



ITC CORPORATION LIMITED

德祥企業集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock code 股份代號 : 372.HK

2011-2012

INTERIM REPORT

中期業績報告



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Chan Kwok Keung, Charles (*Chairman*)
Chau Mei Wah, Rosanna
(*Deputy Chairman and Managing Director*)
Chan Kwok Chuen, Augustine
Chan Fut Yan
Chan Yiu Lun, Alan

Independent Non-Executive Directors

Chuck, Winston Calptor
Lee Kit Wah
Shek Lai Him, Abraham, *SBS, JP*

AUDIT COMMITTEE

Lee Kit Wah (*Chairman*)
Chuck, Winston Calptor
Shek Lai Him, Abraham, *SBS, JP*

REMUNERATION COMMITTEE

Chuck, Winston Calptor (*Chairman*)
Chau Mei Wah, Rosanna
Lee Kit Wah

SECRETARY

Lai Kwok Hung, Alex

AUDITORS

Deloitte Touche Tohmatsu

LEGAL ADVISORS

Conyers Dill & Pearman (*Bermuda*)
Iu, Lai & Li (*Hong Kong*)
Reed Smith Richards Butler (*Hong Kong*)

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
The Bank of East Asia, Limited
CITIC Bank International Limited
The Hongkong and Shanghai Banking Corporation Limited
HSBC Bank Canada
Wing Hang Bank, Limited

公司資料

董事會

執行董事

陳國強 (*主席*)
周美華
(*副主席兼董事總經理*)
陳國銓
陳佛恩
陳耀麟

獨立非執行董事

卓育賢
李傑華
石禮謙 · *SBS, JP*

審核委員會

李傑華 (*主席*)
卓育賢
石禮謙 · *SBS, JP*

薪酬委員會

卓育賢 (*主席*)
周美華
李傑華

秘書

黎國鴻

核數師

德勤 • 關黃陳方會計師行

律師

康德明律師事務所 (*百慕達*)
姚黎李律師行 (*香港*)
禮德齊伯禮律師行 (*香港*)

主要往來銀行

中國銀行 (香港) 有限公司
東亞銀行有限公司
中信銀行國際有限公司
香港上海滙豐銀行有限公司
加拿大滙豐銀行
永亨銀行有限公司

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS

30/F, Bank of America Tower
12 Harcourt Road
Central
Hong Kong
Tel : (852) 2831 8118
Fax: (852) 2973 0939

**PRINCIPAL SHARE REGISTRAR
AND TRANSFER OFFICE**

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

**BRANCH SHARE REGISTRAR
AND TRANSFER OFFICE**

Tricor Secretaries Limited
26/F, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

