Future Bright Holdings Limited
佳景集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 703)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2014

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2014	2013	Change
	(Unaudited)	(Unaudited)	
	HK$'000	*HK$'000*	*%*
Turnover	**419,022**	345,076	+21.4%
Profit before interests, tax expense, depreciation and amortisation	**171,474**	129,752	+32.1%
Profit attributable to owners of the Company	**118,542**	86,535	+37.0%
Basic earnings per share	**HK17.74 cents**	HK13.76 cents	+28.9%
Interim dividend per share	**HK3.0 cents**	HK2.5 cents	+20.0%
	30 June 2014	31 December 2013	Change
	(Unaudited)	(Audited)	
	HK$'000	*HK$'000*	*%*
Total assets	**1,765,329**	1,405,922	+25.6%
Net assets	**1,186,308**	821,703	+44.4%
Net assets per share (Unaudited)	**HK$1.709**	HK$1.307	+30.8%
Gearing ratio (Unaudited)	**Nil**	19.3%	–19.3%

* *For identification purposes only*

IMPORTANT DATE	2014
Board meeting approving 2014 interim results	22 August
Ex-entitlement trading date for 2014 interim dividend	5 September
Closure of shareholders' register	10–12 September
Record date of dividend entitlement	12 September
Payment of 2014 interim dividend	23 September

INTERIM RESULTS

The board of directors (the "Directors") of Future Bright Holdings Limited (the "Company") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2014 (the "Period") as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2014

		Six months ended 30 June	
		2014	2013
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Turnover	*3*	**419,022**	345,076
Cost of sales		**(109,129)**	(96,615)
Gross margin		**309,893**	248,461
Direct operating expenses		**(152,616)**	(126,588)
Gross operating profit		**157,277**	121,873
Other revenue		**11,576**	8,847
Other gains and losses		**46,509**	29,836
Administrative expenses		**(58,418)**	(43,208)
Finance costs		**(5,008)**	(5,648)
Profit before income tax expense		**151,936**	111,700
Income tax expense	*6*	**(21,405)**	(13,040)
Profit for the period		**130,531**	98,660
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		**(659)**	(65)
Total comprehensive income for the period		**129,872**	98,595
Profit attributable to:			
Owners of the Company		**118,542**	86,535
Non-controlling interests		**11,989**	12,125
		130,531	98,660
Total comprehensive income attributable to:			
Owners of the Company		**117,883**	86,470
Non-controlling interests		**11,989**	12,125
		129,872	98,595
Earnings per share			
– Basic (HK cents per share)	*8*	**17.74**	13.76
– Diluted (HK cents per share)	*8*	**17.71**	13.76

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

	Notes	30 June 2014 (Unaudited) HK$'000	31 December 2013 (Audited) HK$'000
Non-current assets			
Property, plant and equipment	9	**144,865**	67,357
Investment properties	10	**502,000**	520,000
Goodwill		**81,781**	81,781
Intangible assets		**3,883**	–
Prepayments and deposits	11	**26,898**	3,883
Pledged bank deposits		**202,709**	207,759
Total non-current assets		**962,136**	880,780
Current assets			
Inventories		**26,761**	27,363
Trade and other receivables	11	**67,140**	46,693
Financial assets at fair value through profit or loss	12	**4,427**	4,517
Pledged bank deposits		**29,875**	20,684
Cash and cash equivalents		**674,990**	425,885
Total current assets		**803,193**	525,142
Total assets		**1,765,329**	1,405,922
Current liabilities			
Trade and other payables	13	**102,355**	119,033
Current tax liabilities		**88,630**	73,855
Interest bearing borrowings	14	**17,224**	18,655
Non-interest bearing borrowings		**1,388**	1,388
Total current liabilities		**209,597**	212,931
Net current assets		**593,596**	312,211
Total assets less current liabilities		**1,555,732**	1,192,991

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – Continued
AS AT 30 JUNE 2014

	Notes	**30 June 2014 (Unaudited)** ***HK$'000***	31 December 2013 (Audited) *HK$'000*
Non-current liabilities			
Interest bearing borrowings	*14*	**327,035**	335,259
Deferred tax liabilities		**36,960**	30,600
Non-interest bearing borrowings		**5,429**	5,429
Total non-current liabilities		**369,424**	371,288
Total liabilities		**579,021**	584,219
NET ASSETS		**1,186,308**	821,703
Capital and reserves attributable to owners of the Company			
Share capital		**69,430**	62,890
Reserves		**1,098,532**	747,115
Equity attributable to owners of the Company		**1,167,962**	810,005
Non-controlling interests		**18,346**	11,698
TOTAL EQUITY		**1,186,308**	821,703

Notes:

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments and investment properties, which are measured at fair value.

The accounting policies and methods of computation used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2013 except as those explained below.

The Group has applied for the first time the following relevant new and revised standards, amendment and interpretations ("new/revised HKFRSs") issued by HKICPA which are effective on 1 January 2014.

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK (IFRIC) 21	Levies

The application of these standards has no significant impact on the Group's financial statements.

The Group has not early adopted the new and revised HKFRSs that have been issued but are not yet effective for the current accounting period. The Group is in the process of making an assessment of the potential impact of these new and revised HKFRSs and the directors so far concluded that they are not yet in a position to quantify the effects on the Group's financial statements.

3. TURNOVER

Turnover and revenue recognised by category are as follows:

	Six months ended 30 June 2014 (Unaudited) *HK$'000*	2013 (Unaudited) *HK$'000*
Sales of food and catering*	**408,864**	337,488
Sales of food souvenir*	**818**	539
Gross rental income from investment properties	**9,340**	7,049
	419,022	345,076

* Certain figures of 2013 were reclassified to conform with the current period's presentation.

