



Genesis Energy Holdings Limited
創新能源控股有限公司



Interim Report
中期報告 2008



CORPORATE INFORMATION

DIRECTORS

Executive Directors

Ms. Xing Xiao Jing (*Chairman*)

Mr. Kong Siu Tim

Mr. Ma Ji

Independent Non-executive Directors

Mr. Ni Zhenwei

Mr. Yip Ching Shan

Mr. Wong Kwok Chuen Peter

COMPANY SECRETARY

Mr. Wan Tze Fan Terence

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 3707-3708, West Tower

Shun Tak Centre

168-200 Connaught Road Central

Hong Kong

REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

HONG KONG LEGAL ADVISORS

Michael Li & Co.

14/F., Printing House

6 Duddell Street

Central

Hong Kong

BERMUDA LEGAL ADVISORS

Conyers Dill & Pearman

2901 One Exchange Square

8 Connaught Place

Central

Hong Kong

AUDITORS

CCIF CPA Limited

Certified Public Accountants

20/F., Sunning Plaza

10 Hysan Avenue

Causeway Bay

Hong Kong

公司資料

董事

執行董事

邢曉晶女士 (主席)

江少甜先生

馬驥先生

獨立非執行董事

倪振偉先生

葉青山先生

黃國全先生

公司秘書

溫子勳先生

總辦事處及主要營業地點

香港

干諾道中168-200號

信德中心西座3707-3708室

註冊辦事處

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

香港法律顧問

李智聰律師事務所

香港

中環

都爹利街6號

印刷行14樓

百慕達法律顧問

Conyers Dill & Pearman

香港

中環

康樂廣場8號

交易廣場第1座2901室

核數師

陳葉馮會計師事務所有限公司

執業會計師

香港

銅鑼灣

希慎道10號

新寧大廈20樓

CORPORATE INFORMATION

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17/F., Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited

STOCK CODE

702

WEBSITE

www.genesis-erg.com

公司資料

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓
1712-1716室

主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

主要往來銀行

中國銀行(香港)有限公司
渣打銀行(香港)有限公司

股份代號

702

網址

www.genesis-erg.com

INTERIM RESULTS

The board of directors (the “Board”) of Genesis Energy Holdings Limited (the “Company”) announces that the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2008 were as follows:

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2008
(Expressed in Hong Kong Dollars)

中期業績

創新能源控股有限公司(「本公司」)董事會(「董事會」)宣佈,本公司及其附屬公司(統稱「本集團」)截至2008年6月30日止六個月之未經審核綜合業績如下:

綜合損益表

截至2008年6月30日止六個月
(以港元計算)

	Notes 附註	2008 (unaudited) (未經審核) HK\$'000 千港元	2007 (unaudited) (未經審核) HK\$'000 千港元
Continuing operations	持續經營業務		
Turnover	營業額	4	19,926
Direct cost	直接成本		(18,142)
Gross profit/(loss)	毛利/(毛損)		1,784
Other revenue	其他收益	6	579
Administrative and other operating expenses	行政及其他經營費用		(9,365)
Loss from operations	經營虧損		(7,002)
Finance costs	融資成本	5	(44)
Loss before taxation	除稅前虧損		(7,046)
Taxation	稅項	7	(698)
Loss for the period from continuing operations	持續經營業務之本期虧損	4	(7,744)
Discontinued operations	已終止經營業務		
Loss for the period from discontinued operations	已終止經營業務之本期虧損	4	-
Loss for the period	本期虧損		(7,744)
Attributable to	以下人士應佔權益:		
Continuing and discontinued operations	持續經營及已終止經營業務		
- Equity holders of the Company	- 本公司股權持有人		(7,744)
- Minority interests	- 少數股東權益		-
Loss for the period	本期虧損		(7,744)
		HK\$ (cents)	HK\$ (cents)
		港元 (仙)	港元 (仙)
Loss per share – Basic	每股虧損 – 基本	9(a)	
From continuing and discontinued operations	來自持續經營及已終止經營業務		(0.18)
From continuing operations	來自持續經營業務		(0.18)
From discontinued operations	來自已終止經營業務		N/A
Loss per share – Diluted	每股虧損 – 攤薄	9(b)	
From continuing and discontinued operations	來自持續經營及已終止經營業務		N/A 不適用
From continuing operations	來自持續經營業務		N/A 不適用
From discontinued operations	來自已終止經營業務		N/A 不適用

The notes on pages 7 to 24 form part of this interim financial report.

第7頁至第24頁之附註屬本中期財務報告之一部分。

CONSOLIDATED BALANCE SHEET

At 30 June 2008
(Expressed in Hong Kong Dollars)

綜合資產負債表

於2008年6月30日
(以港元計算)

		At 30 June 2008 (Unaudited) 2008年6月30日 (未經審核)		At 31 December 2007 (audited) 2007年12月31日 (經審核)		
		Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		附註	千港元	千港元	千港元	千港元
Non-current assets	非流動資產					
Property, plant and equipment	物業、廠房及設備	10		159,072		144,275
Intangible assets	無形資產			43,251		43,362
Other financial assets	其他財務資產	11		2,345		–
Prepaid lease payments	租賃預付款項			3,777		3,612
				208,445		191,249
Current assets	流動資產					
Inventories	存貨			156		125
Trade and other receivables	應收賬款及 其他應收款項	12		8,875		5,314
Cash and cash equivalents	現金及現金等價物	13		52,647		111,224
				61,678		116,663
Current liabilities	流動負債					
Trade and other payables	應付賬款及 其他應付款項	14		(8,383)		(46,559)
Current taxation	即期稅項			(90)		(504)
				(8,473)		(47,063)
Net current assets	流動資產淨值			53,205		69,600
Total assets less current liabilities	總資產減流動負債			261,650		260,849
Non-current liabilities	非流動負債			–		–
NET ASSETS	資產淨值			261,650		260,849
CAPITAL AND RESERVES	資本及儲備					
Share capital	股本	15		42,269		42,249
Reserves	儲備			219,257		218,600
Total equity attributable to equity holders of the Company	本公司股權持有人 應佔總權益			261,526		260,849
Minority interests	少數股東權益			124		–
TOTAL EQUITY	總權益			261,650		260,849

The notes on pages 7 to 24 form part of this interim financial report.

第7頁至第24頁之附註屬本中期財務報告之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the six months ended 30 June 2008 – unaudited
(Expressed in Hong Kong Dollars)

截至2008年6月30日止六個月一未經審核
(以港元計算)

		Attributable to equity holders of the Company 本公司股權持有人應佔								
		Share Capital	Share Premium	Contributed surplus	Share Option Reserves	(Accumulated Losses)	Exchange Reserves	Total	Minority Interests	Total Equity
		股本	股份溢價	繳納盈餘	購股權儲備	累計虧損	匯兌儲備	共計	少數股東 權益	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2008	於2008年1月1日	42,249	364,389	81,043	18,589	(263,887)	18,466	260,849	-	260,849
Shares issued under share option scheme	按購股權計劃 發行之股份	20	358	-	-	-	-	378	-	378
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司 財務報表之 匯兌差異	-	-	-	-	-	8,043	8,043	-	8,043
Capital injection of minority interest	少數股東權益注資	-	-	-	-	-	-	-	124	124
Loss for the period	本期虧損	-	-	-	-	(7,744)	-	(7,744)	-	(7,744)
At 30 June 2008	於2008年6月30日	42,269	364,747	81,043	18,589	(271,631)	26,509	261,526	124	261,650
At 1 January 2007	於2007年1月1日	35,851	227,057	81,043	4,461	(255,951)	11,651	104,112	-	104,112
Share issued under the placing	按配售發行股份	3,740	114,774	-	-	-	-	118,514	-	118,514
Shares issued under share option scheme	按購股權計劃 發行之股份	2,478	21,506	-	(4,128)	-	-	19,856	-	19,856
Equity-settled share-based transactions	股本結算以股份 支付之交易	-	-	-	11,743	-	-	11,743	-	11,743
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司 財務報表之 匯兌差異	-	-	-	-	-	693	693	-	693
Loss for the period	本期虧損	-	-	-	-	(44,690)	-	(44,690)	-	(44,690)
At 30 June 2007	於2007年6月30日	42,069	363,337	81,043	12,076	(300,641)	12,344	210,228	-	210,228

The notes on pages 7 to 24 form part of this interim financial report.