WEBSITE

www.itc.com.hk

STOCK CODE

Hong Kong Stock Exchange

372

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

主要營業地點

香港
中環
夏慤道12號
美國銀行中心30樓
電話：(852) 2831 8118
傳真：(852) 2973 0939

股份過戶登記總處

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

股份過戶登記分處

卓佳秘書商務有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

網址

www.itc.com.hk

股份代號

香港聯交所

372

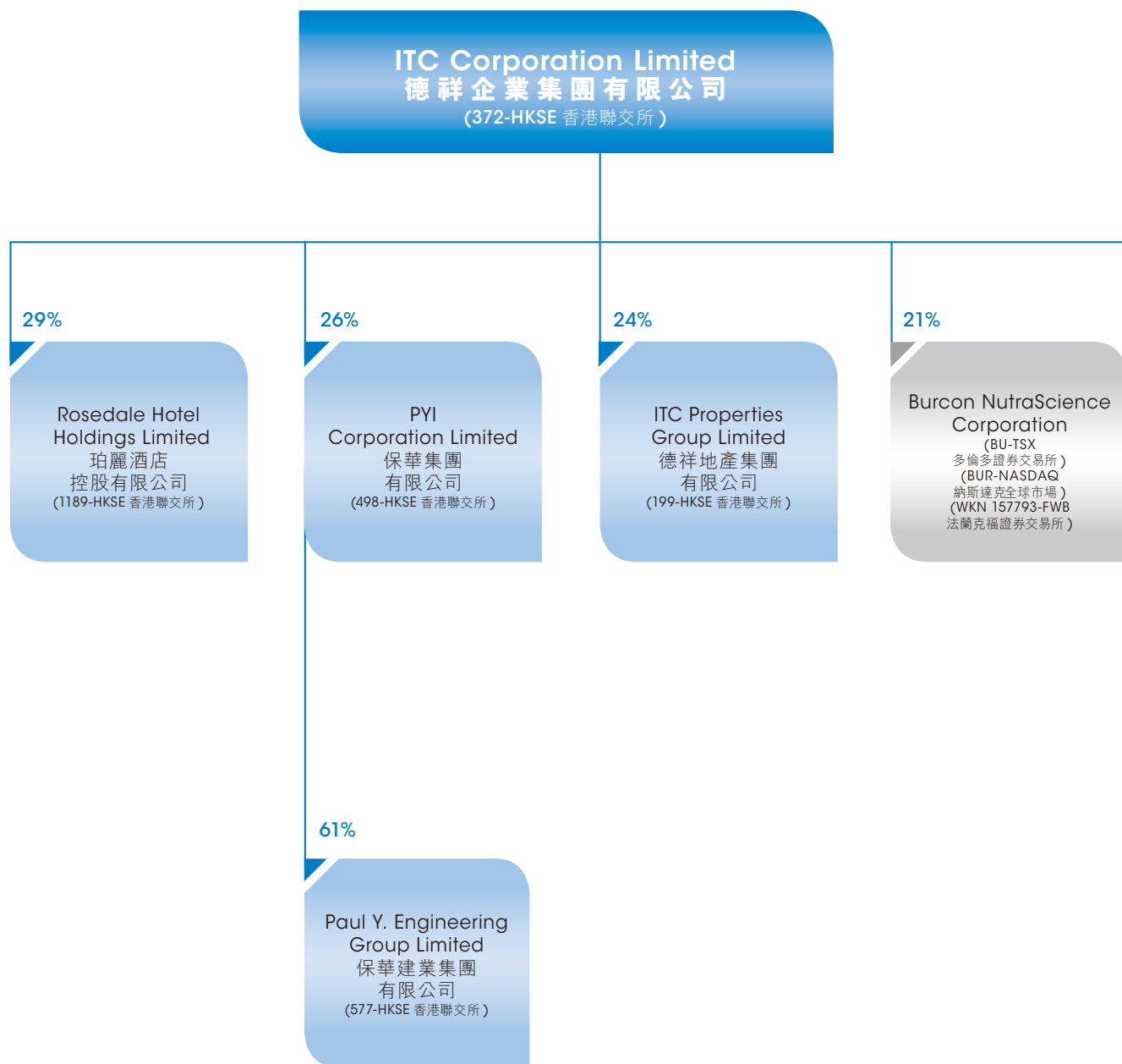


CORPORATE CHART

AT 25TH NOVEMBER, 2011

集團架構

於二零一一年十一月二十五日



■ Hong Kong listed 香港上市

■ Overseas listed 海外上市

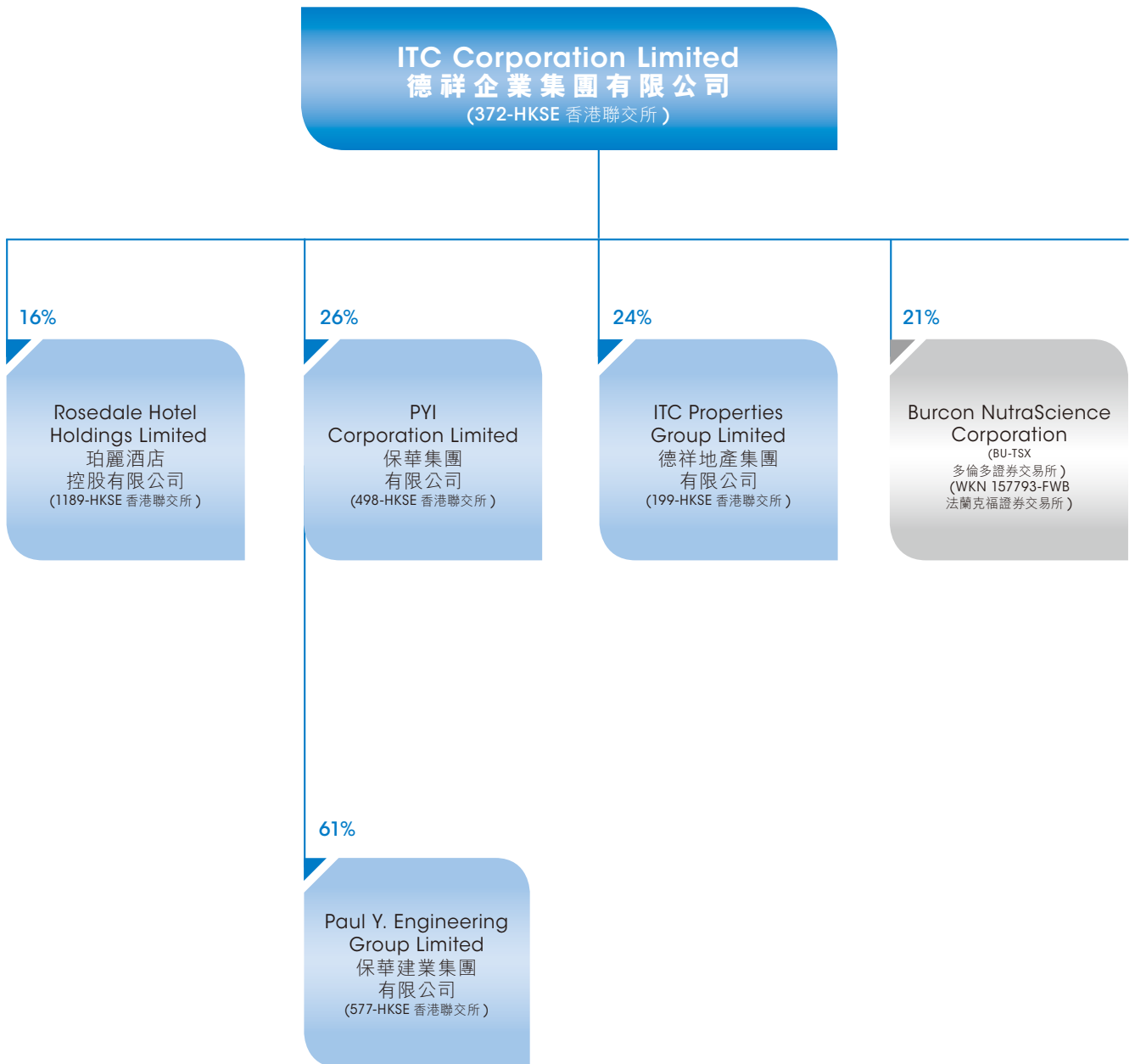
(Stock code - Listing place 股份代號 - 上市地方)

CORPORATE CHART

AT 30TH SEPTEMBER, 2011

集團架構

於二零一一年九月三十日



■ Hong Kong listed 香港上市

■ Overseas listed 海外上市

(Stock code - Listing place 股份代號 - 上市地方)

CHAIRMAN'S STATEMENT

I am pleased to present to shareholders the interim report and condensed consolidated financial statements of ITC Corporation Limited (the "Company") and its subsidiaries (the "Group") for the six months ended 30th September, 2011.

INTERIM DIVIDEND

The board of directors of the Company (the "Board") has resolved to pay an interim dividend of HK1.0 cent per share (2010: HK1.0 cent per share). The interim dividend will be paid to shareholders whose names appear on the register of members of the Company as at the close of business on Friday, 20th January, 2012 and is expected to be paid to shareholders by post on or about Tuesday, 28th February, 2012.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 18th January, 2012 to Friday, 20th January, 2012, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration by no later than 4:00 p.m. on Tuesday, 17th January, 2012.

BUSINESS REVIEW

Review of Financial Performance

For the six months ended 30th September, 2011, the Group reported a profit of HK\$57 million attributable to owners (2010: loss HK\$710 million). Basic profit per share was accordingly HK7.34 cents compared with the loss per share of HK94.19 cents for the corresponding period last year. The loss for the six months ended 30th September, 2010 included a major non-recurring item which was the HK\$845 million non-cash loss arising from the distribution of Hanny Holdings Limited ("Hanny") shares to the shareholders. After such distribution in November 2010, Hanny ceased to be an associate of the Group and the Group would not share any result of Hanny in the current interim period (2010: loss HK\$19 million).

主席報告書

本人欣然向股東提呈德祥企業集團有限公司(「本公司」)及其附屬公司(「本集團」)截至二零一一年九月三十日止六個月之中期報告及簡明綜合財務報表。

中期股息

本公司董事會(「董事會」)已議決派付中期股息每股1.0港仙(二零一零年：每股1.0港仙)。中期股息將派付於二零一二年一月二十日(星期五)營業時間結束時名列本公司股東名冊之股東，並預期將於二零一二年二月二十八日(星期二)或前後以郵寄方式派付予股東。

暫停辦理股東登記手續

本公司將由二零一二年一月十八日(星期三)至二零一二年一月二十日(星期五)(包括首尾兩日)期間暫停辦理股東登記手續，期內將不會登記任何股份之轉讓。要符合資格獲發中期股息，所有本公司股份過戶文件連同有關股票須不遲於二零一二年一月十七日(星期二)下午四時正送交本公司之香港股份過戶登記分處卓佳秘書商務有限公司(地址為香港灣仔皇后大道東28號金鐘匯中心26樓)以供登記。