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

(a) Business segments

For the six months ended 30 June 2014, the Group has the following reportable segments:

Food and catering	–	sales of food and catering in Macau and Mainland China (previously named as "Food and beverage")
Food souvenir	–	sales of food souvenir, including festival food products
Property investment	–	leasing of property

The segment results for the six months ended 30 June 2014 are as follows:

	Food and catering (Unaudited) *HK$'000*	Food souvenir (Unaudited) *HK$'000*	Property investment (Unaudited) *HK$'000*	Consolidated (Unaudited) *HK$'000*
Revenue				
Turnover from external customers	**408,864**	**818**	**9,340**	**419,022**
Other revenue	**5,057**	**–**	**6,519**	**11,576**
Other gains and losses	**3,599**	**(6)**	**42,424**	**46,017**
Reportable segment revenue	**417,520**	**812**	**58,283**	**476,615**
Results				
Segment results	**116,996**	**(9,688)**	**50,037**	**157,345**

4. BUSINESS AND GEOGRAPHICAL SEGMENTS – Continued

(a) Business segments – Continued

Other information for the six months ended 30 June 2014

	Food and catering (Unaudited) *HK$'000*	Food souvenir (Unaudited) *HK$'000*	Property investment (Unaudited) *HK$'000*	Unallocated (Unaudited) *HK$'000*	Consolidated (Unaudited) *HK$'000*
Interest income	**983**	**–**	**6,519**	**–**	**7,502**
Interest expense	**3,135**	**–**	**1,873**	**–**	**5,008**
Equity settled share-based payment for eligible person other than staff	**–**	**2,121**	**–**	**–**	**2,121**
Fair value gain of investment property	**–**	**–**	**53,000**	**–**	**53,000**
Capital expenditure	**16,287**	**8,608**	**–**	**21**	**24,916**
Depreciation of property, plant and equipment	**12,016**	**353**	**2,086**	**75**	**14,530**
Gain on disposal of property, plant and equipment	**67**	**–**	**–**	**–**	**67**
Fair value loss on financial assets at fair value through profit or loss	**–**	**–**	**–**	**90**	**90**

The segment results for the six months ended 30 June 2013 are as follows:

	Food and catering (Unaudited) *HK$'000*	Food souvenir (Unaudited) *HK$'000*	Property investment (Unaudited) *HK$'000*	Consolidated (Unaudited) *HK$'000*
Revenue				
Turnover from external customers	337,488	539	7,049	345,076
Other revenue	3,873	–	4,848	8,721
Other gains and losses	5,491	–	25,183	30,674
Reportable segment revenue	346,852	539	37,080	384,471
Results				
Segment results	84,132	405	33,781	118,318

4. BUSINESS AND GEOGRAPHICAL SEGMENTS – Continued

(a) Business segments – Continued

Other information for the six months ended 30 June 2013

	Food and catering (Unaudited) *HK$'000*	Food souvenir (Unaudited) *HK$'000*	Property investment (Unaudited) *HK$'000*	Unallocated (Unaudited) *HK$'000*	Consolidated (Unaudited) *HK$'000*
Interest income	564	–	4,848	–	5,412
Interest expense	3,219	–	2,429	–	5,648
Fair value gain of investment property	–	–	20,000	–	20,000
Capital expenditure	3,833	–	–	705	4,538
Depreciation of property, plant and equipment	12,305	–	26	73	12,404
Gain on disposal of property, plant and equipment	862	–	–	145	1,007
Fair value loss on financial assets at fair value through profit or loss	–	–	–	935	935

(b) Reconciliation of reportable segment revenue, profit and loss

	Six months ended 30 June	
	2014 (Unaudited) ***HK$'000***	2013 (Unaudited) *HK$'000*
Revenue		
Reportable segment revenue	**476,615**	384,471
Profit before income tax expense		
Reportable segment profit	**157,345**	118,318
Other gains and losses	**582**	78
Gain on disposal of property, plant and equipment	**–**	145
Fair value loss on financial assets at fair value through profit or loss	**(90)**	(935)
Corporate payroll expenses	**(3,609)**	(3,345)
Unallocated expenses	**(2,292)**	(2,561)
Profit before income tax expense	**151,936**	111,700

5. DEPRECIATION

During the reporting period, depreciation charge of approximately HK$14,530,000 (six months ended 30 June 2013: HK$12,404,000) was recognised in respect of the Group's property, plant and equipment.

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The amount of income tax expense in the condensed consolidated statement of comprehensive income represents:		
Current tax – Macau Complementary Income Tax	**15,045**	10,640
Deferred tax	**6,360**	2,400
Income tax expense	**21,405**	13,040

Macau Complementary Income Tax is calculated at the progressive rate on the estimated assessable profits for the reporting period. The maximum tax rate was 12% for the six months ended 30 June 2014 and 2013.

Mainland China Enterprise Income Tax ("EIT") is calculated at rate of 25% (2013: 25%). No provision for EIT has been made during the reporting period as the Mainland China subsidiaries have had no assessable profits for EIT for the six months ended 30 June 2014 and 2013.

No provision for Hong Kong Profits Tax has been made during the reporting period as the Group has no assessable profits for Hong Kong Profits Tax for the six months ended 30 June 2014 and 2013.

7. INTERIM DIVIDENDS

The interim dividends declared by the directors are as follows:

	Six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interim dividends of HK3.0 cents per ordinary share (2013: HK2.5 cents per ordinary share)	**20,829**	15,723

At their board meeting held on 22 August 2014, the Directors have declared to pay an interim dividend of HK3.0 cents per ordinary share (six months ended 30 June 2013: HK2.5 cents per ordinary share). No liability has been recorded in the financial statements in respect of this dividend for the six months ended 30 June 2014.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

(a) Basic earnings per share

	Six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Profit for the reporting period attributable to owners of the Company	**118,542**	86,535
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic profit per share	**668,286,952**	628,902,422
Basic earnings per share (HK cents)	**17.74**	13.76

(b) Diluted earnings per share

Diluted earnings per share for the six months ended 30 June 2014 was calculated by dividing the profit attributable to the owners of the Company of approximately HK$118,542,000 by the adjusted weighted average number of ordinary shares in issue during the six months ended 30 June 2014.

The weighted average number of ordinary shares used in calculation of diluted earnings per share for the six months ended 30 June 2014 was calculated based on the weighted average of 668,286,952 ordinary shares in issue during the six months ended 30 June 2014 as used in the calculation of basic earnings per share plus the weighted average of 1,055,825 ordinary shares deemed to be issued at no consideration as if all outstanding share options had been exercised.

