



VSC 萬順昌

Van Shung Chong Holdings Limited

萬 順 昌 集 團 有 限 公 司

Stock Code 股票代號 : 1001

## Interim Report 2012-13 中期報告



## UNAUDITED INTERIM RESULTS

The Board of Directors (the "Board") of Van Shung Chong Holdings Limited (the "Company") hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "VSC Group") for the six months ended 30th September 2012, together with comparative figures, as follows:

## CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the six months ended 30th September 2012

## 未經審核中期業績

萬順昌集團有限公司(「本公司」)之董事會(「董事會」)謹此宣佈本公司及其附屬公司(「萬順昌集團」)截至二零一二年九月三十日止六個月之未經審核簡明綜合中期業績連同比較數字如下：

## 簡明綜合中期損益表

截至二零一二年九月三十日止六個月

			For the six months ended 30th September 截至九月三十日止六個月	
			2012 二零一二年 HK\$'000 千港元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 千港元 (Unaudited) (未經審核)
		Note 附註		
Revenue	收入	4	2,041,298	2,237,789
Cost of sales	銷售成本	6	(1,892,796)	(2,205,177)
<b>Gross profit</b>	<b>毛利</b>		<b>148,502</b>	32,612
Other (losses)/gains – net	其他(虧損)/收益 – 淨額	5	(2,297)	31,873
Selling and distribution expenses	銷售及分銷支出	6	(15,454)	(16,370)
General and administrative expenses	一般及行政支出	6	(86,718)	(79,051)
<b>Operating profit/(loss)</b>	<b>經營溢利/(虧損)</b>		<b>44,033</b>	(30,936)
Finance income	財務收入	7	876	981
Finance costs	財務費用	7	(11,484)	(15,031)
Share of profit of associates – net	應佔聯營公司溢利 – 淨額		3,356	2,465
<b>Profit/(loss) before income tax</b>	<b>除稅前溢利/(虧損)</b>		<b>36,781</b>	(42,521)
Income tax (expense)/credit	所得稅(支出)/計入	8	(5,930)	7,475
<b>Profit/(loss) for the period</b>	<b>期內溢利/(虧損)</b>		<b>30,851</b>	(35,046)
Attributable to:	應佔：			
Equity holders of the Company	本公司股權持有人		32,030	(36,786)
Non-controlling interest	非控制性權益		(1,179)	1,740
			<b>30,851</b>	(35,046)
<b>Earnings/(losses) per ordinary share for profit/(loss) attributable to the equity holders of the Company during the period</b>	<b>本期內本公司股權持有人應佔溢利/(虧損)計算之每股普通股盈利/(虧損)</b>			
– Basic	– 基本	10	HK7.7 cents 港仙	HK(8.9) cents 港仙
– Diluted	– 攤薄	10	HK7.7 cents 港仙	HK(8.8) cents 港仙
<b>Dividends</b>	<b>股息</b>	9	<b>9,525</b>	–

The notes form an integral part of the condensed consolidated interim financial information.

附註為簡明綜合中期財務資料整體之一部份。

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME**

For the six months ended 30th September 2012

**簡明綜合中期全面損益表**

截至二零一二年九月三十日止六個月

**For the six months ended  
30th September**

截至九月三十日止六個月

**2012** 2011

二零一二年 二零一一年

**HK\$'000** HK\$'000

千港元 千港元

**(Unaudited)** (Unaudited)

(未經審核) (未經審核)

<b>Profit/(loss) for the period</b>	期內溢利／(虧損)	<b>30,851</b>	(35,046)
<b>Other comprehensive income:</b>	其他全面收入：		
Change in fair value of available-for-sale financial asset	可供出售之財務資產之 公平價值變動	<b>(106)</b>	–
Currency translation differences	貨幣匯兌差額	<b>(1,839)</b>	7,042
<b>Other comprehensive (loss)/income for the period</b>	期內其他全面(虧損)／收入	<b>(1,945)</b>	7,042
<b>Total comprehensive income/(loss) for the period</b>	期內全面收入／(虧損)總額	<b>28,906</b>	(28,004)
<b>Total comprehensive income/(loss) attributable to:</b>	應佔全面收入／(虧損)總額：		
– Equity holders of the Company	– 本公司股權持有人	<b>30,162</b>	(30,649)
– Non-controlling interest	– 非控制性權益	<b>(1,256)</b>	2,645
		<b>28,906</b>	(28,004)

The notes form an integral part of the condensed consolidated interim financial information.

附註為簡明綜合中期財務資料整體之一部份。

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

As at 30th September 2012

**簡明綜合中期財務狀況表**

於二零一二年九月三十日

		As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
	Note 附註		
<b>Non-current assets</b>			
Property, plant and equipment		30,560	15,355
Investment property		22,000	22,000
Land use rights		10,425	10,526
Intangible assets		10,354	10,659
Investments in associates		171,269	169,552
Deferred income tax assets		29,388	32,493
Available-for-sale financial asset		339	445
<b>Total non-current assets</b>		<b>274,335</b>	261,030
<b>Current assets</b>			
Inventories		321,831	396,858
Trade and bill receivables	11	551,638	563,976
Loan receivable		19,000	19,000
Prepayments, deposits and other receivables		128,802	122,862
Derivative financial instruments		336	629
Amounts due from associates		24,303	24,081
Pledged bank deposits		74,460	134,066
Cash and cash equivalents		213,184	267,448
<b>Total current assets</b>		<b>1,333,554</b>	1,528,920
<b>Current liabilities</b>			
Trade and bill payables	12	198,990	340,013
Receipts in advance		32,329	62,642
Accrued liabilities and other payables		36,972	38,558
Current income tax liabilities		2,278	2,099
Borrowings	13	591,841	653,788
Dividends payable		7,454	-
<b>Total current liabilities</b>		<b>869,864</b>	1,097,100

			As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元 (Audited) (已審核)
		Note 附註		
<b>Net current assets</b>	流動資產淨額		<b>463,690</b>	431,820
<b>Total assets less current liabilities</b>	總資產減流動負債		<b>738,025</b>	692,850
<b>Non-current liabilities</b>	非流動負債			
Borrowings	借貸	13	<b>11,985</b>	–
Deferred income tax liabilities	遞延所得稅負債		<b>1,120</b>	1,127
<b>Total non-current liabilities</b>	非流動負債總額		<b>13,105</b>	1,127
<b>Net assets</b>	資產淨額		<b>724,920</b>	691,723
<b>Equity</b>	權益			
<b>Capital and reserves attributable to equity holders of the Company</b>	本公司股權持有人應佔股本及儲備			
Share capital	股本	14	<b>41,413</b>	41,413
Reserves	儲備			
– Proposed dividend	– 建議股息		<b>9,525</b>	7,454
– Others	– 其他		<b>630,856</b>	610,040
			<b>681,794</b>	658,907
<b>Non-controlling interest</b>	非控制性權益		<b>43,126</b>	32,816
<b>Total equity</b>	權益總額		<b>724,920</b>	691,723

The notes form an integral part of the condensed consolidated interim financial information.

附註為簡明綜合中期財務資料整體之一部份。

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**

For the six months ended 30th September 2012

**簡明綜合中期權益變動表**

截至二零一二年九月三十日止六個月

		Attributable to equity holders of the Company 本公司股權持有人應佔				Non- controlling interest 非控制性 權益	Total equity 權益總額
		Share capital 股本 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>As at 1st April 2011</b>	於二零一一年四月一日	<b>41,413</b>	<b>519,775</b>	<b>83,468</b>	<b>644,656</b>	<b>33,136</b>	<b>677,792</b>
(Loss)/profit for the period	期內(虧損)/溢利	-	-	(36,786)	(36,786)	1,740	(35,046)
Other comprehensive income	其他全面收入						
- Currency translation differences	- 貨幣匯兌差額	-	6,137	-	6,137	905	7,042
<b>Total comprehensive (loss)/income</b>	<b>全面(虧損)/收入總額</b>	<b>-</b>	<b>6,137</b>	<b>(36,786)</b>	<b>(30,649)</b>	<b>2,645</b>	<b>(28,004)</b>
Share option scheme – value of services	購股權計劃 – 服務價值	-	575	-	575	-	575
Lapse of share options	失效之購股權	-	(26)	26	-	-	-
Dividends payable to equity holders of the Company	應付本公司股權持有人 之股息	-	-	(2,485)	(2,485)	-	(2,485)
<b>As at 30th September 2011</b>	於二零一一年九月三十日	<b>41,413</b>	<b>526,461</b>	<b>44,223</b>	<b>612,097</b>	<b>35,781</b>	<b>647,878</b>
<b>As at 1st April 2012</b>	於二零一二年四月一日	<b>41,413</b>	<b>530,478</b>	<b>87,016</b>	<b>658,907</b>	<b>32,816</b>	<b>691,723</b>
Profit/(loss) for the period	期內溢利/(虧損)	-	-	32,030	32,030	(1,179)	30,851
Other comprehensive income	其他全面收入						
- Change in fair value of available-for-sale financial asset	- 可供出售之財務資產之 公平價值變動	-	(106)	-	(106)	-	(106)
- Currency translation differences	- 貨幣匯兌差額	-	(1,762)	-	(1,762)	(77)	(1,839)
<b>Total comprehensive income/(loss)</b>	<b>全面收入/(虧損)總額</b>	<b>-</b>	<b>(1,868)</b>	<b>32,030</b>	<b>30,162</b>	<b>(1,256)</b>	<b>28,906</b>
Share option scheme – value of services	購股權計劃 – 服務價值	-	179	-	179	-	179
Capital contribution by non-controlling shareholders of a subsidiary	一間附屬公司之非控 制性股東之資本投入	-	-	-	-	12,202	12,202
Dividends payable to a non-controlling shareholder of a subsidiary	應付一間附屬公司之一位 非控制性股東之股息	-	-	-	-	(636)	(636)
Dividends payable to equity holders of the Company	應付本公司股權持有人 之股息	-	-	(7,454)	(7,454)	-	(7,454)
<b>As at 30th September 2012</b>	於二零一二年九月三十日	<b>41,413</b>	<b>528,789</b>	<b>111,592</b>	<b>681,794</b>	<b>43,126</b>	<b>724,920</b>

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附註為簡明綜合中期財務資料整體之一部份。

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**

For the six months ended 30th September 2012

**簡明綜合中期現金流量表**

截至二零一二年九月三十日止六個月

**For the six months ended  
30th September**

截至九月三十日止六個月

<b>2012</b>	2011
二零一二年	二零一一年
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>(Unaudited)</b>	(Unaudited)
(未經審核)	(未經審核)

Net cash used in operating activities	經營活動所用之現金淨額	<b>(59,561)</b>	(442,108)
Net cash used in investing activities	投資活動所用之現金淨額	<b>(15,210)</b>	(2,415)
Net cash generated from financing activities	融資活動產生之現金淨額	<b>21,846</b>	245,876
Net decrease in cash and cash equivalents	現金及現金等值之淨減少	<b>(52,925)</b>	(198,647)
Cash and cash equivalents as at 1st April	於四月一日之現金及現金等值	<b>267,448</b>	485,868
Translation adjustments	匯兌調整	<b>(1,339)</b>	3,873
Cash and cash equivalents as at 30th September	於九月三十日之現金及現金等值	<b>213,184</b>	291,094

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附註為簡明綜合中期財務資料整體之一部份。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 簡明綜合中期財務資料附註

### 1 GENERAL INFORMATION

Van Shung Chong Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda on 12th January 1994 as an exempted company under the Companies Act 1981 of Bermuda. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 18th February 1994. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company and its subsidiaries (the “VSC Group”) are principally engaged in stockholding and trading of construction materials such as steel products, sanitary wares, kitchen cabinets, home furniture and plastic resins, installation work of kitchen cabinets and property investment.

