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神州资源
Sino Resources

SINO RESOURCES GROUP LIMITED

(carrying on business in Hong Kong as Sino Gp Limited)

神 州 資 源 集 團 有 限 公 司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 223)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009 AND CONTINUED SUSPENSION OF TRADING

The board of directors (the "Board") of Sino Resources Group Limited (the "Company", together with its subsidiaries, the "Group") hereby announces the unaudited condensed consolidated results of the Group for the six months ended 30 September 2009 together with the comparative figures of the corresponding period for 2008 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT – UNAUDITED

For the six months ended 30 September 2009

		Six months ended 30 September	
	Notes	**2009** ***HK$'000*** **(Unaudited)**	2008 *HK$'000* (Unaudited)
Turnover	5	**6,511**	296,851
Cost of sales		**–**	(77,057)
Gross profit		**6,511**	219,794
Other revenue	5	**1,722**	2,007
Other income		**2,092**	6,145
Advertising and promotion expenses		**(6,817)**	(13,697)
Agency commission		**–**	(1,883)
Amortisation and depreciation		**(1,027)**	(8,610)
Hotel and travel package expenses		**(61)**	(5,191)
Loss on disposal of property, plant and equipment		**(1,681)**	–
Operating lease rentals		**(5,871)**	(6,567)
Staff costs		**(16,920)**	(33,437)
Loss on deconsolidation of a subsidiary	6	**(612,782)**	–
Impairment of goodwill	12	**(341,062)**	–
Other operating expenses		**(11,080)**	(50,483)

	Notes	Six months ended 30 September **2009** ***HK$'000*** **(Unaudited)**	2008 *HK$'000* (Unaudited)
(Loss)/Profit from operating activities		**(986,976)**	108,078
Finance costs	7	**(2,750)**	(2,843)
(Loss)/Profit before tax		**(989,726)**	105,235
Taxation	8	**–**	(35,042)
(Loss)/Profit for the period		**(989,726)**	70,193
Attributable to equity holders of the Company		**(989,726)**	70,193
Dividends	9	**–**	–
(Loss)/Earnings per share attributable to equity holders of the Company	10		
– Basic		**HK (88.9) cents**	HK 9.4 cents
– Diluted		**N/A**	HK 6.2 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – UNAUDITED

For the six months ended 30 September 2009

	Six months ended 30 September	
	2009	2008
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(Loss)/Profit for the period	**(989,726)**	70,193
Exchange differences arising on translation of foreign operations	**(77)**	10,459
Fair value losses in respect of available-for-sale financial assets	**–**	(1,808)
Transfer to income statement on disposal of available-for-sale financial assets	**–**	4,194
Total comprehensive (expense)/income for the period	**(989,803)**	83,038
Total comprehensive (expense)/income attributable to equity owners of the of the Company	**(989,803)**	83,038

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED

At 30 September 2009

	Notes	**As at 30 September 2009 HK$'000 (Unaudited)**	As at 31 March 2009 HK$'000 (Audited)
Non-current assets			
Property, plant and equipment		**3,065**	151,936
Intangible assets	11	**–**	741,357
Goodwill	12	**–**	341,062
Available-for-sale financial assets		**288**	–
		3,353	1,234,355
Current assets			
Inventories		**4,000**	25,185
Trade receivables	13	**–**	33,616
Deposits, prepayments and other receivables	14	**220,896**	46,340
Tax prepayment		**3,232**	3,226
Cash and cash equivalents		**31,363**	51,540
		259,491	159,907
Less: Current liabilities			
Trade payables	15	**–**	23,097
Deferred revenue		**798**	2,720
Amount due to shareholders	16	**114,373**	11,118
Loan from a director	17	**5,106**	–
Accrued liabilities and other payables	18	**442,670**	416,543
Other borrowings		**–**	33,953
Deposits received in advance	19	**29,835**	54,377
Tax payable		**81**	40,512
		592,863	582,320
Net current liabilities		**(333,372)**	(422,413)
Total assets less current liabilities		**(330,019)**	811,942

	Notes	As at 30 September 2009 HK$'000 (Unaudited)	As at 31 March 2009 HK$'000 (Audited)
Less: Non-current liabilities			
Deferred income		**–**	2,719
Other long term liabilities		**–**	76,713
Convertible notes	20	**115,988**	115,988
Deferred tax liabilities		**9,426**	9,426
		125,414	204,846
Net (liabilities)/assets		**(455,433)**	607,096
Equity			
Issued share capital		**11,138**	9,358
Reserves		**(466,571)**	597,738
Total equity attributable to equity holders of the Company		**(455,433)**	607,096

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2009

1. CORPORATE INFORMATION

Sino Resources Group Limited (the "Company") is a limited liability company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY-1111, Cayman Islands. The principal place of business of the Company is located at Suite 3708, 37/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

The Company and its subsidiaries (collectively referred to as the "Group") was involved in the organisation of exhibitions and trade shows, providing ancillary services and sale of coal in the People's Republic of China (the "PRC").

In the opinion of the directors of the Company, the ultimate holding company is Mega Wealth Capital Limited ("Mega Wealth"), which was incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") ("Listing Rules"). These condensed consolidated interim financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (HK$'000) except otherwise indicated.

These condensed consolidated interim financial statements should be read in conjunction with the Group's audited annual financial statements for the year ended 31 March 2009.

The accounting policies and method of computation adopted in the preparation of these condensed consolidated interim financial statements are consistent with those used in the Group's annual financial statements for the year ended 31 March 2009 except that the Group has adopted certain new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which also include HKASs and Interpretations) as disclosed in Note 3 below.

In preparing these condensed consolidated interim financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the Group's net current liabilities of approximately HK$333.4 million (31 March 2009: HK$422.4 million).

On 16 March 2010, Wealth Gain issued a letter to the Haerbin Intermediate Court for application of the return of deposit in the amount of approximately HK$159,320,000.