The amount of diluted earnings per share for the six months ended 30 June 2013 was the same as basic earnings per share as there were no dilutive potential ordinary shares in existence during the six months ended 30 June 2013.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2014, the Group acquired items of property, plant and equipment at a total cost of HK$21,033,000 (2013: HK$4,538,000).

On 1 January 2014, certain area of the Group's investment property at fair value of HK$71,000,000 was transferred to property, plant and equipment for the Group's self-use as a food souvenir shop. This property has been pledged to a bank to secure a mortgage loan granted to the Group.

During the six months ended 30 June 2014, the Company disposed of items of property, plant and equipment at total cost and net book value of HK$4,851,000 (2013: HK$3,646,000) and HK$nil (2013: HK$2,078,000) respectively.

10. INVESTMENT PROPERTIES

	30 June 2014 (Unaudited) *HK$'000*	31 December 2013 (Audited) *HK$'000*
Fair Value		
At beginning of the period/year	**520,000**	400,000
Fair value gain for the period/year	**53,000**	120,000
Transferred to property, plant and equipment *(note 9)*	**(71,000)**	–
At end of the period/year	**502,000**	520,000

The fair values of the Group's investment properties at 30 June 2014 and 31 December 2013 have been arrived at on market value basis carried out by Jones Lang Lasalle Corporate Appraisal and Advisory Limited, an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment properties being valued.

The investment properties were located outside Hong Kong and held under private properties (propriedade privada) on a permanent basis without tenure.

There were no changes to the valuation techniques during the six months ended 30 June 2014.

Investment properties have been pledged to a bank to secure a mortgage loan granted to the Group.

11. TRADE AND OTHER RECEIVABLES

	30 June 2014 (Unaudited) ***HK$'000***	31 December 2013 (Audited) *HK$'000*
Current portion		
Trade receivables	**32,077**	24,936
Prepayments and deposits	**26,060**	18,971
Other receivables	**9,003**	2,786
	67,140	46,693
Non-current portion		
Prepayments and deposits	**26,898**	3,883

The Group's sales to customers are mainly on a cash basis. Trade and other receivables mainly represent the sales revenue collected on the Group's behalf by the operator of various facilities where the restaurants of the Group are located. The credit terms granted to these operators are 30 days from the sales made.

The ageing analysis of trade receivables is as follows:

	30 June 2014 (Unaudited) ***HK$'000***	31 December 2013 (Audited) *HK$'000*
0 to 90 days	**31,444**	24,196
91 to 365 days	**633**	740
Total	**32,077**	24,936

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2014 (Unaudited) *HK$'000*	31 December 2013 (Audited) *HK$'000*
Financial assets at fair value through profit or loss:		
– Listed in Hong Kong held for trading	**4,427**	4,517

The financial assets are traded on active liquid markets. The fair values are determined with reference to quoted market prices which are under level 1 (quoted prices (unadjusted) in active markets for identical assets or liabilities) of fair value hierarchy under HKFRS 13.

13. TRADE AND OTHER PAYABLES

	30 June 2014 (Unaudited) *HK$'000*	31 December 2013 (Audited) *HK$'000*
Trade payables	**48,504**	48,999
Accruals	**29,134**	41,792
Construction and other payables	**15,440**	14,767
Deposit received in advance	**709**	2,350
Deferred rental benefit	**8,568**	11,125
Total	**102,355**	119,033

The ageing analysis of trade payables is as follows:

	30 June 2014 (Unaudited) *HK$'000*	31 December 2013 (Audited) *HK$'000*
0 to 90 days	**41,917**	35,724
91 to 180 days	**548**	7,451
181 to 365 days	**1,844**	969
More than 365 days	**4,195**	4,855
Total	**48,504**	48,999

14. INTEREST BEARING BORROWINGS

	30 June 2014 (Unaudited) *HK$'000*	31 December 2013 (Audited) *HK$'000*
Secured bank loans *(note a)*	**340,245**	346,816
Unsecured bank loan *(note b)*	**4,014**	7,098
	344,259	353,914
Carrying amount repayable:		
On demand or within one year	**17,224**	18,655
More than one year, but not exceeding two years	**13,598**	15,140
More than two years, but not exceeding five years	**243,240**	243,055
More than five years	**70,197**	77,064
	344,259	353,914
Amount due within one year included in current liabilities	**(17,224)**	(18,655)
	327,035	335,259

Note a: The Group has had two (31 December 2013: two) secured bank loans at the end of reporting period, including a bank loan of HK$200,000,000 (31 December 2013: HK$200,000,000) which is repayable within five years from the reporting period and is secured by the bank deposit. This secured bank loan bears interest at prime rate in Macau less 2.25% per annum. Another secured bank loan is a mortgage loan of approximately HK$140,245,000 (31 December 2013: HK$146,816,000) which is repayable within fifteen years from the reporting period, bears interest at 1-month Hong Kong Inter-Bank Offered Rate plus 2.75% per annum and is secured by the investment properties and property, plant and equipment.

All secured bank loans carries a covenant that the managing director and controlling owner of the Company, Mr. Chan Chak Mo ("Mr. Chan") and his associates have to hold not less than 37% (31 December 2013: 40%) equity interest holding of the Company.

Note b: The Group has had one (31 December 2013: one) unsecured bank loan at the end of reporting period, including a bank loan of approximately HK$4,014,000 (31 December 2013: HK$7,098,000) with maximum facility of HK$75,000,000 which is repayable within one year from the reporting period. This bank loan carries a covenant that Mr. Chan and his associates have to hold not less than 37% (31 December 2013: 40%) equity interest holding of the Company. It bears interest at the prime rate in Macau less 1.25% per annum.

15. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the period, except as disclosed elsewhere in 2014 interim report, the Group had the following significant transactions with related parties:

(a) During the six months ended 30 June 2014, the Group has received management fee income of HK$2,031,000 (For the six months ended 30 June 2013: HK$1,739,000) on a reimbursement of expense sharing basis from several companies in which a director of the Company is also a director and an ultimate non-controlling shareholder of such companies.

