



Radford Capital Investment Limited
萊福資本投資有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島成立之有限公司)

(Stock Code 股份代號 : 901)

INTERIM REPORT 中期報告

2010

公司資料**董事****執行董事**

鍾育麟 (主席)

嶋崎幸司 (行政總裁)

廖安邦 (董事總經理)

獨立非執行董事

簡國樞

黃偉文

林栢森

公司秘書

唐素月

註冊辦事處

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KYI-1111

Cayman Islands

香港主要營業地點

香港

北角

馬寶道28號

華滙中心2101-2102室

核數師

恒健會計師行

執業會計師

主要往來銀行

渣打銀行

託管人

渣打銀行

香港

觀塘

觀塘道388號

渣打銀行大廈15樓

香港股份過戶登記處

香港中央證券登記有限公司

香港

皇后大道東183號

合和中心17樓1712-1716室

公司網址<http://radfordcap.etnet.com.hk>**CORPORATE INFORMATION****Directors****Executive Directors**

CHUNG Yuk Lun (Chairman)

SHIMAZAKI Koji (Chief Executive Officer)

LIU On Bong, Peter (Managing Director)

Independent Non-executive Directors

KAN Kwok Shu, Albert

WONG Wai Man, Raymond

LUM Pak Sum

Company secretary

TONG So Yuet

Registered office

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KYI-1111

Cayman Islands

Principal place of business in Hong Kong

Rooms 2101-2102, China United Centre

28 Marble Road

North Point

Hong Kong

Auditors

HLM & Co.

Certified Public Accountants

Principal banker

Standard Chartered Bank

Custodian

Standard Chartered Bank

15th Floor, Standard Chartered Tower

388 Kwun Tong Road

Kwun Tong

Hong Kong

Share registrar in Hong Kong

Computershare Hong Kong Investor Services Limited

Rooms 1712-1716, 17th Floor, Hopewell Centre

183 Queen's Road East

Hong Kong

Company website<http://radfordcap.etnet.com.hk>

萊福資本投資有限公司（「本公司」）董事會（「董事會」）謹此公佈本公司及其附屬公司（「本集團」）截至二零一零年六月三十日止六個月（「本期間」）之未經審核綜合中期業績（經本公司審核委員會及核數師審閱）載於第9至第26頁。

業務回顧

於六個月回顧期內，本集團之未經審核未變現經營虧損約為51,480,000港元，較去年同期約22,790,000港元增長126%。截至二零一零年六月三十日止期間之經營現金流量約為3,700,000港元，當中大部分為港元。於二零一零年六月三十日，本集團之流動負債約為600,000港元，每股資產淨值為0.687港元。

本集團之綜合虧損淨額主要來自投資相關虧損，包括二零一零年市場下滑引致之可供出售投資減值費用及買賣投資組合之未變現虧損。

本集團將繼續維持廣泛而多元化之投資組合，即遍及範圍廣泛之資產及資產類別，冀能將風險及回報維持於可接受水平。

外匯波動

本集團大部份相關投資及商業交易均以港元為單位，故董事會認為外匯風險極低。

員工

於二零一零年六月三十日，本集團聘有八名員工，包括三名執行董事，而於二零零九年年報所列有關人力資源之資料並無重大變動。

The board of Directors (the “Board”) of Radford Capital Investment Limited (the “Company”) announces that the unaudited consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2010 (the “Period”), which have been reviewed by the Company’s audit committee and the auditors, are set out on pages 9 to 26.

BUSINESS REVIEW

For the six-month period under review, the Group’s unaudited unrealised loss from operations was approximately HK\$51.48 million, representing 126% increase when compared to approximately HK\$22.79 million in the corresponding period of last year. Operating cash flows for the period ended 30 June 2010 were approximately HK\$3.70 million and mostly in Hong Kong dollar. As at 30 June 2010, the Group had current liabilities of approximately HK\$0.60 million and net asset value per share was HK\$0.687.

The Group’s consolidated net loss was caused primarily by investment related losses, including impairment charges for available-for-sale investments and unrealised losses on trading portfolio as a result of the market downturn during 2010.

The Group will continue to maintain a broadly diversified investment portfolio, representing a wide range of assets and asset classes, in order to attain acceptable levels of risk and return.

FOREIGN CURRENCY FLUCTUATION

Most of the underlying investments and business transactions of the Group are denominated in Hong Kong dollars. The Board believes the foreign exchange risk is minimal.

STAFF

As at 30 June 2010, the Group had employed 8 employees, including three executive directors, and had no major changes in the information related to human resources as stated in its 2009 Annual Report.

展望

當前經濟復甦進程屢屢受阻，對復甦能否持續之憂慮窒礙未來增長機會。通脹壓力日增，尤其是製成品通脹升溫，令重振本地消費受到威脅。此外，隨着增長動力積累，以及槓桿機制在經濟中再次發揮作用，貨幣政策調整極有可能對產生增長動力起更為關鍵之作用。

現時之風險為面對持續通脹壓力，中央銀行可能會收緊利率，限制未來增長。然而，亦有若干因素可抵銷通脹影響，就業前景向好，個人可支配收入有望繼續強勁，均令家庭可望有穩健資產狀況，足以抵銷物價及利率上調。鑑於上述因素，本地消費需求回升之勢似乎不大可能回落。

經濟復甦受本地消費增加支持，可能刺激投資。初步跡象顯示產能利用率不斷提升，可能刺激本財政年度之私人資本開支。然而，由於資本組成易受利率影響，私人投資方案或會因利率上調而裹足。儘管資本供應充足，加上規例謹嚴審慎，大大保障本地金融市場免受全球危機影響，然而，部分資產素質會否出現週期性轉壞仍然受到關注。

於回顧期內，證券市場大幅波動。全球金融市場及經濟愈見不明朗，令投資者大舉增加避險活動。全球經濟於中期而言可能放緩。公司在此環境下賺取合理回報之能力將面對試煉。

OUTLOOK

While the current economic recovery underway seems quite well entrenched, the opportunities to growth going ahead stem from concerns on the sustainability of this recovery. Rising inflationary pressures and a pickup in manufactured goods inflation in particular, pose a risk to the revival in domestic consumption. Further, with growth gathering momentum and the return of leverage in the economy, monetary policy responses are likely to play a far more crucial role in shaping growth dynamics.