Included in accrued liabilities of HK$158,600,000 (31 March 2009: HK$158,600,000) was consideration payables for acquisition of Wealth Gain Group. On 15 December 2009, the Company issued legal proceedings against Mr. Hung in the High Court of Hong Kong in connection with the acquisition of Wealth Gain Group and also filed a statement of claim against Mr. Hung for the rescission of the Agreement on 1 February.

The Amount of HK$156,716,000 (31 March 2009: HK$176,557,000) was payable to a former shareholder of the Coal Mine Company. The amount will be reversed in the year ending 31 March 2010 after the Judgment made by the Heilongjiang Court in connection with the Coal Mine Company litigation has been effected on 16 March 2010.

The deposit received in advance of HK$29,835,000 will be recognized as income when the exhibitions and trade shows has been completed.

The directors of the Company have been taking steps to improve the liquidity of the Group. In addition, a substantial shareholder of the Company, has agreed to provide continuing financial support to the Group. As such, the directors are satisfied that the Group will be able to meet in full its financial obligations as and when they fall due for the foreseeable future. Accordingly, these condensed consolidated interim financial statements have been prepared on a going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information has been prepared on the historical cost basis, except for certain financial instruments and investment properties, which are measured at fair values, as appropriate.

Except as described below, the accounting policies used in the preparation of the interim financial information are consistent with those followed in the preparation of the consolidated financial statements of the Group for the year ended 31 March 2009, included in the annual report of the Group for the year ended 31 March 2009. In the current interim period, the Group has applied, for the first time, a number of new and revised standards, amendments and interpretations issued by the HKICPA. The adoption of certain new standards has resulted in the following changes. The adoption of the other new and revised standards, amendments and interpretations had no material effect on the interim financial information of the Group.

In the current period, the Group has adopted HKAS 1 (Revised) "Presentation of financial statements" which has introduced a number of terminology changes (including revised titles for the condensed consolidated financial statements) and has resulted in a number of changes in presentation and disclosure.

In the current period, the Group has adopted Hong Kong Financial Reporting Standard ("HKFRS") 8 "Operating segments". HKFRS 8 requires the presentation of operating segments in a manner consistent with the internal reports that are regularly reviewed by the Group's chief operating decision maker. HKFRS 8 replaces HKAS 14 "Segment reporting" which required an entity to identify two sets of segments (business and geographical).

The adoption of HKAS 1 (Revised) and HKFRS 8 have no material impact on the interim financial information of the Group.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective. A summary of the new HKFRSs are set out as below:

HKFRSs (Amendments)	Improvements to HKFRSs[1]
HKFRSs (Amendments)	Improvements to HKFRSs[2]
HKAS 24 (Revised)	Related Party Disclosures[6]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[4]
HKAS 32 (Amendment)	Financial Instruments: Presentation – Classification of Rights Issues[3]
HKAS 39 (Amendment)	Eligible Hedged Items[4]
HKFRS 1 (Revised)	First-time Adoption of HKFRSs[4]
HKFRS 1 (Amendment)	First-time Adoption of HKFRSs[5]
HKFRS 2 (Amendment)	Share-based Payment – Group Cash-settled Share-based Payment Transactions[5]
HKFRS 3 (Revised)	Business Combinations[4]
HKFRS 9	Financial Instruments[7]
HK(IFRIC) – Int 14 (Amendment)	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[6]
HK(IFRIC) – Int 17	Distribution of Non-cash Assets to Owners[4]
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments[8]

[1] Amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009.
[2] Effective for annual periods beginning on or after 1 July 2009 or 1 January 2010, as appropriate.
[3] Effective for annual periods beginning on or after 1 February 2010.
[4] Effective for annual periods beginning on or after 1 July 2009.
[5] Effective for annual periods beginning on or after 1 January 2010.
[6] Effective for annual periods beginning on or after 1 January 2011.
[7] Effective for annual periods beginning on or after 1 January 2013.
[8] Effective for annual periods beginning on or after 1 July 2010.

The adoption of HKFRS 3 (Revised) may affect the Group's accounting for business combinations for which the acquisition dates are on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary. The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the result and the financial position of the Group.

4. SEGMENT INFORMATION

The Group has adopted HKFRS 8 "Operating Segments" with effect from 1 April 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports on the components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to these segments and to assess their performance. In contrast, the predecessor standard (HKAS 14 "Segment Reporting") required an entity to identify two sets of segments (business and geographical) using a risks and returns approach, with the entity's "system of internal financial reporting to key management personnel" serving only as the starting point for the identification of such segments. In the past, the Group's primary reporting format was business segments. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14. Nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss.

For management purposes, the Group is organised into business units based on their products and services, and has two (2008: two) reportable operating segments. The reportable operating segments and their principal activities are as follows:

(a) The organising of trade shows and exhibitions and providing ancillary services

(b) Production and sale of coal

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss. Group financing (including finance costs and finance revenue), exchange gain (loss), changes in fair value of convertible note receivables and income tax expenses are managed on a group basis and are not allocated to operating segments.

Turnover represents amount received and receivable from sales to external customers during the period.

The following is an analysis of the Group's turnover and results by operating segments for the period under review:

For the six months ended 30 September 2009

	Trade shows and exhibition operation *HK$'000*	**Coal operation** *HK$'000*	**Consolidated** *HK$'000*
Turnover			
Turnover from external customers	**6,511**	**–**	**6,511**
Result			
Segment result	**6,511**	**–**	**6,511**
Unallocated income			**3,814**
Unallocated corporate expense			**(43,457)**
Loss on deconsolidation of a subsidiary			**(612,782)**
Impairment of goodwill			**(341,062)**
Finance costs			**(2,750)**
Loss before tax			**(989,726)**
Taxation			**–**
Loss for the period			**(989,726)**

As at 30 September 2009

	Trade shows and exhibition operation *HK$'000*	Coal operation *HK$'000*	Consolidated *HK$'000*
Assets			
Segment assets	**121,759**	**–**	**121,759**
Unallocated corporate assets			**163,928**
			285,687
Liabilities			
Segment liabilities	**220,050**	**156,716**	**376,766**
Unallocated corporate liabilities			**364,354**
			741,120