The unaudited condensed consolidated interim financial information are presented in Hong Kong dollar (“HK\$”), unless otherwise stated. It has been approved for issue by the Board of Directors on 14th November 2012.

### 2 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended 30th September 2012 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. The unaudited condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31st March 2012, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

The directors of the VSC Group consider that the VSC Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due and accordingly, are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

### 1 一般資料

萬順昌集團有限公司(「本公司」)於一九九四年一月十二日於百慕達註冊成立為有限公司，並根據百慕達公司法1981，成為一間豁免公司。自一九九四年二月十八日起，本公司於香港聯合交易所有限公司主板上市。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司及其附屬公司(「萬順昌集團」)主要從事存銷及買賣建築材料，例如鋼材產品、潔具、廚櫃、家具及塑膠樹脂，安裝廚櫃及房地產投資。

除另有指明外，本未經審核簡明綜合中期財務資料以港元(「港元」)列示。本簡明綜合中期財務資料已於二零一二年十一月十四日經董事會核准刊發。

### 2 編製基準

本份截至二零一二年九月三十日止六個月之未經審核簡明綜合中期財務資料依照香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。本未經審核簡明綜合中期財務資料應連同依照香港財務報告準則(「香港財務報告準則」)編製截至二零一二年三月三十一日止年度之年度綜合財務報表一併閱讀。

萬順昌集團之董事認為萬順昌集團將擁有充足營運資金支持本身之業務運作，以及於財務責任到期時，履行有關財務責任，因此，按持續基準編製財務報表，誠屬合宜。



## 2 BASIS OF PREPARATION (CONTINUED)

The VSC Group is engaged in the trading of steel products and is exposed to the commodity price risk. At the date of approving these unaudited condensed consolidated interim financial information, the VSC Group's committed sale orders exceed the aggregate amount of on hand inventories and committed purchase orders and fluctuations of steel price could affect the VSC Group's financial performance significantly.

Although the risk cannot be completely guarded against, the VSC Group has plans to minimise the potential impacts. These plans, including adjusting the level of inventory on hand, committing to supply contracts with suppliers and/or entering into commodity futures on steel price, are primarily aimed at reducing the potential exposure to steel price fluctuation.

## 3 ACCOUNTING POLICIES

Except as described below, the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31st March 2012, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following revised standards and amendments to existing standards are mandatory for the first time for the financial year beginning on or after 1st April 2012 and are relevant for the VSC Group.

- HKAS 12 (Amendment) 'Deferred tax: Recovery of underlying assets' is effective for annual periods beginning on or after 1st January 2012. It introduces an exception to the existing principle for the measurement of deferred income tax assets or liabilities arising on investment property measured at fair value. The revised standard has no material impact on the VSC Group's consolidated financial statements.

## 2 編製基準 (續)

萬順昌集團從事鋼材產品買賣並受商品價格風險之影響。於批准本未經審核簡明綜合中期財務資料當日，萬順昌集團手頭上已確定之銷售訂單超過手頭上之存貨和已確定之購貨訂單總額，而鋼材價格波動可能對萬順昌集團之財務表現有重大影響。

雖然無法完全防避有關風險，然而萬順昌集團計劃盡量減少蒙受的潛在影響。此等計劃，包括調整手頭上之存貨水平，與供應商訂定供貨合約及／或就鋼材價格訂立商品期貨合約，主要旨在減少鋼材價格波動造成之潛在風險。

## 3 會計政策

除下文所述外，已採納之會計政策與截至二零一二年三月三十一日止年度之年度財務報表所刊載一致。

中期業績中之所得稅乃根據預期全年盈利總額按適用之稅率計提。

以下對現有準則之經修訂之準則及修訂為始於二零一二年四月一日起或以後之財政年度之首年必須採納並與萬順昌集團有關。

- 香港會計準則第12號(修訂)「遞延稅項－相關資產的收回」於二零一二年一月一日起或以後之年度期間生效。此修訂引入按公平價值入賬之投資物業所產生之遞延所得稅資產或負債之計量原則之例外情況。該經修訂準則對萬順昌集團之綜合財務報表並無重大影響。

### 3 ACCOUNTING POLICIES (CONTINUED)

- HKFRS 7 (Amendment) 'Disclosures – Transfers of financial assets' is effective for annual periods beginning on or after 1st July 2011. This amendment will promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial assets. The revised standard has no material impact on the VSC Group's consolidated financial statements.

The following standards, amendments and interpretations to existing standards are effective in 2012 but not relevant to the VSC Group.

- HKFRS 1 (Amendment) 'Severe hyperinflation and removal of fixed dates for first-time adopters' is effective for annual periods beginning on or after 1st July 2011. This is not currently applicable to the VSC Group, as it is not a first-time adopter.

### 4 REVENUE AND SEGMENT INFORMATION

The VSC Group's revenue consists of the following:

Sales of goods	貨品銷售
Service income	服務收入
Rental income	租務收入

Total revenue	收入總額
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### 3 會計政策 (續)

- 香港財務報告準則第7號(修訂)「披露－財務資產的轉讓」於二零一一年七月一日起或以後之年度期間生效。此修訂將加強轉讓交易報告之透明度，並有助於使用者了解財務資產轉讓的風險以及此等風險對主體財務狀況的影響，尤其是涉及財務資產證券化的風險。該經修訂準則對萬順昌集團之綜合財務報表並無重大影響。

以下對現有準則並於二零一二年生效但與萬順昌集團無關之準則、修訂及詮釋。

- 香港財務報告準則第1號(修訂)「嚴重惡性通貨膨脹和就首次採納者刪除固定日期」於二零一一年七月一日起或以後之年度期間生效。由於並非首次採納者，因此萬順昌集團現時並不適用。

### 4 收入及分部資料

萬順昌集團之收入包括如下：

For the six months ended

30th September

截至九月三十日止六個月

2012	2011
二零一二年	二零一一年
HK\$'000	HK\$'000
千港元	千港元

Sales of goods	貨品銷售	2,037,316	2,234,832
Service income	服務收入	364	681
Rental income	租務收入	3,618	2,276

Total revenue	收入總額	2,041,298	2,237,789
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#### 4 REVENUE AND SEGMENT INFORMATION (CONTINUED)

The VSC Group's businesses are managed according to the nature of their operations and the products and services they provide.

Management has determined the operating segments based on the reports reviewed by the VSC Group's Chief Operating Decision Maker ("CODM") that are used to make strategic decisions. The CODM considers the VSC Group operates predominantly in four operating segments:

- (i) Steel distribution;
- (ii) Building products;
- (iii) Plastics resins; and
- (iv) Property investment.

The VSC Group's CODM assesses the performance of operating segments based on a measure of profit/(loss) before income tax. This measurement basis excludes the effects of non-recurring expenditure from the operating segments, such as legal expenses and impairments, when the impairment is the result of an isolated, non-recurring event.

The revenue from external parties reported to CODM is measured in a manner consistent with that in the unaudited condensed consolidated interim financial information.

#### 4 收入及分部資料 (續)

萬順昌集團按其營運性質及所提供之產品及服務管理其業務。

管理層已釐定其營運分部，按由萬順昌集團之主要營運決策者（「主要營運決策者」）審閱報告後制定其策略性決定。主要營運決策者認為萬順昌集團主要經營四個營運分部：

- (i) 鋼材分銷；
- (ii) 建築產品；
- (iii) 塑膠樹脂；及
- (iv) 房地產投資。

萬順昌集團之主要營運決策者按除稅前溢利／（虧損）之計算而評估營運分部之表現。此計算基準不包括經營分部中非經常性支出之影響，如法律費用及獨立及非經常性事項產生之減值。

向主要營運決策者匯報源自對外人士之收入之計算方法與未經審核簡明綜合中期財務資料一致。

#### 4 REVENUE AND SEGMENT INFORMATION (CONTINUED)

Analysis of the VSC Group's results by the business segments for the six months ended 30th September 2012 is as follows:

#### 4 收入及分部資料 (續)

萬順昌集團於截至二零一二年九月三十日止六個月按業務分部之業績分析如下：

		Steel distribution 鋼材分銷 HK\$'000 千港元	Building products 建築產品 HK\$'000 千港元	Plastics resins 塑膠樹脂 HK\$'000 千港元	Property investment 房地產投資 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
External revenue	對外收入	1,527,840	253,169	260,061	228	-	-	2,041,298
Operating profit/(loss)	經營溢利/(虧損)	61,864	18,766	3,070	(3,001)	-	(36,666)	44,033
Finance income	財務收入	731	56	75	-	-	14	876
Finance costs	財務費用	(7,782)	(1,005)	(748)	(44)	-	(1,905)	(11,484)
Share of profit of associates – net	應佔聯營公司溢利 — 淨額	-	-	-	3,356	-	-	3,356
Profit/(loss) before income tax	除稅前溢利/(虧損)	54,813	17,817	2,397	311	-	(38,557)	36,781
Other (losses)/gains – net	其他(虧損)/收益 — 淨額	3,615	(102)	(227)	(9)	-	(5,574)	(2,297)
Depreciation and amortization	折舊及攤銷	(719)	(875)	(35)	(6)	-	(818)	(2,453)
Income tax (expense)/credit	所得稅(支出)/計入	(8,753)	(4,201)	(401)	443	-	6,982	(5,930)

#### 4 REVENUE AND SEGMENT INFORMATION (CONTINUED)

Analysis of the VSC Group's results by the business segments for the six months ended 30th September 2011 is as follows:

		Steel distribution 鋼材分銷 HK\$'000 千港元	Building products 建築產品 HK\$'000 千港元	Plastics resins 塑膠樹脂 HK\$'000 千港元	Property investment 房地產投資 HK\$'000 千港元	Other operations 其他業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
External revenue	對外收入	1,817,925	224,106	195,596	162	-	-	2,237,789
Operating (loss)/profit	經營(虧損)/溢利	(19,630)	17,435	3,468	145	(15)	(32,339)	(30,936)
Finance income	財務收入	758	6	22	11	-	184	981
Finance costs	財務費用	(12,414)	(399)	(389)	(50)	(1)	(1,778)	(15,031)
Share of profit of associates – net	應佔聯營公司溢利 – 淨額	-	-	-	2,465	-	-	2,465
(Loss)/profit before income tax	除稅前(虧損)/溢利	(31,286)	17,042	3,101	2,571	(16)	(33,933)	(42,521)
Other gains – net	其他收益 – 淨額	28,781	757	222	27	-	2,086	31,873
Depreciation and amortisation	折舊及攤銷	(650)	(910)	(17)	-	-	(2,064)	(3,641)
Income tax credit/(expense)	所得稅計入/(支出)	4,893	(3,437)	(468)	(3)	-	6,490	7,475

The Company is domiciled in the Hong Kong. Analysis of the VSC Group's revenue by geographical market is as follows:

#### 4 收入及分部資料(續)

萬順昌集團於截至二零一一年九月三十日止六個月按業務分部之業績分析如下：

本公司於香港營運。萬順昌集團之收入按地區市場分析如下：

#### For the six months ended 30th September

截至九月三十日止六個月

2012 2011

二零一二年 二零一一年

HK\$'000 HK\$'000

千港元 千港元

<b>Revenue</b>	<b>收入</b>		
Mainland China	中國內地	<b>809,759</b>	1,016,492
Hong Kong	香港	<b>1,231,539</b>	1,221,297
<b>Total revenue</b>	<b>收入總額</b>	<b>2,041,298</b>	2,237,789

For the six months ended 30th September 2012, revenue of approximately HK\$83,423,000 (for the six months ended 30th September 2011: HK\$155,456,000) was derived from a single external customer.