The risk is that persistent inflationary pressures may drive the central bank to tighten interest rates to a level that could constrain future growth. There are some offsets though, with job prospects looking up and personal disposable income likely to remain strong, household balance sheets are likely to be robust enough to absorb rising prices and interest rates. In view of the above factors, a reversal of the recovery in domestic consumption demand seems unlikely.

The economic recovery that was buoyed by a pick-up in domestic consumption is likely to boost investment. Early signs of rising capacity utilization indicate that private capital expenditure could get momentum over this financial year. However, given the interest sensitive nature of capital formation, private investment initiatives maybe impinged due to rising interest rates. While adequate capital provisioning and stringent prudential regulations largely shielded the domestic financial market from the global crisis, some cyclical deterioration in asset quality remains a concern.

During the Period under review, the equity markets were very volatile. The increasing uncertainty in the global financial sector and economy significantly increased investors' risk aversion. Global economic conditions are likely to slow down in the medium term. The ability of companies to generate reasonable returns in this environment will be seriously tested.

本集團致力投資，永不停步，務求投資於擁有穩健業務並將可安然渡過不同業務週期之公司。股價短期變動不一定反映業務受到損害，而更趨向反映某一時間之股市氣氛。倘若本集團經投資分析後，認為一項業務將會因長遠前景出現基本因素轉變而減值，則會減持有關業務。整體而言，本集團相信其投資組合得宜，當中包括多間管理穩健、業務相關價值雄厚且前景光明之公司。於不久將來，本集團將繼續審慎投資，為股東帶來最佳利益。

購買、出售或贖回證券

於本期間，本公司概無購買、出售或贖回本公司本身之證券。

Our group is a perpetual investor and seeks to invest in companies with strong business franchises that will sustain through different business cycles. The short term movement in shares prices does not necessarily reflect an impaired business, but can more be a reflection of share market sentiment at a particular point in time. If the group analyses a business that will become impaired from an investment perspective due to fundamental changes in its long term outlook, the holding would be reduced. Overall, we believe our portfolio is well positioned, as it comprises of a number of companies which are likely to emerge with sound management and with the solid underlying value of their business franchises. In the near future, our group will continue to take a cautious approach to invest and to bring the best benefits to our shareholders.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the Period, the Company did not purchase, sell or redeem any of the Company's own securities.

主要股東及其他人士之權益及淡倉

於二零一零年六月三十日，以下人士（本公司董事或行政總裁除外）擁有本公司根據證券及期貨條例（「證券及期貨條例」）第336條規定存置之登記冊所記錄之本公司股份及相關股份中之權益或淡倉：

股東名稱

Name of shareholders

Get Nice Holdings Limited (Note a)
結好控股有限公司 (附註a)

Wo Fung Securities Company Limited (Note b)
和豐證券有限公司 (附註b)

Smart Jump Corporation (附註c) (Note c)

附註：

- (a) 股份數目指根據本公司與結好證券有限公司於二零一零年六月九日所訂立包銷協議涉及之包銷股份。該包銷協議之內容有關於記錄日期每持有一股已發行股份可獲發四股供股股份之基準進行供股之包銷安排。
- (b) 和豐證券有限公司為供股之分包銷商，而股份數目指其分包銷之股份。
- (c) Smart Jump Corporation為聯交所上市公司民豐控股有限公司之全資附屬公司。

除以上披露者外，於二零一零年六月三十日，本公司並無獲悉有任何其他人士（本公司董事或行政總裁除外）擁有本公司根據證券及期貨條例第336條規定存置之登記冊所紀錄之本公司股份及相關股份中之權益或淡倉。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS

As at 30 June 2010, the following persons (other than the directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the Securities and Futures Ordinance ("SFO"):

普通股數目

Number of

ordinary shares

百分比

Percentage

1,306,093,840 80.00%

324,800,000 19.89%

31,471,676 12.53%

Notes:

- (a) The number of shares represented the underwritten shares pursuant to the underwriting agreement dated 9 June 2010 entered into between the Company and Get Nice Securities Limited in relation to the underwriting arrangement in respect of the rights issue on the basis of four rights shares for every share in issue and held on record date.
- (b) Wo Fung Securities Company Limited is a sub-underwriter of the rights issue and the number of shares represented the shares sub-underwritten by it.
- (c) Smart Jump Corporation is a wholly-owned subsidiary of Freeman Corporation Limited, a company listed on the Stock Exchange.

Save as disclosed above, the Company had not been notified by any other person (other than the directors or chief executive of the Company) who had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 30 June 2010.

董事及行政總裁之權益與淡倉

於二零一零年六月三十日，本公司董事、行政總裁及彼等各自之聯繫人於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第352條規定存置之登記冊所記錄之權益及淡倉，或根據上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

董事	普通股數目 個人權益
Director	Number of ordinary shares Personal interests
鍾育麟 CHUNG Yuk Lun	3,140,000
廖安邦 Liu On Bong, Peter	2,340,000
嶋崎幸司 Shimazaki Koji	2,340,000

除上文披露者外，概無本公司董事、行政總裁或彼等各自之聯繫人於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第352條規定存置之登記冊所記錄，或根據標準守則須知會本公司及聯交所之權益或淡倉。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS

As at 30 June 2010, the directors and the chief executive of the Company and their associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and 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 for Securities Transactions by Directors of Listed Companies ("Model Code"):

Saved as disclosed above, none of the directors, the chief executive of the Company or their associates had any interests or short positions in any 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.