第7頁至第24頁之附註屬本中期財務報告之一部分。

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2008
(Expressed in Hong Kong Dollars)

簡明綜合現金流量表

截至2008年6月30日止六個月
(以港元計算)

		Six months ended 30 June 截至6月30日止六個月	
		2008 (Unaudited) (未經審核) HK\$'000 千港元	2007 (Unaudited) (未經審核) HK\$'000 千港元
Net cash outflow from operating activities	經營業務所用之現金淨額	(3,776)	(3,516)
Net cash outflow from investing activities	投資活動所用之現金淨額	(16,426)	(51,987)
Net cash outflow before financing activities	融資活動前所用之現金淨額	(20,202)	(55,503)
Net cash (outflow)/inflow from financing activities	融資活動(所用)／所產生之現金淨額	(38,375)	136,289
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)／增加淨額	(58,577)	80,786
Cash and cash equivalents at 1 January	於1月1日之現金及現金等價物	111,224	51,269
Cash and cash equivalents at 30 June	於6月30日之現金及現金等價物	52,647	132,055

The notes on pages 7 to 24 form part of this interim financial report.

第7頁至第24頁之附註屬本中期財務報告之一部分。

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

1. BASIS OF PREPARATION

The interim financial report of Genesis Energy Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), including compliance with the Hong Kong Accounting Standard (“HKASs”) 34, “Interim financial reporting”, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. This interim financial report contains consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2007 annual financial statements. The consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

This interim financial report is unaudited, but has been reviewed by the Company’s Audit Committee.

The financial information relating to the financial year ended 31 December 2007 that is included in this interim financial report as being previously reported information does not constitute the Group’s statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2007 are available from the Company’s head office. The auditors have expressed a qualified opinion on those financial statements in their report dated 22 April 2008.

財務報表附註

(以港元計算)

1. 編製基準

創新能源控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)之中期財務報告乃按照香港聯合交易所有限公司證券上市規則(「上市規則」)適用之披露條文編製,並符合香港會計師公會(「香港會計師公會」)頒佈之「香港會計準則」第34號—「中期財務報告」之規定。管理層在編製符合香港會計準則第34號規定之中期財務報告時所作之判斷、估計及假設,會影響會計政策之應用及按目前情況為基準計算之經匯報資產與負債、收入及支出之金額。實際業績可能有別於該等估計。本中期財務報告包括綜合財務報表及部分附註。附註闡述了自2007年年度財務報表刊發以來,在瞭解本集團之財務狀況變動及表現方面確屬重要之事件及交易。此綜合中期財務報表及附註沒有包括按照《香港財務報告準則》規定編製完整財務報表所需之全部資料。

本中期財務報告雖未經審核,但已由本公司審核委員會審閱。

本中期財務報告所載截至2007年12月31日止財政年度之財務資料為已匯報之資料,並不構成本集團該財政年度之法定財務報表,但資料則源自有關財務報表。截至2007年12月31日止年度之法定財務報表可於本公司之總辦事處索取。本公司核數師已在2008年4月22日之核數師報告中對該等財務報表出具保留意見。

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2007 annual financial statements, which have been prepared in accordance with all applicable HKFRSs, which collectively term includes all applicable individual HKFRSs, HKASs and interpretations issued by HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial statements are presented in Hong Kong dollars which is the functional currency of the Company. All financial information presented in Hong Kong dollars is rounded to the nearest thousand unless otherwise stated. The Group changed its presentation currency from Renminbi to Hong Kong dollars in 2007. Following the increase in foreign operations in 2007, the directors of the Company consider that Hong Kong dollars, being an internationally well-recognized currency, can provide more meaningful information to the Company's investors and cater for the need of the Group's global customers. The comparative figures in these unaudited financial statements are translated from Renminbi to Hong Kong dollars using the rate that approximate the closing rate for balance sheet items and average rates for the period under review for income statement items. The change in presentation currency has no significant impact on the financial position of the Group as at 30 June 2008 and 31 December 2007, or the results and cash flows of the Group for the period ended 30 June 2008 and 2007.

財務報表附註

(以港元計算)

2. 主要會計政策

本中期財務報告按照2007年年度財務報表所採用之會計政策編製。2007年年度財務報表則按照所有適用之香港財務報告準則編製，包括香港會計師公會頒佈之所有適用之個別香港財務報告準則、香港會計準則及詮釋、香港公認會計原則及香港公司條例之披露規定，以及香港聯合交易所有限公司證券上市規則之適用披露規定。

財務報表乃以港元(本公司之功能貨幣)呈報。除另有訂明者外，以港元呈報之所有財務資料均以最接近之千位計算。本集團於2007年將其呈報貨幣由人民幣更改為港元。於2007年本集團發展外國業務後，本公司董事認為，港元作為國際廣泛認可之貨幣，可為本公司之投資者提供較有用之資料，並滿足本集團全球客戶之需要。本財務報表之比較數字乃採用接近資產負債表項目之收市匯率及損益表項目之回顧期間平均匯率之匯率，由人民幣換算為港元。呈報貨幣之變動對本集團於2008年6月30日及2007年12月31日之財務狀況，或本集團截至2008年及2007年6月30日止期間之業績及現金流量並無重大影響。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The HKICPA has issued a number of amendments, new and revised HKFRSs, which term collectively included HKASs and Interpretations that are first effective or available for early adoption for accounting periods beginning on or after 1 January 2008. Management has determined the accounting policies expected to be adopted in the preparation of the Group's annual financial statements for the year ended 31 December 2008 on the basis of HKFRSs currently in issue, which management believes, do not have a significant impact on the Group's prior year financial position and results of operations.

The new and revised HKFRSs that will be effective or are available for voluntary early adoption in the annual financial statements for the year ended 31 December 2008 may be affected by the issue of additional interpretation(s) or other changes announced by the HKICPA subsequent to the date of this interim financial report. Therefore, the policies that will be applied in the Group's financial statements for that period cannot be determined with certainty at the date of issuance of this interim financial report. The Group has not applied any new standards or interpretations that are not yet effective for the current accounting period (see note 3).

2. 主要會計政策 (續)

香港會計師公會已頒佈若干修正、新訂及經修訂香港財務報告準則(此統稱包括「香港會計準則」及詮釋)，於2008年1月1日或其後開始之會計期間首次生效，或可供提早採納。根據目前已頒佈之香港財務報告準則，管理層已確定預期會在編製截至2008年12月31日止年度財務報表時採用該等會計政策，並認為該等會計政策不會對本集團以前年度之財務狀況及經營業績產生重大影響。

於編製截至2008年12月31日止年度財務報表時生效或可自願提早採用之新訂及經修訂香港財務報告準則，可能會受到香港會計師公會在本中期財務報告發出後公佈之附加詮釋或其他變更所影響。因此，本集團編製2008年年度財務報表時將會採用之會計政策未能於本中期財務報告發出時明確地確定。本集團於本會計期間並未採用任何尚未生效之新準則或詮釋(見附註3)。

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

3. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDING 31 DECEMBER 2008

Up to the date of issue of this interim financial report, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the accounting period ending 31 December 2008 and which have not been adopted in this interim financial report.

Of these developments, the following relate to matters that may be relevant to the Group's operations and financial statements:

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ²
HKAS 32 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ¹
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
HK (IFRIC) – Int 13	Customer Loyalty Programmes ³

¹ Effective for accounting periods beginning on or after 1 January 2009

² Effective for accounting periods beginning on or after 1 July 2009

³ Effective for accounting periods beginning on or after 1 July 2008

Management is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that while the adoption of them may result in new or amended disclosures, it is unlikely to have a significant impact on the Group's results of operations and financial position.

財務報表附註

(以港元計算)

3. 已頒佈但在截至2008年12月31日止年度會計期間尚未生效之修訂、新準則及詮釋之可能影響

截至本中期財務報告刊發日，香港會計師公會已頒佈若干在截至2008年12月31日止會計期間尚未生效，亦沒有在本中期財務報告採用之修訂、新準則及詮釋。

在這些變動中，下列事宜可能與本集團之經營及財務報表有關：

香港會計準則 第1號(經修訂)	財務報表之呈報 ¹
香港會計準則 第23號(經修訂)	借貸成本 ¹
香港會計準則 第27號(經修訂)	綜合及獨立財務報表 ²
香港會計準則 第32號(修訂本)	可沽售金融工具與清盤 產生之責任 ¹
香港財務報告準則 第2號(修訂本)	歸屬條件及註銷 ¹
香港財務報告準則 第3號(經修訂)	業務合併 ²
香港財務報告準則 第8號	經營分類 ¹
香港(國際財務報告 詮釋委員會) — 詮釋第13號	客戶忠誠計劃 ³

¹ 於2009年1月1日或之後開始之會計期間生效

² 於2009年7月1日或之後開始之會計期間生效

³ 於2008年7月1日或之後開始之會計期間生效

管理層正在評估這些修訂、新準則及新詮釋對初始採用期間之影響。暫時之結論是，雖然採納這些修訂、新準則及詮釋可能導致新增或需修訂披露，但對本集團之經營業績及財務狀況應該不會有重大影響。

4. TURNOVER AND SEGMENT REPORTING

Segment information is presented in respect of the Group's business segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

(i) Business segments

The Group is currently engaged in the business of (i) the operation of natural gas pipeline network and refilling supplying natural gas and liquefied petroleum gas ("LPG") for vehicle use and sale of LPG in cylinder operations, and (ii) exploitation and sale of crude oil:

Natural gas and LPG: The operation of natural gas pipeline network and gas refilling stations supplying natural gas and LPG for vehicle use and sale of LPG for vehicle use and sale of LPG in cylinder.