截至二零一二年九月三十日止六個月，約83,423,000港元(截至二零一一年九月三十日止六個月：155,456,000港元)之收入乃賺取自一位對外客戶。

5 OTHER (LOSSES)/GAINS – NET

5 其他（虧損）／收益 – 淨額

		For the six months ended 30th September 截至九月三十日止六個月	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Net exchange gain	淨匯兌收益	240	7,186
Sundry income	雜項收入	1,083	838
Fair value gains on interest rate instruments	利率工具之公平價值收益	–	13
Net fair value change on forward foreign exchange contracts held for trading	持作買賣用途之遠期外匯合約之公平價值淨變動	(293)	(1,126)
Net fair value change on steel future contracts	鋼材期貨合約之公平價值淨變動	–	(1,947)
Realised loss on steel future contracts (Provision for)/write-back of onerous contracts	鋼材期貨合約之變現虧損有償契約之（撥備）／撤回	(560)	(886)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	(2,448)	–
		<b>(2,297)</b>	31,873

## 6 EXPENSES BY NATURE

Expenses included in “cost of sales”, “selling and distribution expenses” and “general and administrative expenses” are analysed as follows:

## 6 按性質劃分之支出

包括在「銷售成本」、「銷售及分銷支出」與「一般及行政支出」內支出之分析如下：

		<b>For the six months ended</b>	
		<b>30th September</b>	
		截至九月三十日止六個月	
		<b>2012</b>	2011
		二零一二年	二零一一年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Raw materials consumed and finished goods sold	原材料耗用及製成品銷售	<b>1,893,514</b>	2,204,201
(Write-back)/write-down of provision of impairment of inventories	(撤回)／撇減存貨減值撥備	<b>(718)</b>	976
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	<b>2,134</b>	3,540
Gain on disposals of property, plant and equipment	出售物業、廠房及設備之收益	<b>(566)</b>	(20)
Amortisation of land use rights	土地使用權之攤銷	<b>101</b>	101
Amortisation of intangible assets	無形資產之攤銷	<b>218</b>	-
Employee benefit expenses	僱員福利支出	<b>50,159</b>	47,995
Operating lease rental expense in respect of land and buildings	土地及樓宇營業租約租金	<b>11,767</b>	9,673
Provision for/(reversal of) impairment of trade receivables, net	應收賬款減值撥備／(撥回)－淨額	<b>952</b>	(933)
Others	其他	<b>37,407</b>	35,065
<b>Total cost of sales, selling and distribution expenses and general and administrative expenses</b>	<b>銷售成本、銷售及分銷支出與一般及行政支出總額</b>	<b>1,994,968</b>	2,300,598

## 7 FINANCE INCOME AND COSTS

## 7 財務收入及費用

		For the six months ended	
		30th September	
		截至九月三十日止六個月	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Finance income	財務收入		
Interest income:	利息收入：		
– short-term bank deposits	– 短期銀行存款	876	981
Finance costs	財務費用		
Interest expenses:	利息支出：		
– bank borrowings wholly repayable within five years	– 須於五年內全數償還之銀行借貸	(9,746)	(12,861)
– mortgage loan from bank repayable over five years	– 償還超逾五年之銀行按揭貸款	(43)	(49)
Bank charges	銀行費用	(1,695)	(2,121)
		(11,484)	(15,031)
Net finance costs	淨財務費用	(10,608)	(14,050)

## 8 INCOME TAX (EXPENSE)/CREDIT

The Company is exempted from taxation in Bermuda until 2016.

Hong Kong profits tax has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profit arising in or derived from Hong Kong. Subsidiaries established in Mainland China are subject to China corporate income tax at rate of 25% (2011: 25%).

## 8 所得稅（支出）／計入

本公司獲豁免繳納百慕達稅項直至二零一六年。

香港利得稅乃根據來自或賺取自香港之估計應課稅溢利按稅率16.5%（二零一一年：16.5%）作出撥備。於中國內地成立之附屬公司按稅率25%（二零一一年：25%）繳付中國企業所得稅。



## 8 INCOME TAX (EXPENSE)/CREDIT (CONTINUED)

The amount of income tax (expense)/credit recorded in the unaudited condensed consolidated interim income statement represents:

		For the six months ended 30th September 截至九月三十日止六個月	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current income tax	當期所得稅		
– Hong Kong profits tax	– 香港利得稅	<b>(1,421)</b>	(1,814)
– China corporate income tax	– 中國企業所得稅	<b>(1,488)</b>	(2,943)
Deferred income tax	遞延所得稅	<b>(3,021)</b>	12,232
		<b>(5,930)</b>	7,475

Income tax (expense)/credit is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

## 9 DIVIDENDS

An interim dividend of HK2.3 cents per ordinary share was proposed by the board of director on 14th November 2012, totalling approximately HK\$9,525,000 (For the six months ended 30th September 2011: Nil).

## 8 所得稅(支出)／計入(續)

於未經審核簡明綜合中期損益表中確認之所得稅(支出)／計入包括：

		For the six months ended 30th September 截至九月三十日止六個月	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current income tax	當期所得稅		
– Hong Kong profits tax	– 香港利得稅	<b>(1,421)</b>	(1,814)
– China corporate income tax	– 中國企業所得稅	<b>(1,488)</b>	(2,943)
Deferred income tax	遞延所得稅	<b>(3,021)</b>	12,232
		<b>(5,930)</b>	7,475

所得稅(支出)／計入乃按管理層估計全年財政年度之加權平均全年所得稅率而確認。

## 9 股息

董事會於二零一二年十一月十四日建議中期股息每股普通股2.3港仙，共約9,525,000港元(截至二零一一年九月三十日止六個月：無)。



**10 EARNINGS/(LOSSES) PER ORDINARY SHARE (CONTINUED)****(b) Diluted**

Diluted earnings/(losses) per ordinary share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares are arising from share options, for which a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

**10 每股普通股盈利／(虧損)(續)****(b) 攤薄**

計算每股普通股攤薄盈利／(虧損)乃按假設所有具潛在攤薄性質之普通股被全數轉換而相應調整已發行普通股之加權平均數。本公司之具潛在攤薄性質之普通股因購股權而產生，其計算乃根據尚未行使購股權所附之認購權之貨幣價值作出，用以釐訂原應以公平價值(釐訂為本公司股份之全年平均市場股價)收購之股份之數目。上文所計算之股份數目乃與假設購股權行使而已發行之股份數目作比較。

**For the six months ended****30th September**

截至九月三十日止六個月

**2012**

2011

二零一二年

二零一一年

Profit/(loss) attributable to equity holders of the Company and used to determine diluted earnings/(losses) per ordinary share (HK\$'000)	本公司股權持有人應佔溢利／(虧損)及用以釐訂每股普通股攤薄盈利／(虧損)(千港元)	<b>32,030</b>	(36,786)
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數(千股)	<b>414,128</b>	414,128
Adjustment for share options ('000)	調整購股權(千份)	-	3,968
Weighted average number of ordinary shares for diluted earnings/(losses) per ordinary share ('000)	每股普通股攤薄盈利／(虧損)之普通股加權平均數(千股)	<b>414,128</b>	418,096
Diluted earnings/(losses) per ordinary share (HK cents)	每股普通股攤薄盈利／(虧損)(港仙)	<b>7.7</b>	(8.8)

A diluted earnings per ordinary share amount for the six months ended 30th September 2012 is the same as the basic earnings per ordinary share for the same period as the Company's share options outstanding during the period were anti-dilutive potential ordinary shares.

由於本期內本公司尚有之購股權乃屬反攤薄性質之普通股，因此截至二零一二年九月三十日止六個月之每股普通股攤薄盈利與同期之每股普通股基本盈利相同。

## 11 TRADE AND BILL RECEIVABLES

Sales are either covered by (i) letters of credit with bill payable at sight or (ii) open account with credit terms of 15 to 90 days.

Ageing analysis of trade and bill receivables by invoice date is as follows:

		<b>As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元</b>	<b>As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元</b>
0 – 60 days	0 – 60日	<b>425,303</b>	447,921
61 – 120 days	61 – 120日	<b>70,474</b>	58,519
121 – 180 days	121 – 180日	<b>13,518</b>	16,550
181 – 365 days	181 – 365日	<b>37,954</b>	41,674
Over 365 days	超過365日	<b>10,708</b>	5,491
		<b>557,957</b>	570,155
Less: Provision for impairment of trade receivables	減：應收賬款減值撥備	<b>(6,319)</b>	(6,179)
		<b>551,638</b>	563,976

The carrying amounts of net trade and bill receivables approximated to their fair values.

## 11 應收賬款及票據

銷售均以(i)見票即付之信用證；或(ii)記賬方式進行，信貸期一般介乎15至90日不等。

應收賬款及票據根據發票日期之賬齡分析如下：

	<b>As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元</b>	<b>As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元</b>
	<b>425,303</b>	447,921
	<b>70,474</b>	58,519
	<b>13,518</b>	16,550
	<b>37,954</b>	41,674
	<b>10,708</b>	5,491
	<b>557,957</b>	570,155
	<b>(6,319)</b>	(6,179)
	<b>551,638</b>	563,976

淨應收賬款及票據之賬面金額與其之公平價值相約。

## 12 TRADE AND BILL PAYABLES

Payment terms with suppliers are either on letters of credit or open account. Certain suppliers grant credit period of around 30 days.

Ageing analysis of the trade and bill payables by invoice date is as follows:

		<b>As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元</b>	<b>As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元</b>
0 – 60 days	0 – 60日	<b>198,092</b>	332,524
61 – 120 days	61 – 120日	<b>121</b>	412
121 – 180 days	121 – 180日	<b>511</b>	42
181 – 365 days	181 – 365日	<b>266</b>	3
Over 365 days	超過365日	–	7,032
		<b>198,990</b>	340,013

The carrying amounts of trade and bill payables approximated to their fair values.