(b) As at 30 June 2014, all the secured bank loans of HK$340.2 million (31 December 2013: HK$346.8 million) of the Group contained a covenant that Mr. Chan and his associates had to hold not less than 37% (31 December 2013: 40%) equity interest holding of the Company. The unsecured bank loans with maximum facility of HK$75,000,000 (31 December 2013: HK$75,000,000) of the Company contained a covenant that Mr. Chan and his associates had to hold not less than 37% (31 December 2013: 40%) equity interest holding of the Company.

(c) **Compensation of key management personnel**

The remuneration of directors and other members of key management personnel were as follows:

	Six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Basic salaries and allowance	**11,046**	10,540
Retirement scheme contributions	**23**	33
	11,069	10,573

16. OPERATING LEASE COMMITMENTS

Operating leases – lessor

The Group has entered into operating lease on its investment property during the six months ended 30 June 2014. The lease has an initial period of five years with renewal option included in the contract.

The minimum rent receivables under non-cancellable operating leases are as follows:

	30 June	31 December
	2014	2013
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Not later than one year	**28,800**	15,360
Later than one year and not later than five years	**114,000**	115,200
Over five years	**–**	13,440
Total	**142,800**	144,000

16. OPERATING LEASE COMMITMENTS – Continued

Operating leases – lessee

The Group has entered into operating leases on certain land and buildings during the six months ended 30 June 2014. These leases have an average life of one to 20 years with renewal options included in the contracts. Future minimum lease payments under non-cancellable operating leases are as follows:

	30 June 2014 (Unaudited) ***HK$'000***	31 December 2013 (Audited) *HK$'000*
Not later than one year	**66,146**	61,747
Later than one year and not later than five years	**230,517**	134,613
Over five years	**65,037**	68,794
	361,700	265,154

17. CAPITAL COMMITMENTS

	30 June 2014 (Unaudited) ***HK$'000***	31 December 2013 (Audited) *HK$'000*
Contracted but not provided for the acquisition of property, plant and equipment	**84,353**	4,216

18. CONTINGENT LIABILITIES

At 30 June 2014, the Group did not have any contingent liabilities (31 December 2013: Nil).

19. EVENTS AFTER THE REPORTING PERIOD

(a) In July 2014, the Group has entered into an agreement to acquire from the Land and Resources Bureau of Zhuhai a land with 50,000 sq.m. buildable floor area in Hengqin Island at the price of HK$260,246,127 where HK$135,735,600 has already been paid with the remaining balance to be paid within six months. Please refer to the Company's announcement dated 24 July 2014 for details.

(b) On 8 August 2014, the Group has signed two agreements to obtain the franchise to operate "Mad for Garlic" and "Bistro Seoul" restaurants for 10 years in Macau, Hong Kong and Guangdong, with a target of a total number of 20 "Mad for Garlic" and "Bistro Seoul" restaurants for the first 5 years from the date of the commencement of the franchise term. Please refer to the Company's announcement dated 8 August 2014 for details.

INTERIM DIVIDEND

The Directors have declared the payment of an interim dividend of HK3.0 cents per share for the six months ended 30 June 2014 (For the six months ended 30 June 2013: HK2.5 cents per share). The interim dividend will be payable on or before 23 September 2014 to shareholders whose name appears on the register of shareholders of the Company on 12 September 2014, being the record date for entitlements. The register of shareholders shall be closed from 10 to 12 September 2014 for the purpose of ascertaining dividend entitlements.

The Group's operating cash flow was strong during the Period, and management believes that a healthy level of cash holdings shall be maintained for its coming capital requirements while it is important to uphold steady pay out of normal dividends each year. It has been the policy of the Company to maintain a healthy dividend payout policy, hopefully at a payout ratio of not less than 30% of our Group's annual Net Ordinary Operating Profit (being profit attributable to owners of the Company before taking into account any net fair value gain from investment properties). And at such, the interim dividend ratio has dropped to 17.6% for the Period, being a drop of 0.6% as compared to the same ratio of 18.2% for the same period of 2013. Such drop was due to (i) the number of shares of the Company in issue during the Period has increased as a result of the placement of shares done in March as described in the section "Use Of Proceeds" below, and (ii) the net fair value gain from investment property during the Period was considerably larger than those of the same in the same period of 2013. The dividend payout ratio based on the interim dividend over the profit attributable to owners for the last three interim periods are as follows:

	For the six months ended 30 June		
	2014	2013	2012
	%	%	%
Interim dividend payout ratio (based on the profit attributable to owners)	**17.6**	18.2	13.7

The dividend payout ratio based on the interim dividend over the Net Ordinary Operating Profit (being the profit attributable to owners of the Company before taking into account any net fair value gain from investment properties) (the "Net Ordinary Operating Profit"), for the last three interim periods are as follows:

	For the six months ended 30 June		
	2014	2013	2012
	%	%	%
Interim dividend payout ratio (based on the Net Ordinary Operating Profit)	**29.0**	22.8	13.7

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Turnover

The turnover of the Group for the Period was approximately HK$419.0 million, representing an increase of 21.4% as compared to the same period of last year of HK$345.1 million. The increase in turnover was mainly attributable to the strong performance of the Group's restaurant chain business and the increase in rental income of the Group's property investment business. The Group's restaurant chain business has performed with good growth in turnover and net profit, in line with the mild increase in number of visitors' inflow to Macau. Further details on the Group's business performance are set out below. The Group's rental income has also grown due to the commencement of new tenancy agreement for the Period.

The Group's turnover from food and catering business generated some HK$408.9 million during the Period, representing an increase of 21.1% compared to the same period of last year of HK$337.6 million. The Group's turnover from food souvenir business generated some HK$0.8 million during the Period, representing an increase of 60.0% compared to the same period of last year of HK$0.5 million. The Group's turnover from property investment business recorded some HK$9.3 million during the Period, representing an increase of 32.9% compared to the same period of last year of HK$7.0 million.