業務回顧

財務表現回顧

截至二零一一年九月三十日止六個月，本集團錄得擁有人應佔溢利57,000,000港元(二零一零年：虧損710,000,000港元)。每股基本溢利因而為7.34港仙，去年同期則為每股虧損94.19港仙。截至二零一零年九月三十日止六個月虧損包括一重大非經常性項目，乃因分派錦興集團有限公司(「錦興」)股份予股東而產生之非現金虧損845,000,000港元。於二零一零年十一月進行分派後，錦興不再為本集團之聯營公司及本集團於本中期期間並無攤佔錦興任何業績(二零一零年：虧損19,000,000港元)。

Analysis of the Group's performance is as follows:

本集團表現之分析如下：

		Six months ended	
		30.09.2011	30.09.2010
		HK\$'M	HK\$'M
		截至九月三十日止六個月	二零一零年
		二零一一年	二零一零年
		百萬港元	百萬港元
Share of results of associates:	攤佔聯營公司業績：		
PYI	保華	89	48
ITC Properties	德祥地產	(25)	8
Rosedale	珀麗	(18)	85
Burcon	Burcon	(6)	(7)
Hanny	錦興	-	(19)
		<u>40</u>	<u>115</u>
Gain from changes in interests in associates	於聯營公司權益變動之收益	16	40
Net gain (loss) from other investments and operations	其他投資及經營業務之收益(虧損)淨額	1	(20)
		<u>57</u>	<u>135</u>
Profit before distribution	分派前溢利	57	135
Loss on distribution of Hanny shares to shareholders	分派錦興股份予股東之虧損	-	(845)
		<u>-</u>	<u>(845)</u>
Profit (loss) attributable to owners	擁有人應佔溢利(虧損)	<u>57</u>	<u>(710)</u>

Listed Strategic Investments

PYI Corporation Limited ("PYI")

Based in Hong Kong, PYI focuses on infrastructure investment in, and the operation of, bulk cargo ports and logistics facilities in the Yangtze River region of Mainland China. It also engages in land and property development and investment. In addition, PYI provides comprehensive engineering and property-related services through Paul Y. Engineering Group Limited.

During the period under review, the Group's interests in PYI remained unchanged at 26.7%. PYI recorded a profit attributable to its owners of HK\$331 million for the six months ended 30th September, 2011 compared with HK\$178 million for the same period in 2010. The increase in profit was mainly attributable to the gain on disposal of 50.1% interest in Jiangsu Yangkou Port Development and Investment Co., Ltd. and the increase in gross profit during the period. As a result, PYI contributed a profit increase from HK\$48 million to HK\$89 million for the interim period to the Group.

上市策略性投資項目

保華集團有限公司(「保華」)

保華以香港為基地，專注於基建投資及營運中國長江流域之大宗散貨港口及物流設施，亦從事土地及房產之開發及投資業務，並通過保華建業集團有限公司，提供全面的工程及房地產相關的服務。

於回顧期間內，本集團於保華之權益維持26.7%不變。保華於截至二零一一年九月三十日止六個月錄得其擁有人應佔溢利331,000,000港元，二零一零年同期則為178,000,000港元。溢利上升主要來自出售江蘇洋口港投資開發有限公司50.1%權益而產生之收益，以及期內毛利上升。因此，保華對本集團貢獻之溢利由48,000,000港元增加至於中期期間之89,000,000港元。



ITC Properties Group Limited ("ITC Properties")

ITC Properties is principally engaged in property development and investment in Macau, Mainland China and Hong Kong. ITC Properties is also engaged in golf resort and leisure operations in Mainland China, securities investment and the provision of loan financing services.

The Group's interest in ITC Properties remained unchanged at 24.7% during the interim period. The Group accepted the conditional offer made by ITC Properties to repurchase the convertible notes issued by ITC Properties in an aggregate principal amount of HK\$64 million at a consideration of HK\$70.4 million, which was satisfied by new convertible notes issued by ITC Properties in May 2011.

ITC Properties recorded a loss of HK\$89 million attributable to its owners for the six months ended 30th September, 2011, as compared with a profit of HK\$115 million for the same period last year, mainly due to (i) the increase in fair value of investment properties dropped from HK\$103 million last year to HK\$57 million; (ii) a net loss on financial instruments of HK\$52 million caused by the general downturn of the equity market in the third quarter this year; and (iii) the absence of the non-recurring compensation income of HK\$119 million arising from the cancellation of land use acquisition rights at Hengqin, Zhuhai for the six months ended 30th September, 2010. With the loss recorded by ITC Properties, the Group shared a loss of HK\$25 million for the interim period.

Rosedale Hotel Holdings Limited ("Rosedale")

Rosedale is principally engaged in hotel operation in Mainland China and Hong Kong and also trading of securities. Rosedale is managing a 4-star business hotel chain in Mainland China and Hong Kong, namely Rosedale on the Park, Rosedale Hotel & Suites, Beijing, Rosedale Hotel & Suites, Guangzhou, Times Plaza Hotel, Shenyang and Luoyang Golden Gulf Hotel. In addition, Rosedale is running a budget hotel chain under the brand name "Square Inn" in Mainland China.

In September 2011, the Group acquired of approximately 6 million shares of Rosedale on the open market at a total consideration of about HK\$2 million. The gain on the acquisition recorded by the Group was about HK\$15 million.

For the six months ended 30th June, 2011, Rosedale recorded a loss of HK\$111 million attributable to its owners. Compared with the same period in 2010, Rosedale recorded a profit of HK\$578 million which was mainly caused by the non-recurring substantial gain on disposal of its 90% equity interest in its travel business. Accordingly, the Group shared a loss of HK\$18 million for the interim period compared with last interim period's share of profit of HK\$85 million.

德祥地產集團有限公司 ("德祥地產")

德祥地產主要從事於澳門、中國內地及香港之物業發展及投資。德祥地產亦於中國內地從事高爾夫球度假村及休閒業務、證券投資及提供貸款融資服務。

於中期期間，本集團於德祥地產之權益維持24.7%不變。就德祥地產所提出之可換股票據有條件購回建議，本集團接納以代價70,400,000港元購回本金總額64,000,000港元之德祥地產可換股票據，並已於二零一一年五月以德祥地產發行新可換股票據支付。

德祥地產於截至二零一一年九月三十日止六個月錄得其擁有人應佔虧損89,000,000港元，去年同期則錄得溢利115,000,000港元，主要因為(i)投資物業公平價值增長由去年103,000,000港元減少至57,000,000港元；(ii)本年度第三季度股票市場全面向下引致錄得財務工具虧損淨額52,000,000港元；及(iii)並無於截至二零一零年九月三十日止六個月因取消購買於珠海橫琴之土地使用權所致之非經常性賠償收入119,000,000港元。隨著德祥地產錄得虧損，本集團於中期期間攤佔虧損25,000,000港元。