Other Information

For the six months ended 30 September 2009

	Trade shows and exhibition operation *HK$'000*	Coal operation *HK$'000*	Other operation *HK$'000*	Consolidated *HK$'000*
Capital addition	**47**	**–**	**32**	**79**
Depreciation	**927**	**–**	**100**	**1,027**
	974	**–**	**132**	**1,106**

For the six months ended 30 September 2008

	Trade shows and exhibition operation *HK$'000*	Coal operation *HK$'000*	Other operation *HK$'000*	Consolidated *HK$'000*
Turnover				
Turnover from external customers	32,427	264,424	–	296,851
Result				
Segment result	(40,687)	152,305	(6,383)	105,235
Unallocated income				–
Profit before tax				105,235
Taxation				(35,042)
Profit for the period				70,193

As at 30 September 2008

	Trade shows and exhibition operation *HK$'000*	Coal operation *HK$'000*	Consolidated *HK$'000*
Assets			
Segment assets	125,680	1,153,783	1,279,463
Unallocated corporate assets			258
			1,279,721
Liabilities			
Segment liabilities	176,558	329,940	506,498
Unallocated corporate liabilities			283,235
			789,733

Other Information

For the six months ended 30 September 2008

	Trade shows and exhibition operation *HK$'000*	Coal operation *HK$'000*	Consolidated *HK$'000*
Capital addition	50	24,489	24,539
Depreciation	1,150	3,608	4,758
Amortisation	1,154	2,698	3,852
	2,354	30,795	33,149

5. TURNOVER AND REVENUE

Turnover represents the aggregate of participation fee income, hotel and travel package income and advertising fee income from exhibitions and trade shows. All of the Group's operations are classed as continuing.

"Mega Show Part 1" and "Mega Show Part 2" organised by the Group were held and completed in October 2009 and the unaudited turnover and net profit from the trade shows and exhibition operation business for the period from 1 April 2009 to 31 October 2009 were approximately HK$62,000,000 and HK$9,700,000 respectively.

An analysis of the Group's turnover and other revenue are as follows:

	Six months ended 30 September	
	2009	2008
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Turnover		
Participation fee income	**1,173**	25,094
Hotel and travel package income	**1,109**	3,575
Advertising fee income	**4,229**	3,758
Sale of coal	**–**	264,424
	6,511	296,851
Other revenue		
Interest income	**7**	264
Floor management fee income	**–**	1,500
Sundry income	**1,715**	243
	1,722	2,007
Total revenue	**8,233**	298,858

6. LOSS ON DECONSOLIDATION OF A SUBSIDIARY

As detailed in the Company's announcements and the Company's annual report for the year ended 31 March 2009 in relation to the litigation with 黑龍江北方企業集團有限責任公司 (Heilongjiang Northern Enterprises Group Co., Ltd) (the "Mine Seller") regarding the transfer of Shuangyashan Northern Sheng Ping Mining Limited (the "Coal Mine Company") from the Mine Seller to the Group, the Company has been denied full access to the books and records of the Coal Mine Company. In order to restore effective control and management of the Coal Mine Company, as mentioned in the Company's announcements dated 30 July 2009 and 16 October 2009 respectively, the Company had made several attempts to introduce new management company and new management team to the Coal Mine Company, and to resolve the confusions and discontentment of the existing management team. The Company has also sought assistance from the local PRC government authorities and legal advices in order to resolve the issues concerning the Coal Mine Company. However, despite the Company's continuous efforts in resolving the matters, the Company was unable to obtain the underlying books and records of the management financial statements of the Coal Mine Company for the interim period under review. On 11 February 2010, the Company received judgment from the Supreme People's Court of Heilongjiang Province. After seeking legal advices on the judgment and having taken reasonable efforts in finding additional evidence for appeal, the Board decided on 12 March 2010 not to appeal the judgment. Since 16 March 2010, the judgment has become effective and the Company has lost its ownership of the Coal Mine Company.

Due to the above reason, the directors considered that the Group was unable to exercise its rights as major shareholder either to control the assets and operations or to exercise control over the financial and operating policy decisions of the Coal Mine Company for the interim period under review. As such, the directors considered that it is inappropriate to consolidate the financial results of the Coal Mine Company into the Group and therefore, the Coal Mine Company has been deconsolidated from 1 April 2009.

The net assets of the Coal Mine Company deconsolidated in these condensed consolidated interim financial statements are stated below:

	HK$'000
Property, plant and equipment	146,242
Intangible assets	741,357
Inventories	25,185
Deposits, prepayments and other receivables	28,625
Trade receivables	33,616
Cash and bank balances	13,395
Trade payables	(23,097)
Tax payable	(40,436)
Deposits received in advance	(473)
Deferred income	(2,719)
Accrued liabilities and other payables	(4,357)
Other borrowings	(94,951)
Other long term liabilities	(76,713)
Retained profits	745,674
Less: Release of other reserves	(132,892)
Loss on deconsolidation of a subsidiary	612,782
Net cash outflow arising from deconsolidation of the Coal Mine Company	(13,395)

7. FINANCE COSTS

	Six months ended 30 September	
	2009	2008
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Loan from staffs	**–**	2,843
Interests on amount due to shareholders	**2,644**	–
Interests on amount due to a director	**106**	–
	2,750	2,843

8. TAXATION

The amount of taxation charged to the condensed consolidated income statement represents:

	Six months ended 30 September	
	2009	2008
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Hong Kong profits tax		
Provided for the period	**–**	–
(Over)/under-provision in previous years	**–**	(792)
	–	(792)
Overseas income tax		
Provided for the period	**–**	35,834
	–	35,042

The provisions for Hong Kong Profits Tax for the six months ended 30 September 2009 are calculated at 16.5% (six months ended 30 September 2008: 16.5%) of the estimated assessable profits for the period.