Oil exploitation: Exploitation and sale of crude oil.

The Group was also involved in the operation of crude oil transportation storage and unloading facilities investment which were discontinued during the year 2007.

4. 營業額及分部報告

分部資料乃按本集團業務分部呈列。本集團選擇業務分部資料作為主要呈報形式，因為較為適合本集團之內部財務申報。

(i) 業務分部

本集團目前從事以下業務(i)經營天然氣管道網絡及供應汽車用天然氣及液化石油氣之補給站及銷售罐裝液化石油氣，及(ii)開採及銷售原油：

天然氣及液化石油氣： 經營天然氣管道網絡及供應汽車用天然氣及液化石油氣之補給站及銷售汽車用液化石油氣及銷售罐裝液化石油氣。

石油開採： 開採及銷售原油。

本集團亦曾從事原油運輸、儲存及卸油設施投資業務，該等業務已於2007年度終止。

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

財務報表附註

(以港元計算)

4. TURNOVER AND SEGMENT REPORTING (continued)

(i) Business segments (continued)

There are no sales or trading transactions between the business segments. These segments are the basis on which the Group reports its primary segment information. Segment information about these businesses is set out as follows:–

For the period ended 30 June 2008

4. 營業額及分部報告 (續)

(i) 業務分部 (續)

業務分部間並無出售或買賣交易。該等分部乃本集團呈報其主要分部資料之基準。有關該等業務之分部資料載列如下：

截至2008年6月30日止期間

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務	Consolidated 綜合
		Natural gas and LPG 天然氣及液化石油氣 HK\$'000 千港元	Oil exploitation 石油開採 HK\$'000 千港元	Total 總額 HK\$'000 千港元	Crude oil transportation, storage and unloading services 原油運輸、儲存及卸油服務 HK\$'000 千港元	
Turnover – Revenue from external customers	營業額 來自外界客戶之收益	17,712	2,214	19,926	–	19,926
Segments results	分部業績	1,221	563	1,784	–	1,784
Unallocated operating income and expenses	未分配經營收入及費用			(8,786)	–	(8,786)
Loss from operations	經營虧損			(7,002)	–	(7,002)
Finance costs	融資成本			(44)	–	(44)
Loss before taxation	除稅前虧損			(7,046)	–	(7,046)
Taxation	稅項			(698)	–	(698)
Loss for the period	本期虧損			(7,744)	–	(7,744)

4. TURNOVER AND SEGMENT REPORTING (continued)

(i) Business segments (continued)

For the period ended 30 June 2007

4. 營業額及分部報告 (續)

(i) 業務分部 (續)

截至2007年6月30日止期間

		Continuing operations			Discontinued	Consolidated
		持續經營業務			已終止經營業務	
		Natural gas and LPG	Oil exploitation	Total	Crude oil transportation, storage and unloading services	
		天然氣及 液化石油氣	石油開採	總額	原油運輸、 儲存及 卸油服務	綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK'000 千港元
Turnover –	營業額					
Revenue from external customers	來自外界客戶 之收益	14,388	–	14,388	24,653	39,041
Segments results	分部業績	(1,097)	–	(1,097)	2,682	1,585
Unallocated operating income and expenses	未分配經營 收入及費用			(24,239)	(3,667)	(27,906)
Loss from operations	經營虧損			(25,336)	(985)	(26,321)
Finance costs	融資成本			(110)	(17,960)	(18,070)
Loss before taxation	除稅前虧損			(25,446)	(18,945)	(44,391)
Taxation	稅項			(299)	–	(299)
Loss for the period	本期虧損			(25,745)	(18,945)	(44,690)

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

4. TURNOVER AND SEGMENT REPORTING (continued)

(ii) Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. The Group mainly operates in the People's Republic of China (the "PRC") (including Hong Kong) and the United States of America (the "USA"). Information about these geographical segments is set out as follows:

For the period ended 30 June 2008

Segment revenue	分部收益
Revenue from external customers	來自外界客戶之收益
Attributable to:	以下業務應佔：
– Continuing operations	– 持續經營業務
– Discontinued operations	– 已終止經營業務

For the period ended 30 June 2007

Segment revenue	分部收益
Revenue from external customers	來自外界客戶之收益
Attributable to:	以下業務應佔：
– Continuing operations	– 持續經營業務
– Discontinued operations	– 已終止經營業務

財務報表附註

(以港元計算)

4. 營業額及分部報告 (續)

(ii) 地區分部

按地區分部呈列資料時，分部收益按客戶所在地劃分。本集團主要在中國（包括香港）及美國從事經營活動。有關該等地區之分部資料載列如下：

截至2008年6月30日止期間

The PRC 中國 HK\$'000 千港元	The USA 美國 HK\$'000 千港元	Total 總額 HK\$'000 千港元
17,712	2,214	19,926
–	–	–
17,712	2,214	19,926

截至2007年6月30日止期間

The PRC 中國 HK\$'000 千港元	The USA 美國 HK\$'000 千港元	Total 總額 HK\$'000 千港元
14,388	–	14,388
24,653	–	24,653
39,041	–	39,041

5. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:-

5. 除稅前虧損

除稅前虧損已扣除：

		Six months ended 30 June	
		截至6月30日止六個月	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
a) Finance costs	a) 融資成本		
Continuing operations	持續經營業務		
Interest expenses on financial liabilities not at fair value through profit or loss	不按公平值計入損益賬之財務負債利息支出		
– Interest on bank loans advances and other borrowing wholly repayable within five years	– 須於五年內全數償還之銀行墊款及其他借貸利息	44	110
Discontinued operations	已終止經營業務		
Interest expenses on financial liabilities not at fair value through profit or loss	不按公平值計入損益賬之財務負債利息支出		
– Interest on bank loans advances and other borrowing wholly repayable within five years	– 須於五年內全數償還之銀行墊款及其他借貸利息	–	17,960
		44	18,070
b) Staff costs	b) 員工成本(包括董事酬金)		
(including director's remuneration)			
Continuing operations	持續經營業務		
Salaries, wages and other benefits	薪金·工資及其他福利	4,371	4,257
Equity-settled share-based payment expenses	股本結算以股份支付之支出	–	12,106
Contributions to defined contribution retirement plan	定額供款退休計劃之供款	119	92
		4,490	16,455
Discontinued operations	已終止經營業務		
Salaries, wages and other benefits	薪金·工資及其他福利	–	3,166
Contributions to defined contribution retirement plan	定額供款退休計劃之供款	–	214
		–	3,380

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

財務報表附註

(以港元計算)

5. LOSS BEFORE TAXATION (continued)

5. 除稅前虧損 (續)

		Six months ended 30 June 截至6月30日止六個月	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
c) Other items	c) 其他項目		
Continuing operations	持續經營業務		
Cost of inventories	存貨成本	11,219	8,279
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,923	7,206
Amortization of	攤銷		
– prepaid lease payments	– 租賃預付款項	80	42
– intangible assets	– 無形資產	131	–
Operating lease charges:	經營租賃開支：		
minimum lease payments	最低租賃付款		
– property rentals	– 物業租金	1,173	474
Net loss on exchange difference	匯兌虧損淨額	–	4,321
		<u>–</u>	<u>4,321</u>
Discontinued operations	已終止經營業務		
Cost of services	服務成本	–	21,967
Depreciation of property, plant and equipment	物業、廠房及設備折舊	–	17,936
Amortization of prepaid lease payments	租賃預付款項攤銷	–	13
		<u>–</u>	<u>13</u>

6. OTHER REVENUE

6. 其他收益

		Six months ended 30 June 截至6月30日止六個月	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Continuing operations	持續經營業務		
– Interest income on bank deposits	– 銀行存款利息收入	546	2,052
– Dividend income	– 股息收入	18	–
– Others	– 其他	15	39
		<u>579</u>	<u>2,091</u>
Discontinued operations	已終止經營業務		
– Others	– 其他	–	106
		<u>–</u>	<u>106</u>
		<u>579</u>	<u>2,197</u>

7. TAXATION

Taxation in the consolidated income statement represents:

Continuing operations	持續經營業務
– Provision for PRC income tax for the period	– 本期稅項 – 中國所得稅準備

Discontinued operations	已終止經營業務
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a) Continuing Operations

No provision for Hong Kong profits tax has been made in the financial statements as the Group did not derive any income subject to Hong Kong profits tax for the period ended 30 June 2008 and 2007. Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the jurisdiction in which the Group operates, based on existing legislation, interpretations and practices in respect thereof during the period.