Below is a table of comparison of turnover of the first quarter of 2014 and 2013:

	For the three months ended 31 March 2014 *HK$'million*	Change %	For the three months ended 31 March 2013 *HK$'million*
Turnover – First quarter			
Restaurants:			
Japanese restaurants	**113.5**	+25.3%	90.6
Chinese restaurants	**50.0**	+19.9%	41.7
Western and other restaurants	**22.2**	+59.7%	13.9
Food court counters	**13.9**	–7.9%	15.1
	199.6	+23.7%	161.3
Industrial catering	**7.0**	+105.9%	3.4
Food wholesale	**7.6**	+10.1%	6.9
Food and catering business	**214.2**	+24.8%	171.6
Food souvenir business	**0.8**	+60.0%	0.5
Property investment business	**2.3**	–34.3%	3.5
Total	**217.3**	+23.7%	175.6

FINANCIAL REVIEW – Continued

Turnover – Continued

Below is a table of comparison of turnover of the second quarter of 2014 and 2013:

	For the three months ended 30 June 2014 *HK$'million*	Change %	For the three months ended 30 June 2013 *HK$'million*
Turnover – Second quarter			
Restaurants:			
Japanese restaurants	**100.5**	+13.8%	88.3
Chinese restaurants	**42.5**	+16.4%	36.5
Western and other restaurants	**23.5**	+66.7%	14.1
Food court counters	**11.9**	–17.9%	14.5
	178.4	+16.3%	153.4
Industrial catering	**7.5**	+114.3%	3.5
Food wholesale	**8.8**	–3.3%	9.1
Food and catering business	**194.7**	+17.3%	166.0
Food souvenir business	**–**	–	–
Property investment business	**7.0**	+100.0%	3.5
Total	**201.7**	+19.0%	169.5

FINANCIAL REVIEW – Continued

Turnover – Continued

Below is a table of comparison of turnover for the Period of 2014 and 2013:

	For the six months ended 30 June 2014 *HK$'million*	Change %	For the six months ended 30 June 2013 *HK$'million*
Turnover			
Restaurants:			
Japanese restaurants	**214.0**	+19.6%	178.9
Chinese restaurants	**92.5**	+18.3%	78.2
Western and other restaurants	**45.7**	+63.2%	28.0
Food court counters	**25.8**	–12.8%	29.6
	378.0	+20.1%	314.7
Industrial catering	**14.5**	+110.1%	6.9
Food wholesale	**16.4**	+2.5%	16.0
Food and catering business	**408.9**	+21.1%	337.6
Food souvenir business	**0.8**	+60.0%	0.5
Property investment business	**9.3**	+32.9%	7.0
Total	**419.0**	+21.4%	345.1

Note 1: Certain figures of 2013 were reclassified to conform with the current period's presentation.

Note 2: The turnover of "Western and other restaurants" included turnover from Western restaurants, Pacific Coffee shops (franchise restaurants) and Royal Thai Kitchen Restaurant of the Group.

FINANCIAL REVIEW – Continued

Gross margin (food costs against the Group's total turnover)

The gross margin (being the total turnover less food costs) of the Group for the Period was about HK$309.9 million, representing an increase of approximately 24.7% as compared to the same period of last year of HK$248.5 million. The gross margin ratio for the Period was about 74.0%, with an increase of about 2.0% compared to the same period of last year of 72.0%. The increase in gross margin was mainly due to the increase in turnover and partly a lower food cost attributable to the depreciation of Japanese Yen against Hong Kong Dollar for the Period. The Group has over the last three interim periods maintained steady healthy gross margin as follows:

	For the six months ended 30 June		
	2014	2013	2012
	HK$'million	*HK$'million*	*HK$'million*
Gross margin	**309.9**	248.5	225.1
Gross margin ratio	**74.0%**	72.0%	71.3%

Below is a table of comparison of the gross margin (food costs against total turnover) of the first and second quarters of 2014 and 2013:

	2014	Change	2013
	HK$'million	%	*HK$'million*
Gross margin			
First quarter	**160.6**	+27.2%	126.3
Second quarter	**149.3**	+22.2%	122.2
For the Period	**309.9**	+24.7%	248.5

FINANCIAL REVIEW – Continued

Gross operating profit (direct operating costs against the Group's total turnover)

The gross operating profit (being gross margin less direct operating costs) of the Group for the Period was about HK$157.3 million, representing an increase of approximately 29.0% as compared to the same period of last year of HK$121.9 million. The gross operating profit ratio for the Period was about 37.5%, an increase in about 2.2% compared to the same period of last year of 35.3%. The increase in gross operating profit was mainly due to the increase in turnover and then hence relatively lower direct operating costs for the Period. The Group has over the last three interim periods maintained healthy gross operating profit ratio as follows:

	For the six months ended 30 June		
	2014	2013	2012
	HK$'million	*HK$'million*	*HK$'million*
Gross operating profit	**157.3**	121.9	119.7
Gross operating profit ratio*	**37.5%**	35.3%	37.9%

* Gross operating profit over total turnover

Below is a table of comparison of the gross operating profit (direct operating costs against the Group's total turnover) of the first and second quarters of 2014 and 2013:

	2014	Change	2013
	HK$'million	%	*HK$'million*
Gross operating profit			
First quarter	**84.9**	+37.4%	61.8
Second quarter	**72.4**	+20.5%	60.1
For the Period	**157.3**	+29.0%	121.9

FINANCIAL REVIEW – Continued

EBITDA

The profit before interests, tax expense, depreciation and amortization (the "EBITDA") for the Period was approximately HK$171.5 million representing an increase of approximately 32.1% as compared to those of the same period in last year of HK$129.8 million. The increase in EBITDA was mainly attributable to (i) a turnover increase and hence, operating profits from food and catering business and (ii) a considerable growth in fair value gain from property investment business. The Group has nevertheless over the last three interim periods maintained healthy performance in the EBITDA as follows:

	For the six months ended 30 June		
	2014	2013	2012
	HK$'million	*HK$'million*	*HK$'million*
EBITDA	**171.5**	129.8	104.4
EBITDA against turnover ratio	**40.9%**	37.6%	33.1%

Net profit attributable to owners

The profit attributable to owners of the Company for the Period was approximately HK$118.5 million representing an increase of approximately 37.0% as compared to the same period of last year of HK$86.5 million. As mentioned above, the increase of the Group's results was mainly attributable to (i) a turnover increase and hence, operating profits from food and catering business and (ii) a considerable growth in net fair value gain from property investment business. The Group has still over the last three interim periods maintained good performance in the ratio of the profit attributable to owners of the Company as follows:

	For the six months ended 30 June		
	2014	2013	2012
	HK$'million	*HK$'million*	*HK$'million*
Profit attributable to owners of the Company	**118.5**	86.5	60.7
Profit attributable to owners of the Company against turnover ratio	**28.3%**	25.1%	19.2%

FINANCIAL REVIEW – Continued

Net profit attributable to owners – Continued

The Net Ordinary Operating Profit (being the profit attributable to owners of the Company before taking into account any net fair value gain from investment properties) for the Period was approximately HK$71.9 million representing a mild increase of approximately 4.4% as compared to the same period of last year of HK$68.9 million. Such mild increase in Net Ordinary Operating Profit was largely due to (i) a loss of some HK$9.6 million of the Group's food souvenir business because of the additional rental, staff costs and set up expenses mainly incurred in the second quarter of this year, (ii) an increase in the administrative expense incurred for hiring more management staff for the expanded operations; and (iii) a decrease of 72.8% in the Group's other revenue and gain/loss (excluding the fair value gain from its investment property) as there was an exchange loss caused by the depreciation of Renminbi against Hong Kong Dollar. Set out below are the Net Ordinary Operating Profits with Net Ordinary Operating Profit ratio (Net Ordinary Operating Profit against turnover) for the last three interim periods:

	For the six months ended 30 June		
	2014	2013	2012
	HK$'million	*HK$'million*	*HK$'million*
Net Ordinary Operating Profit	**71.9**	68.9	60.7
Net Ordinary Operating Profit against turnover ratio	**17.2%**	20.0%	19.2%

Earnings per share

Based on the weighted average number of 668,286,952 shares in issue during the Period, the basic earnings per share of the Company based on the profit attributable to owners of the Company was some HK17.74 cents, representing an increase of 28.9% comparing to the same period of last year of HK13.76 cents per share with the weighted average number of 628,902,422 shares in issue in that period. The Group's basic earnings per share for the last three interim periods are as follows:

	For the six months ended 30 June		
	2014	2013	2012
	HK cents	*HK cents*	*HK cents*
Earnings per share – basic	**17.74**	13.76	10.96

FINANCIAL REVIEW – Continued

Earnings per share – Continued

The basic earnings per share of the Company based on the Net Ordinary Operating Profit for the Period was some HK10.76 cents, being mild decrease to the same period of last year of HK10.96 cents. Below are the basic earnings per share based on the Net Ordinary Operating Profit over the last three interim periods:

	For the six months ended 30 June		
	2014	2013	2012
	HK cents	*HK cents*	*HK cents*
Net Ordinary Operating Profit per share – basic	**10.76**	10.96	10.96

Cash flow

The cash inflow from operating activities of the Group for the Period was approximately HK$75.7 million, representing a decrease of 20.1% as compared to those of the same period of last year of HK$94.8 million. Such decrease in cash flow was mainly due to (i) an increase of rental deposits paid, (ii) additional payments of inventory costs for the food souvenir business and (iii) an increase in inventory cost for the increased number of restaurants. The Group's cash inflow from operating activities for the last three interim periods are as follows:

	For the six months ended 30 June		
	2014	2013	2012
	HK$'million	*HK$'million*	*HK$'million*
Cash inflow from operating activities	**75.7**	94.8	84.3

FINANCIAL REVIEW – Continued

Net assets

The net assets of the Group as at 30 June 2014 was approximately HK$1,186.3 million representing an increase of approximately 44.4% as compared to 31 December 2013 of HK$821.7 million. The increase in net assets was mainly attributable to an increase in operating profit, fair value gain from investment property and the proceeds from the placing of ordinary shares undertaken in March 2014. The net assets of the Group as at 30 June 2014, 31 December 2013 and 30 June 2013 were as follows:

	As at 30 June 2014	As at 31 December 2013	As at 30 June 2013
	HK$'million	*HK$'million*	*HK$'million*
Net assets	**1,186.3**	821.7	658.2
	HK$	*HK$*	*HK$*
Net assets per share – basic	**1.709**	1.307	1.047

OPERATION REVIEW

Food and Catering Business

Restaurant Chain

The Group enjoyed a turnover increase of 21.1% in the Period, as compared to the same period of last year of HK$337.6 million. The Group's gross operating profit and net profit after tax from food and catering business generated some HK$156.7 million and HK$102.0 million respectively during the Period, representing increases of 34.7% and 36.7% respectively as compared to the same period of last year of HK$116.3 million and HK$74.6 million respectively. During the Period, the Group continued to face higher operating costs, and increases in number of staffs and rental costs due to the expansion of its number of restaurants and food souvenir business in the second quarter of 2014. The Group has increased the total area of restaurants of 129,531 sq.ft. in the first half year of 2013 to 142,463 sq.ft. in the Period.

Number of restaurant's analysis for the last three interim periods is listed as follows:

	As at 30 June		
	2014	2013	2012
Number of restaurants:			
Japanese restaurants *(note a)*	**8**	9	12
Chinese restaurants *(note b)*	**7**	6	4
Western and other restaurants *(note c)*	**13**	11	10
Food court counters	**3**	10	10
Industrial catering	**3**	1	1
	34	37	37
Total area of restaurants (sq.ft.) *(note d)*	**142,463**	129,531	106,255
Turnover per sq.ft. (HK$)	**2,870**	2,610	2,525

Note a: As at 30 June 2014, eight Japanese restaurants included seven Edo Japanese Restaurants,and one Musashi Restaurant.

Note b: As at 30 June 2014, seven Chinese restaurants included one Turtle Essence Restaurant, one 456 Modern Shanghai Cuisine Restaurant, one Good Fortune Cantonese Kitchen and four Shiki Hot Pot Restaurants.

Note c: As at 30 June 2014, thirteen Western and other restaurants included one Madeira Portuguese Restaurant, one Vergnano Italian Restaurant, ten Pacific Coffee Shops (franchise restaurants) and one Royal Thai Kitchen Restaurant.

Note d: The total gross floor area of 2012 had been calculated with exclusion of 15,947 sq.ft. gross floor area of jointly controlled entity's restaurants.

Note e: Certain numbers of restaurants in 2013 and 2012 were reclassified to conform with current period's presentation.

Details of Group's restaurants will be stated in the List of Restaurants/Counters/Stores set out on 2014 interim report.