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profits tax rate from 17.5% to 16.5% effective from the year of assessment 2008/2009.

Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

9. DIVIDENDS

The Board of the Company does not recommend a payment of an interim dividend for the six months ended 30 September 2009 (for the six months ended 30 September 2008: Nil).

10. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

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

	Six months ended 30 September	
	2009	2008
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(Loss)/Earnings attributable to equity holders of the Company for the purpose of basic and diluted (loss)/earnings per share	**(989,726)**	70,193
	Number of shares	
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	**1,113,768,400**	745,271,557
Effect of dilutive potential ordinary shares:		
Share options issued by the Company Convertible notes	**347,000,000**	392,000,000
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	**1,460,768,400**	1,137,271,557

For the six months ended 30 September 2009, no diluted loss per share has been presented as the effect of the conversion of the outstanding convertible notes and the exercise of the outstanding share options would result in a decrease in loss per share during the six months ended 30 September 2009.

11. INTANGIBLE ASSETS

The intangible assets represented the mining rights held by the Coal Mine Company to conduct mining activities in the coal mine situated at Jixian County, Shuangyashan City, Heilongjiang province, the PRC and have legal lives of five years, expiring in December 2012. The carrying amount of the intangible assets has been deconsolidated from 1 April 2009 as detailed in Note 6 above.

12. GOODWILL

Goodwill was recognised on acquisition of a wholly-owned subsidiary, Wealth Gain Global Investment Limited ("Wealth Gain"). Wealth Gain is an investment holding company of which its major subsidiary is the Coal Mine Company. In view of the deconsolidation of the Coal Mine Company as mentioned in Note 6 above, the directors considered that it was appropriate to provide full impairment for the goodwill generated from the acquisition.

13. TRADE RECEIVABLES

The credit period granted to customers ranges from 30 to 180 days. The aged analysis of the trade receivables is as follow:

	As at 30 September 2009 HK$'000 (Unaudited)	As at 31 March 2009 HK$'000 (Audited)
0 to 30 days	–	16,244
31 to 60 days	–	6,001
61 to 90 days	–	–
91 to 180 days	–	5,963
Over 180 days	–	5,408
	–	33,616

14. DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES

	As at 30 September 2009 HK$'000 (Unaudited)	As at 31 March 2009 HK$'000 (Audited)
Deposits	**23,332**	5,822
Prepayments	**7,333**	25,641
Other receivables	**30,911**	14,877
Deposits in the PRC Court	**159,320**	–
	220,896	46,340

On 16 July 2009, Wealth Gain received three civil decrees ("Intermediate Court Decrees") and a notice requesting for settlement of third party debts ("Third Party Notice"), all dated 14 July 2009, issued by Heilongjiang Haerbin Intermediate People's Court ("Haerbin Intermediate Court"). Pursuant to the Intermediate Court Decrees and the Third Party Notice, legal actions were taken by sub-branch of the Heilongjiang branch of the Agricultural Bank of China ("Heilongjiang Agricultural Bank") on 13 July 2009 at the Haerbin Intermediate Court in respect of disputes arising from loan agreement(s) entered into between Heilongjiang Agricultural Bank, the Mine Seller and Jiamusi Northern Coal Chemical Engineering Co., Ltd ("Loan Agreement Proceedings").

In accordance with the Intermediate Court Decrees, in the light of the Loan Agreement Proceedings, (i) Wealth Gain is ordered not to settle the total sum of RMB66,433,400 with the Mine Seller directly; and (ii) if it is necessary to settle the total payment of RMB66,433,400 with the Mine Seller, such payment shall be paid into the Haerbin Intermediate Court instead. In accordance with the Third Party Notice, Wealth Gain is ordered (i) not to settle the Transfer consideration with the Mine Seller directly; and (ii) to pay into the Haerbin Intermediate Court the sum of RMB73,566,600 or to raise objection against the Third Party Notice within 15 days after receiving the same. The Haerbin Intermediate Court will enforce the Third Party Notice if there is no objection or non-performance on part of Wealth Gain upon expiry of the time limit set out in the Third Party Notice. The total sum referred to in the Intermediate Court Decrees and the Third Party Notice is RMB140,000,000 (which is equivalent to the sum of Transfer consideration).

Upon seeking Heilongjiang Lawyers' legal opinions on the Intermediate Court Decrees and the Third Party Notice, Wealth Gain was advised by the Heilongjiang Lawyers, among others, that the Intermediate Court Decrees and the Third Party Notice were entirely lawful and should be complied with. As in Heilongjiang Lawyers' opinion, the obligation of payment of Transfer consideration can be discharged through payment of Transfer consideration into the Haerbin Intermediate Court, Wealth Gain was thus further advised to arrange payment of RMB140,000,000 into the Haerbin Intermediate Court. The Subsidiary has effected payment of RMB140,000,000 (equivalent to approximately HK$159,320,000) into the Haerbin Intermediate Court on 20 July 2009.

On 16 March 2010, Wealth Gain issued a letter to the Haerbin Intermediate court for application of the return of deposit in the amount of a approximately HK$159,320,000.

15. TRADE PAYABLES

The aged analysis of the trade payables is as follow:

	As at 30 September 2009 *HK$'000* **(Unaudited)**	As at 31 March 2009 *HK$'000* (Audited)
0 to 30 days	–	3,519
31 to 60 days	–	1,114
61 to 90 days	–	1,273
91 to 180 days	–	11,434
Over 180 days	–	5,757
	–	23,097

16. AMOUNT DUE TO SHAREHOLDERS

	As at 30 September 2009 *HK$'000* **(Unaudited)**	As at 31 March 2009 *HK$'000* (Audited)
Amount due to Hung Chen, Richael ("Mr. Hung") (1)	**40,670**	11,118
Amount due to ACE Channel Limited (2)	**73,703**	–
	114,373	11,118

(1) The amount due to Mr. Hung is the principal amount and interests and details terms are summarized as bellows:

(i) HK$3,000,000 loan is unsecured, bearing interest at a fixed rate of 8% per annum due on 3 December 2009;

(ii) HK$8,000,000 loan is unsecured, bearing interest at a fixed rate of 8% per annum due on 8 March 2010;

(iii) HK$28,500,000 loan is unsecured, bearing interest at a prime rate plus 5% (i.e. 10%) per annum due on 15 October 2009.