## 12 應付賬款及票據

與供應商之付款條款均以信用證或記賬方式進行。若干供應商之信貸期約30日。

應付賬款及票據根據發票日期之賬齡分析如下：

	<b>As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元</b>	<b>As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元</b>
	<b>198,092</b>	332,524
	<b>121</b>	412
	<b>511</b>	42
	<b>266</b>	3
	–	7,032
	<b>198,990</b>	340,013

應付賬款及票據之賬面金額與其之公平價值相約。

### 13 BORROWINGS

### 13 借貸

		As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元	As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元
Non-current	非當期		
– Loans from non-controlling interest, unsecured	– 非控制性權益之貸款，無抵押的	11,985	–
Current	當期		
– Trust receipts bank loans, secured	– 信託收據銀行貸款，抵押的	476,872	539,142
– Short-term bank loans, secured	– 短期銀行貸款，抵押的	107,685	106,204
– Portion of mortgage loan from bank due for repayment within one year	– 一年內償還之部分銀行按揭貸款	2,337	2,324
– Portion of mortgage loan from bank due for repayment after one year which contains a repayable on demand clause	– 一年後償還附有即時償還條款之部分銀行按揭貸款	4,947	6,118
		591,841	653,788
Total borrowings	借貸總額	603,826	653,788

Movements in borrowings are analysed as follows:

借貸變動之分析如下：

		HK\$'000 千港元
<b>Six months ended 30th September 2012</b>	<b>二零一二年九月三十日止六個月</b>	
Opening amount at 1st April 2012	於二零一二年四月一日期初金額	653,788
Inception of borrowings	當期借貸	49,471
Repayments of borrowings	償還借貸	(99,433)
<b>Closing amount at 30th September 2012</b>	<b>於二零一二年九月三十日期終金額</b>	603,826
Six months ended 30th September 2011	二零一一年九月三十日止六個月	
Opening amount at 1st April 2011	於二零一一年四月一日期初金額	600,144
Inception of borrowings	當期借貸	286,714
Repayments of borrowings	償還借貸	(41,573)
Closing amount at 30th September 2011	於二零一一年九月三十日期終金額	845,285

## 14 SHARE CAPITAL

## 14 股本

		Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Authorised (ordinary shares of HK\$0.10 each)	法定 (每股0.10港元之普通股)	1,000,000	100,000
As at 1st April 2012 and 30th September 2012	於二零一二年四月一日及 二零一二年九月三十日	414,128	41,413

## 15 COMMITMENTS

## 15 承擔

### (a) Capital commitment

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

### (a) 資本承擔

於報告日期已訂約但尚未產生之資本開支如下：

		As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元	As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元
Contracted but not provide for: Capital contribution for a recycling business	已訂約但尚未預提： 再生業務之資本投入	-	12,744
Capital contribution for a building product business	一項建築產品業務之資本投入	5,565	-
		<b>5,565</b>	<b>12,744</b>

### (b) Commitments under operating leases

#### i) Lessee

The VSC Group leases various retail outlets, offices and warehouses under non-cancellable operating lease agreements. The lease terms are between 1 and 5 years, and the majority of lease agreements are renewable at the end of the lease period at market rate.

### (b) 營業租約承擔

#### i) 承租人

萬順昌集團根據不可撤銷之營業租約承租多個零售商舖、辦公室及貨倉。租賃年期界乎1至5年，及大部份可在租約期滿後以市場租值續簽新約。

## 15 COMMITMENTS (CONTINUED)

### (b) Commitments under operating leases (Continued)

#### i) Lessee (Continued)

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元	As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元
Not later than one year	未逾1年	13,522	22,449
Later than one year and not later than five years	逾1年及未逾5年	16,636	17,789
Later than five years	逾5年	198	-
		<b>30,356</b>	<b>40,238</b>

#### ii) Lessor

The VSC Group leases an investment property for rental income under non-cancellable operating lease agreement. The lease term is 2 years, and the lease agreement is renewable at the end of the lease period at market rate.

The future aggregate minimum lease receivable under non-cancellable operating lease is as follow:

		As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元	As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元
Not later than one year	未逾1年	450	456
Later than one year and not later than five years	逾1年及未逾5年	-	223
		<b>450</b>	<b>679</b>

## 15 承擔 (續)

### (b) 營業租約承擔 (續)

#### i) 承租人 (續)

不可撤銷營業租約之未來最低租賃付款總額如下：

		As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元	As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元
Not later than one year	未逾1年	13,522	22,449
Later than one year and not later than five years	逾1年及未逾5年	16,636	17,789
Later than five years	逾5年	198	-
		<b>30,356</b>	<b>40,238</b>

#### ii) 出租人

萬順昌集團根據不可撤銷之營業租約出租一項投資物業作租務收入。租賃年期為兩年，及可在租約期滿後以市場租值續簽新約。

不可撤銷營業租約之未來最低租賃應收款總額如下：

		As at 30th September 2012 於二零一二年 九月三十日 HK\$'000 千港元	As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元
Not later than one year	未逾1年	450	456
Later than one year and not later than five years	逾1年及未逾5年	-	223
		<b>450</b>	<b>679</b>



## 15 COMMITMENTS (CONTINUED)

### (c) Commitments under derivative contracts

As at 30th September 2012, the VSC Group had an outstanding forward foreign currency contract to purchase approximately US\$2,000,000 (31st March 2012: US\$7,000,000) for approximately HK\$15,508,000 (31st March 2012: HK\$54,355,000). The last settlement date is 31st October 2012.

As at 30th September 2012, the VSC Group had outstanding forward foreign currency contracts to purchase approximately US\$60,000,000 (31st March 2012: US\$28,000,000) for approximately RMB380,400,000 (31st March 2012: RMB176,334,000). The last settlement dates are from 30th April 2014 to 29th May 2014.

## 16 RELATED-PARTY TRANSACTIONS

### (a) Transactions

The following is a summary of significant related party transactions, which were carried out in the normal course of the VSC Group business:

## 15 承擔(續)

### (c) 衍生合約承擔

於二零一二年九月三十日，萬順昌集團尚有一份約15,508,000港元(二零一二年三月三十一日：54,355,000港元)未行使之遠期外匯貨幣合約以用作購買約2,000,000美元(二零一二年三月三十一日：7,000,000美元)。最終結算日為二零一二年十月三十一日。

於二零一二年九月三十日，萬順昌集團尚有約人民幣380,400,000元(二零一二年三月三十一日：人民幣176,334,000元)未行使之遠期外匯貨幣合約以用作購買約60,000,000美元(二零一二年三月三十一日：28,000,000美元)。最終結算日為二零一四年四月三十日至二零一四年五月二十九日。

## 16 與關連人士之交易

### (a) 交易

與關連人士之重大交易詳情如下，此等交易是按照萬順昌集團日常業務之正常條款進行：

#### For the six months ended

#### 30th September

截至九月三十日止六個月

2012	2011
二零一二年	二零一一年
HK\$'000	HK\$'000
千港元	千港元

Sales of goods to an associate (i)	向一間聯營公司銷售之貨品(i)	56,629	119,054
Rental expenses paid to an associate (ii)	已付一間聯營公司之租金支出(ii)	1,873	1,414

## 16 RELATED-PARTY TRANSACTIONS (CONTINUED)

### (a) Transactions (Continued)

Notes:

- (i) Goods were sold by Shanghai Bao Shun Chang International Trading Co., Ltd. to an associate at prices mutually agreed by both parties.
- (ii) Rental expenses were charged to VSC Steel (Shanghai) Co., Ltd. and Leisure Plus International Trading (Shanghai) Co., Ltd. by an associate at prices mutually agreed by both parties.

### (b) Key management compensation

## 16 與關連人士之交易 (續)

### (a) 交易 (續)

附註：

- (i) 由上海寶順昌國際貿易有限公司所銷售予一間聯營公司之貨品皆按雙方達成協議之價格收取。
- (ii) 由一間聯營公司向亞萬鋼國際貿易(上海)有限公司及利尚派國際貿易(上海)有限公司所收取之租金支出皆按雙方達成協議之價格收取。

### (b) 主要管理層報酬

#### For the six months ended 30th September

截至九月三十日止六個月

		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries and allowances	薪金及津貼	5,028	4,992
Bonus	花紅	483	463
Pension costs – defined contribution schemes	退休金成本 – 界定供款計劃	135	155
		5,646	5,610

## 17 SEASONALITY

There is no material seasonality impact on the operations of the VSC Group.

## 18 SUBSEQUENT EVENT DISCLOSURE

The Company has repurchased 558,000 shares at HK\$278,400 from 3rd to 8th October 2012. The shares repurchased have been cancelled on 26th October 2012. The number of issued shares of the Company has been reduced to 413,570,251 shares after the cancellation.

## 17 季節性

季節性對萬順昌集團之營運並無重大影響。

## 18 呈報期後事項

本公司自二零一二年十月三日至八日以278,400港元購回558,000之股份。已購回之股份已於二零一二年十月二十六日註銷，因此本公司已發行之股份減少至413,570,251。

## RESULTS

Revenue for the six months ended 30th September 2012 was approximately HK\$2,041 million, a 9% decrease as compared with approximately HK\$2,238 million for the same period of last year. Gross profit margin, however, increased by 5.8 percentage points to 7.3% as compared with 1.5% for the same period of last year. Selling and distribution expenses decreased by 6% from approximately HK\$16 million to approximately HK\$15 million. General and administrative expenses increased by 10% from approximately HK\$79 million to approximately HK\$87 million.

Better inventory control and margin enhancement in our steel distribution operations coupled with a growing Hong Kong and Macau construction markets, as well as the growth of the building products business enable the VSC Group to have a good performance for the six months ended 30th September 2012. Profit attributable to the equity holders of the Company was approximately HK\$32 million. Basic earnings per ordinary share was HK7.7 cents as compared with losses of HK8.9 cents for the same period of last year. The Board recommends the payment of an interim dividend of HK2.3 cents per ordinary share for the six months ended 30th September 2012 (For the six months ended 30th September 2011: Nil).

## FINANCIAL POSITIONS

Compared with last financial year ended 31st March 2012, as at 30th September 2012, the VSC Group's total assets decreased by approximately HK\$182 million to approximately HK\$1,608 million. The VSC Group's inventories decreased by approximately HK\$75 million to approximately HK\$322 million. The average Days of Supplies (average inventories divided by cost of sales x 183 days) was increased from 34 days for the last year end to 35 days. The VSC Group's trade and bill receivables decreased by approximately HK\$12 million to approximately HK\$552 million. The average overall Day Sales Outstanding (average trade and bill receivables divided by revenue x 183 days) increased from 44 days for the last year end to 50 days. Net assets value of the VSC Group increased by approximately HK\$33 million to approximately HK\$725 million, equivalent to HK\$1.75 per ordinary share.

Compared with the financial position at 31st March 2012, the VSC Group's cash and cash equivalents and pledged bank deposits, decreased by approximately HK\$114 million to approximately HK\$288 million while the VSC Group's borrowings decreased by approximately HK\$50 million to approximately HK\$604 million. Current ratio increased to 1.53, while gearing ratio (net debt, which is total borrowings minus pledged bank deposits and cash and cash equivalents, divided by capital and reserves attributable to equity holders plus net debt) increased from 28% to 32%.

## 業績

截至二零一二年九月三十日止六個月之收入約2,041,000,000港元，較去年同期約2,238,000,000港元下跌9%。但毛利率則較去年同期之1.5%上升5.8個百分點至7.3%。銷售及分銷支出由約16,000,000港元減少6%至約15,000,000港元。一般及行政支出則由約79,000,000港元增加至約87,000,000港元，上升10%。

透過改善鋼材分銷業務之存貨控制及優化利潤率，加上香港及澳門建築市場正在蓬勃發展，而建築產品分銷的業務亦有增長，因此萬順昌集團於截至二零一二年九月三十日止六個月的業績表現良好。本公司股權持有人應佔溢利約32,000,000港元。每股普通股基本盈利則由去年同期虧損8.9港仙上升至盈利7.7港仙。董事建議就截至二零一二年九月三十日止六個月宣派中期股息每股普通股2.3港仙（截至二零一一年九月三十日止六個月：無）。

## 財務狀況

與截至二零一二年三月三十一日止之財政年度相比，萬順昌集團於二零一二年九月三十日之資產總額減少約182,000,000港元至約1,608,000,000港元。當中，萬順昌集團之存貨減少約75,000,000港元至約322,000,000港元。平均存貨週轉日數（平均存貨除以銷售成本乘183日）從去年年終之34日增加至35日。萬順昌集團之應收賬款及票據減少約12,000,000港元至約552,000,000港元。平均應收賬款週轉日數（平均應收賬款及票據除以收入乘183日）從去年年終之44日增加至50日。而萬順昌集團之資產淨值增加約33,000,000港元至約725,000,000港元，相當於每股普通股1.75港元。

與於二零一二年三月三十一日之財務狀況比較，萬順昌集團之現金及現金等值及已抵押銀行存款，減少約114,000,000港元至約288,000,000港元，而萬順昌集團之借貸則減少約50,000,000港元至604,000,000港元。流動比率則上升至1.53，資產負債比率（負債淨額，即借貸總額減已抵押銀行存款及現金及現金等值，除以股權持有人應佔股本及儲備加負債淨額）由28%上升至32%。

## FINANCIAL RESOURCES

All of the VSC Group's financing and treasury activities are centrally managed and be controlled at the corporate level. The VSC Group's overall treasury and funding policies focus on managing financial risks, and on cost efficient funding of the VSC Group and its group companies. The VSC Group always adhered to prudent financial management principles.