珀麗酒店控股有限公司 ("珀麗")

珀麗主要於中國內地及香港從事經營酒店，另外亦從事證券買賣。珀麗於中國內地及香港經營四星級連鎖商務酒店，即香港珀麗酒店、北京珀麗酒店、廣州珀麗酒店、瀋陽時代廣場酒店及洛陽金水灣大酒店。另外，珀麗於中國內地經營以「方圓四季」為品牌之經濟型連鎖酒店。

於二零一一年九月，本集團於公開市場以總代價2,000,000港元購入約6,000,000股珀麗股份。本集團錄得之購入收益約為15,000,000港元。

於截至二零一一年六月三十日止六個月，珀麗錄得其擁有人應佔虧損111,000,000港元。二零一零年同期，珀麗錄得溢利578,000,000港元，主要來自出售其於旅遊業務90%之股本權益而錄得之重大非經常性收益。故此，本集團於中期期間攤佔虧損18,000,000港元，而上一中期期間則攤佔溢利85,000,000港元。

Burcon NutraScience Corporation ("Burcon")

Burcon is a leader in nutrition, health and wellness in the field of functional, renewable plant proteins. In addition to its listing on the Toronto Stock Exchange and the Frankfurt Stock Exchange, Burcon's shares have commenced trading on The NASDAQ Global Market on 27th October, 2011. Since 1999, Burcon has developed a portfolio of composition, application, and process patents originating from its core protein extraction and purification technology. Burcon has licensed its CLARISOY™ soy protein technology to Archer-Daniels-Midland Company, a leader in the global food ingredient industry listed in the U.S., on an exclusive, worldwide basis for the production, marketing and sale of CLARISOY™ soy proteins. CLARISOY™ is a revolutionary soy protein isolate which is 100% soluble and completely transparent in acidic solutions. Burcon is also developing Supertein™ and Puratein® canola protein isolates with unique functional and nutritional attributes. Supertein™ and Puratein® are the first canola protein isolates to have attained *Generally Recognised as Safe* status in the U.S.

In November 2011, Burcon announced that it has developed a novel pea protein isolate branded as Peazazz™ which is 100% soluble and transparent in low pH solutions with clean flavor characteristics and is heat stable permitting hot fill applications. This new Peazazz™ protein offers another platform for Burcon to monetize its technology.

As Burcon is still in the stage of development, it reported a loss of 3.0 million Canadian dollars for the six months ended 30th September, 2011, as compared with a loss of 4.1 million Canadian dollars for the corresponding in 2010. The decrease in the loss amount was mainly due to the decrease of non-cash stock-based compensation expense for share options. The loss shared by the Group was HK\$6 million for the interim period.

The Company obtained shareholders' approval in May 2011 for the possible disposal of a maximum of all 6.3 million shares of Burcon held by the Group at the minimum disposal price of 9 Canadian dollars per share (subject to adjustments) within twelve months from the date of the approval to allow flexibility in effecting future disposal(s) of Burcon shares expeditiously when market conditions are favourable. The Group has not disposed of any Burcon shares since the date of shareholders' approval.

(CLARISOY is a trademark of Archer-Daniels-Midland Company.)

Burcon NutraScience Corporation (「Burcon」)

Burcon於具功效性及擁有再生特質之植物蛋白質界別中，在營養、健康及保健方面，處於領先地位。除於多倫多證券交易所和法蘭克福證券交易所上市外，Burcon股份已於二零一一年十月二十七日起在納斯達克全球市場開始買賣。自一九九九年，Burcon已在其有關提取及淨化植物蛋白質之技術上，發展出一系列合成、應用及加工專利權。Burcon已全球性獨家允許於美國上市、並於全球食材工業處於領導地位之Archer-Daniels-Midland Company，運用其CLARISOY™大豆蛋白質技術，製造、推廣及銷售CLARISOY™大豆蛋白質。CLARISOY™為一種能百分百於酸性液體中溶解及於當中完全呈現透明狀之革命性大豆分離蛋白質。Burcon亦正致力發展具獨有功效及營養價值之芥花籽分離蛋白質商品Supertein™及Puratein®，該等產品為首種獲得美國「*Generally Recognised as Safe*」資格之芥花籽分離蛋白質。

於二零一一年十一月，Burcon宣佈已發展出以Peazazz™為品牌之全新豌豆分離蛋白質，在低pH溶液內可百分百溶解及呈透明狀，口味清新，在高溫下仍然穩定，可作熱灌裝。此新推出之Peazazz™蛋白質給予Burcon以其技術轉化成利潤之另一平台。

Burcon仍處於發展階段，於截至二零一一年九月三十日止六個月錄得虧損3,000,000加元，而二零一零年同期則錄得虧損4,100,000加元。其虧損金額減少主要因為購股權之非現金股票補償成本減少。而中期期間內本集團攤佔虧損為6,000,000港元。

本公司已於二零一一年五月取得股東批准於批准日期起計十二個月內可能按最低出售價每股9加元（可予調整）出售本集團所持有最多全部6,300,000股Burcon股份，以便給予靈活性在日後市況有利時能迅速出售Burcon股份。自取得股東批准當日以來，本集團並無出售任何Burcon股份。

(CLARISOY為Archer-Daniels-Midland Company之商標。)



Paul Y. Engineering Group Limited ("Paul Y. Engineering")

Paul Y. Engineering is an international construction and engineering services group serving Hong Kong, Mainland China and the international market. It has three core areas of business: management contracting, property development management and property investment.

In November 2011, Paul Y. Engineering obtained shareholders' approval to diversify its business through a series of transactions, including (i) placing requiring a specific mandate to issue a total of 3,100 million new shares of Paul Y. Engineering at HK\$0.65 each, with the prospect of up to an additional 500 million new shares of Paul Y. Engineering; (ii) acquisition of a 50% interest in film joint venture to which Paul Y. Engineering will contribute US\$220.5 million (approximately HK\$1,719.9 million) in cash; (iii) capital reduction, distribution in specie of a 49% interest in Paul Y. Engineering existing businesses with a cash alternative; and (iv) cash dividend of HK\$0.25 per Paul Y. Engineering share with a scrip alternative.