OPERATION REVIEW – Continued

Industrial catering and food wholesale business

During the Period, the Group's industrial catering business has doubled its turnover to some HK$14.5 million with satisfactory profitability, as compared to the same period of last year. The Group's wholesale business of Japanese food and materials continued to enjoy steady growth reaching a total turnover of HK$16.4 million in the Period. More details on the Group's food and catering business including industrial catering and food wholesale business, are set out in the Chairman's Statement of 2014 interim report.

Food Souvenir Business

During the Period, the food souvenir business contributed some HK$0.8 million turnover representing about 0.2% of turnover of the Group. Turnover from food souvenir business during the Period were sales of festival food products. Further details of the Group's food souvenir business are set out in the Chairman's Statement of 2014 interim report. Details of Group's food souvenir shops to be opened in 2014 are set out in the List of Food Souvenir Shops of 2014 interim report.

Property Investment Business

During the Period, the 6-storey commercial building in Macau has generated a steady rental income of some HK$9.3 million to the Group representing an increase of about 32.9% as compared to the same period of last year of HK$7.0 million due to the new rental rate per sq.ft. The tenant – Forever 21 for net leasable floor area of 21,184 sq.ft. of the Group's commercial investment property in Macau for five years has taken possession during the Period, and commenced its operations in July. Further details of the Group's property investment business are set out in the Chairman's Statement of 2014 interim report.

The Group's 6-storey commercial building excluding self-use portion was valued at HK$502.0 million as at 30 June 2014 (31 December 2013: HK$520.0 million) and a fair value gain before tax of HK$53.0 million was recognized in the consolidated statement of comprehensive income for the Period (six months ended 30 June 2013: HK$20.0 million).

Logistic Support and human resources

The foundation works for the construction of the Group's central food processing and logistic centre have been proceeding. It is expected that completion of the construction work is expected to take 12 months followed completion of such foundation works. The Group has also continued to actively enhance its logistic support including food sourcing and food process facilities.

Management and staff teams have been expanded during the Period and will continue to be expanded in the second half of 2014 with new restaurants and more food souvenir shops to be opened. It is expected that by end of this year when all the three restaurants and a big food court at Huafa Mall are opened, more workers will be hired to man all these restaurants. Remuneration packages including medical plan have been and will be regularly reviewed with reference to market terms, individual qualifications, experience, duties and responsibilities. During the Period, various training activities including operational safety and management skills have been conducted to enhance operation efficiency.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internal generated resources and banking facilities.

As at 30 June 2014, the Group had net current assets of HK$593.6 million (as at 31 December 2013: HK$312.2 million), and the Group's cash and bank balances amounted to HK$675.0 million (as at 31 December 2013: HK$425.9 million), while the Group's pledged bank deposits amounted to HK$232.6 million (as at 31 December 2013: HK$228.4 million) in which HK$202.7 million (as at 31 December 2013: HK$207.7 million) has been pledged to secure a bank loan and the balance of HK$29.9 million (as at 31 December 2013: HK$20.7 million) has been pledged to a bank in respect of the guarantee given in lieu of paying rental deposit.

As at 30 June 2014, the Group had interest-bearing loans of HK$344.2 million (as at 31 December 2013: HK$353.9 million). The Group had two secured bank loans (as at 31 December 2013: two), including a bank loan of HK$200.0 million (as at 31 December 2013: HK$200.0 million) which was interest bearing at the prime rate in Macau less 2.25% per annum, repayable within five years from 2012 and secured by the bank deposits. Another secured mortgage loan of HK$140.2 million (as at 31 December 2013: HK$146.8 million) was interest bearing at 1-month Hong Kong Inter-Bank Offered Rate plus 2.75% per annum, repayable within fifteen years from 2011 and secured by the investment properties and land and buildings of the Group.

Bank loan of HK$4.0 million (as at 31 December 2013: HK$7.1 million) was unsecured, interest bearing at the prime rate in Macau less 1.25% per annum and repayable by 60 equal instalments from April 2010.

The Group's borrowings are made in Hong Kong dollars.

The Group's gearing ratio represented by the Group's net debt (total liabilities less cash and cash equivalents) to the Group's total equity as at 30 June 2014, 31 December 2013 and 30 June 2013 were as follows:

	As at 30 June 2014	As at 31 December 2013	As at 30 June 2013
	%	%	%
Gearing ratio	**Nil**	19.3	29.8

The decrease in Group's gearing ratio as at 30 June 2014 was mainly due to the repayment in bank loans and the increase in the Group's total equity. As at 30 June 2014, the Group's cash and cash equivalents was higher than the Group's total liabilities, hence the gearing ratio was zero.

As at 30 June 2014, the Group's current ratio was 3.83 (as at 31 December 2013: 2.47), and the ratio of the Group's total assets to the Group's total liabilities was 3.05 (as at 31 December 2013: 2.41).

MATERIAL LITIGATION

As at 30 June 2014, the Group was not involved in any material litigation or arbitration (as at 31 December 2013: Nil).

CHARGES ON GROUP ASSETS

As at 30 June 2014, the Group has pledged the investment properties and the land and buildings to a bank to secure a mortgage loan, and has also pledged a bank deposit to a bank to secure a bank loan. Other than that, the Group did not have any charges on assets.

CONTINGENT LIABILITIES

As at 30 June 2014, the Group did not have any contingent liabilities (as at 31 December 2013: Nil).

CURRENCY EXPOSURE

As at 30 June 2014, the Group did not have any outstanding hedging instrument. The Group would continue to monitor closely its foreign currency exposure and requirements and to arrange for hedging facilities when necessary.

EMPLOYEES

As at 30 June 2014, the Group has employed a total of 1,216 full time staff (30 June 2013: 1,037) in Hong Kong, Macau and Mainland China. The remuneration policy of the employees of the Group is set up by the remuneration committee on the basis of their merit, qualifications and competence, while the detail remuneration packages for the employees are determined by management based on their performance.