(2) The amount due to ACE Channel Limited, beneficially owned by Gao Feng, a director of the Company, is unsecured, bearing interest at a fixed rate of 10% per annum due on 14 October 2009. The loans have already been renewed on 1 March 2010 with bearing interest at a fixed rate of 1.6% per month and due on 31 May 2010.

17. LOAN FROM A DIRECTOR

	As at 30 September 2009 *HK$'000* **(Unaudited)**	As at 31 March 2009 *HK$'000* (Audited)
Mr. Chiu Sui Keung	**5,106**	–
	5,106	–

The loan from a director is unsecured, bearing interest at a fixed rate of 10% per annum due on 15 October 2009. The loan has already been renewed on 1 March 2010 with bearing interest at a fixed rate of 1.6% per month and due on 31 May 2010.

18. ACCRUED LIABILITIES AND OTHER PAYABLES

	As at 30 September 2009	As at 31 March 2009
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Accrued liabilities	**162,731**	205,946
Other payables	**123,223**	34,040
Amount due to a former shareholder of a subsidiary	**156,716**	176,557
	442,670	416,543

Included in accrued liabilities of HK$158,600,000 (31 March 2009: HK$158,600,000) was consideration payables for acquisition of Wealth Gain Group. On 15 December 2009, the Company issued legal proceedings against Mr. Hung in the High Court of Hong Kong in connection with the acquisition of Wealth Gain Group and also filed a statement of claim against Mr. Hung for, inter alia, the rescission of the Agreement on 1 February 2010.

The Amount of HK$156,716,000 (31 March 2009, HK$176,557,000) was payable to a former shareholder of the Coal Mine Company. The amount will be reversed in the year ending 31 March 2010 after the Judgment made by the Heilongjiang Court in connection with the Coal Mine Company litigation has been effected on 16 March 2010.

Other payables included HK$97,526,000 received on behalf of the show manager of the exhibitions and trade shows.

19. DEPOSITS RECEIVED IN ADVANCE

The deposits received in advance from participants who pay the participation fee, hotel and travel package or advertising fee on the exhibitions and trade shows.

20. CONVERTIBLE NOTES

On 31 March 2008, the Company issued HK$345,000,000 zero coupon convertible note ("the Convertible Notes") as part of the consideration for the acquisition of Wealth Gain and its subsidiary, the Coal Mine Company (the "Wealth Gain Group").

Up to 30 September 2009, the convertible note with an aggregate amount HK$171,500,000 was converted into the ordinary shares of the Company. Total number of ordinary shares converted was 343,000,000. The remaining convertible note is in the principal amount of HK$173,500,000 convertible into ordinary shares of the Company at a conversion price of HK$0.5 per share. As at 30 September 2009, the fair value of the Convertible Note was approximately HK$115,988,000 (31 March 2009: HK$115,988,000).

On 15 December 2009, the Company issued legal proceedings against Mr. Hung in the High Court of Hong Kong and also filed a statement of claim of the Convertible Notes which was being issued to Mr. Hung on 1 February 2010.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Company has been engaged in organization of exhibitions, trade fairs and provision of ancillary service. Whilst the exhibition business keeps contributing revenue to the Group, due to the global financial crisis and outbreak of swine flu, the Group's exhibition business was scaled down throughout the period for the six months ended 30 September 2009. However, with the recovery of economy, the Group's exhibition business shall have better performance in the second half of the financial year.

On 13 October 2009, the Company signed a memorandum of understanding in respect of the proposed acquisition of 51% or above equity interest in Inner Mongolia Huiquan Environment Protection Power Ltd., which is currently developing several renewable energy projects in wind power and electric automobile segments in Inner Mongolia of China. The Company is still in active negotiation with the proposed seller regarding the detailed terms and conditions of the acquisition. The Group will continue exploring investment opportunities and implement inorganic growth strategies through acquisitions.

Regarding the litigation between Wealth Gain, the Group's wholly-owned subsidiary, and the Mine Seller in relation to the ownership of the Coal Mine Company, judgment from the Supreme People's Court of Heilongjiang Province was pronounced on 5 February 2010. According to the judgment, it was held (among other things) that the 2008 agreement made between the Mine Seller and Wealth Gain be dissolved and that Wealth Gain returns its entire shareholdings in the Coal Mine Company to the Mine Seller. A meeting of the Board was held on 12 March 2010 and the Board is of the view that there is no sufficient grounds to appeal, having considered the reasonable efforts made to search for additional evidence, the first and second PRC legal opinions on the feasibility of an appeal, the Group's financial condition and resources currently available to the Company. On the basis of the PRC legal opinions, the Board has decided not to appeal against the Judgment.

On the other hand, the Company filed a statement of claim against Mr. Hung Chen Richael ("Mr. Hung") and two companies wholly-owned by Mr. Hung at the High Court of Hong Kong on 1 February 2010, for, inter alia, rescission of the sale and purchase agreement made between the Company and Mr. Hung on 25 September 2007 (the "Agreement") relating to the prior acquisition of Wealth Gain and the Coal Mine Company by the Group. The Board will follow closely on the development of the above matters and inform the shareholders of the Company on a timely basis.

As the Company has been unable to obtain the management financial statements of the Coal Mine Company since the interim period under review, the financial results of the Coal Mine Company has been deconsolidated from the Group since 1 April 2009. Please refer to Note 6 to the condensed consolidated interim financial statements for details.