企業管治

本公司於本期間一直遵守上市規則附錄14所載之企業管治常規守則（「守則」），惟董事服務任期及輪值告退方面與守則第A.4.1條守則條文之規定存有差異（見下文所披露）。

於二零一零年六月三十日，本公司董事會成員包括執行董事鍾育麟先生（主席）、嶋崎幸司先生（行政總裁）及廖安邦先生（董事總經理）；以及獨立非執行董事簡國樞先生、黃偉文先生及林栢森先生。

根據守則第A.4.1條守則條文之規定，(a)非執行董事之委任應有指定任期，並需接受重新選舉；及(b)所有為填補臨時空缺而被委任之董事應在接受委任後首次股東大會上接受股東選舉，而每名董事（包括有指定任期之董事）應最少每三年輪值告退一次。

本公司現任非執行董事並無指定任期，此舉構成偏離守則中第A.4.1條守則條文。然而，根據本公司組織章程細則，三分之一本公司董事（執行及非執行）須在每屆股東週年大會上輪值告退。因此，本公司認為已採取足夠措施確保本公司之企業管治常規與守則所定者同等嚴格。

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Listing Rules throughout the Period, with deviation from code provision A.4.1 of the Code in respect of the service term and rotation of directors (as disclosed below).

As of 30 June 2010, the Board of Directors of the Company comprises Mr. Chung Yuk Lun (Chairman), Mr. Shimazaki Koji (Chief Executive Officer) and Mr. Liu On Bong, Peter (Managing Director) as the Executive Directors, and Mr. Kan Kwok Shu, Albert, Mr. Wong Wai Man, Raymond and Mr. Lum Pak Sum as the Independent Non-executive Directors.

Under the code provision A.4.1 of the Code, (a) non-executive director should be appointed for a specific term and subject to re-election; and (b) all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

None of the existing Non-executive Directors of the Company is appointed for a specific term, which constitutes a deviation from the code provision A.4.1 of the Code. However, one-third of the Directors of the Company (both executive and non-executive) are subject to retirement by rotation at each annual general meeting under the Articles of Association of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are in line with those of the Code.

本公司已採納上市規則附錄10之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行本公司證券交易之規定標準。經本公司進行查詢，本公司全體董事已確認於本期間內一直遵守標準守則所載之規定標準。

於本期間，本公司之審核委員會成員包括獨立非執行董事簡國樞先生、黃偉文先生、陳仕鴻先生（於二零一零年五月二十七日辭任）及林栢森先生（於二零一零年五月二十七日獲委任）。審核委員會已審閱、討論及審批本期間之財務報表，該財務報表亦已由本公司核數師恒健會計師行審閱。

除上文所披露者外，本集團在二零零九年年報中所列之企業管治常規並無任何重大改變。

審核委員會

審核委員會現由三名獨立非執行董事組成，並已與管理層審閱本集團所採納之會計原則及慣例，討論本公司之內部監控及財務申報事宜，包括審閱本期間之未經審核中期財務報表及中期報告。按董事之要求，本公司之外聘核數師恒健會計師行已按照香港會計師公會所頒佈之香港審閱工作準則第2410號「實體之獨立核數師對中期財務信息的審閱」審閱未經審核中期財務報表。

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”), Appendix 10 of the Listing Rules, as the required standard for the Directors of the Company to trade the securities of the Company. Upon enquiry by the Company, all Directors of the Company have confirmed that they have complied with the required standards set out in the Model Code throughout the Period.

During the Period, the Audit Committee of the Company comprises Mr. Kan Kwok Shu, Albert, Mr. Wong Wai Man, Raymond, Mr. Chan Sze Hung (resigned on 27 May 2010) and Mr. Lum Pak Sum (appointed on 27 May 2010), the Independent Non-executive Directors. The Audit Committee had reviewed, discussed and approved the financial statements for the Period, which had been reviewed by the Company’s auditors, Messrs. HLM & Co..

Save from disclosed above, the Group did not have any material changes in relation to its corporate governance practices as stated in its 2009 Annual Report.

AUDIT COMMITTEE

The Audit Committee, comprising three independent Non-executive Directors, has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters of the Company including the review of the unaudited interim financial statements and the interim report for the Period. At the request of the Directors, the Company’s external auditors, Messrs. HLM & Co., have carried out a review of the unaudited interim financial statements in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

簡明綜合全面收益表

截至二零一零年六月三十日止六個月

CONDENSED CONSOLIDATED STATEMENT
OF COMPREHENSIVE INCOME

For the six months ended 30 June 2010

(未經審核)
(Unaudited)
截至六月三十日止六個月
For the six months
ended 30 June

		附註 Notes	2010 港元 HK\$	2009 港元 HK\$
收益	Revenue	(3)	240,102	2,508,616
出售被指定為持作買賣之 財務資產之已變現 收益淨額	Net realised gain on disposal of financial assets designated as held for trading		9,586,077	49,800,664
被指定為持作買賣之 財務資產之未變現 虧損淨額	Net unrealised loss on financial assets designated as held for trading		(51,480,998)	(22,799,636)
其他營運收入	Other operating income		196,843	-
出售附屬公司之虧損	Loss on disposal of a subsidiary		-	(2,220,325)
行政及其他營運開支	Administrative and other operating expenses		(3,487,608)	(2,995,160)
經營(虧損)溢利	(Loss) profit from operations	(4)	(44,945,584)	24,294,159
財務費用	Finance costs	(5)	(106,315)	(88,502)
除稅前(虧損)溢利	(Loss) profit before taxation		(45,051,899)	24,205,657
稅項	Taxation	(6)	-	-
股東應佔本期間(虧損) 溢利	(Loss) profit for the period attributable to shareholders		(45,051,899)	24,205,657
其他全面收入	Other comprehensive income		-	-
股東應佔全面(虧損)收入 總額	Total comprehensive (loss) income attributable to shareholders		(45,051,899)	24,205,657
股息	Dividends	(7)	-	-
			港仙 HK cents	港仙 HK cents
每股(虧損)盈利 基本及攤薄	(Loss) earnings per share Basic and diluted	(8)	(12.68)	12.76