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

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

OUTLOOK

The Period witnessed a strong growth of the Group's food and catering business as well as an ardent implementation of expanding the Group's food souvenir business. In the same period, the Group has pushed ahead of opening restaurants at Huafa Mall and taking a foot hold of the coming development of Hengqin Island by bidding a piece of land there to be developed into an international food plaza. And all these efforts have led to the roll out of the Group's new food souvenir products in Macau and the acquisition of a land of some 50,000 sq.m. buildable floor area, all in July. And the three big restaurants and a food court of the Group at Huafa Mall will, upon opening, play an important contributor of considerable future revenue to the Group. The Group has also recently leased 11 units of shop spaces with a total gross floor area of 2,268 sq.m. at the "Souvenir Street" floor of Huafa Mall for 10 years commencing from 1 August 2014 where the Group will open its own shops and/or rent out some shop spaces to other food souvenir brands for selling food products and food souvenirs. It is expected that all these shops would be opened before the end of this year. The Group has signed some arrangement in writing to rent 6 shops for opening new restaurants at a new casino shopping mall at Cotai area which is expected to be opened in two years' time.

OUTLOOK – Continued

It has always been the Group's policy to diversify its food varieties to serve its customers to complement its existing food and catering business. In pursuing such policy, the Group has been looking for different franchises, and in early August 2014, the Group has obtained the franchise to operate "Mad for Garlic" and "Bistro Seoul" restaurants for 10 years in Macau, Hong Kong and Guangdong, with a target of a total number of 20 "Mad for Garlic" and "Bistro Seoul" restaurants for the first 5 years from the date of the commencement of the franchise term. "Mad for Garlic" is Korea's first garlic-themed Italian restaurant. The unique concept made its debut in 2001 through "Mad for Garlic"'s first restaurant in Apgujeong-dong, an affluent entertainment and residential district in southern Seoul. With its unique and innovative menu with garlic-specialized Italian cuisine, "Mad for Garlic" is one of Korea's most popular restaurant chains. "Bistro Seoul" restaurants are upper dining Korean restaurants providing atmosphere mixed in Korea's traditional colour with modern inspiration and serving dishes from using finest and fresh ingredients. Management will continue to look for different franchises to broaden its food varieties and to cautiously tap on restaurant market in Guangdong which includes Hengqin Island and Zhuhai area.

The Company has in March 2014, through a placing and subscription of 65,400,000 shares, raised new equity funding of some HK$276.1 million to finance its development project in Hengqin Island. And after the successful bidding of the land in Hengqin Island as mentioned above, the Group has already paid some RMB109.2 million (equivalent to about HK$135.7 million) as 50% of the land acquisition cost in July 2014 with the remaining balance to be paid within 6 months' time from July 2014.

The Group's business strategy remains to be to fully capture all the strong growth potentials of different sectors of the food and beverage business in Macau, Hengqin Island and certain part of Zhuhai city. And the Group continues to face higher labour cost, rental and advertising costs in second half of 2014 for the reasons mentioned above. However, management is confident that the Group would be able to face up with the challenges ahead and come out stronger and as resilient ever.

AUDIT COMMITTEE

The audit committee of the Company consists of three independent non-executive directors, Mr. Chan Pak Cheong Afonso (Chairman), Mr. Cheung Hon Kit and Mr. Yu Kam Yuen, Lincoln. The audit committee has reviewed with management the accounting principles as well as critical accounting estimates and assumptions. The audit committee has also discussed with the external auditor on their audit plan and key audit areas. The condensed consolidated financial statements and the interim results announcement of the Group for the Period have been reviewed by the audit committee before submission to the board of Directors for adoption.

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance Code (the "CG Code") for the Period as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") except the following deviations:

Under the code provision A.6.7 of the CG Code, independent non-executive directors should attend general meetings of the Company. Due to personal commitments, Mr. Cheung Hon Kit and Mr. Yu Kam Yuen, Lincoln, the independent non-executive directors of the Company, did not attend the annual general meeting of the Company held on 2 May 2014.

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10 to the Rules Governing the Listing of Securities of the Stock Exchange (the "Model Code"). Having made specific enquiry with them, all directors confirmed that they have complied with the standard set out in Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.

USE OF PROCEEDS

In November 2012, the Company undertook a placement and issued 75,000,000 new ordinary shares at HK$1.2 per share to independent third parties. The net proceeds from this placement were some HK$86.9 million. Up to 30 June 2014, the Group has applied HK$34.6 million of the net proceeds on acquisition of kitchen equipment for its central kitchen, HK$10.3 million of the net proceeds for the opening of new restaurants and HK$22.3 million of the net proceeds as its working capital. The Group will further apply the remaining proceeds of HK$19.7 million for the development of its central food processing and logic centre in Macau.

In March 2014, the Company undertook a placement and issued 65,400,000 new ordinary shares at HK$4.3 per share to independent third parties. The net proceeds from this placement were some HK$276.1 million. Up to 30 June 2014, the Group has not applied the net proceeds to finance the Group's project at Hengqin Island, Mainland China. And the Group has in July applied some HK$135.7 million to pay for the deposit of land acquisition cost of the Group's project at Hengqin Island and will apply the remaining proceeds to finance this project of the Group.

CLOSURE OF REGISTER OF SHAREHOLDERS

The register of shareholders of the Company will be closed from Wednesday, 10 September 2014 to Friday, 12 September 2014 (both days inclusive), during which no transfer of shares will be registered for the purpose of ascertaining shareholders' entitlement to the 2014 interim dividend. The record date for the entitlement to the 2014 interim dividend shall be 12 September 2014. In order to qualify for the interim dividend for the six months ended 30 June 2014, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on Monday, 8 September 2014.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

The announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and on the website of the Company at www.fb.com.hk. The 2014 interim report of the Company will be dispatched to the shareholders of the Company and available on the above websites in due course.

On behalf of the Board
Chan Chak Mo
Managing director

Hong Kong, 22 August 2014

As at the date hereof, the members of the board of directors of the Company comprise (i) Mr. Chan Chak Mo, the Managing Director, (ii) Mr. Chan See Kit, Johnny, the Chairman and executive Director, (iii) Mr. Lai King Hung, the deputy Chairman and executive Director, (iv) Ms. Leong In Ian, the executive Director and (v) Mr. Cheung Hon Kit, Mr. Yu Kam Yuen, Lincoln and Mr. Chan Pak Cheong Afonso, the independent non-executive Directors.