RESULTS ANALYSIS

For the six months ended 30 September 2009, the Group recorded turnover of HK$6,511,000, representing a decrease of 97.8% over last interim period. For the six months ended 30 September 2009, the Group recorded a net loss of approximately HK$989,726,000 (for the six months ended 30 September 2008: net profit of approximately HK$70,193,000) and a loss attributable to shareholders of approximately HK$989,726,000 (for the six months ended 30 September 2008: profit attributable to shareholders of approximately HK$70,193,000); basic loss per share was approximately HK$88.9 cents (2008: basic earnings per share HK$9.4 cents).

The decrease in turnover and net profit were mainly attributable to (i) the scale down of the Group's exhibition business during the period under review and (ii) the deconsolidation of the Coal Mine Company's financial results from the Group since 1 April 2009. Notwithstanding this, the Board believes that scale down of the exhibition business will be compensated through investments and acquisitions in sectors with higher growth momentum.

INTERIM DIVIDEND

The Board did not recommend payment of an interim dividend for the six months ended 30 September 2009 (2008: Nil).

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

The Group derived its working capital mainly from internal cash flow from operating activities and other financing activities.

As at 30 September 2009, the Group has convertible notes amounted to approximately HK$115,988,000 (30 September 2008: HK$111,645,000). The Group's shareholders' funds of the Group aggregately amounted to HK$11,138,000 (30 September 2008: HK$8,908,000). The Group's assets-liabilities ratio (total liabilities to total assets) was approximately 273.3% (30 September 2008: 61.7%). Net current liabilities of the Group amounted to approximately HK$333,372,000 (30 September 2008: HK$351,433,000). Current assets of the Group was approximately HK$259,491,000 (30 September 2008: HK$233,447,000), of which fixed deposits, cash and bank balances amounted to approximately HK$31,363,000 (30 September 2008: HK$74,051,000).

As at 30 September 2009, the Group's gearing ratio (calculated as total debts to total equity) was 51.7% (30 September 2008: 22.8%).

Exposure to Fluctuations in Exchange Rates and any Related Hedges

The Group's sales and purchase are mainly transacted in Hong Kong dollar and Renminbi and the books are recorded in Hong Kong dollar. Therefore, it may be exposed to foreign exchange risk. However in view of the stable currency policies adopted by the PRC government, the directors consider that the foreign exchange risk is insignificant.

The Group currently has no foreign exchange rate hedging policy in respect of commercial transactions denominated in foreign currencies. However, the directors monitor exchange rate exposure regularly and will consider hedging significant exchange rate exposure as and when necessary.

Contingent Liabilities

On 17 January 2009, the Mine Seller filed a statement of claim (the "Statement of Claim") against Wealth Gain with the High Court of the Heilongjiang Province of the People's Republic of China (the "Court") seeking, among other things, (1) a recession of the relevant agreements in respect of the transfer of the Coal Mine Company to Wealth Gain (the "Transfer"); (2) the return of the entire equity interest in the Coal Mine Company to the Mine Seller; and (3) costs and other relief. On 20 April 2009, the Company received a summons from the Court (attaching the Statement of Claim) as official notice of proceedings against Wealth Gain (the "Litigation").

On 26 June 2009, a lawyer letter was issued by Heilongjiang Far East Lawyer Group, as the Subsidiary's PRC lawyers ("Heilongjiang Lawyers"), to the Mine Seller, requesting the Mine Seller to provide written information on particulars of the name of receiving bank, the account holder's name and account number, etc. ("Payment Particulars") to effect the payment of Transfer consideration. Subsequently, Wealth Gain issued another two reminding letters to the Mine Seller, to keep repeating the request for Payment Particulars. Notwithstanding that Wealth Gain had endeavored to discharge its obligation of settling the Transfer consideration timely pursuant to the Mine Acquisition Extension Agreement by serving several notices to the Mine Seller, the Mine Seller has not yet informed either Wealth Gain or Heilongjiang Lawyers of any Payment Particulars.

On 16 July 2009, Wealth Gain received three civil decrees ("Intermediate Court Decrees") and a notice requesting for settlement of third party debts ("Third Party Notice"), all dated 14 July 2009, issued by Heilongjiang Haerbin Intermediate People's Court ("Haerbin Intermediate Court"). Pursuant to the Intermediate Court Decrees and the Third Party Notice, legal actions were taken by sub-branch of the Heilongjiang branch of the Agricultural Bank of China ("Heilongjiang Agricultural Bank") on 13 July 2009 at the Haerbin Intermediate Court in respect of disputes arising from loan agreement(s) entered into between Heilongjiang Agricultural Bank, the Mine Seller and Jiamusi Northern Coal Chemical Engineering Co., Ltd)("Loan Agreement Proceedings").

In accordance with the Intermediate Court Decrees, in the light of the Loan Agreement Proceedings, (i) Wealth Gain is ordered not to settle the total sum of RMB66,433,400 with the Mine Seller directly; and (ii) if its necessary to settle the total payment of RMB66,433,400 with the Mine Seller, such payment shall be paid into the Haerbin Intermediate Court instead. In accordance with the Third Party Notice, Wealth Gain is ordered (i) not to settle the Transfer consideration with the Mine Seller directly; and (ii) to pay into the Haerbin Intermediate Court the sum of RMB73,566,600 or to raise objection against the Third Party Notice within 15 days after receiving the same. The

Haerbin Intermediate Court will enforce the Third Party Notice if there is no objection or non-performance on part of Wealth Gain upon expiry of the time limit set out in the Third Party Notice. The total sum referred to in the Intermediate Court Decrees and the Third Party Notice is RMB140,000,000 (which is equivalent to the sum of Transfer consideration).

Upon seeking Heilongjiang Lawyers' legal opinions on the Intermediate Court Decrees and the Third Party Notice, Wealth Gain was advised by the Heilongjiang Lawyers, among others, that the Intermediate Court Decrees and the Third Party Notice were entirely lawful and should be complied with. As in Heilongjiang Lawyers' opinion, the obligation of payment of Transfer consideration can be discharged through payment of Transfer consideration into the Haerbin Intermediate Court, Wealth Gain was thus further advised to arrange payment of RMB140,000,000 into the Haerbin Intermediate Court. Wealth Gain has effected payment of RMB140,000,000 (equivalent to approximately HK$159,320,000) into the Haerbin Intermediate Court on 20 July 2009.