On 16 March 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the PRC ("New Tax Law") which took effect on 1 January 2008, the PRC income tax rate is unified to 25% for all enterprises (2007: 33%).

Further under the New Tax Law, from 1 January 2008, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business in the PRC but whose relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding tax at the rate of 10% (unless reduced by treaty) on various types of passive income such as dividends derived from sources within the PRC. The Group has already assessed the impact of the New Tax Law regarding this withholding tax and considered the New Tax Law would not have a significant impact on the results of operations of the Group for the period ended 30 June 2008 and financial position of the Group as at 30 June 2008.

7. 稅項

綜合損益表所示之稅項意指：

Six months ended 30 June
截至6月30日止六個月

2008 HK\$'000 千港元	2007 HK\$'000 千港元
698	299
–	–
698	299

a) 持續經營業務

截至2008年6月30日及2007年6月30日止六個月，由於含有持續經營業務之公司期內並無任何須繳納香港利得稅之收入，故沒有在財務報表中計提香港利得稅準備。其他地區之應課稅溢利稅項則已根據期內本集團經營所在司法權區之現行法律、詮釋及慣例按當時之適用稅率計算。

於2007年3月16日，第十屆全國人民代表大會第五次會議通過中國企業所得稅法（「新稅法」）。新稅法於2008年1月1日生效。所有企業之中國所得稅稅率一律統一為25%（2007年：33%）。

另根據新稅法，由2008年1月1日起，並非在中國成立或在中國設有經營地點，或在中國成立或在中國設有經營地點，惟有關收入實際上並非與在中國成立或在中國設有經營地點有關之非居民企業，將須就多項被動收入（如源於中國之股息）按稅率10%（除非按條約減免）繳付預繳稅。本集團已就預繳稅評估新稅法之影響，並認為新稅法不會對本集團截至2008年6月30日止期間之經營業績及本集團於2008年6月30日之財務狀況造成重大影響。

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

7. TAXATION (continued)

a) Continuing Operations (continued)

No provision for income tax of the United States has been made in the financial statements of the overseas subsidiaries in Utah, the United States of America, as the subsidiaries have no estimated assessable income for the six months ended 30 June 2008 and 30 June 2007.

b) Discontinued Operations

No provision for PRC income tax has been made in the financial statements of Xinjiang Xingmei Oil-Pipeline Co., Ltd. ("Xingmei"), a former subsidiary of the Company established in the PRC, as Xingmei has no estimated assessable income for the six months ended 30 June 2007. Xingmei was disposed of in October 2007.

8. DIVIDENDS

The directors have not declared nor proposed any dividends in respect of the six months ended 30 June 2008 (2007: Nil).

9. LOSS PER SHARE

a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to equity holders of the Company of HK\$7,744,000 (six months ended 30 June 2007: HK\$44,690,000) and the weighted average of 4,225,466,000 ordinary shares (2007: 3,992,735,000 ordinary shares) in issue during the period, calculated as follows:-

財務報表附註

(以港元計算)

7. 稅項 (續)

a) 持續經營業務 (續)

本集團在美國猶他州之海外附屬公司之財務報表內並無就美國所得稅提撥準備，原因是該等附屬公司截至2008年6月30日及2007年6月30日止六個月內並無估計應課稅溢利。

b) 已終止經營業務

本公司一家在中國成立之前附屬公司新疆星美石油管道有限公司(「星美」)之財務報表內並無就中國所得稅提撥準備，原因是星美截至2007年6月30日止六個月內並無估計應課稅溢利。星美已於2007年10月售出。

8. 股息

董事並無宣派或擬派截至2008年6月30日止六個月之股息(2007年: 無)。

9. 每股虧損

a) 每股基本虧損

每股基本虧損是根據本公司股權持有人應佔虧損7,744,000港元(截至2007年6月30日止六個月: 44,690,000港元)，以及期內已發行普通股之加權平均數4,225,466,000股普通股(2007年: 3,992,735,000股普通股)計算，方式如下：

		Six months ended 30 June	
		截至6月30日止六個月	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Continuing operations	持續經營業務	7,744	25,745
Discontinued operations	已終止經營業務	-	18,945
		7,744	44,690

9. LOSS PER SHARE (continued)

a) Basic loss per share (continued)

Weighted average number of ordinary shares		Number of shares	
		At 30 June 2008 2008年6月30日	At 30 June 2007 2007年6月30日
		'000 千股	'000 千股
Issued ordinary share at 1 January	於1月1日已發行普通股	4,224,884	3,585,134
Effect of shares issued by the placing	按配售發行股份之影響	–	35,342
Effect of share option exercised	已行使購股權之影響	582	372,259
Weighted average number of ordinary shares at 30 June	於6月30日之普通股加權平均數	4,225,466	3,992,735

b) Diluted loss per share

No disclosure of diluted loss per share for six months ended 30 June 2008 and for six months ended 30 June 2007 is shown as the Company's outstanding share options have antidilutive effect.

10. ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2008, the Group incurred capital expenditure of property, plant and equipment with a cost of HK\$14,081,000 (for the six months ended 30 June 2007: HK\$19,096,000).

11. OTHER FINANCIAL ASSETS

During the six months ended 30 June 2008, the Group acquired financial assets representing shares of listed companies in Hong Kong with a cost of HK\$2,345,000 (31 December 2007: Nil). There is no significant difference between the fair value and the cost of the financial assets as at 30 June 2008.

9. 每股虧損 (續)

a) 每股基本虧損 (續)

Weighted average number of ordinary shares		Number of shares	
		At 30 June 2008 2008年6月30日	At 30 June 2007 2007年6月30日
		'000 千股	'000 千股
Issued ordinary share at 1 January	於1月1日已發行普通股	4,224,884	3,585,134
Effect of shares issued by the placing	按配售發行股份之影響	–	35,342
Effect of share option exercised	已行使購股權之影響	582	372,259
Weighted average number of ordinary shares at 30 June	於6月30日之普通股加權平均數	4,225,466	3,992,735

b) 每股攤薄虧損

由於本公司尚未行使購股權有反攤薄影響，故截至2008年6月30日及2007年6月30日止六個月期內並無披露每股攤薄虧損。

10. 增置物業、廠房及設備

截至2008年6月30日止六個月，本集團關於物業、廠房及設備之資本開支成本為14,081,000港元（截至2007年6月30日止六個月：19,096,000港元）。

11. 其他財務資產

截至2008年6月30日止六個月，本集團購入於香港上市的公司股份之財務資產成本為2,345,000港元（於2007年12月31日：無）。於2008年6月30日，財務資產之公平價值與成本並無重大差異。

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

財務報表附註

(以港元計算)

12. TRADE AND OTHER RECEIVABLES

		At 30 June 2008 2008年6月30日 HK\$'000 千港元	At 31 December 2007 2007年12月31日 HK\$'000 千港元
Utility and other deposits	水電及其他按金	7,078	3,731
Prepayments and other receivable	預付款項及其他應收款項	950	928
Prepaid lease payments	租賃預付款項	292	292
Others	其他	555	363
		8,875	5,314

13. CASH AND CASH EQUIVALENTS

		At 30 June 2008 2008年6月30日 HK\$'000 千港元	At 31 December 2007 2007年12月31日 HK\$'000 千港元
Deposits with bank	於銀行之定期存款	30,000	80,000
Cash at bank and in hand	其他銀行存款及現金	22,647	31,224
		52,647	111,224

14. TRADE AND OTHER PAYABLES

Accrued expenses and other creditors	預提費用及 其他應付賬款
Due to minority equity holder of a subsidiary (note (i))	應付一家附屬公司少數股權 持有人款項(附註(i))
Due to controlling shareholder (note (ii))	應付控股股東款項(附註(ii))

Notes:

- (i) The amount due to minority shareholder, 庫爾勒市燃氣公司, is unsecured, interest free and has no fixed terms of repayment.
- (ii) The amount due to controlling shareholder of the Company, Hong Chang Group Limited, is unsecured, interest free and has no fixed terms of repayment.

15. SHARE CAPITAL

During the six months ended 30 June 2008, the number of issued ordinary share of the Company was increased from 4,224,883,936 shares to 4,226,883,936 shares following the issue of 2,000,000 new ordinary shares of HK\$0.01 each as result of the exercise of option to subscribe for shares of the Company under the share option scheme of the Company.