The VSC Group's trade financing remained primarily supported by its bank trading and term loan facilities. About 82% of the VSC Group's interest-bearing borrowings were denominated in HK dollar and about 18% in Chinese Renminbi ("RMB"). These facilities are either secured by the VSC Group's inventory held under short-term trust receipts bank loan arrangement and/or pledged bank deposits and/or corporate guarantee provided by the Company. All of the above borrowings were on floating rate basis. Interest costs of import bank loans were levied on inter-banks borrowing rates plus very competitive margin. RMB loans and bill exchange facilities have been obtained from domestic and foreign banks in the amount of RMB88 million. Interest costs of RMB banking facilities were based on standard loan rates set by the People's Bank of China adjusted with competitive margin.

## CHARGES ON ASSETS

As at 30th September 2012, the VSC Group had certain charges on assets which included (i) certain inventories which were held under trust receipts bank loan arrangements; (ii) bank deposits of approximately HK\$24 million which were pledged as collateral for the VSC Group's banking facilities and approximately HK\$50 million were pledged for performance bonds; and (iii) an investment property of approximately HK\$22 million was pledged as collaterals for certain of the VSC Group's bank borrowings.

## EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The VSC Group's businesses are primarily transacted in HK dollar, US dollar and RMB. As exchange rate between HK dollar and the US dollar is pegged, the VSC Group believes its exposure to exchange rate risk arising from US dollar is not material. Facing the appreciation of RMB, the VSC Group will continue to match RMB payments with RMB receipts to minimize exchange exposure.

## 財務資源

萬順昌集團所有融資及庫務活動均由集團集中管理及監控。萬順昌集團整體庫務及集資政策集中於財務風險管理，及對萬順昌集團及其集團成員公司提供符合成本效益之集資方法。萬順昌集團一直秉持審慎財務管理原則。

萬順昌集團之貿易融資主要仍由其銀行貿易及定期貸款融資支持。萬順昌集團借款總額中約82%以港元為幣值，及約18%以人民幣（「人民幣」）為幣值。該等信貸融資主要以萬順昌集團之短期信託收據銀行貸款安排下持有的萬順昌集團之存貨及／或已抵押銀行存款及／或本公司提供之公司擔保以作抵押。所有以上之借貸均按浮動利率計息。進口銀行貸款之利息費用以銀行同業拆息率加非常具有競爭力之息差計算。萬順昌集團已自國內及外資銀行獲得數額為人民幣88,000,000元之人民幣貸款及匯票融資。人民幣銀行融資之利息費用乃按中國人民銀行釐定之標準貸款利率以優惠息差再加以調整。

## 資產抵押

於二零一二年九月三十日，萬順昌集團有若干資產抵押，包括(i)若干於信託收據銀行貸款安排項下持有之存貨；(ii)約24,000,000港元之銀行存款作為萬順昌集團之銀行信貸額之抵押品及約50,000,000港元銀行存款已作為履約保證金之抵押品；及(iii)一項約22,000,000港元之投資物業已抵押作萬順昌集團之若干銀行借貸。

## 匯率風險波動及相關對沖

萬順昌集團之業務主要以港元、美元及人民幣作交易。由於港元與美元之間匯率掛鈎，萬順昌集團相信其匯率風險相當輕微。面對人民幣之升值，萬順昌集團將繼續以人民幣收入來作出人民幣付款，從而減低兌換風險。

Forward foreign exchange contracts would be entered into when suitable opportunities arise and when management of the VSC Group considers appropriate, to hedge against major non-HK dollar currency exposures. It is the VSC Group's policy not to enter into any derivative transaction for speculative purposes.

## CONTINGENT LIABILITIES

As at 30th September 2012, there was no material contingent liability.

## OPERATION REVIEW AND PROSPECTS

### Steel Distribution

Steel distribution operations comprise stockholding business of rebar, structural steel and engineering products in Hong Kong and steel distribution in Mainland China. The VSC Group has a 66.7% owned subsidiary – Shanghai Bao Shun Chang (“BSC”), which engages in the distribution of domestic steel products in Eastern China.

### *Hong Kong Steel Distribution (“HK Steel”)*

HK Steel operation generated approximately HK\$902 million in revenue for the first six months of this financial year. Sales decreased by 9% when compared to the same period last year. Boosting gross profit has been a strategic focus for this financial year. The gross profit margin for the first six months was 9% of sales, a turnaround from the negative gross profit in the same period last year.

The market demand remains strong in Hong Kong and Macau. Hong Kong has embarked on a number of infrastructure projects that should sustain robust demand for the foreseeable future. Construction for some of the major projects such as the Express Rail Link Terminus station in Tsimshatsui, the MTR Shatin-Central Link and the Hong Kong-Zhuhai-Macau Bridge has started this year. Availability of public housing is a cornerstone of Hong Kong's new Government and will help demand for the products we sell to remain strong.

Over in Macau, public housing and casino projects are also on the rise and have contributed to our improvement in sales and gross profit. Casino projects such as Melco Studio City, Galaxy Mega Resort Complex Phase 2, and Phase 2 of Wynn development project, among others, should contribute to stable demand in Macau and enable us to diversify geographic sales amongst both Special Administrative Regions.

當出現適當時機且萬順昌集團之管理層認為合適之情況下，將簽訂遠期外匯合約用以對沖非港元貨幣之主要外匯風險。而萬順昌集團之政策乃不會為投機目的訂立任何衍生工具交易。

### 或然負債

於二零一二年九月三十日，萬順昌集團並無重大或然負債。

### 業務回顧與前景

#### 鋼材分銷

鋼材分銷業務包括在香港經營的鋼筋、結構鋼及工程產品之存銷業務，以及在中國內地經營的鋼材分銷業務。萬順昌集團擁有66.7%權益的附屬公司—上海寶順昌（「寶順昌」）則在華東從事國內鋼材產品分銷業務。

#### *香港鋼材分銷（「香港鋼材」）*

本財政年度首六個月香港鋼材業務獲得約902,000,000港元之收入。銷售較去年同期下降9%。提高毛利已成為本財政年度之戰略重點。首六個月之毛利率為銷售額之9%，並扭轉了去年同期的負毛利率。

香港及澳門之市場需求仍然強勁。香港已開展多個基建項目，確保了在可預見未來仍能維持強大需求。該等主要基建項目包括了今年開展的尖沙咀廣深港高速鐵路總站、港鐵沙田至中環線及港珠澳大橋。發展公共房屋是新一屆香港政府的主要基石，將有助保持我們產品的強勁需求。

就澳門而言，公共房屋及賭場建設項目亦正不斷增加，並已在提高我們的銷售及毛利方面作出貢獻。賭場項目，如（其中包括）Melco Studio City、路氹城銀河大型娛樂場第二期及永利發展項目第二期，將有助於澳門對鋼材的穩定需求及可使我們於兩個特別行政區的區域銷售更多元化。

### **Mainland China Steel Distribution**

BSC remains focused on the automobile and home appliance sectors. The competitive landscape has presented challenges. Falling demand and a decrease in steel prices caused sales to decrease 29% in the first six months versus the same period of last year. Gross profit margin also decreased by 0.7 basis points. Liquidity issues of several major customers caused us to be conservative resulting in reduced sales. Management is reviewing the business model and looking at a diversification of both products and industries as measures to improve sales and profitability.

### **Metals Recycling Business**

The VSC Group continues to look for ways to enhance our revenue stream. Our goal is always to find projects that have synergies with our existing businesses and product lines. In late last year, the Board approved an investment in scrap metals recycling business. We have almost completed the construction and set up of a scrap collection and processing yard in Changsha, Hunan Province, PRC and are looking to start operations in late 2012. The VSC Group is cautiously optimistic about the future of metals recycling in Mainland China and striving to get this business beyond the start-up stage to deliver consistent growth, profit and value for shareholders.

### **Building Products Distribution**

The business unit of Building Products Distribution mainly engages in distributing sanitary wares in Mainland China, namely Shanghai, Hubei, Hunan, Shenzhen, Hong Kong and Macau. Total revenue of the Building Products Distribution amounted to approximately HK\$253 million for the period under review, growing from a respectable HK\$224 million for same period of last year, close to 13% increase.

### **中國內地鋼材分銷**

寶順昌繼續專注於汽車及家電行業。充滿競爭的市場環境帶來重重挑戰。鋼材需求及其價格下跌導致首六個月的銷售額較去年同期下降29%。毛利率亦下降0.7個基點。若干主要客戶的資金周轉問題令我們趨於保守，並導致銷售額減少。管理層正檢討業務模式及尋求產品和產業多樣化，作為提高銷售額及盈利能力的措施。

### **金屬回收業務**

萬順昌集團持續擴展收入來源的方法。我們的目標一直都是物色與我們現有業務及產品線具有協同效應的項目。於去年年底，董事會批准了一項金屬廢料回收業務之投資。我們已基本完成於中國湖南省長沙市建立廢料回收及處理中心，預計於二零一二年底開始運營。萬順昌集團對中國內地的金屬回收業務前景持審慎樂觀的態度，並致力使該業務順利渡過創辦期，為股東持續帶來業務增長、溢利及價值。

### **建築產品分銷**

建築產品分銷業務部門主要在中國內地，包括上海、湖北、湖南、深圳、香港和澳門分銷潔具。於回顧期內，建築產品分銷收入總額約為253,000,000港元，較去年同期已不俗的收益約224,000,000港元增長近13%。

Our building products lines of business in both Hong Kong and Mainland China continue to perform above plan and the same period last year. Sales in Hong Kong were 30% above the same period last year and 27% above plan. Profits were also higher than last year and that of plan. Sales in Mainland China were 7% above last year and 4% above plan. The VSC Group completed the expansion of its networks in Wuhan and Changsha and will continue to explore adding products and increasing our value proposition in installation services. Our goal is to continue to aggressively grow this line of business in Hong Kong, Macau and Mainland China, while at the same time continuing to establish partnerships with well-known international firms from Japan and Europe.

### **Plastic Resins Distribution (“Plastics Department”)**

Plastics Department distributes general and engineering plastics in Hong Kong and Mainland China. It currently has a business presence in Guangzhou, Shenzhen, Shanghai, Xiamen, Hangzhou, Wuhan, Chongqing and Hong Kong.

While the sales in plastics resin are above plan as well as above the same period in the previous year, margin has deteriorated at an unexpected rate. The sharp decrease in exports to North America and Europe created a very competitive environment as we strived to maintain market share. Going forward, our focus will be profit margin enhancement and profit improvement. We are working with suppliers to reduce inventory and are evaluating all relationships with customers to identify opportunities to add value and improve profit margin. We will monitor results closely as the performance in this line of business has strayed far from plan and is only slightly above break-even in terms of profitability.

### **Property Investment**

The VSC Group has invested in property through a 33.33% stake in an 11-storey office building in Jing An District, Shanghai, where the VSC Group’s Mainland China headquarter is located. The VSC Group has managed the property since it was acquired and currently with an occupancy rate of more than 98% with many tenants being renowned multinational companies and it is providing a stable income.

The VSC Group’s property management team has been in the real estate management business for a number of years and is also valuating opportunities of leveraging its expertise to provide property management and agency services to other projects.