簡明綜合財務狀況表

於二零一零年六月三十日

CONDENSED CONSOLIDATED STATEMENT
OF FINANCIAL POSITION

At 30 June 2010

			(未經審核) (Unaudited) 於二零一零年 六月三十日 At 30 June 2010 港元 HK\$	(經審核) (Audited) 於二零零九年 十二月三十一日 At 31 December 2009 港元 HK\$
		附註 Notes		
非流動資產	Non-current asset			
物業、廠房及設備	Property, plant and equipment	(9)	1,875,003	1,823,423
流動資產	Current assets			
被指定為持作買賣之 財務資產	Financial assets designated as held for trading	(10)	167,413,155	208,446,050
應收款項、按金及 預付款項	Accounts receivable, deposit and prepayment		246,771	363,069
現金及銀行結餘	Cash and bank balances	(11)	3,704,868	4,349,632
			171,364,794	213,158,751
流動負債	Current liabilities			
應付款項及預提費用	Creditors and accrued expenses		654,522	2,703,227
流動資產淨值	Net current assets		170,710,272	210,455,524
資產淨值	Net assets		172,585,275	212,278,947
資本及儲備	Capital and reserves			
股本	Share capital	(12)	25,117,189	117,420,874
儲備	Reserves		147,468,086	94,858,073
權益總額	Total equity		172,585,275	212,278,947

簡明綜合現金流量表

截至二零一零年六月三十日止六個月

CONDENSED CONSOLIDATED STATEMENT
OF CASH FLOWS

For the six months ended 30 June 2010

(未經審核)
(Unaudited)
截至六月三十日止六個月
For the six months
ended 30 June

2010 2009
港元 港元
HK\$ HK\$

經營活動動用現金淨額	Net cash used in operating activities	(5,278,974)	(6,636,032)
投資活動所(動用)產生現金淨額	Net cash (used in) generated from investing activities	(724,017)	2,003,054
融資活動所產生現金淨額	Net cash generated from financing activities	5,358,227	6,930,950
現金及現金等價物(減少)增加淨額	Net (decrease) increase in cash and cash equivalents	(644,764)	2,297,972
於一月一日之現金及現金等價物	Cash and cash equivalents at 1 January	4,349,632	2,666,754
於六月三十日之現金及現金等價物	Cash and cash equivalents at 30 June	3,704,868	4,964,726

簡明綜合權益變動報表

截至二零一零年六月三十日止六個月

CONDENSED CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY

For the six months ended 30 June 2010

		股本	股份溢價	可換股票據 儲備	資本贖回儲備	累計虧損	總計
		Share capital	Share premium	Convertible notes reserves	Capital redemption reserves	Accumulated losses	Total
		港元	港元	港元	港元	港元	港元
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
於二零零九年一月一日	At 1 January 2009	51,650,729	482,671,404	846,108	168,800	(463,839,978)	71,497,063
兌換可換股票據後發行股份	Issue of shares upon conversion of convertible notes	30,000,000	15,000,000	(846,108)	-	-	44,153,892
透過配售發行股份以取得現金	Issue of shares by placing for cash	16,200,000	3,240,000	-	-	-	19,440,000
發行股份開支	Shares issue expenses	-	(509,050)	-	-	-	(509,050)
期內溢利	Profit for the period	-	-	-	-	24,205,657	24,205,657
於二零零九年六月三十日	At 30 June 2009	97,850,729	500,402,354	-	168,800	(439,634,321)	158,787,562
於二零一零年一月一日	At 1 January 2010	117,420,874	499,760,930	-	168,800	(405,071,657)	212,278,947
削減股本	Capital reduction	(93,936,700)	-	-	-	93,936,700	-
行使購股權	Exercise of share options	1,633,015	3,804,924	-	-	-	5,437,939
股份合併開支	Share consolidation expenses	-	(79,712)	-	-	-	(79,712)
期內虧損	Loss for the period	-	-	-	-	(45,051,899)	(45,051,899)
於二零一零年六月三十日	At 30 June 2010	25,117,189	503,486,142	-	168,800	(356,186,856)	172,585,275

未經審核簡明綜合中期財務報表附註

1. 編製基準

未經審核簡明綜合中期財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」之適用披露規定而編製。

未經審核簡明綜合中期財務報表乃根據歷史成本基準編製，惟按公平值或重估金額計量（倘適用）之若干物業及金融工具則除外。

簡明綜合中期財務報表未經本公司核數師審核，惟已經本公司核數師及審核委員會審閱。

於編製中期財務報表時，管理層須作出會影響會計政策應用以及資產負債與收支呈報金額之判斷、估計及假設。實際結果可能有別於該等估計。於編製該等簡明綜合中期財務報表時，管理層於應用本集團會計政策時作出之重大判斷及估計不明朗因素之主要來源與於二零零九年十二月三十一日及截至二零零九年十二月三十一日止年度之綜合財務報表所應用者相同。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

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

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

The condensed consolidated interim financial statements have not been audited by the Company’s auditors, but have been reviewed by the Company’s auditors and the audit committee.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2009.

2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）

用於編製未經審核簡明綜合中期財務報表之會計政策及計算方式與用於編製截至二零零九年十二月三十一日止年度經審核財務報表者一致，惟下列所述除外。

於本中期期間，本集團已應用以下由香港會計師公會頒佈之新訂準則、修訂及詮釋（「新香港財務報告準則」），該等準則現時或已經生效。採納新香港財務報告準則對本會計期間或過往會計期間業績及財務狀況之編製及呈列方式並無重大影響。

香港財務報告準則 （修訂本）	香港財務報告準則第5 號之修訂，作為對二 零零八年頒佈之香 港財務報告準則之 改進一部分
香港財務報告準則 （修訂本）	對二零零九年頒佈之 香港財務報告準則 之改進
香港會計準則第27號 （經修訂）	綜合及獨立財務報表
香港會計準則第39號 （修訂本）	合資格對沖項目
香港財務報告準則 第1號（修訂本）	首次採納者之 額外豁免
香港財務報告準則 第2號（修訂本）	集團以現金支付之 股份款項交易
香港財務報告準則 第3號（經修訂）	業務合併
香港（國際財務報告 詮釋委員會） — 詮釋第17號	向擁有人分派非現金 資產

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS （“HKFRSs”）

The accounting policies and method of computation used in preparing the unaudited condensed consolidated interim financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2009 except as described below.