The Group's shareholding interests in the major listed strategic investments are summarised below:

保華建業集團有限公司 (「保華建業」)

保華建業乃一間為香港、中國內地及國際市場提供服務之國際建築及工程服務集團。保華建業擁有三項核心業務範疇，分別為：承建管理、物業發展管理及物業投資。

於二零一一年十一月，保華建業獲股東批准通過一連串交易分散其業務，包括(i)以每股0.65港元進行配售(需要特別授權以發行)合共31億股保華建業新股份，及可能額外發行最多5億股保華建業新股份；(ii)收購合營電影公司之50%權益，據此保華建業將以現金出資220,500,000美元(約1,719,900,000港元)；(iii)股本削減、實物分派保華建業現有業務之49%權益(連現金替代方案)；及(iv)現金股息每股保華建業股份0.25港元，連同以股代息方案。

本集團於主要上市策略性投資項目之股權權益概述如下：

Name of investee company	Place of listing	Stock code	Effective interest	
			As at 30.09.2011	As at the date of this report
所投資公司之名稱	上市地點	股份代號	實際權益 於二零一一年九月三十日	於本報告日期
PYI 保華	Hong Kong Stock Exchange 香港聯交所	498	26.7%	26.6%
ITC Properties 德祥地產	Hong Kong Stock Exchange 香港聯交所	199	25.0%	25.0%
Rosedale 珀麗	Hong Kong Stock Exchange 香港聯交所	1189	16.6%	29.7%
Burcon	Toronto Stock Exchange 多倫多證券交易所 NASDAQ Global Market 納斯達克全球市場 Frankfurt Stock Exchange 法蘭克福證券交易所	BU BUR WKN 157793	21.0%	21.0%
Paul Y. Engineering 保華建業	Hong Kong Stock Exchange 香港聯交所	577	16.7% (Note) (附註)	16.6% (Note) (附註)

Note: The Group's effective interest is held through PYI.

附註：本集團之實際權益透過保華持有。

LIQUIDITY AND FINANCIAL RESOURCES

As at 30th September, 2011, the Group's total assets and equity attributable to owners were HK\$2,653 million and HK\$2,225 million respectively, representing an increase of 7% and 4% as compared to the last audited date.

With respect to liquidity, the Group adopts a prudent funding and treasury policy with regard to its overall business operations such that adequate funding is maintained to match with cash flows required for working capital and seizing investment opportunities.

As at 30th September, 2011, current assets of the Group was HK\$459 million, representing an increase of 364% during the interim period. These current assets included HK\$371 million of assets reclassified as held for sale due to the disposal of a subsidiary holding a property after the interim period.

As at 30th September, 2011, current liabilities of the Group was HK\$299 million, representing an increase of 11% during the interim period. The increase was due to HK\$187 million of liabilities reclassified as held for sale which was disposed by a subsidiary holding a property after the interim period. Such increase was reduced by the carrying amount of the convertible notes issued by the Company (the "ITC Notes") (in the principal amount of HK\$143 million) which was reclassified from current liabilities to non-current liabilities due to the extension of its maturity date from 2nd November, 2011 to 2nd November, 2013 as approved by the shareholders in September 2011.

Accordingly, the Group's current ratio was 1.5 as at the interim period end date.

GEARING

As at 30th September, 2011, bank deposits, bank balances and cash was HK\$77 million and the total bank loan facilities drawn by the Group was HK\$164 million of which HK\$17 million is repayable within one year or on demand and HK\$147 million is classified as liabilities associated with assets classified as held for sale. All of these bank loan facilities were at floating interest rates. Loan from a director of HK\$16 million is repayable within one year and at floating interest rate. In addition, the Group recognised HK\$128 million as the liability component of its convertible notes which were issued in November 2009 with an initially 2-year maturity and subsequently extended to 2nd November, 2013 and at 5% annual interest. As at 30th September, 2011, the conversion price of the outstanding ITC Notes in the aggregate principal amount of HK\$143 million was HK\$0.3 per share.

Accordingly, the Group's gearing ratio was 10.4% as at 30th September, 2011 (31st March, 2011: 13.6%), calculated on the basis of net borrowings, being the excess of borrowings over bank deposits, bank balances and cash, of HK\$231 million over the equity attributable to owners of HK\$2,225 million.

流動資金及財務資源

於二零一一年九月三十日，本集團之總資產及擁有人應佔權益分別為2,653,000,000港元及2,225,000,000港元，與上次審核日期比較增加7%及4%。

流動資金方面，本集團在整體業務運作方面採取審慎理財政策，以便有充裕資金應付營運資金所需之現金流，以及把握投資良機。

於二零一一年九月三十日，本集團之流動資產為459,000,000港元，於中期期間增長364%。該流動資產包括經重新分類為持作銷售資產371,000,000港元，原因是於中期期間後出售一間持有物業之附屬公司所致。

於二零一一年九月三十日，本集團之流動負債為299,000,000港元，於中期期間增加11%。增加乃因中期期間後出售一間持有物業之附屬公司，經重新分類為持作銷售負債金額187,000,000港元所致。本公司發行本金額143,000,000港元之可換股票據（「德祥票據」）於二零一一年九月獲股東批准其到期日由二零一一年十一月二日延後至二零一三年十一月二日，其帳面值由流動負債重新分類為非流動負債，而令流動負債的增加幅度減少。

因此，本集團於中期期間期結日之流動比率為1.5。

資產負債比率

於二零一一年九月三十日，銀行存款、銀行結存及現金為77,000,000港元，而本集團已動用之銀行信貸總額為164,000,000港元，其中須於一年內償還或按通知償還之部份為17,000,000港元，另147,000,000港元分類為涉及列作分類為持作銷售資產之負債。上述之銀行信貸均按浮動息率計息。向一名董事借款16,000,000港元須於一年內償還並按浮動利率計息。此外，本集團確認128,000,000港元為其可換股票據之負債部份，該等可換股票據於二零零九年十一月發行，最初之有效期為兩年，其後延長至二零一三年十一月二日，年利率為五厘。於二零一一年九月三十日，本金總額143,000,000港元之未行使德祥票據之換股價為每股0.3港元。

因此，按本集團之借款淨額（即借款超過銀行存款、銀行結存及現金之金額）231,000,000港元及擁有人應佔權益2,225,000,000港元計算，本集團於二零一一年九月三十日之資產負債比率為10.4%（二零一一年三月三十一日：13.6%）。



EXCHANGE RATE EXPOSURE

Most of the assets and liabilities of the Group are denominated in Hong Kong dollars, hence the Group's exposure to fluctuations in foreign exchange rates is minimal and no foreign exchanging hedging instruments are used.

PLEDGE OF ASSETS

As at 30th September, 2011, properties with an aggregate carrying value of HK\$346 million were pledged to a bank to secure general facilities granted to the Group.

CONTINGENT LIABILITIES

As at 30th September, 2011, the Group had no contingent liabilities, except that on disposal of an associate, the Group had given an indemnity to the purchaser relating to unrecorded taxation liabilities, if any, and the affairs and business of the associate up to the date of disposal.

EMPLOYEE AND REMUNERATION POLICY

As at 30th September, 2011, the Group had a total of 63 employees. It is the Group's remuneration policy that the employees' remuneration is based on the employees' skill, knowledge and involvement in the Company's affairs and is determined by reference to the Company's performance, as well as remuneration benchmark in the industry and the prevailing market conditions. The ultimate objective of the remuneration policy is to ensure that the Group is able to attract, retain and motivate a high-calibre team which is essential to the success of the Company. The Group also offers benefits to employees including discretionary bonus, training, provident funds and medical coverage. The share option scheme is established for the eligible participants (including employees) but no share options were granted during the period and there is no outstanding share option as at 30th September, 2011 and as at the date of this report.