14. 應付賬款及其他應付款項

	At 30 June 2008 2008年6月30日 HK\$'000 千港元	At 31 December 2007 2007年12月31日 HK\$'000 千港元
Accrued expenses and other creditors	4,321	3,620
Due to minority equity holder of a subsidiary (note (i))	2,838	6,591
Due to controlling shareholder (note (ii))	1,224	36,348
	8,383	46,559

附註:

- (i) 應付少數股東庫爾勒市燃氣公司款項為無抵押、免息及無固定還款期。
- (ii) 應付控股股東鴻昌集團有限公司款項為無抵押、免息及無固定還款期。

15. 股本

截至2008年6月30日止六個月，在根據本公司購股權計劃行使購股權以認購本公司股份而發行每股面值0.01港元之2,000,000股新普通股後，本公司已發行普通股數目由4,224,883,936股增至4,226,883,936股。

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

財務報表附註

(以港元計算)

16. COMMITMENTS

- a) Capital commitments outstanding as at 30 June 2008 not provided for in the financial statements of the Group were as follows:

		At 30 June 2008 2008年6月30日 HK\$'000 千港元	At 31 December 2007 2007年12月31日 HK\$'000 千港元
Contracted for	已訂約		
Continuing operations	持續經營業務		
– acquisition of motor vehicles	– 購買汽車	–	576
– capital contribution in a subsidiary	– 附屬公司之股本注資	3,126	5,078
		<u>3,126</u>	<u>5,654</u>
Authorised but not contracted for	已授權但未訂約		
Continuing operations	持續經營業務		
– operation of an oil exploitation project	– 收購石油開採項目	134,138	126,149
		<u>134,138</u>	<u>126,149</u>
		<u>137,264</u>	<u>131,803</u>

- b) As at 30 June 2008, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		At 30 June 2008 2008年6月30日 HK\$'000 千港元	At 31 December 2007 2007年12月31日 HK\$'000 千港元
Within 1 year	1年內	2,204	2,666
After 1 year but within 5 years	1年後但5年內	791	1,941
		<u>2,995</u>	<u>4,607</u>

The Group is the lessee in respect of a number of properties held under operating leases. The leases typically run for an initial period of one to two years without an extension option. None of the leases includes contingent rentals.

16. 承擔

- a) 於2008年6月30日，並未在本集團財務報表內提撥準備之未到期資本承擔如下：

		At 30 June 2008 2008年6月30日 HK\$'000 千港元	At 31 December 2007 2007年12月31日 HK\$'000 千港元
Contracted for	已訂約		
Continuing operations	持續經營業務		
– acquisition of motor vehicles	– 購買汽車	–	576
– capital contribution in a subsidiary	– 附屬公司之股本注資	3,126	5,078
		<u>3,126</u>	<u>5,654</u>
Authorised but not contracted for	已授權但未訂約		
Continuing operations	持續經營業務		
– operation of an oil exploitation project	– 收購石油開採項目	134,138	126,149
		<u>134,138</u>	<u>126,149</u>
		<u>137,264</u>	<u>131,803</u>

- b) 於2008年6月30日，不可撤銷經營租賃之日後應付之最低租賃款項總額如下：

		At 30 June 2008 2008年6月30日 HK\$'000 千港元	At 31 December 2007 2007年12月31日 HK\$'000 千港元
Within 1 year	1年內	2,204	2,666
After 1 year but within 5 years	1年後但5年內	791	1,941
		<u>2,995</u>	<u>4,607</u>

本集團為根據經營租賃租用多項物業之承租人。一般而言，該等租賃之初步期間介乎1至2年，並無續租選擇權。所有租賃概無包括或有租金。

17. MATERIAL RELATED PARTY TRANSACTIONS

a) Amounts due to minority shareholder and controlling shareholder

The amount due to minority shareholder and controlling shareholder of the Group are disclosed in the note 14(i) and (ii) to the financial statements.

b) Operating lease income

During the six months ended 30 June 2008, the Group leased out the natural gas pipeline under operating leases to a minority equity holder of its subsidiary, 庫爾勒市燃氣公司 from which the Group received pipeline leasing income of approximately HK\$500,000 (for the six months ended 30 June 2007: HK\$504,000).

c) Key management personnel remuneration

Details of compensation paid to key management personnel including the directors of the Company are as follows:-

17. 重大關連人士交易

a) 應付少數股東及控股股東款項

應付本集團少數股東及控股股東款項於財務報表附註14(i)及(ii)中披露。

b) 經營租賃收入

截至2008年6月30日止六個月，本集團根據經營租賃，將天然氣管道租予其附屬公司之少數股權持有人庫爾勒市燃氣公司，本集團自庫爾勒市燃氣公司收取管道租賃費用收入約500,000港元（截至2007年6月30日止六個月：504,000港元）。

c) 主要管理人員酬金

已付主要管理人員（包括本公司董事）酬金詳情如下：

		Six months ended 30 June	
		截至6月30日止六個月	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and other benefits including the contribution to defined contribution retirement plan	薪金及其他福利，包括定額供款退休計劃之供款	<u>2,005</u>	<u>2,156</u>

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong Dollars)

18. POST BALANCE SHEET EVENTS

- a) Subsequent to the balance sheet date, the Group entered into an agreement with an independent third party on 4 July 2008 in relation to acquisition of oil fields in the United States of America at consideration of US\$750,000. Details of the transaction were disclosed in the Company's announcement dated 8 July 2008.
- b) Subsequent to the balance sheet date, a 50% owned joint venture of the Group entered into a legal binding Memorandum of Understanding on 17 July 2008 in respect of the formation of a proposed joint venture to be engaged in the oil and natural gas exploration business in Tasmania, Australia. Details of the transaction were disclosed in the Company's joint announcement dated 22 July 2008.

19. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current period's presentation.

財務報表附註

(以港元計算)

18. 期後事項

- a) 於結算日後，本集團於2008年7月4日與一名獨立第三方就以代價美金750,000元收購位於美國之油田訂立一份協議。有關交易詳情已於2008年7月8日之本公司通告中披露。
- b) 於結算日後，本集團旗下一所持有50%權益之合營公司，於2008年7月17日就為可能與一所在澳洲塔斯曼尼亞從事油氣勘探業務的公司成立合營企業而訂立具法律約束力之諒解備忘錄。有關交易詳情已於2008年7月22日之本公司聯合通告中披露。

19. 比較數字

若干比較數字已重新分類以符合當期之呈報方式。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

For the six months ended 30 June 2008, Genesis Energy Holdings Limited (the “Company” or “Genesis Energy”) and its subsidiaries (collectively known as the “Group”) recorded a turnover of HK\$19.9 million (2007: HK\$14.4 million) from continuing operations. Loss for the period from continuing operations was HK\$7.7 million (2007: HK\$25.7 million).

It has not been easy for the first six months of 2008. The first horizontal drilling was done in Utah in the first quarter of this year. However, the construction and rework of the facilities have been seriously affected and delayed due to the unprecedented snowstorm in the region. The oil production has not been stable until recently in the third quarter. The first drilling in our Xun Yi Oilfield, Shaanxi was initially scheduled in May this year. Unfortunately, the horrendous scale of the tragedy from the massive May 12 Wenchuan Earthquake has adversely affected the entire schedule of the drilling and other related logistics. The quake has as well seriously affected and delayed the progress of the project in Inner Mongolia, in which the Group serves as operator of the E Tuo Ke Oil & Gas Field.

Upstream Operations

Grassy Trails oil field, Utah, the United States

The acquisition of Grassy Trails oil field was completed in June 2007. Grassy Trails oil field located in both Emery County and Carbon County, Utah, with an area of approximately 26 km². It was discovered in 1962 and it has yielded approximately 600,000 barrels of golden-colored, light, sweet crude oil since then. In February 2008, we have completed the first horizontal drilling on Federal 12-13, and the proven reserve of crude oil on Grassy Trails has been revised up to about 1.36 million barrels. However, due to the unprecedented snowstorm in the region, the follow up set up and rework of the supporting facilities have been seriously affected and delayed. The production of oil has not been stable until recently in August.