我們於中國內地及香港的建築產品業務運營表現繼續超越計劃目標並高於去年同期。香港的銷售額較去年同期增長30%及較計劃增長27%。溢利亦高於去年及超越計劃目標。中國內地的銷售額亦較去年增長7%及較計劃增長4%。萬順昌集團已完成位於武漢及長沙的業務擴張，並將繼續增加產品及提高安裝服務的價值定位。我們的目標是繼續於香港、澳門及中國內地積極發展此業務，同時繼續與日本及歐洲的國際知名企業建立夥伴關係。

### **塑膠樹脂分銷（「塑膠部」）**

塑膠部於香港及中國內地分銷一般及工程塑膠樹脂。業務現時遍及廣州、深圳、上海、廈門、杭州、武漢、重慶及香港。

儘管塑膠樹脂銷售超越計劃目標並高於去年同期，其利潤率卻以我們始料不及的速率下降。對北美及歐洲出口的急劇下跌，加上我們要努力維持市場份額，形成激烈的競爭環境。展望未來，我們的工作重點將是提高利潤率及增加溢利。我們正與供應商協調以降低存貨，且正評估所有的客戶關係以物色增加價值及提高利潤率的商機。鑒於此業務表現已遠低於預期及其盈利能力僅略高於收支平衡點，我們將嚴密監控該業績。

### **房地產投資**

萬順昌集團透過持有上海靜安區的一幢11層高辦公大樓（萬順昌集團之中國內地總部亦設於該辦公大樓內）的33.33%權益而投資於房地產。萬順昌集團自購買之日起即管理該物業，目前出租率超過98%，其中多個租戶為國際知名公司，為集團帶來穩定的收入。

萬順昌集團的物業管理團隊從事房地產管理業務已多年，並正評估利用其專業知識提供物業管理及代理服務的機會。

### **Other Investment**

The VSC Group owns 44% interest in a business of budgeted hotel chain operating in the Mainland China, a8 Hotel (“a8”), which currently operates three hotels in Shanghai and two hotels in Guangzhou, with another hotel in Shanghai joining a8 as a franchisee.

The hotel business has continued to maintain a relatively stable performance with a positive cash flow. The leadership team is re-evaluating the strategic planning of this investment and the best possible way to realise maximum value for shareholders.

### **EMPLOYEE AND REMUNERATION POLICIES**

As at 30th September 2012, the VSC Group employed 417 staff. Salaries and annual bonuses are determined according to positions and performance of the employees. The VSC Group provides on-the-job training and training subsidy to its employees in addition to retirement benefit schemes and medical insurance. Total staff costs including contribution to retirement benefit schemes incurred during the 6-month period under review amounted to approximately HK\$50 million. During the 6-month period under review, options to subscribe 3,815,000 shares have been offered and granted to its employee under the share option scheme adopted since 11th August 2011 (the “2011 Share Option Scheme”).

### **INTERIM DIVIDEND**

The Directors have declared an interim dividend of HK2.3 cents per ordinary share for the six months ended 30th September 2012 payable to shareholders whose names appear on the register of members of the Company at the close of business on 5th December 2012. Dividend warrants are expected to be despatched to shareholders on or before 14th December 2012.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 3rd December 2012 to 5th December 2012 (both dates inclusive) during which period no transfers of shares will be registered. In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited by not later than 4:00 p.m. (Hong Kong SAR time) on 30th November 2012.

### **其他投資**

萬順昌集團擁有在中國內地營運的經濟型連鎖酒店a8酒店（「a8」）業務的44%權益。目前，a8分別在上海和廣州經營三家和兩家酒店，另一家上海酒店以特許店形式加盟a8。

酒店業務繼續保持相對穩定表現及貢獻正現金流量。領導團隊正重估此項投資之策略性計劃，並思考能為列位股東變現最高價值之最佳可行方案。

### **員工及薪酬政策**

於二零一二年九月三十日，萬順昌集團聘請417名員工。薪酬及年終花紅乃根據僱員之職位及表現而釐定。除退休福利計劃及醫療保險外，萬順昌集團亦為其僱員提供在職培訓及培訓津貼。總員工成本包括於回顧六個月期間之退休福利計劃供款約50,000,000港元。在回顧六個月期間，根據於二零一一年八月十一日採納之購股權計劃（「2011購股權計劃」），向其僱員提供及授出可認購3,815,000股股份之購股權。

### **中期股息**

董事會宣佈向於二零一二年十二月五日辦公時間結束時名列本公司股東名冊之股東派發截至二零一二年九月三十日止六個月之中期股息每股普通股2.3港仙。預期股息單將於二零一二年十二月十四日或該日之前寄送予各位股東。

### **暫停辦理股份過戶登記手續**

本公司將由二零一二年十二月三日至二零一二年十二月五日（首尾兩天包括在內）期間暫停辦理股份過戶登記手續。為符合享有中期股息資格，所有股份轉讓文件連同有關股票及過戶表格最遲須於二零一二年十一月三十日下午四時正（香港特別行政區時間）送抵本公司於香港之股份過戶登記處，即香港中央證券登記有限公司。



## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30th September 2012, the interests and short positions of the Directors and chief executives of the Company in the shares of HK\$0.10 each in the capital of the Company ("Shares"), underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") to be notified to the Company and the Stock Exchange, were as follows:

## 董事於股份、相關股份及債權證之權益及淡倉

於二零一二年九月三十日，董事及本公司之最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之本公司股本中每股面值0.10港元之股份（「股份」）、相關股份及債權證中擁有之權益及淡倉包括(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及香港聯合交易所有限公司（「聯交所」）（包括根據證券及期貨條例之該等規定被認為或視作擁有之權益及淡倉）；或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內；或(c)根據上市發行人董事進行證券交易的標準守則（「標準守則」）必須知會本公司及聯交所之權益及淡倉載列如下：

### (i) Long positions in Shares and options of the Company

### (i) 本公司之股份及購股權之權益

Name of Directors 董事名稱	Capacity 身份	Attributable interest to the Directors 董事應佔權益	Number of Shares 股份數目	Approximate percentage 概約百分比	Number of share options 購股權數目 (Note b) (附註b)	Aggregate interest 累計權益
Mr. Andrew Cho Fai Yao ("Mr. Yao") 姚祖輝先生 (「姚先生」)	Interest of controlled corporation, Huge Top (Note a) 受控制公司， Huge Top之權益 (附註a)	Deemed interest (indirectly) 被視作擁有之 權益(間接)	173,424,000	41.88%	-	173,424,000
	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	2,512,000	0.61%	1,500,000	4,012,000
			175,936,000	42.49%	1,500,000	177,436,000
Mr. Fernando Sai Ming Dong 唐世銘先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	142,000	0.03%	500,000	642,000

Name of Directors 董事名稱	Capacity 身份	Attributable interest to the Directors 董事應佔權益	Number of Shares 股份數目	Approximate percentage 概約百分比	Number of share options 購股權數目 (Note b) (附註b)	Aggregate interest 累計權益
Mr. Harold Richard Kahler (retired on 17th August 2012) Harold Richard Kahler先生 (於二零一二年 八月十七日卸任)	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	66,000	0.02%	1,000,000	1,066,000
Mr. Kern Lim 林耿先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	-	-	11,445,000	11,445,000
Mr. Kenny King Ching Tam 譚競正先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	-	-	1,000,000	1,000,000
Mr. Xu Lin Bao 徐林寶先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	-	-	1,000,000	1,000,000

Notes:

- a. As at 30th September 2012, Huge Top Industrial Ltd. ("Huge Top") held 173,424,000 Shares. Mr. Yao was one of the two directors of Huge Top while the remaining director of Huge Top was Ms. Miriam Che Li Yao who is the sister of Mr. Yao. Mr. Yao directly held approximately 11.90% and indirectly through Perfect Capital International Corp. ("Perfect Capital") owned approximately 42.86% of the issued shares of Huge Top and was entitled to exercise more than one-third of the voting power at general meetings of Huge Top. Mr. Yao owned the entire issued share capital of Perfect Capital. These interests of the aforesaid Director in the Shares were corporate interests.
- b. The interests of the Director in the share options of the Company are separately disclosed in the section headed "Share Option Scheme" below.

附註：

- a. 於二零一二年九月三十日，Huge Top Industrial Ltd (「Huge Top」) 持有173,424,000股股份。姚先生乃Huge Top兩名董事之一，而Huge Top餘下之董事為姚潔莉小姐(乃姚先生之姊)。姚先生直接持有約11.90%及透過Perfect Capital International Corp. (「Perfect Capital」) 間接擁有Huge Top已發行股份約42.86%，並在Huge Top之股東大會上擁有多於三份一之投票權。姚先生擁有Perfect Capital全部已發行股本。前述董事於股份之該等權益乃屬公司權益。
- b. 董事於本公司購股權之權益已獨立在下節「購股權計劃」披露。

**(ii) Long positions in associated corporation – Huge Top****(ii) 相聯法團之權益 – Huge Top**

<b>Name of Directors</b> 董事名稱	<b>Capacity</b> 身份	<b>Attributable interest to the Directors</b> 董事應佔權益	<b>Number of shares</b> 股份數目	<b>Approximate percentage</b> 概約百分比
Mr. Yao (Refer to Note a in (i) above) 姚先生(請閱上文(i)附註a)	Interest of controlled corporation, Perfect Capital 受控制公司, Perfect Capital之權益	Deemed interest (indirectly) 被視作擁有之權益(間接)	36	42.86%
			10	11.90%
	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	46	54.76%
Mr. Fernando Sai Ming Dong 唐世銘先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	13	15.48%

Save as disclosed above, as at 30th September 2012, none of the Directors, chief executives of the Company and their associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (include interests and short positions which they are taken or deemed to have under such provisions of SFO); or (b) were required pursuant to section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

除上文所披露者外，於二零一二年九月三十日，董事、本公司之最高行政人員或彼等之聯繫人概無擁有根據證券及期貨條例有關本公司或其任何相聯法團之股份、相關股份或債權證中任何個人、家族、公司或其他權益或淡倉包括(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及聯交所(包括根據證券及期貨條例之該等規定被認為或視作擁有之權益或淡倉)；或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內；或(c)根據標準守則必須知會本公司及聯交所之權益或被視作擁有之權益或淡倉。

Apart from the foregoing, at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under the 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, and no Directors or chief executives or their respective spouses or children under 18 years of age had been granted any right to subscribe for equity or debt securities of the Company nor exercised any such right.