匯兌風險

本集團大部份資產及負債均以港元為單位，故此本集團之外匯波動風險極低，亦無使用外匯對沖工具。

資產抵押

於二零一一年九月三十日，賬面總值346,000,000港元之物業已抵押予一間銀行，以為本集團取得一般信貸。

或然負債

於二零一一年九月三十日，本集團概無或然負債，惟於出售一間聯營公司時，本集團就該聯營公司尚未入賬之稅項負債(如有)及其截至出售日止之事務及業務，向買方提供彌償保證。

僱員及酬金政策

於二零一一年九月三十日，本集團聘用共63名僱員。根據本集團酬金政策，員工薪酬乃因應員工之技能、知識及對本公司事務之參與程度，並參考本公司之表現及業界之薪金水平及當時市況而釐定。酬金政策最終旨在確保本集團有力吸引、挽留及鼓勵高質素之團隊精英，彼等對本公司之成功尤為重要。本集團亦提供福利予僱員，包括酌情花紅、培訓、公積金及醫療保障計劃。購股權計劃乃為合資格參與者(包括僱員)設立，惟並無於期內授出購股權，且於二零一一年九月三十日及於本報告日期概無未行使之購股權。

MAJOR EVENTS AFTER THE INTERIM PERIOD

The Company completed the disposal of the entire interest in a subsidiary which owned the office on the 30th Floor and four car parking spaces at the Bank of America Tower, 12 Harcourt Road, Central, Hong Kong for an aggregate consideration of HK\$313 million plus the net tangible asset value of the disposed group (subject to adjustments). The disposal was approved by shareholders and completed in November 2011 with an estimated gain of about HK\$49 million.

Subsequent to the interim period, the Group acquired an aggregate of approximately 86 million shares of Rosedale, representing approximately 13.1% of the issued share capital of Rosedale, for an aggregate cash consideration of about HK\$39 million. With reference to the latest published interim report as at 30th June, 2011 of Rosedale and subject to any fair value changes, the pro forma gain on the aforesaid acquisition of Rosedale shares amounted to approximately HK\$212 million.

SECURITIES IN ISSUE

The total number of issued shares of the Company of HK\$0.01 each remained unchanged during the interim period and through to the date of this report at 777,028,676.

OUTLOOK

The global economic environment has become increasingly uncertain amid the eurozone sovereign debt crises and concern over the U.S. economy. Mainland China's and Hong Kong's economy may face a slowdown in growth. In this challenging environment, the Group continues to look for investment opportunities cautiously such as the further acquisition of Rosedale shares by the Group subsequent to this interim period. Moreover, the Group completed the disposal of a property to realise its capital value. These activities will contribute positively to the results of the second half year of the Group. Looking forward, the Group will remain cautious in its operating environment and will maintain its long-term strategy to explore opportunities in a prudent manner.

中期期間後重大事項

本公司已完成有關出售一間附屬公司全部權益的交易(該附屬公司擁有位於香港中環夏慤道12號美國銀行中心30樓之寫字樓及四個停車位)，總代價313,000,000港元另加出售集團之有形資產淨值(可予調整)。該出售已於二零一一年十一月獲股東批准及完成，估計收益約49,000,000港元。

於中期期間後，本集團購買了合共約86,000,000股珀麗股份，佔珀麗已發行股本約13.1%，總現金代價約39,000,000港元。參考珀麗截至二零一一年六月三十日最新刊發之中期報告及視乎任何公平價值變動，上述購買珀麗股份之備考收益約為212,000,000港元。

已發行之證券

本公司每股面值0.01港元之已發行股份總數於中期期間及直至本報告日期維持不變，仍為777,028,676股。

展望

全球經濟環境因歐元區主權債務危機及憂慮美國經濟情況下日趨不明朗。中國內地及香港之經濟增長或會放緩。在此充滿挑戰環境下，本集團繼續審慎物色投資機會，如本集團於本中期期間完結後增購珀麗股份。此外，本集團已完成出售一項物業以實現其資本價值。該等活動將對本集團之下半年業績作出正面貢獻。展望未來，本集團將於其經營環境中保持警惕，並將審慎地貫徹其開拓商機之長遠策略。

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

As at 30th September, 2011, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules") were as follows:

(a) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

Name of director	Capacity	Long position/ Short position	Number of shares of the Company held	Approximate percentage of the issued share capital of the Company
董事姓名	身份	好倉／淡倉	所持本公司 股份數目	佔本公司已發行 股本概約百分比
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	69,072,330 (Note) (附註)	8.89%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	202,678,125 (Note) (附註)	26.08%

Note:

Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly-owned by Dr. Chan Kwok Keung, Charles. Dr. Chan Kwok Keung, Charles was deemed to be interested in 202,678,125 shares of the Company held by Galaxyway Investments Limited. Dr. Chan Kwok Keung, Charles held 69,072,330 shares of the Company.

董事於股份、相關股份及債權證之權益及淡倉

於二零一一年九月三十日，本公司董事及主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第十五部）之股份、相關股份及債權證中持有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之權益及淡倉，或根據香港聯交所證券上市規則（「上市規則」）附錄十之上市發行人董事進行證券交易的標準守則（「標準守則」）而須另行知會本公司及香港聯交所之權益及淡倉如下：

(a) 於本公司之股份、相關股份及債權證之權益及淡倉

附註：

Galaxyway Investments Limited為Chinaview International Limited之全資附屬公司，而Chinaview International Limited則由陳國強博士全資擁有。陳國強博士被視作擁有Galaxyway Investments Limited所持有之202,678,125股本公司股份之權益。陳國強博士持有69,072,330股本公司股份。

(b) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF PYI CORPORATION LIMITED ("PYI")

(b) 於保華集團有限公司(「保華」)之股份、相關股份及債權證之權益及淡倉

Name of director	Capacity	Long position/ Short position	Number of shares of PYI held	Number of underlying shares of PYI held	Approximate percentage of the issued share capital of PYI
董事姓名	身份	好倉／淡倉	所持保華 股份數目	所持保華 之相關 股份數目	佔保華 已發行股本 概約百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note 1) 於受控制法團之權益 (附註1)	Long position 好倉	1,213,537,695	-	26.79%
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	35,936,031	-	0.79%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	-	3,626,666 (Note 2) (附註2)	0.08%
Chan Fut Yan 陳佛恩	Beneficial owner 實益擁有人	Long position 好倉	-	7,083,334 (Note 2) (附註2)	0.16%
Shek Lai Him, Abraham 石禮謙	Beneficial owner 實益擁有人	Long position 好倉	6,000	-	0.00%

Notes:

- The shares of PYI were held by an indirect wholly-owned subsidiary of the Company. By virtue of his direct and deemed interests in approximately 34.97% of the issued share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares of PYI held by an indirect wholly-owned subsidiary of the Company.
- As at 1st April, 2011 and 30th September, 2011, Ms. Chau Mei Wah, Rosanna and Mr. Chan Fut Yan held share options (unlisted equity derivatives) (which were granted on 28th December, 2004) with rights to subscribe for 3,626,666 shares of PYI and 7,083,334 shares of PYI respectively at HK\$0.5294 per share of PYI (subject to adjustments) during the period from 28th December, 2004 to 26th August, 2012. These share options were vested on the date of grant.