For the current interim period, the Group has applied the following new standards, amendments and interpretations (the “new HKFRSs”) issued by HKICPA, which are or have become effective. The adoption of the new HKFRSs has no material effects on how the results and financial position for the current or prior accounting periods are prepared and presented.

HKFRSs （Amendments）	Amendment to HKFRS 5 as part of Improvements to HKFRSs issued in 2008
HKFRSs （Amendments）	Improvements to HKFRSs issued in 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 （Amendment）	Eligible Hedged Items
HKFRS 1 （Amendment）	Additional Exemptions for First-time Adopters
HKFRS 2 （Amendment）	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners

2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）（續）

本集團已按未來適用方式對收購日期為二零一零年一月一日或之後之業務合併應用香港財務報告準則第3號（經修訂）「業務合併」。本集團亦已按未來適用方式對二零一零年一月一日或之後應用香港會計準則第27號（經修訂）「綜合及獨立財務報表」有關於取得控制權後在附屬公司擁有權變動以及失去附屬公司控制權之會計處理之規定。

由於在本中期期間並無香港財務報告準則第3號（經修訂）及香港會計準則第27號（經修訂）適用之交易，故應用香港財務報告準則第3號（經修訂）、香港會計準則第27號（經修訂）及對其他香港財務報告準則之相應修訂對本集團於本會計期間或過往會計期間之簡明綜合財務報表概無影響。

香港財務報告準則第3號（經修訂）、香港會計準則第27號（經修訂）及對其他香港財務報告準則之相應修訂適用之日後交易可能影響本集團於未來期間之業績。

採納新訂及經修訂香港財務報告準則不會對本集團於本會計期間或過往會計期間之綜合財務報表造成重大影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

The Group applies HKFRS 3 (Revised) Business Combinations prospectively to business combinations for which the acquisition date is on or after 1 January 2010. The requirements in HKAS 27 (Revised) Consolidated and Separate Financial Statements in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 January 2010.

As there was no transaction during the current interim period in which HKFRS 3 (Revised) and HKAS 27 (Revised) are applicable, the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

The adoption of the new and revised HKFRSs had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）（續）

本集團並無提前應用以下已頒佈但尚未生效之新訂香港財務報告準則。

香港財務報告準則（修訂本）	對二零一零年頒佈之香港財務報告準則之改進 ¹
香港會計準則第24號（經修訂）	關連方披露事項 ⁴
香港會計準則第32號（修訂本）	供股分類 ²
香港財務報告準則第1號（修訂本）	首次採納者披露香港財務報告準則第7號比較資料之有限度豁免 ³
香港財務報告準則第9號	金融工具（有關財務資產之分類及計量） ⁵
香港（國際財務報告詮釋委員會）— 詮釋第14號（修訂本）	最低資金需求之預付款項 ⁴
香港（國際財務報告詮釋委員會）— 詮釋第19號	以股本工具撤銷財務負債 ³

¹ 於二零一零年七月一日及二零一一年一月一日（如適用）或之後開始之年度期間生效

² 於二零一零年二月一日或之後開始之年度期間生效

³ 於二零一零年七月一日或之後開始之年度期間生效

⁴ 於二零一一年一月一日或之後開始之年度期間生效

⁵ 於二零一三年一月一日或之後開始之年度期間生效

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

The Group has not early applied the following new HKFRSs that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010 ¹
HKAS 24 (Revised)	Related Party Disclosures ⁴
HKAS 32 (Amendment)	Classification of Rights Issues ²
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ³
HKFRS 9	Financial Instruments (relating to the classification and measurement of financial assets) ⁵
HK(IFRIC)-Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ⁴
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments ³

¹ Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate

² Effective for annual periods beginning on or after 1 February 2010

³ Effective for annual periods beginning on or after 1 July 2010

⁴ Effective for annual periods beginning on or after 1 January 2011

⁵ Effective for annual periods beginning on or after 1 January 2013

2. 應用新訂及經修訂香港財務報告準則 （「香港財務報告準則」）（續）

香港財務報告準則第9號「金融工具」引進財務資產分類及計量之新規定，將由二零一三年一月一日起生效，並允許提早應用。準則規定香港會計準則第39號「金融工具：確認及計量」範圍內之所有已確認財務資產按攤銷成本或公平值計量，尤其是(i)就收取合約現金流目的以業務模式持有之債務投資，及(ii)擁有合約現金流之債務投資，且有關現金流純粹為支付本金及未償還本金之利息，則一般按攤銷成本計量。所有其他債務投資及股本投資按公平值計量。應用香港財務報告準則第9號可能影響本集團財務資產之分類及計量。

本公司董事預期應用其他新訂及經修訂準則、修訂及詮釋將不會對本集團之財務表現及財務狀況造成重大影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS （“HKFRSs”）(Continued)

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of the HKAS 39 Financial Instruments: Recognition and Measurement to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application for HKFRS 9 might affect the classification and measurement of the Group's financial assets.

The directors of the Company anticipate that the application for the other new and revised Standards, Amendments and Interpretations will have no material impact on the financial performance and financial position of the Group.