Four Corners Area oil field, the United States

In May 2008, the Group entered into an agreement to form a joint venture (the “JV”) with an oil company in Nevada (the “U.S. Party”) to acquire an oil field located in the Four Corners Area of Colorado, New Mexico, Utah and Arizona from an independent third party at a total consideration of USD750,000. The JV is owned as to 51% by the Group and 49% by the U.S. Party. Pursuant to the JV Agreement, after the Group has first received all the initial capital and additional contribution with respect to the first well to be drilled by the JV, the Group and the U.S. Party will then share 51% and 49% of the net profits generated from the oil exploitation project respectively. The oil field in Four Corners Area encompasses an area of approximately 6.5 km², with historical oil production of approximately 114,000 barrels since 1984. According to our latest reserve report done in August 2008, the estimated proven reserve of the said oil field is approximately 700,000 barrels. As the said oil field has proven historical production record, the investment risk is relatively low. Rework on the existing wells has been done and commercial production has commenced subsequent to date of this report.

業務回顧

截至2008年6月30日為止，創新能源控股有限公司（「本公司」或「創新能源」）及其附屬公司（統稱「本集團」）錄得來自持續業務的營業額為19,900,000港元（2007年：14,400,000港元），而同期持續業務所致的虧損為7,700,000港元（2007年：25,700,000港元）。

2008年的首六個月是絕不輕鬆的半年。今年第一季度，猶他州第一個水平井已經完成。但是，該地區前所未有的暴風雪嚴重影響並延誤了設施的建設和重修。直到最近第三季度，石油產量才穩定下來。中國陝西旬邑油田的第一口鑽井最初預計為五月動工，但不幸的是，5月12日汶川大地震帶來舉世震驚的巨大災難，對我們的整個鑽井進度乃至相關的後勤工作產生了相當嚴重的影響。而本集團負責營運的內蒙古鄂托克油氣田，同時也受地震影響而嚴重地延誤了有關工作的進度。

上游業務

美國猶他州草徑油田

草徑油田的收購早已在2007年6月完成。草徑油田位於猶他州艾美莉郡及卡本郡，面積約26平方公里。油田於1962年發現，已產出600,000桶金色、輕質、低硫原油。2008年2月，完成建造首個水平井聯邦井12-13號，同時，草徑油田的探明儲量亦修訂為136萬桶。不過，由於該地區空前的暴風雪，有關跟進設立和重修的配套設施卻被嚴重影響和延誤。原油產量直到最近的8月份方才穩定下來。

美國四角落州區域油田

2008年5月，本集團與一家位於內華達州的石油公司（「美國方」）簽署協議組成合營公司，並以75萬美元的代價從獨立第三方收購了位於科羅拉多州、新墨西哥州、猶他州和亞利桑那州四州鄰接區域的一個油田。本集團和美國方分別擁有合營公司51%和49%的股份。根據合營協議，本集團在收回所有初期投入資本及打第一口油井的支出後，將與美國方分別獲得從此油田開發項目所產生淨利益的51%和49%。此油田面積約6.5平方公里，從1984年以來它的總產量約114,000桶。根據2008年8月底的最新儲量報告，我們估計此油田的探明儲量約70萬桶。由於此油田具有過往實際生產紀錄，因此它的投資風險相對較小。現有油井的重修工作已完成，且商業生產已在出具此報告後開始運作。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Upstream Operations (continued)

Xun Yi oil field, Shaanxi, the PRC

In August 2007, the Group entered into a legally binding cooperation agreement with a PRC partner in relation to an oil exploration and exploitation project in Shaanxi Province, the PRC. It covers a site area of over 500 km². Pursuant to the cooperation agreement, the PRC partner shall provide the use of the oil development zone, while the Group shall carry out exploration and exploitation works. The Group and the PRC partner shall each share 95% and 5% respectively of profits generated from the project. The oil field is located in Shaanxi Province and stretches across the northern part of Xun Yi County, Zhi Tian Town, Qiu Po Tou Town, Ma Lan Town, Qi Li Chuan in the eastern part of Xun Yi County and Cheng Guan Town. According to a preliminary technical report by our geologists, petroleum initially in place is approximately 510 million barrels of crude oil. The drilling programme was unfortunately adversely affected by the May 12 Wenchuan Earthquake. The drilling of the very first well has just started in mid September this year. Despite the delay, the Board is still confident that this is the kind of business model to drive our further developments in the fuel-producing Shaanxi-Gansu-Ningxia area.

E Tuo Ke oil and gas field, Inner Mongolia, the PRC

In February 2008, the Group entered into a legally binding operating agreement with another PRC partner, pursuant to which the Group is commissioned to be the operator of the E Tuo Ke Oil & Gas Field in Inner Mongolia (內蒙古鄂托克油田, "E Tuo Ke"). As the operator of the project, the Group will provide related investigation, exploration and operating services for a number of prospects in E Tuo Ke to which our PRC partner holds the exploration right together with the ownership. The owner will fund the operating costs of our team for E Tuo Ke. The Group will receive a 7% management fee based on the net sales revenue of E Tuo Ke, after deducting depreciation as well as certain direct expenses. Pursuant to the agreement, the Group has commissioned the College of Earth Sciences, Jilin University to conduct a new geological study of the E Tuo Ke block in order to draw up a detailed drilling scheme, which is scheduled to be completed in September 2008. Our PRC partner in Inner Mongolia will enjoy strong leverage of our experience in oil and gas exploration and production while this agreement will open up for us a new stream of management fee revenues. This collaboration model will bring a low risk opportunity for the Group to enjoy returns from a project of great potential.

Downstream Operation

Natural Gas Pipeline Network

The natural gas pipeline network is operated by our subsidiary Lejion Gas Co. Ltd. ("Lejion Gas"), which the Group owns as to 72% of its equity interest. Last year, Lejion Gas entered into a short term contracting agreement with the local government that the business of sale of piped natural gas would be operated by the local government while Lejion could focus its resources to the business of refilling stations which supply natural gas and LPG for vehicle use. This reallocation of resources has brought improvement to the sales of natural gas at refilling stations.

業務回顧 (續)

上游業務 (續)

中國陝西省旬邑油田

2007年8月，集團與中方合夥人簽署了在中國陝西省勘探開發石油的具法律約束力的協議，涉及面積逾500平方公里。根據合作協議，中方合夥人將提供油田區域使用權，集團則負責勘探開發工作。本集團佔項目利潤的95%，中方合夥人佔5%。油田位於陝西省，橫跨旬邑縣北部、職田鎮、鰍坡頭鎮、馬蘭鎮、旬邑縣東部七里川及城關鎮。根據公司地質學家出具的初期技術報告，地質儲量約為5.1億桶原油。很不幸，開採計劃受到5月12日汶川大地震的延誤。第一口油井的開採工作剛於今年9月中旬開始。儘管受到拖延，董事會仍然相信本項目將成為公司進一步開發陝西、甘肅、寧夏石油產區的業務典型。

內蒙古鄂托克油田

2008年2月，集團與另外一家中國夥伴簽署具法律約束力的經營協議。根據協議，集團成為內蒙古鄂托克油田的營運商。作為項目的營運商，集團將為鄂托克油田提供相關勘探及營運服務，而中方夥伴擁有有關勘探權和所有權。油田所有者將為公司的鄂托克團隊提供營運費用，集團則在扣除折舊及其它直接費用後，根據鄂托克的淨銷售收入獲得7%的管理費。根據協議，集團已委托吉林大學地球科學學院對鄂托克區域進行一次新的地質調查，以編制詳細的石油及天然氣地質儲量報告及經濟評估分析，此報告預計在本年9月完成。內蒙古的中方夥伴將受益於公司在油氣開採及生產上的豐富經驗，而此協議也將為公司打開新的管理費收入渠道。這種合作模式使得集團享受低風險、高回報的項目收益。

下游業務

天然氣管道網絡

天然氣管道網絡由本集團之附屬公司巴州利捷燃氣有限公司（「利捷燃氣」）經營，本集團擁有該附屬公司72%股本權益。去年，利捷燃氣與當地政府訂立了一項短期協議，而利捷燃氣則將其資源集中投入供應天然氣及汽車用液化石油氣的補給站業務。此次資源之重新分配使補給天然氣銷售有所改善。

FINANCIAL REVIEW

Turnover and Loss Attributable to Shareholders

Turnover from continuing operations for the Group for the six months ended 30 June 2008 increased by 38% to HK\$19.9 million (2007: HK\$14.4 million). Loss for the period from continuing operation was substantially narrowed down by 70% to HK\$7.7 million (2007: loss of HK\$25.7 million).

Turnover was mainly sourced from natural gas pipeline network that recorded a turnover of HK\$17.7 million for the six months ended 30 June 2008, representing a 23% increase comparing with the corresponding period of last year (2007: HK\$14.4 million). The revenue of HK\$2.2 million was contributed by the oil exploitation in Grassy Trails oil field, in Utah.

