independent non-executive directors and non-executive directors should attend general meetings. However, Mr. NG Wai Hung was unable to attend the special general meeting held in Hong Kong on 30 September 2013 as he had another business engagement.

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 2013.

AUDIT COMMITTEE

During the six months ended 30 September 2013, 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 2013. 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 2013.

By order of the Board

Ms. ZHOU Jing

Chairman

Hong Kong, 29 November 2013

企業管治常規 (續)

守則條文A.6.7

根據守則條文A.6.7，獨立非執行董事及非執行董事須出席股東大會。然而，吳偉雄先生因處理其他事務而未能出席於二零一三年九月三十日在香港舉行之股東特別大會。

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

於截至二零一三年九月三十日止六個月內概無董事職務變動。

審核委員會

截至二零一三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二零一三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二零一三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，二零一三年十一月二十九日

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