3. 收益

3. REVENUE

(未經審核)
(Unaudited)
截至六月三十日止六個月
For the six months
ended 30 June

		2010	2009
		港元	港元
		HK\$	HK\$
本期間收益分析如下：	The analysis of revenue for the Period is as follows:		
利息收入	Interest income	-	1
來自被指定為持作買賣之 財務資產之股息收入	Dividend income from financial assets designated as held for trading	240,102	2,508,615
		240,102	2,508,616

4. 經營(虧損)溢利

4. (LOSS) PROFIT FROM OPERATIONS

(未經審核)
(Unaudited)
截至六月三十日止六個月
For the six months
ended 30 June

		2010	2009
		港元	港元
		HK\$	HK\$
經營(虧損)溢利乃經扣除 以下各項後得出：	(Loss) profit from operations has been arrived at after charging:		
租用物業經營租約租金	Operating lease payments in respect of rented premises	432,000	162,000
物業、廠房及設備折舊	Depreciation on property, plant and equipment	235,582	68,386

5. 財務費用**5. FINANCE COSTS**

		(未經審核) (Unaudited) 截至六月三十日止六個月 For the six months ended 30 June	
		2010	2009
		港元	港元
		HK\$	HK\$
借貸利息 (需於一年內 悉數償還)	Interest on borrowings wholly repayable within one year	106,315	88,502

6. 稅項**6. TAXATION**

由於本集團於本期間並無任何應課稅溢利，故無須作出香港利得稅撥備（二零零九年：無）。

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profit for the Period (2009: Nil).

7. 股息**7. DIVIDENDS**

董事會不建議就本期間派付中期股息（二零零九年：無）。

The Board does not recommend the payment of an interim dividend for the Period (2009: Nil).

8. 每股（虧損）盈利**8. (LOSS) EARNINGS PER SHARE**

每股基本虧損（二零零九年：每股基本盈利）乃根據本期間虧損45,051,899港元（二零零九年：溢利24,205,657港元）及本期間內之已發行普通股加權平均數355,224,664股（二零零九年（經調整）：189,763,337股）計算。每股（虧損）盈利已作調整，以反映本期間內進行之股份合併及報告期後進行之供股。

The calculation of basic loss per share (2009: basic earnings per share) is based on the loss for the Period of HK\$45,051,899 (2009: profit of HK\$24,205,657) and the weighted average number of 355,224,664 (2009 (adjusted): 189,763,337) ordinary shares in issue during the Period. The (loss) earnings per share has been adjusted to reflect the consolidation of shares during the Period and the rights issue after the reporting period.

由於截至二零一零年及二零零九年六月三十日止期間均無任何具潛在攤薄影響之股份，故每股攤薄（虧損）盈利與每股基本（虧損）盈利相同。

The amounts of diluted (loss) earnings per share are the same as basic (loss) earnings per share as there were no potential dilutive shares during the periods ended 30 June 2010 and 2009.

9. 物業、廠房及設備

於截至二零一零年六月三十日止期間，物業、廠房及設備之添置為302,093港元。

本期間內，本集團出售一輛賬面值為14,931港元（二零零九年：零）之汽車，所得款項總額為200,000港元（二零零九年：零），產生出售收益185,069港元（二零零九年：零）。

9. PROPERTY, PLANT AND EQUIPMENT

During the period ended 30 June 2010, additions to property, plant and equipment amounted to HK\$302,093.

During the Period, the Group disposed of a motor vehicle with a carrying amount of HK\$14,931 (2009: Nil), for total proceeds of HK\$200,000 (2009: Nil), resulting in a gain on disposal of HK\$185,069 (2009: Nil).

10. 被指定為持作買賣之財務資產

10. FINANCIAL ASSETS DESIGNATED AS HELD FOR TRADING

		(未經審核) (Unaudited) 於二零一零年 六月三十日 At 30 June 2010 港元 HK\$	(經審核) (Audited) 於二零零九年 十二月三十一日 At 31 December 2009 港元 HK\$
被指定為持作買賣之財務資產之分析：	Analysis of financial assets designated as held for trading:		
於香港上市	Listed in Hong Kong	156,417,419	198,696,127
於海外上市	Listed overseas	3,065,425	3,053,712
非上市	Unlisted	7,930,311	6,696,211
		167,413,155	208,446,050
被指定為持作買賣之上市財務資產之市值	Market value of listed financial assets designated as held for trading	159,482,844	201,749,839

11. 現金及銀行結餘

11. CASH AND BANK BALANCES

		(未經審核) (Unaudited)	(經審核) (Audited)
		於二零一零年 六月三十日 At 30 June 2010	於二零零九年 十二月三十一日 At 31 December 2009
		港元 HK\$	港元 HK\$
銀行及庫存現金	Cash at bank and in hand	3,704,868	4,349,632

各項存款之實際年利率介乎0.01厘至0.05厘之間(二零零九年:介乎0.01厘至0.05厘之間),而所有存款均自最初開始起計三個月內到期。

The effective interest rates of the deposits range from 0.01% to 0.05% (2009: 0.01% to 0.05%) per annum and all of them have a maturity within three months from initial inception.

12. 股本

12. SHARE CAPITAL

法定:	Authorised:	附註 Notes	每股面值 0.1港元之 普通股數目 Number of ordinary shares of HK\$0.1 each	港元 HK\$
於二零零九年 十二月三十一日 及二零一零年 六月三十日	At 31 December 2009 and 30 June 2010		10,000,000,000	1,000,000,000
已發行及繳足:	Issued and fully paid:			
於二零零九年 十二月三十一日	At 31 December 2009		1,174,208,743	117,420,874
削減股本	Capital reduction	a	-	(93,936,700)
股份合併(五合一)	Shares consolidation (5 in 1)	a	(939,366,995)	-
行使購股權	Exercise of share options	b	16,330,145	1,633,015
於二零一零年 六月三十日	At 30 June 2010		251,171,893	25,117,189

12. 股本 (續)

於本期間，本公司之股本變動如下：

- (a) 於二零一零年二月十九日（開曼時間），法院批准將每股已發行股份之面值0.10港元削減至0.02港元（「削減股本」）。上述削減股本所產生之進賬已用作抵銷本公司之累計虧絀，而餘額（如有）將轉撥至本公司之可分派削減股本儲備賬。待削減股本於二零一零年二月二十三日生效後，本公司每股面值0.02港元之已發行股份已每五股合併為一股面值0.10港元之合併股份。
- (b) 於二零一零年四月二十一日，透過行使購股權，以每股0.333港元向本公司執行董事及若干僱員發行及配發16,330,145股每股面值0.10港元之股份。