除上述者外，於期內任何時間，本公司及其任何附屬公司並無訂立任何安排，以使董事或彼等之任何配偶或十八歲以下之子女有權透過購買本公司或任何其他法人團體之股份或債權證而從中獲益，以及概無董事或最高行政人員或彼等各自之配偶或十八歲以下之子女已獲授任何權利以認購本公司股份或債務證券或已行使該等權利。

**PERSONS WHO HAVE INTERESTS OR SHORT POSITIONS WHICH ARE DISCLOSEABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO**

Other than interests disclosed in the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, as at 30th September 2012, according to the register of interests kept by the Company under section 336 of the SFO, the following entities had interests or short positions in the shares and underlying Shares of the Company which fell to be disclosed under Divisions 2 and 3 of Part XV of the SFO:

**根據證券及期貨條例第XV部第2及第3分部須披露人士之權益及淡倉**

除上文「董事於股份、相關股份及債權證之權益及淡倉」一節所披露之權益外，於二零一二年九月三十日，按本公司根據證券及期貨條例第336條須存置之登記冊之記錄，下列實體於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉：

<b>Name</b> 姓名	<b>Capacity</b> 身份	<b>Number of Shares</b> 股份數目	<b>Approximate percentage</b> 概約百分比	<b>Number of share options</b> 購股權數目	<b>Aggregate interest</b> 累計權益
Huge Top	Beneficial owner 實益擁有人	173,424,000	41.88%	–	173,424,000
Perfect Capital	Interest of controlled corporation 受控制公司之權益	173,424,000 (Note a) (附註a)	41.88%	–	173,424,000
Ms. Miriam Che Li Yao 姚潔莉女士	Interest of controlled corporation 受控制公司之權益	173,424,000 (Note b) (附註b)	41.88%	–	173,424,000
	Beneficial owner 實益擁有人	2,000,000	0.48%	1,000,000	3,000,000
		175,424,000	42.36%	1,000,000	176,424,000

Notes:

- (a) As at 30th September 2012, Huge Top held 173,424,000 Shares. Perfect Capital owned approximately 42.86% of the issued shares of Huge Top and was entitled to exercise more than one-third of the voting power at general meetings of Huge Top and therefore was deemed to be interested in these Shares through Huge Top.
- (b) As at 30th September 2012, Huge Top held 173,424,000 Shares. Ms. Miriam Che Li Yao was one of the two directors of Huge Top while the remaining director of Huge Top was Mr. Yao who is the brother of Ms. Miriam Che Li Yao and therefore was deemed to be interested in these Shares through Huge Top.

Save as disclosed above, as at 30th September 2012, the Directors were not aware of any other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

### SHARE OPTION SCHEME

The share option scheme adopted since 12th November 2001 (the "2001 Share Option Scheme") was terminated on 11th August 2011 and the 2011 Share Option Scheme had been adopted since 11th August 2011 at the 2011 annual general meeting of the Company. Upon termination of the 2001 Share Option Scheme, no further options will be granted thereunder but in all other respects, the provisions of the 2001 Share Option Scheme shall remain in force and all options granted prior to such termination shall continue to be valid and exercisable in accordance therewith. The terms of the 2011 Share Option Scheme are contained in a circular dated 8th July 2011 and have been sent to the shareholders of the Company.

附註：

- (a) 於二零一二年九月三十日，Huge Top持有173,424,000股股份。Perfect Capital擁有Huge Top已發行股份約42.86%，並在Huge Top之股東大會上擁有多於三分之一之投票權，因此透過Huge Top被視為持有該等股份。
- (b) 於二零一二年九月三十日，Huge Top持有173,424,000股股份。姚潔莉女士乃Huge Top兩名董事之一，而Huge Top餘下之董事為姚先生（乃姚潔莉女士之弟），因此透過Huge Top被視為持有該等股份。

除上文所披露者外，於二零一二年九月三十日，董事並不知悉有任何其他人士（董事或本公司最高行政人員除外）於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉。

### 購股權計劃

於本公司之二零一一年股東週年大會上，已終止於二零零一年十一月十二日採納之購股權計劃（「2001購股權計劃」），生效日期為二零一一年八月十一日，亦自同日採納2011購股權計劃。2001購股權計劃終止後，本公司將不會再按2001購股權計劃授予購股權，惟2001購股權計劃之所有其他條款仍然有效，而於計劃終止前授予之購股權，將仍然有效及可按條款行使。2011購股權計劃之條款已刊於日期為二零一一年七月八日之通函及已寄予本公司之股東。

The details of the movements in the share options granted to the Company's employees (including Directors) under the 2001 Share Option Scheme and 2011 Share Option Scheme during the period were as follows:

於期內，按2001購股權計劃及2011購股權計劃下授予本公司僱員（包括董事）之購股權變動如下：

### 2001 Share Option Scheme

### 2001購股權計劃

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Exercise period 行使期	Exercise price per Share 每股行使價	Number of share options 購股權數目				
				Beginning of the period 期初 '000 千份	Granted during the period 期內授予 '000 千份	Exercised during the period 期內行使 '000 千份	Lapsed during the period 期內失效 '000 千份	End of the period 期末 '000 千份
Directors:								
董事：								
Mr. Yao 姚先生	13th September 2006 二零零六年九月十三日	13th September 2007 to 12th September 2016 二零零七年九月十三日至二零零六年九月十二日	HK\$0.90 0.90港元	1,500	-	-	-	1,500
Mr. Fernando Sai Ming Dong 唐世銘先生	19th September 2003 二零零三年九月十九日	19th September 2005 to 18th September 2013 二零零五年九月十九日至二零零三年九月十八日	HK\$1.418 1.418港元	300	-	-	-	300
	13th September 2006 二零零六年九月十三日	13th September 2007 to 12th September 2016 二零零七年九月十三日至二零零六年九月十二日	HK\$0.90 0.90港元	200	-	-	-	200
Mr. Kenny King Ching Tam 譚競正先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至二零零八年六月十八日	HK\$0.78 0.78港元	1,000	-	-	-	1,000
Mr. Harold Richard Kahler (retired on 17th August 2012) Harold Richard Kahler先生 (於二零一二年八月十七日卸任)	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至二零零八年六月十八日	HK\$0.78 0.78港元	1,000	-	-	-	1,000
Mr. Xu Lin Bao 徐林寶先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至二零零八年六月十八日	HK\$0.78 0.78港元	1,000	-	-	-	1,000

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Exercise period 行使期	Exercise price per Share 每股行使價	Number of share options 購股權數目				
				Beginning of the period 期初	Granted during the period 期內授予	Exercised during the period 期內行使	Lapsed during the period 期內失效	End of the period 期末
				'000 千份	'000 千份	'000 千份	'000 千份	'000 千份
Mr. Kern Lim 林耿先生	19th July 2010 二零一零年七月十九日	1st June 2012 to 18th July 2020 二零一二年六月一日至 二零二零年七月十八日	HK\$0.828 0.828港元	3,815	-	-	-	3,815
	1st August 2011 二零一一年八月一日	1st August 2013 to 31st July 2021 二零一三年八月一日至 二零二一年七月三十一日	HK\$0.692 0.692港元	3,815	-	-	-	3,815
Sub-total 小計				12,630	-	-	-	12,630
Employees: 僱員:								
In aggregate 共計	7th May 2003 二零零三年五月七日	7th May 2005 to 6th May 2013 (Note 2) 二零零五年五月七日至 二零一三年五月六日 (附註2)	HK\$0.97 0.97港元	700	-	-	-	700
In aggregate 共計	19th September 2003 二零零三年九月十九日	19th September 2005 to 18th September 2013 二零零五年九月十九日至 二零一三年九月十八日	HK\$1.418 1.418港元	1,000	-	-	-	1,000
In aggregate 共計	13th September 2006 二零零六年九月十三日	13th September 2007 to 12th September 2016 二零零七年九月十三日至 二零一六年九月十二日	HK\$0.90 0.90港元	600	-	-	-	600
In aggregate 共計	18th September 2009 二零零九年九月十八日	18th September 2011 to 17th September 2019 (Note 3) 二零一一年九月十八日至 二零一九年九月十七日 (附註3)	HK\$0.586 0.586港元	4,250	-	-	(1,000)	3,250
In aggregate 共計	13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至 二零一九年十月十二日	HK\$0.504 0.504港元	10,500	-	-	-	10,500
Sub-total 小計				17,050	-	-	(1,000)	16,050

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Exercise period 行使期	Exercise price per Share 每股行使價	Number of share options 購股權數目				
				Beginning of the period 期初 '000 千份	Granted during the period 期內授予 '000 千份	Exercised during the period 期內行使 '000 千份	Lapsed during the period 期內失效 '000 千份	End of the period 期末 '000 千份
Others: 其他：								
In aggregate 共計	2nd May 2003 二零零三年五月二日	2nd May 2003 to 1st May 2013 二零零三年五月二日至 二零一三年五月一日	HK\$0.98 0.98港元	1,000	-	-	-	1,000
In aggregate 共計	13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至 二零一九年十月十二日	HK\$0.504 0.504港元	6,000	-	-	-	6,000
Sub-total 小計				7,000	-	-	-	7,000
Total of 2001 Share Option Scheme 2001購股權計劃總計				36,680	-	-	(1,000)	35,680

## Notes:

## 附註：

1. For the 2001 Share Option Scheme, the vesting period of the share options is from the date of the grant until the commencement of the exercise period.
1. 於2001購股權計劃，購股權之歸屬期由授出當日開始直至行使期開始當日止。
2. The options to subscribe for Shares at a price of HK\$0.97 per Share are to be exercisable in whole or in part in the following manner:
  - (i) During the period starting from 7th May 2005 to 6th May 2006, the option may be exercised up to 30% of such Shares.
  - (i) 於二零零五年五月七日至二零零六年五月六日期間，持有人最多可行使可認購30%此等股份的購股權。
  - (ii) During the period starting from 7th May 2006 to 6th May 2007, the option may (to the extent not exercised in accordance with (i) above) be exercised up to 70% of such Shares.
  - (ii) 於二零零六年五月七日至二零零七年五月六日期間，持有人最多可行使可認購70%此等股份的購股權（以按照上文(i)段以尚未行使者為限）。
  - (iii) During the period starting from 7th May 2007 to 6th May 2013, the option may (to the extent not exercised in accordance with (i) and (ii) above) be exercised in full.
  - (iii) 於二零零七年五月七日至二零一三年五月六日期間，持有人可悉數行使購股權（以按照上文(i)及(ii)段以尚未行使者為限）。



3. The options to subscribe for Shares at a price of HK\$0.586 per Share are to be exercisable in whole or in part in the following manner:
- (i) During the period starting from 18th September 2011 to 17th September 2012, the option may be exercised up to 33.33% of such Shares.
- (ii) During the period starting from 18th September 2012 to 17th September 2013, the option may (to the extent not exercised in accordance with (i) above) be exercised up to 66.66% of such Shares.
- (iii) During the period starting from 18th September 2013 to 17th September 2019, the option may (to the extent not exercised in accordance with (i) and (ii) above) be exercised in full.
3. 以每股0.586港元認購股份之購股權可按以下方式全面或部份行使：
- (i) 於二零一一年九月十八日至二零一二年九月十七日期間，持有人最多可行使可認購33.33%此等股份的購股權。
- (ii) 於二零一二年九月十八日至二零一三年九月十七日期間，持有人最多可行使可認購66.66%此等股份的購股權（以按照上文(i)段以尚未行使者為限）。
- (iii) 於二零一三年九月十八日至二零一四年九月十七日期間，持有人可悉數行使購股權（以按照上文(i)及(ii)段以尚未行使者為限）。

### 2011 Share Option Scheme

### 2011購股權計劃

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Exercise period 行使期	Exercise price per Share 每股行使價	Number of share options 購股權數目				
				Beginning of the period 期初	Granted during the period 期內授予	Exercised during the period 期內行使	Lapsed during the period 期內失效	End of the period 期末
				'000 千份	'000 千份	'000 千份	'000 千份	'000 千份
Director: 董事:								
Mr. Kern Lim 林耿先生	7th September 2012 二零一二年九月七日	1st August 2014 to 6th September 2022 二零一四年八月一日至 二零二二年九月六日	HK\$0.49 0.49港元	-	3,815	-	-	3,815
Total of 2011 Share Option Scheme 2011購股權計劃總計				-	3,815	-	-	3,815

#### Note:

1. For the 2011 Share Option Scheme, the vesting period of the share options is from the date of the grant until the commencement of the exercise period.

#### 附註：

1. 於2011購股權計劃，購股權之歸屬期由授出當日開始直至行使期開始當日止。

Save as disclosed above, no share options were granted, exercised, lapsed or cancelled during the period.