Subsequent to the hearings held on 22 July 2009 and 13 November 2009, on the 11 February 2010, the Company received through the PRC legal advisers the judgment (among other things) made on 5 February 2010 by the Heilongjiang Count, ("Judgment") which ordered that (1) the 2008 Agreement made between the Mine Seller and Wealth Gain be dissolved; (2) Wealth Gain returns the entire equity interest in the Coal Mine Company to the Mine Seller; and (3) Wealth Gain should pay approximately RMB741,000 (equivalent to approximately HK$843,000) ("Legal Costs") to the Court for the costs and other relief in respect of the Litigation. Should the parties be dissatisfied with the Judgment, the Mine Seller, with 15 days of the delivery of the Judgment, and Wealth Gain, within 30 days of the delivery of the Judgment, may lodge an appeal notice to the Heilongjiang Court, to have the appeal heard in the Supreme People's Court of the People's Republic of China. A meeting of the Board was held on 12 March 2010 and the Board is of the view that there is no sufficient grounds to appeal, having considered the reasonable efforts made to search for additional evidence, the first and second PRC legal opinions on the feasibility of an appeal, the Group's financial condition and resources currently available to the Company. On the basis of the PRC legal opinions, the Board has decided not to appeal against the Judgment. The Legal Costs will be accrued in the year ending 31 March 2010.

The Board anticipates that the money paid into Heilongjiang Haerbin Intermediate People's Court ("Haerbin Intermediate Court") shall be returned to Wealth Gain and the Board is accessing the potential financial impacts on the Group resulting from the litigation.

On 16 March 2010, Wealth Gain issued a letter to the Haerbin Intermediate Court for application of the return of deposit in the amount of approximately HK$159,320,000 previously paid into the Haerbin Intermediate Court.

OTHER EVENTS

Employees and Remuneration Policy

As at 30 September 2009, the Group had a total of 66 employees which has been excluded Coal Mine Company (30 September 2008: 2,993) in Hong Kong and the PRC. All employees are remunerated according to their performance, experience and the prevailing industry practices.

The Group also participates in retirement benefit schemes for its staff in Hong Kong and the PRC. It introduced a share option scheme on 10 April 2002, with options to be granted to employees at the discretion of the Board. There was no option outstanding as at 30 September 2009.

Material Acquisition and Disposal

The Group did not have any material acquisition and disposal for the six months ended 30 September 2009.

Connected Transaction

The connected transaction involving the disposal of Group Idea International Limited was completed on 6 April 2009. Other than this, the Group did not conduct any connected transaction for the six months ended 30 September 2009.

Significant Investment

The Group did not hold any significant investment for the six months ended 30 September 2009.

POST BALANCE SHEET EVENTS

(a) On 13 October 2009, the Company entered into a legally binding memorandum of understanding with Mr. Chen Kangliu (collectively referred to as "the Seller") and Harbour Score Holdings Limited ("Harbour Score"), pursuant to which the Group intends to acquire and the seller intend to sell the entire shareholding of Harbour Score. For more details, please refer to the Company's announcement dated 13 October 2009.

(b) According to HKAS 18, revenue from the receipt of participation fee is recognised when the event takes place. As "Mega Show Part 1" and "Mega Show Part 2" organised by the Group are held and completed in October every year and the turnover of the Group is principally from the participation fee received from these shows, disclosing the unaudited turnover and net profit from 1 April to 31 October every year in the interim report will give a better understanding of the business operations of the Group.

    The unaudited turnover and the net profit from the trade shows and exhibition operation business for the period from 1 April 2009 to 31 October 2009 were approximately HK$62,000,000 and HK$9,700,000 respectively.

(c) On 11 February 2010, the Company received the judgment from the Heilongjiang Court concerning the litigation of the Coal Mine Company and the Board decided on 12 March 2010 not to appeal the judgment. Please refer to the above section headed "Contingent Liabilities" for details of the litigation concerning the Coal Mine Company.

(d) On 28 January 2010, a winding-up petition (the "Winding-up Petition") was presented to the High Court and served on the Company by Mr. Hung. Mr. Hung alleges that the Company is indebted to him in a sum of HK$41,100,000 with interests (the "Alleged Debt"). The amount due to Mr. Hung was HK$40,670,000 as per the Group's books and records as at 30 September 2009 and was included in the "Amount due to shareholders" account, please refer to Note 16 to these condensed consolidated interim financial statements for details. The Company intends to oppose the Winding-up Petition and has appointed legal advisers to handle the matter.

On the same day, by a letter to the High Court, Mr. Hung's solicitors applied for an early date for a first hearing of Mr. Hung's proposed application (the "Proposed Application") to the High Court for the appointment of provisional liquidators to the Company.

On 29 January 2010, the High Court replied that a hearing of the Proposed Application will take place on 2 February 2010, to deal with directions that may be given as to the future course of the court proceedings of the Proposed Application. On 2 February 2010, a further hearing of the Proposed Application was set down by the High Court on 5 May 2010.

The Company is of the view that the Company's claim, being genuine, serious and one of substance, and in an amount exceeding the Alleged Debt, should extinguish the Alleged Debt and therefore remove the basis for the Winding-up Petition.

The Company considers the Winding-up Petition and the Proposed Application to be without merit and will vehemently oppose them both. Up to the date of this announcement, no judgment has been made by the High Court.

For more details of the above proceedings, please refer to the Company's announcements dated 16 December 2009, 8 January and 22 January 2010.