附註：

- 保華股份由本公司一間間接全資附屬公司持有。鑑於其直接及被視作擁有本公司已發行股本約34.97%之權益，陳國強博士被視作於由本公司一間間接全資附屬公司所持有之該等保華股份中擁有權益。
- 於二零一一年四月一日及二零一一年九月三十日，周美華女士及陳佛恩先生持有於二零零四年十二月二十八日獲授之購股權(非上市股本衍生工具)，彼等有權於二零零四年十二月二十八日至二零一二年八月二十六日期間以每股保華股份0.5294港元(可予以調整)之代價分別認購3,626,666股保華股份及7,083,334股保華股份。該等購股權於授出日期歸屬。

(c) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF BURCON NUTRASCIENCE CORPORATION ("BURCON")

(c) 於 BURCON NUTRASCIENCE CORPORATION (「BURCON」) 之股份、相關股份及債權證之權益及淡倉

Name of director	Capacity	Long position/ Short position	Number of shares of Burcon held	Number of underlying shares (in respect of the share options (unlisted equity derivatives)) of Burcon held	Approximate percentage of the issued share capital of Burcon
董事姓名	身份	好倉／淡倉	所持Burcon 股份數目	所持Burcon 之相關股份 (有關購股權 (非上市 股本衍生 工具)) 數目	佔Burcon 已發行股本 概約百分比
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	385,389	-	1.29%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	-	52,500	0.18%
Chan Yiu Lun, Alan 陳耀麟	Beneficial owner 實益擁有人	Long position 好倉	-	65,000	0.22%

(d) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF ITC PROPERTIES GROUP LIMITED ("ITC PROPERTIES")

(d) 於德祥地產集團有限公司(「德祥地產」)之股份、相關股份及債權證之權益及淡倉

Name of director	Capacity	Long position/ Short position	Number of shares of ITC Properties held	Number of underlying shares of ITC Properties held	Approximate percentage of the issued share capital of ITC Properties
董事姓名	身份	好倉／淡倉	所持德祥地產 股份數目	所持德祥地產之 相關股份數目	佔德祥地產已發行 股本概約百分比
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	-	135,000,000 (Note 1) (附註1)	23.90%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note 2) 於受控制法團之權益 (附註2)	Long position 好倉	139,583,474	-	24.71%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note 2) 於受控制法團之權益 (附註2)	Long position 好倉	-	32,000,000 (Note 2) (附註2)	5.66%
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	6,066,400	-	1.07%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	3,200,000	-	0.56%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	-	6,500,000 (Notes 3 and 4) (附註3及4)	1.15%
Chan Fut Yan 陳佛恩	Beneficial owner 實益擁有人	Long position 好倉	-	2,900,000 (Note 3) (附註3)	0.51%
Chan Yiu Lun, Alan 陳耀麟	Beneficial owner 實益擁有人	Long position 好倉	-	1,500,000 (Note 3) (附註3)	0.26%

(d) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF ITC PROPERTIES GROUP LIMITED ("ITC PROPERTIES") (continued)

Notes:

- Time Expert Investments Limited ("Time Expert"), a company wholly-owned by Dr. Chan Kwok Keung, Charles, held convertible notes of ITC Properties in the principal amount of HK\$297 million (unlisted equity derivatives). Assuming full conversion of such convertible notes at an initial conversion price of HK\$2.20 per share of ITC Properties (subject to adjustments), 135,000,000 shares of ITC Properties would be issued to Time Expert. Dr. Chan Kwok Keung, Charles was deemed to be interested in these underlying shares of ITC Properties held by Time Expert.
- An indirect wholly-owned subsidiary of the Company held 139,583,474 shares of ITC Properties and convertible notes of ITC Properties in the principal amount of HK\$70,400,000 (unlisted equity derivatives). Assuming full conversion of such convertible notes at an initial conversion price of HK\$2.20 per share of ITC Properties (subject to adjustments), 32,000,000 shares of ITC Properties would be issued to the indirect wholly-owned subsidiary of the Company.

By virtue of his direct and deemed interests in approximately 34.97% of the issued share capital of the Company, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares and underlying shares of ITC Properties held by the subsidiary of the Company.

- Details of outstanding share options (unlisted equity derivatives) granted to the directors of the Company by ITC Properties as at 30th September, 2011 were as follows:

Name of optionholder	Date of grant	Option period**	Number of share options 購股權數目		Exercise price per share of ITC Properties as at 30th September, 2011 (subject to adjustments) 每股德祥地產股份 於二零一一年九月三十日 之行使價(可予以調整) HK\$ 港元
			Outstanding as at 1.4.2011 於二零一一年 四月一日 尚未行使	Outstanding as at 30.9.2011 於二零一一年 九月三十日 尚未行使	
Chau Mei Wah, Rosanna 周美華	29.3.2010 二零一零年 三月二十九日	29.3.2010 to 28.3.2014 二零一零年三月二十九日至 二零一四年三月二十八日	1,500,000	1,500,000	2.22
Chan Fut Yan 陳佛恩	29.3.2010 二零一零年 三月二十九日	29.3.2010 to 28.3.2014 二零一零年三月二十九日至 二零一四年三月二十八日	2,900,000	2,900,000	2.22
Chan Yiu Lun, Alan 陳耀麟	29.3.2010 二零一零年 三月二十九日	29.3.2010 to 28.3.2014 二零一零年三月二十九日至 二零一四年三月二十八日	1,500,000	1,500,000	2.22

(d) 於德祥地產集團有限公司(「德祥地產」)之股份、相關股份及債權證之權益及淡倉(續)

附註:

- Time Expert Investments Limited (「Time Expert」)乃由陳國強博士全資擁有之公司，彼持有本金額297,000,000港元之德祥地產可換股票據(非上市股本衍生工具)。假設有關於可換股票據已以初步換股價每股德祥地產股份2.20港元(可予以調整)獲全面轉換，Time Expert將獲發行135,000,000股德祥地產股份。陳國強博士被視為於Time Expert所持有之該等相關德祥地產股份中擁有權益。
- 本公司一間間接全資附屬公司持有139,583,474股德祥地產股份及本金額為70,400,000港元之德祥地產可換股票據(非上市股本衍生工具)。假設該等可換股票據以初步換股價每股德祥地產股份2.20港元(可予以調整)獲全面轉換，本公司之該間接全資附屬公司將獲發行32,000,000股德祥地產股份。

鑑於陳國強博士直接及被視作擁有本公司已發行股本約34.97%權益，陳博士被視作於由本公司之該附屬公司所持有之德祥地產股份及相關德祥地產股份中擁有權益。

- 於二零一一年九月三十日，德祥地產授予本公司董事之尚未行使之購股權(非上市股本衍生工具)詳情如下：

(d) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF ITC PROPERTIES GROUP LIMITED ("ITC PROPERTIES") (continued)

Notes: (continued)

3. (continued)

** In relation to the grant of share options on 29th March, 2010 subject to the terms and conditions of the share option scheme of ITC Properties adopted on 26th August, 2002, the share options shall be exercisable at any time during the option period and subject further to a maximum of 50% of the share options shall be exercisable during the second year period commencing from 29th March, 2011 to 28th March, 2012 with the balance of the share options not yet exercised may be exercised during the period commencing from 29th March, 2012 to 28th March, 2014.