除上文所披露外，於期內並無購股權獲授予、行使、失效或註銷。

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

During the review period, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company has applied the principles and complied with all the applicable code provisions of the Corporate Governance Code (effective from 1st April 2012) ("CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") for the six months ended 30th September 2012, except for the deviations herein below mentioned:

1. The CG Code provision A.2.1 stipulates that the roles of the chairman and the chief executive should be separated and should not be performed by the same individual. The Company did not have a separate chairman and chief executive and Mr. Yao held both positions. Details of this deviation and considered reason have been set out in the corporate governance report in the 2012 annual report of the Company dated 22nd June 2012.
2. The CG Code provisions A.4.1 stipulates that the non-executive directors should be appointed for a specific term, subject to re-election. The Company's non-executive Directors (except for Mr. Harold Richard Kahler who retired as an independent non-executive director of the Company on 17th August 2012) are not appointed for a specific term. They are (including all other Directors) however, subject to retirement by rotation and re-election every three years according to the Company's Bye-Laws.

To bring the Company into compliance with the CG Code provision A.2.1, Mr. Yao ceased to act as the chief executive officer of the Company but remains as the chairman of the Board and Mr. Frank Muñoz has been appointed as the chief executive officer of the Company with effect from 1st November 2012.

## **購回、出售或贖回本公司上市證券**

於回顧期內，本公司或其附屬公司均無購回、出售或贖回任何本公司之上市證券。

## **所遵守之企業管治守則**

於截至二零一二年九月三十日止六個月內，本公司已應用香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治守則（由二零一二年四月一日生效）（「企業管治守則」）之原則，並遵守一切適用守則條文，惟下文所述者則除外：

1. 企業管治守則條文A.2.1條所規定，主席及行政總裁之職位應分開，不應由一人同時兼任。本公司之主席及行政總裁職位並無分開，由姚先生一人同時出任。該項偏離事項的詳情及已考慮理由載於本公司日期為二零一二年六月二十二日之二零一二年年報之企業管治報告中。
2. 企業管治守則條文A.4.1所規定，非執行董事的委任應有指定任期，並須接受重新選舉。本公司之非執行董事（除Harold Richard Kahler先生外，彼於二零一二年八月十七日卸任本公司獨立非執行董事）並無指定委任任期。可是他們（包括全部其他董事）需要按本公司之組織章程細則每三年至少輪值告退一次，並可膺選連任。

為使本公司遵守企業管治守則條文A.2.1條，姚先生卸任本公司之行政總裁，但留任董事會主席；及Frank Muñoz先生已獲委任為行政總裁，於二零一二年十一月一日起生效。

## AUDIT COMMITTEE

The Audit Committee has been set up since December 1998 and now consists of three independent non-executive Directors with Mr. Kenny King Ching Tam as chairman and Mr. Xu Lin Bao and Mr. Teddy Lung Wa Tse (appointed on 17th August 2012) as members. Mr. Kenny King Ching Tam who is an independent non-executive Director with appropriate professional accounting expertise as required under Rule 3.10 of the Listing Rules. Scope of the work of the Audit Committee is defined and approved by the Board in relation to various internal control and audit issues with a view to further improving our corporate governance. The Company adopted a new terms of reference of the Audit Committee on 16th March 2012 in order to conform with the amendments made to the CG Code. The Audit Committee has adopted its terms of reference, which is in line with the CG Code was posted to the Company's website at <http://www.vschk.com> and the Stock Exchange's website at [www.hkex.com.hk](http://www.hkex.com.hk). The Audit Committee has discussed auditing, internal controls, and financial reporting matters including review of the results for the six months ended 30th September 2012. They are also of opinion that such statements comply with applicable accounting standards and legal requirements, and that adequate disclosures have been made.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Appendix 10 of the Listing Rules as its own code of conduct (the "Company's Model Code") regarding securities transactions by the Directors on 31st March 2004. Various amendments have been made to the Company's Model Code in order to conform with the amendments made to Appendix 10 of the Listing Rules effective 1st January 2009 and 1st April 2009. Having made specific enquiry of all Directors, they all confirmed that they have complied with the required standard set out in the Company's Model Code during the six months ended 30th September 2012. The Company's Model Code also applies to other specified relevant employees of the VSC Group in respect of their dealings in the securities of the Company.

## 審核委員會

審核委員會於一九九八年十二月成立，成員現時包括三名獨立非執行董事，譚競正先生為主席及徐林寶先生及謝龍華先生（於二零一二年八月十七日獲委任）為委員。按上市規則第3.10條，譚競正先生為獨立非執行董事並為合適專業會計專才。董事會已制定及核准審核委員會之職權範圍，職權涉及若干內部監控及審核事宜，目標為進一步改善其企業管治。本公司已於二零一二年三月十六日採納了審核委員會之新職權範圍，以符合企業管治守則近來作出之多項修訂。審核委員會已按企業管治守則採納其職權範圍，並列於本公司之網址（<http://www.vschk.com>）及聯交所之網址（[www.hkex.com.hk](http://www.hkex.com.hk)）。審核委員會已討論審計，內部監控及財務匯報等事宜，其中包括審閱截至二零一二年九月三十日止六個月之業績，他們認為有關報表乃符合適用之會計準則及法例規定，並作出足夠之披露。

## 進行證券交易之標準守則

本公司已於二零零四年三月三十一日採納上市規則附錄10所載之上市發行人董事進行證券交易之標準守則，作為本公司董事的證券交易守則（「公司之標準守則」）。為符合上市規則附錄10於二零零九年一月一日及二零零九年四月一日生效之修訂，公司之標準守則已作出多項相關之修訂。經向所有董事作出特定查詢後，彼等確認於截至二零一二年九月三十日止六個月內已遵守公司之標準守則所載之所需規定。公司之標準守則亦適用於萬順昌集團該等特定之有關僱員買賣本公司之證券。

## CHANGES IN THE INFORMATION OF DIRECTORS

Changes in Directors' information since the date of the 2012 Annual Report are set out below:

- 1) With effect from 1st April 2012, the basic annual salary payable to Mr. Andrew Cho Fai Yao has been revised to HK\$1,950,000.
- 2) With effect from 1st April 2012, the director's fee payable to Mr. Kenny King Ching Tam has been revised to HK\$225,000 per annum.
- 3) With effect from 1st April 2012, the director's fee payable to Mr. Xu Lin Bao has been revised to HK\$207,000 per annum.
- 4) Mr. Fernando Sai Ming Dong has been re-designated from an executive director to a non-executive director and ceased to be a member of the executive committee of the Company with effect from the conclusion of the annual general meeting of the Company held on 17th August 2012 (the "AGM").
- 5) Mr. Harold Richard Kahler has retired as an independent non-executive director and ceased to be a member of the audit and remuneration committees of the Company with effect from the conclusion of the AGM. After Mr. Kahler's retirement, he acts as a consultant of the Company until 31st December 2012. He has also resigned as a director of a subsidiary of the Company with effect from 17th August 2012.
- 6) Mr. Teddy Lung Wa Tse has been appointed as an independent non-executive director and a member of the audit and remuneration committees of the Company with effect from the conclusion of the AGM. For details of Mr. Tse's appointment, please refer to the announcement of the Company published on 17th August 2012.
- 7) Mr. Andrew Cho Fai Yao ceased to act as the chief executive officer of the Company but remains as the chairman of the board of directors of the Company with effect from 1st November 2012.

## 董事資料之變動

自二零一二年年報日期起，董事資料的變動載列如下：

- 1) 自二零一二年四月一日起，姚祖輝先生的基本年薪已被調整至1,950,000港元。
- 2) 自二零一二年四月一日起，譚競正先生的董事袍金已被調整至每年225,000港元。
- 3) 自二零一二年四月一日起，徐林寶先生的董事袍金已被調整至每年207,000港元。
- 4) 唐世銘先生由本公司執行董事調任為非執行董事，且不再擔任執行委員會成員，於本公司於二零一二年八月十七日舉行之股東週年大會（「股東週年大會」）結束後起生效。
- 5) Harold Richard Kahler先生已卸任本公司獨立非執行董事，且不再擔任審核及薪酬委員會成員，於本公司股東週年大會結束後起生效。Kahler先生於卸任後擔任本公司之顧問直至二零一二年十二月三十一日止。彼亦辭任本公司一間附屬公司之董事，於二零一二年八月十七日起生效。
- 6) 謝龍華先生已獲委任為本公司獨立非執行董事、審核及薪酬委員會成員，於本公司股東週年大會結束後起生效。有關謝先生之委任詳情，請參閱本公司於二零一二年八月十七日刊發的公佈。
- 7) 姚祖輝先生卸任本公司之行政總裁，但留任董事會主席，於二零一二年十一月一日起生效。

8) Mr. Frank Muñoz has been re-designated from a non-executive director to an executive director and been appointed as the chief executive officer and a member of the executive committee of the Company with effect from 1st November 2012.

Mr. Frank Muñoz has entered into a service agreement with the Company. He is entitled to receive a base salary package of HK\$2,311,101 per annum and is provided with staff quarters (rented by Van Shung Chong Hong Limited, a wholly owned subsidiary of the Company, from an independent third party at HK\$2,340,000 per annum) for being the chief executive officer and executive director of the Company. For details of Mr. Frank Muñoz's re-designation, please refer to the announcement of the Company published on 1st November 2012.

On behalf of the Board  
**Andrew Cho Fai Yao**  
Chairman

Hong Kong, 14th November 2012

*As at the date of this report, the Board comprised Mr. Andrew Cho Fai Yao (Chairman), Mr. Frank Muñoz and Mr. Kern Lim (being the executive Directors), Mr. Fernando Sai Ming Dong (being the non-executive Director), Mr. Kenny King Ching Tam, Mr. Xu Lin Bao and Mr. Teddy Lung Wa Tse (being the independent non-executive Directors).*

8) Frank Muñoz先生已由本公司非執行董事調任為執行董事，並已獲委任為行政總裁及執行委員會成員，於二零一二年十一月一日起生效。

Frank Muñoz先生與本公司簽訂服務合約。彼作為本公司之行政總裁及執行董事，可享有基本薪金組合為每年2,311,101港元及獲提供職員宿舍（由萬順昌行有限公司（本公司之全資附屬公司）每年以2,340,000港元向獨立第三者租用）。有關Frank Muñoz先生之調任詳情，請參閱本公司於二零一二年十一月一日刊發的公佈。

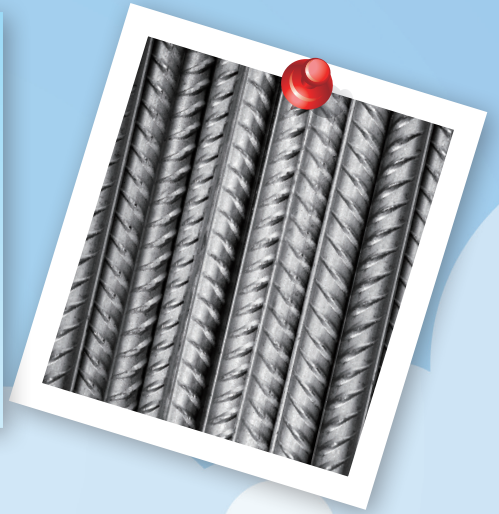
代表董事會  
主席  
姚祖輝

香港，二零一二年十一月十四日

於本報告日期，董事會包括姚祖輝先生（主席）、Frank Muñoz先生及林耿先生（為執行董事），唐世銘先生（為非執行董事）、譚競正先生、徐林寶先生及謝龍華先生（為獨立非執行董事）。



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