(e) As disclosed in the Company's announcements dated 16 December 2009 and 8 January 2010, the Company has commenced proceedings against Mr. Hung at the High Court with regards to a breach of contract by Mr. Hung, in connection with a sale and purchase agreement dated 25 September 2007 made between the Company and Mr. Hung (the "Agreement"). The Company claims against Mr. Hung, among other things, for all payments made by the Company to Mr. Hung under the Agreement and/or damages arising from the breach of the Agreement.

The Company filed a statement of claim ("Statement of Claim") against Mr. Hung and two companies wholly-owned by Mr. Hung, namely Mega Wealth Capital Limited ("Mega Wealth") and Webright Limited ("Webright"), at the High Court on 1 February 2010, for, inter alia, rescission of the Agreement. Particulars of the Statement of Claim are summarised as follows:

(1) The Company claims against Mr. Hung for:

  (i) rescission of the Agreement;

  (ii) the 76,640,000 of the shares in the Company at an issue price of HK$0.5 per share;

  (iii) the convertible note, issued to Mr. Hung pursuant to the Agreement, in the principal amount of HK$173,500,000 convertible into ordinary shares of the Company at a conversion price of HK$0.5 per share (the "Convertible Note");

  (iv) further or alternatively, all payments made by the Company to Mr. Hung and/or damages arising from the breach of the Agreement;

  (v) a declaration that Mr. Hung holds the 70,000,000 shares of the Company and the Convertible Note and their traceable equivalent on trust for the Company and that all necessary tracing orders accounts and inquiries be taken as to what had happened to the said Shares and Convertible Note and to ascertain the traceable equivalent thereof;

  (vi) an order for payment after having the above accounts and inquiries;

  (vii) payment of the legal costs incurred by the Company arising from the investigation and report arising from the matters in connection with the Agreement; and

  (viii) payment of the costs incurred by the Company for the preparation and execution of the Agreement and supplemental Agreement, the 2nd, 3rd, 4th and 5th supplemental Agreements and the cancelled supplemental agreement in relation to the Agreement.

(2) The Company also claims against Mega Wealth, inter alia, for:

  (i) The 100,000,000 shares of the Company issued to Mr. Hung as Convertible Note which was converted and passed to Mega Wealth at an issue price of HK$0.5 per share.

(3) The Company also claims against Webright, inter alia, for:

    (i) The 98,000,000 shares of the Company issued to Mr. Hung as Convertible Note which was converted and passed to Webright at an issue price of HK$0.5 per share.

(f) On 22 January 2010, the High Court granted an injunction order (the "Injunction Order") against Mr. Hung and Mega Wealth and Webright. The Injunction Order provides, among other things, that:

unless with the approval of the High Court, Mr. Hung must not, either by himself, his servants or agents or otherwise howsoever in any way dispose of or deal with or diminish the value of any of the following assets:

(i) The 76,640,000 of the Company's shares issued to Mr. Hung at an issue price of HK$0.5 per share;

(ii) The non-interest bearing convertible redeemable note issued by the Company to Mr. Hung ("Convertible Note") in the principal amount of HK$173,500,000 convertible into ordinary shares of the Company at a conversion price of HK$0.5 per share;

(iii) The 100,000,000 of the Company's shares issued to Mr. Hung as Convertible Note which was converted and passed to Mega Wealth at an issue price of HK$0.5 per share;

(iv) The 98,000,000 of the Company's shares issued to Mr. Hung as Convertible Note which was converted and passed to Webright at an issue price of HK$0.5 per share (all of the Company's issued shares abovementioned under (a), (c) and (d) are collectively known as "Shares");

all being part of the considerations given to Mr. Hung by the Company in respect of the Agreement.

On 29 January 2010, at the return date hearing in relation to the injunction (the "Injunction") made under the Injunction Order, it was ordered, inter alia, that the Injunction will continue subject to a fortification in the amount of HK$10,000,000 being paid by the Company into the Registrar of the High Court on or before 12 February 2010, failing which the Injunction Order shall be discharged. The Company has effected payment of HK$10,000,000 into the High Court on 10 February 2010 in compliance with the Injunction Order. The Injunction has been heard and dealt with on 18 March 2010 by the High Court.

Up to the date of this announcement, no judgment has been made by the High Court for the litigations detailed in (e) and (f) above. For more details of the above proceedings, please refer to the Company's announcements dated 16 December 2009, 8 January 2010, 25 January 2010, 2 February 2010 and 12 February 2010. The Board will follow closely on the development of the above matters and inform the shareholders of the Company on a timely basis.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company or any of its subsidiaries had not purchased, redeemed or sold any of the Company's listed securities during the period under review.

AUDIT COMMITTEE

The audit committee of the Company ("Audit Committee") comprises the three independent non-executive directors of the Company, chaired by Mr. Tang Ping Sum and the other two members are Mr. Cheng Wing Keung, Raymond and Mr. Lu Xin. The Audit Committee has reviewed and discussed with the Company's management the interim results of the Group for the six months ended 30 September 2009.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company applied the principles and complied with all code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") during the period under review.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

The Company's results announcement for the six months ended 30 September 2009 containing all information required by Appendix 16 of the Listing Rules is published on the website of the Stock Exchange at http://www.hkexnews.hk and the Company's appointed website at http://www.capitalfp.com.hk/eng/index.jsp?co=223. The interim report of the Company for the six months ended 30 September 2009 will be despatched to the shareholders and published on the above websites in due course.

CONTINUED SUSPENSION OF TRADING

Pending the release of an announcement regarding price sensitive information of the Company, trading in the shares of the Company will continue to suspend.

By Order of the Board
Sino Resources Group Limited
(carrying on business in Hong Kong as Sino Gp Limited)
Chow Chi Fai
Company Secretary

Hong Kong, 19 March 2010

As at the date of this announcement, the executive directors of the Company are Ms. Geng Ying, Mr. Gao Feng, Mr. Chiu Sui Keung and Mr. Sun Wei, and the independent non-executive directors of the Company are Mr. Tang Ping Sum, Mr. Cheng Wing Keung Raymond and Mr. Lu Xin.

* *for identification only*