Liquidity, Financial Resources and Capital Structure

As at 30 June 2008, the net assets of the Group were HK\$261.7 million (31 December 2007: HK\$260.8 million) while its total assets were HK\$270.1 million (31 December 2007: HK\$307.9 million). As at 30 June 2008 and 31 December 2007, the Group's gross borrowings net of cash and bank balances was nil, therefore the gearing ratio based on total assets was 0% accordingly. The current ratio as at balance sheet date was 7.3 (31 December 2007: 2.5). In terms of the gearing ratio and current ratio, the balance sheet of the Group as at 30 June 2008 was sound and healthy, together with the anticipating cash flow from the upstream operation, it will place the Group in a strong financial position to take advantage of new attractive oil and gas investment opportunities that may arise.

Foreign Exchange Fluctuation

The Group is exposed to currency risk primarily through sales and purchases transactions and recognized assets and liabilities that are denominated in a currency other than the functional currency of the operations to which they relate. At 30 June 2008, no related hedges were made by the Group. In respect of trade and other receivables and payables held in currencies other than the functional currency of the operations to which they relate, the Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

財務回顧

營業額及股東應佔虧損

本集團截至2008年6月30日止上半年度從持續經營業務所得的營業額上升38%至19,900,000港元(2007年:14,400,000港元)。從持續經營業務所致的同期虧損大幅收窄70%至7,700,000港元(2007年:25,700,000港元)。

營業額主要來自天然氣管道,截至2008年6月30日獲得營業額17,700,000港元,與去年同期相比增長23%(2007年:14,400,000港元)。另有2,200,000港元的營業額來自猶他州草徑油田的開採業務。

流動資金、財務資源及資本結構

於2008年6月30日,本集團的資產淨值為261,700,000港元(2007年12月31日:260,800,000港元),而本集團的總資產值為270,100,000港元(2007年12月31日:307,900,000港元)。於2008年6月30日和2007年12月31日,本集團的總借貸扣除現金及銀行結餘為零,因此負債比例按資產總值計算為0%。資產負債表的流動比率為7.3(2007年12月31日:2.5)。就負債比率及流動比率而言,於2008年6月30日本集團的財務狀況乃良好及健康,再加上預期來自上游業務的現金流,集團將有強健的財政狀況,足以把握可能出現的優質的油氣資源投資商機。

外匯波動

本集團承受之貨幣風險主要源自以有關業務之功能貨幣以外之貨幣計值之買賣交易及已確認資產及負債。於2008年6月30日,本集團並無作出相關對沖。就以有關業務之功能貨幣以外之貨幣持有之應收款項及應付款項,本集團在必要時按即期匯率買賣外匯以解決短期不均衡,以此確保風險處於可接受水平。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK

Drilling has commenced in the oil project in Shaanxi Province which is our first move in the region. Being an oil field operator in E Tuo Ke oil field will bring a low risk opportunity for the group to enjoy returns from a project of great potential. To meet new opportunities associated with new challenges, in addition to the oil field in the PRC and United States, the Group has been actively developing the oil exploration and exploitation operation internationally as well.

In June 2008, the Group formed a strategic 50/50 joint venture with New Times Group Holdings Limited (HKEx: 166) for possible investment in oil and gas sector. The first project of this JV was the signing of a legally binding memorandum of understanding ("MOU") with Empire Energy Corporation International ("Empire Energy") (OTCBB: EEGC) and related parties in July 2008 in respect of a proposed joint venture for oil and gas exploration business in Australia.

Pursuant to the MOU, Genesis Energy and New Times JV will extend to Empire Energy a secured loan of up to AUD5 million (approximately HK\$38 million) for the granting of an option to enter into a joint venture agreement for the exploration and development of any oil and gas resources in an oil and gas field in Tasmania, Australia, subject to the result of drilling of the first exploration well to be performed by Empire Energy. Empire Energy through a wholly-owned subsidiary holds a valid Tasmanian exploration license SEL 13/98, which covers 15,410 km² and most of the prospective parts of the Tasmania Basin in Tasmania.

According to the seismic survey results as well as other test information, Empire Energy has recently estimated that its 14 identified structures on SEL 13/98 may hold undiscovered prospective petroleum resources of between 535 million and 2.29 billion barrels, potentially between US\$53 billion and US\$229 billion of US\$100 per barrel. The drilling of the first exploration well by Empire Energy will start by end of September 2008.

Despite the subprime crisis in the United States and the tightening of macro-economic control measures in mainland China will have certain impacts on the regional economy, the Group will actively search for quality Chinese and overseas oil and gas assets as investment opportunities. We are still committed to build our Group into one of the leading players in oil and gas sector in the greater China region; and targeting at creating best possible return for our investors.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2008, the Group employed approximately 160 employees. The remuneration policies of the Group are based on the prevailing remuneration level in the market and the performance of respective companies and individual employees.

前景

鑽井工作已經在陝西省的石油項目中開始，這也是我們在該地區業務拓展的第一步。而作為在顎托克油田的經營者，此舉將給予集團帶來一個低風險的機會，從一個具潛力的項目中獲得回報。為了迎接隨着新挑戰而來的新機遇，除中國和美國的油田外，本集團正在全球積極開展石油勘探開採業務。

2008年6月，本集團與新時代集團控股有限公司（香港上市代號：166）成立一家策略性50/50合營公司，準備在油氣領域投資。此合營公司的第一個項目是於2008年7月與Empire Energy Corporation International（「Empire Energy」）（美國場外交易代號：EEGC）就一個位於澳洲之石油天然氣勘探業務合營項目簽訂一項具法律約束力之諒解備忘錄（「諒解備忘錄」）。

根據諒解備忘錄，創新能源與新時代合營公司將向Empire Energy提供一筆最高達500萬澳元（約3,800萬港元）之抵押貸款，以取得一項參與合營項目之權利。該合營項目乃關於在澳洲塔斯曼尼亞一個油氣田勘探及開發石油及天然氣等天然資源，惟須待完成第一口鑽井結果滿意後方會進行。Empire Energy透過一家全資附屬公司持有一個有效之塔斯曼尼亞石油天然氣勘探牌照SEL 13/98。SEL 13/98區域面積達15,410平方公里，覆蓋澳洲塔斯曼尼亞盆地大部分具石油及天然氣開採前景的土地。

根據勘測研究結果及其他測試資料，Empire Energy最近估計，SEL 13/98涵蓋之14個經確認的地質構造中可能蘊藏未發現之潛在石油資源，儲量介乎5.35億至22.9億桶之間，以每桶100美元計，總值535億美元至2,290億美元。Empire Energy將在2008年9月底前開始鑽探第一個勘探井。

儘管美國發生次按危機，中國採取宏觀緊縮政策，必然對地區經濟帶來影響，本集團將積極地尋找中國和海外的優質油氣資產作為投資機會。我們仍然自信能將我們的集團公司建設成為大中華區油氣領域的領先企業之一，並且致力於為我們的投資者帶來最佳的回報。

僱員及薪酬政策

於2008年6月30日，本集團的僱員約有160人。本集團之薪酬政策主要按現行市場薪酬水平及各有關公司及個別僱員之表現釐訂。

OTHER INFORMATION

其他資料

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2008, the interests of the directors (the "Directors") of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

Long positions in the shares and underlying shares of the Company

Name of Director 董事姓名	Interests in shares/ underlying shares 於股份及相關股份中權益	Capacity/ Nature of interest 身份／權益性質	Number of shares/ underlying shares held 所持股份／相關股份數目
Xing Xiao Jing 邢曉晶	Shares 股份	Corporate 公司	1,723,830,650
	Share Options 購股權	Personal 個人	42,000,000
Kong Siu Tim 江少甜	Shares 股份	Personal 個人	10,500,000
	Share Options 購股權	Personal 個人	47,000,000
Ma Ji 馬驥	Share Options 購股權	Personal 個人	40,000,000
Ni Zhenwei 倪振偉	Share Options 購股權	Personal 個人	4,000,000
Yip Ching Shan 葉青山	Share Options 購股權	Personal 個人	4,000,000
Wong Kwok Chuen Peter 黃國全	Share Options 購股權	Personal 個人	4,000,000

Notes: (1) Particulars of directors' interests in the share options of the Company are set out in the section "Share Option Scheme".

(2) 1,662,795,650 shares were owned by Hong Chang China Limited, a company wholly owned by Hong Chang Group Limited which in turn is wholly and beneficially owned by Ms. Xing Xiao Jing. In addition, Hong Chang Group Limited directly and beneficially owned 61,035,000 shares in the Company.