12. SHARE CAPITAL (Continued)

During the Period, the movements in the Company's share capital are as follows:

- (a) On 19 February 2010 (Cayman time), the court approved the par value of each issued share of HK\$0.10 be reduced to HK\$0.02 (the "Capital Reduction"). The credit arising from such reduction was applied towards cancelling the accumulated deficit of the Company with the balance (if any) to be transferred to the distributable capital reduction reserve account of the Company. Upon the Capital Reduction becoming effective after 23 February 2010, every five issued shares of HK\$0.02 each was consolidated into one consolidated share of HK\$0.10 each.
- (b) On 21 April 2010, 16,330,145 shares of HK\$0.10 each were issued and allotted to executive directors and certain employees of the Company at HK\$0.333 each by exercising the share options.

13. 關連方交易

本集團於本期間內在本集團日常業務過程中進行下列關連方交易：

13. RELATED PARTY TRANSACTIONS

The Group had the following related party transactions during the Period which were carried out in the normal course of the Group's business:

關連方名稱 Name of related party	交易性質 Nature of transaction	(未經審核) (Unaudited) 截至六月三十日止六個月 For the six months ended 30 June	
		2010 港元 HK\$	2009 港元 HK\$
富聯投資管理有限公司 (附註1)	投資管理費	240,000	240,000
CU Investment Management Limited (Note 1)	Investment management fee		
中南証券有限公司 (附註2)	利息開支	106,315	—
Chung Nam Securities Limited (Note 2)	Interest expenses		
	經紀費用	669,715	—
	Brokerage fee		
泛日有限公司 (附註3)	租金開支	432,000	—
Global Day Limited (Note 3)	Rental expenses		

附註：

- (1) 本公司與富聯投資管理有限公司(「富聯投資」)訂立一項投資管理協議，委任富聯投資為本集團之投資經理，初步由二零零三年十一月三日起為期三年。其後，本公司與富聯投資訂立多項投資管理補充協議，而最近期之投資管理協議有效期由二零零九年一月一日起生效，投資管理費為每月40,000港元。

Notes:

- (1) The Company and CU Investment Management Limited ("CUIM") entered into an investment management agreement for appointing CUIM as investment manager of the Group for an initial term of three years commencing on 3 November 2003. The Company and CUIM then entered into supplemental investment management agreements subsequently and the latest investment management agreement was effective commencing from 1 January 2009 and the investment management fee is HK\$40,000 per month.

13. 關連方交易 (續)

- (2) 本集團與中南證券有限公司(「中南證券」)訂立孖展融資貸款安排,透過於中南證券開立孖展買賣賬戶按照本集團之投資目標及政策買賣上市公司證券。於二零零九年七月二日, Hennabun Capital Group Limited (「Hennabun」)收購富聯投資全部已發行股本。由於上述收購, Hennabun及其附屬公司成為本集團之關連人士。中南證券為Hennabun之間接全資附屬公司,自二零零九年七月二日起成為本集團之關連人士。截至二零一零年六月三十日止期間,本集團已就孖展買賣賬戶向中南證券支付經紀費用669,715港元及孖展融資利息淨額106,315港元,而該等交易構成關連方交易。

- (3) 本集團與泛日有限公司(「泛日」)訂立租賃協議,以租賃現有辦公室,由二零零九年十一月一日起為期兩年,月租為72,000港元。

泛日為民豐控股有限公司(「民豐」)(一家於香港聯交所上市之公司)之間接全資附屬公司。民豐已收購超過50%之Hennabun股份(「收購事項」)。於二零零九年九月三十日收購事項完成後,民豐已成為Hennabun之主要股東,因此成為本集團之關連方。

14. 報告期後之事項

- (a) 於二零一零年七月六日,本公司提呈授出合共25,000,000份購股權,以按行使價每股0.1796港元認購本公司股本中之普通股,惟須待承授人根據本公司股東於二零零五年二月七日採納之購股權計劃予以接納後,方可作實。於二零一零年七月七日,25,000,000份購股權已獲悉數行使。

13. RELATED PARTY TRANSACTIONS (Continued)

- (2) The Group had entered into margin financing facilities arrangement with Chung Nam Securities Limited (“CNSL”) through the opening of margin trading accounts with CNSL to deal in securities of listed companies in accordance with the investment objective and policies of the Group. On 2 July 2009, Hennabun Capital Group Limited (“Hennabun”) acquired the entire issued share capital of CUIM. As a result of the said acquisition, Hennabun and its subsidiaries became a connected person of the Group. CNSL is an indirect wholly-owned subsidiary of Hennabun and has become a connected person of the Group since 2 July 2009. For the period ended 30 June 2010, the Group paid to CNSL brokerage fees amounted to HK\$669,715 and net margin facilities interests amounted to HK\$106,315 respectively in respect of the margin trading accounts which constituted related party transactions.

- (3) The Group entered into a tenancy agreement with Global Day Limited (“Global Day”) to lease the existing office for a term of two years starting from 1 November 2009 at monthly rent of HK\$72,000.

Global Day is an indirectly wholly-owned subsidiary of Freeman Corporation Limited (“Freeman”), a listed company on the Stock Exchange of Hong Kong. Freeman has acquired over 50% shares in Hennabun (the “Acquisition”). Upon completion of the Acquisition on 30 September 2009, Freeman became a substantial shareholder of Hennabun, and thus became a related party to the Group.

14. EVENTS AFTER THE REPORTING PERIOD

- (a) On 6 July 2010, the Company offered to grant an aggregate of 25,000,000 share options to subscribe for the ordinary shares in the capital of the Company at an exercise price of HK\$0.1796 each, subject to the acceptance of the grantees under the share option scheme adopted by the shareholders of the Company on 7 February 2005. On 7 July 2010, 25,000,000 share options were fully exercised.