Save as disclosed above, as at 30 June 2008, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事於股份及相關股份中權益

於2008年6月30日，本公司董事（「董事」）於本公司或其任何相聯法團（具有證券及期貨條例（「證券及期貨條例」）第XV部所賦予之涵義）之股份及相關股份中擁有誠如本公司根據證券及期貨條例第352條存置之登記冊所載或根據上市公司董事進行證券交易的標準守則（「標準守則」）而須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益如下：

於本公司股份及相關股份中擁有之好倉

附註：(1) 董事於本公司購股權的權益詳情載於「購股權計劃」一節。

(2) 1,662,795,650股股份乃由鴻昌中國有限公司擁有。鴻昌中國有限公司由鴻昌集團有限公司全資擁有，而後者則由董事會主席邢曉晶女士全資及實益擁有。此外，鴻昌集團有限公司直接及實益擁有61,035,000股股份。

除上文所披露者外，於2008年6月30日，概無本公司董事及行政總裁於本公司或其相聯法團（具有證券及期貨條例第XV部所賦予之涵義）之股份、相關股份及債券中擁有根據證券及期貨條例第352條須載錄於登記冊之任何權益或淡倉，或擁有根據標準守則須知會本公司及聯交所之任何權益或淡倉。

SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted pursuant to an ordinary resolution passed by the shareholders of the Company on 6 March 2002. The Scheme is in full compliance with the relevant requirements of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

As at 30 June 2008, the Directors and employees of the Group had the following personal interests in options to subscribe for shares of the Company granted at nominal consideration under the Scheme. Each option gives the holder the right to subscribe for one share. Details of share options held by the Directors and employees of the Group and movements in such holdings during the period are as follows:

購股權計劃

本公司採納的購股權計劃（「計劃」）乃根據於2002年3月6日由本公司股東通過之普通決議案，計劃完全符合聯交所證券上市規則（「上市規則」）第十七章之有關規定。

於2008年6月30日，本集團董事及僱員於根據計劃以名義代價授出可認購本公司股份之購股權中擁有以下之個人權益。每份購股權賦予持有人認購一股股份之權利。本集團董事及僱員於期內所持購股權及其變動詳情載於下表：

	Number of options 購股權數目			Outstanding at 30 June 2008 於2008年 6月30日 尚未行使	Date of grant (D.M.Y) (日.月.年)	Exercise period (D.M.Y) (日.月.年)	Exercise price per share 每股份之 行使價 HK\$ 港元
	Outstanding at 1 January 2008 於2008年 1月1日 尚未行使	Granted during the period 於期內授出	Exercised during the period 於期內行使				
Directors: 董事:							
Xing Xiao Jing 邢曉晶	3,000,000 30,000,000 9,000,000	- - -	- - -	3,000,000 30,000,000 9,000,000	02.11.2005 02.11.2006 22.08.2007	03.11.2005 – 02.11.2010 02.11.2006 – 01.11.2011 22.08.2007 – 05.03.2012	0.035 0.053 0.375
Kong Siu Tim 江少甜	5,000,000 25,000,000 17,000,000	- - -	- - -	5,000,000 25,000,000 17,000,000	02.11.2005 02.11.2006 22.08.2007	03.11.2005 – 02.11.2010 02.11.2006 – 01.11.2011 22.08.2007 – 05.03.2012	0.035 0.053 0.375
Ma Ji 馬驥	15,000,000 25,000,000	- -	- -	15,000,000 25,000,000	02.11.2005 02.11.2006	03.11.2005 – 02.11.2010 02.11.2006 – 01.11.2011	0.035 0.053
Ni Zhenwei 倪振偉	4,000,000	-	-	4,000,000	22.08.2007	22.08.2007 – 05.03.2012	0.375
Yip Ching Shan 葉青山	4,000,000	-	-	4,000,000	22.08.2007	22.08.2007 – 05.03.2012	0.375
Wong Kwok Chuen Peter 黃國全	4,000,000	-	-	4,000,000	22.08.2007	22.08.2007 – 05.03.2012	0.375
Employees 僱員	7,000,000 50,000,000 297,250,000 362,000,000	- - - -	- - 2,000,000 -	7,000,000 50,000,000 295,250,000 362,000,000	02.11.2005 02.11.2006 26.01.2007 22.08.2007	03.11.2005 – 02.11.2010 02.11.2006 – 01.11.2011 26.02.2007 – 25.02.2012 22.08.2007 – 05.03.2012	0.035 0.053 0.189 0.375

Note: During the six months ended 30 June 2008, the weighted average closing price of the Company's shares immediately before the date on which the options were exercised was HK\$0.295 per share.

附註：截至2008年6月30日止六個月內，本公司股份於緊接行使日期前行使購股權之加權平均收市價為每股0.295港元。

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2008, the following persons, not being a Director or chief executive of the Company, had an interest in the shares of the Company as recorded in the register required to be kept under section 336 of the SFO, the details of which are set out below:

Long position in shares of the Company

Name of shareholder 股東名稱	Capacity/Nature of interest 身份／權益性質	Number of shares held 所持股份數目
Hong Chang China Limited 鴻昌中國有限公司	Beneficial 實益擁有	1,662,795,650
Hong Chang Group Limited 鴻昌集團有限公司	Corporate 公司	1,662,795,650
	Beneficial 實益擁有	61,035,000

Note: 1,662,795,650 shares were owned by Hong Chang China Limited, a company wholly owned by Hong Chang Group Limited which in turn is wholly and beneficially owned by Ms. Xing Xiao Jing, the Chairman of the Board of the Company. In addition, Hong Chang Group Limited directly and beneficially owned 61,035,000 shares.

Saved as disclosed above in this section, as at 30 June 2008, the Company has not been notified of any other persons (other than the Directors or chief executive of the Company) who had any interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the six months ended 30 June 2008, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

主要股東之權益

於2008年6月30日·根據證券及期貨條例第336條存置之登記冊所載錄·以下人士(並非本公司董事或行政總裁)於本公司之股份中擁有權益如下:

於本公司股份中擁有之好倉

Name of shareholder 股東名稱	Capacity/Nature of interest 身份／權益性質	Number of shares held 所持股份數目
Hong Chang China Limited 鴻昌中國有限公司	Beneficial 實益擁有	1,662,795,650
Hong Chang Group Limited 鴻昌集團有限公司	Corporate 公司	1,662,795,650
	Beneficial 實益擁有	61,035,000

附註: 1,662,795,650股股份乃由鴻昌中國有限公司擁有。鴻昌中國有限公司由鴻昌集團有限公司全資擁有·而後者則由董事會主席邢曉晶女士全資及實益擁有。此外·鴻昌集團有限公司直接及實益擁有61,035,000股股份。

除上文所披露者外·於2008年6月30日·本公司並無接獲任何其他人士(不包括本公司之董事或行政總裁)通知指彼等擁有根據證券及期貨條例第336條須記錄於登記冊的本公司股份及相關股份的任何權益及淡倉。

購買、贖回或出售上市證券

於截至2008年6月30日止六個月·本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

OTHER INFORMATION

AUDIT COMMITTEE

The Audit Committee, which comprises all Independent Non-executive Directors, has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited interim financial statements of the Company.

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2008 except for Code Provision A.4.1 which requires that non-executive directors should be appointed for a specific term and subject to re-election. None of the existing Non-executive Directors (including Independent Non-executive Directors) of the Company is appointed for a specific term. However, as all of them are subject to the retirement provisions of the Bye-laws of the Company, the Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the Code.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code (the “Model Code”) for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as the Company’s code of conduct and rules governing dealing by all directors in the securities of the Company.

All directors have complied with the required standard regarding directors’ securities dealings set out in the Model Code during the six months ended 30 June 2008.

By Order of the Board

Kong Siu Tim

Executive Director

Hong Kong, 22 September 2008

其他資料

審核委員會

由全體獨立非執行董事組成的審核委員會與管理層已檢討本集團採納的會計原則及常規，並已商討有關審核、內部監控及財務申報的事宜，包括審閱本公司之未經審核中期財務報表。

企業管治

除守則條文第A.4.1外，本公司於截至2008年6月30日止六個月期間一直遵守上市規則附錄十四所載之企業管治常規守則（「該守則」）。守則條文第A.4.1條規定非執行董事應有特定任期，並須予重選。本公司現時的非執行董事（包括獨立非執行董事）並無特定任期。然而，由於所有該等人士均須遵守本公司細則的退任條文，故本公司認為已採取足夠措施，確保本公司的企業管治常規不會較該守則者寬鬆。

董事進行證券交易的標準守則

本公司採納聯交所上市規則附錄十所載的上市公司董事進行證券交易的標準守則（「標準守則」），作為本公司的操守準則及所有董事買賣本公司證券規則。

截至2008年6月30日止六個月，全體董事均已遵守標準守則所載有關董事買賣證券所規定的準則。

承董事會命

執行董事

江少甜

香港，2008年9月22日