14. 報告期後之事項 (續)

- (b) 於二零一零年七月二十二日，本公司就股東於記錄日期每持有一股股份獲發四股供股股份之供股向合資格股東寄發章程文件，發行價為每股供股股份0.10港元，導致本公司發行1,104,687,572股每股0.10港元之供股股份，總現金代價（扣除開支後）約為106,207,000港元。供股於二零一零年八月十日成為無條件。
- (c) 於二零一零年八月二十日，本公司透過認購按每股0.10港元價格發行及配發50,234,378股新股份。

15. 承擔

於二零一零年六月三十日，按到期日劃分，本集團根據不可撤銷經營租約就租賃物業所須履行未來最低租金款項之租賃承擔如下：

14. EVENTS AFTER THE REPORTING PERIOD*(Continued)*

- (b) On 22 July 2010, the Company despatched the prospectus documents to qualify shareholders relating to a rights issue of four rights shares for every share held by members on the record date at an issue price of HK\$0.10 per rights share, resulting in the issue of 1,104,687,572 rights shares of HK\$0.10 each for a total cash consideration, after expenses, of approximately HK\$106,207,000. The rights issue became unconditional on 10 August 2010.
- (c) On 20 August 2010, the Company had issued and allotted 50,234,378 new shares of HK\$0.10 each at HK\$0.10 per share by subscription.

15. COMMITMENTS

At 30 June 2010, the Group had lease commitments for future minimum lease payments under non-cancellable operating lease in respect of rented premises falling due as follows:

		(未經審核) (Unaudited)	(經審核) (Audited)
		於二零一零年 六月三十日 At 30 June 2010 港元 HK\$	於二零零九年 十二月三十一日 At 31 December 2009 港元 HK\$
一年內	Within one year	864,000	864,000
第二至第五年 (包括首尾兩年)	In the second to fifth year inclusive	288,000	720,000
		1,152,000	1,584,000

16. 資產抵押

於報告期末，本集團賬面值合共165,913,155港元（二零零九年：206,946,050港元）之被指定為持作買賣之財務資產投資已就本集團所獲孖展融資向經紀作出抵押。

17. 金融風險管理

信貸風險

信貸風險乃指發行人或交易對方將未能或不願意遵守與本集團訂下承諾之風險。本集團潛在須承擔信貸風險集中之財務資產主要包括被指定為持作買賣之財務資產、銀行結餘及出售投資時應收款項。

本集團與經紀交易商、銀行及本集團認為業務穩健且具有高信貸評級之受規管交易所買賣其大部分財務資產及進行合約承擔活動，以限制其所承擔之信貸風險。所有上市財務資產交易均採用認可及知名經紀於交付時結算／付款。

因此，本集團之信貸風險並無過度集中。

16. PLEDGE OF ASSETS

At the end of the reporting period, the Group's investments in financial assets designated as held for trading with carrying value amounting to HK\$165,913,155 (2009: HK\$206,946,050) were pledged to brokers to secure margin financing provided to the Group.

17. FINANCIAL RISK MANAGEMENT

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Group. Financial assets which potentially subject the Group to concentrations of credit risk consist principally of financial assets designated as held for trading, bank balances and amounts receivable on sale of investments.

The Group limits its exposure to credit risk by transacting the majority of its financial assets and contractual commitment activities with broker-dealers, banks and regulated exchanges with high credit ratings and that the Group considers to be well established. All transactions in listed financial assets are settled/paid for upon delivery using approved and reputable brokers.

Accordingly, the Group has no significant concentration of credit risk.

獨立審閱報告**恒健會計師行**
HLM & Co.
Certified Public Accountants**INDEPENDENT REVIEW REPORT**

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致萊福資本投資有限公司
(於開曼群島註冊成立之有限公司)
董事會

To the Board of Directors of
Radford Capital Investment Limited 萊福資本投資有限公司
(Incorporated in the Cayman Islands with limited liability)

引言

本核數師已審閱載於第9至第26頁之中期財務資料。此中期財務資料包括萊福資本投資有限公司(「本公司」)及其附屬公司(統稱為「本集團」)於二零一零年六月三十日之簡明綜合財務狀況表與截至該日止六個月期間之相關簡明綜合全面收益表、權益變動報表和現金流量表及若干說明附註。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製之報告必須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(「香港會計準則」)第34號「中期財務報告」。董事須對根據香港會計準則第34號編製及公平地呈列本中期財務資料負責。

本核數師之責任是根據審閱對本中期財務資料作出獨立結論，並按照委聘之協定條款僅向閣下報告結論，且並無其他目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

Introduction

We have reviewed the interim financial information set out on pages 9 to 26, which comprise the condensed consolidated statement of financial position of Radford Capital Investment Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as of 30 June 2010 and the related condensed consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended and certain explanatory notes. The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with Hong Kong Accounting Standard (“HKAS”) 34: Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors are responsible for the preparation and fair presentation of this interim financial information in accordance with HKAS 34.

It is our responsibility to form an independent conclusion, based on our review, on this interim financial information, and to report our conclusion solely to you, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

審閱範圍

本核數師已根據香港會計師公會頒佈之香港審閱委聘準則第2410號「由實體獨立核數師審閱中期財務資料」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務之人員作出查詢，並應用分析性和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核之範圍，故不能令本核數師保證本核數師將知悉在審核中可能發現之所有重大事項。因此，本核數師不會就本中期財務資料發表審核意見。

結論

按照本核數師之審閱，本核數師並無發現任何事項，令本核數師相信中期財務資料在各重大方面未有根據香港會計準則第34號編製。

恒健會計師行

執業會計師

香港，二零一零年八月二十四日

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on this interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

HLM & Co.

Certified Public Accountants

Hong Kong, 24 August 2010



Radford Capital Investment Limited
萊福資本投資有限公司