4. Ms. Chau Mei Wah, Rosanna held convertible notes of ITC Properties in the principal amount of HK\$11,000,000 (unlisted equity derivatives). Assuming full conversion of such convertible notes at an initial conversion price of HK\$2.20 per share of ITC Properties (subject to adjustments), 5,000,000 shares of ITC Properties would be issued to Ms. Chau Mei Wah, Rosanna.

As at 30th September, 2011, PYI, Burcon and ITC Properties were associated corporations of the Company within the meaning of Part XV of the SFO.

Dr. Chan Kwok Keung, Charles was, by virtue of his direct and deemed interests in approximately 34.97% of the issued share capital of the Company, deemed to be interested in the shares and underlying shares (in respect of equity derivatives), if any, of the associated corporations (within the meaning of Part XV of the SFO) of the Company held by the Group under Part XV of the SFO.

Save as disclosed above, as at 30th September, 2011, none of the directors and chief executives of the Company had any interests and 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) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the period under review was the Company or any of its subsidiaries a party to any arrangements which enabled the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate, and none of the directors, chief executives or their spouse or children under the age of 18, had any right to subscribe for securities of the Company, or had exercised any such right during the period under review.

(d) 於德祥地產集團有限公司(「德祥地產」)之股份、相關股份及債權證之權益及淡倉(續)

附註：(續)

3. (續)

** 就根據按德祥地產於二零零二年八月二十六日採納之購股權計劃之條款及細則於二零一零年三月二十九日授出之購股權而言，購股權將於購股權期間內任何時間行使，惟其中最多50%購股權可於第二年期間(二零一一年三月二十九日至二零一二年三月二十八日)內行使，其餘尚未行使購股權可於二零一二年三月二十九日至二零一四年三月二十八日期間內行使。

4. 周美華女士持有本金額11,000,000港元之德祥地產可換股票據(非上市股本衍生工具)。假設該等可換股票據以初步換股價每股德祥地產股份2.20港元(可予以調整)獲全面轉換，周美華女士將獲發行5,000,000股德祥地產股份。

於二零一一年九月三十日，根據證券及期貨條例第十五部之定義，保華、Burcon及德祥地產乃本公司之相聯法團。

鑑於其直接及被視作擁有本公司已發行股本約34.97%之權益，故根據證券及期貨條例第十五部，陳國強博士被視作於本集團持有之本公司相聯法團(定義見證券及期貨條例第十五部)之股份及相關股份(有關股本衍生工具)(如有)中擁有權益。

除上文所披露者外，於二零一一年九月三十日，本公司董事及主要行政人員概無本公司或任何相聯法團(定義見證券及期貨條例第十五部)之股份、相關股份或債權證中擁有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之任何權益及淡倉，或根據標準守則而須另行知會本公司及香港聯交所之權益及淡倉。

董事購買股份或債券之權利

本公司或其任何附屬公司於回顧期內任何時間概無參與訂立任何安排，以使本公司董事可藉購入本公司或任何其他法人團體之股份或債務證券(包括債權證)而獲利，且董事、主要行政人員或彼等之配偶或未滿十八歲之子女於回顧期內概無擁有認購本公司證券之權利，亦無行使任何該等權利。



INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO

As at 30th September, 2011, so far as is known to the directors and the chief executives of the Company, the interests or short positions of substantial shareholders/other persons in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO were as follows:

(a) INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES OF THE COMPANY

根據證券及期貨條例第336條保存之登記冊所記錄之主要股東／其他人士之權益及淡倉

於二零一一年九月三十日，據本公司之董事及主要行政人員所知悉，根據證券及期貨條例第336條保存之本公司登記冊所記錄之主要股東／其他人士於本公司之股份及相關股份之權益或淡倉如下：

(a) 主要股東於本公司股份之權益及淡倉

Name	Capacity	Long position/ Short position	Number of shares of the Company held	Approximate percentage of the issued share capital of the Company
姓名／名稱	身份	好倉／淡倉	所持本公司 股份數目	佔本公司已發行 股本概約百分比
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	69,072,330 (Note) (附註)	8.89%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	202,678,125 (Note) (附註)	26.08%
Chinaview International Limited	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	202,678,125 (Note) (附註)	26.08%
Galaxyway Investments Limited	Beneficial owner 實益擁有人	Long position 好倉	202,678,125 (Note) (附註)	26.08%
Ng Yuen Lan, Macy 伍婉蘭	Interest of spouse (Note) 配偶權益(附註)	Long position 好倉	271,750,455 (Note) (附註)	34.97%

Note:

Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly-owned by Dr. Chan Kwok Keung, Charles. Ms. Ng Yuen Lan, Macy is the spouse of Dr. Chan Kwok Keung, Charles. Chinaview International Limited, Dr. Chan Kwok Keung, Charles and Ms. Ng Yuen Lan, Macy were deemed to be interested in 202,678,125 shares of the Company held by Galaxyway Investments Limited. Dr. Chan Kwok Keung, Charles held 69,072,330 shares of the Company. Ms. Ng Yuen Lan, Macy was deemed to be interested in the shares of the Company held by Dr. Chan Kwok Keung, Charles.

附註：

Galaxyway Investments Limited為Chinaview International Limited之一間全資附屬公司，而Chinaview International Limited則由陳國強博士全資擁有。伍婉蘭女士為陳國強博士之配偶。Chinaview International Limited、陳國強博士及伍婉蘭女士均被視作擁有Galaxyway Investments Limited所持有之202,678,125股本公司股份之權益。陳國強博士持有69,072,330股本公司股份。伍婉蘭女士被視作於由陳國強博士所持有之股份中擁有權益。

(b) INTERESTS AND SHORT POSITIONS OF OTHER PERSONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

(b) 其他人士於本公司股份及相關股份之權益及淡倉

Name	Capacity	Long position/ Short position	Number of shares of the Company held	Number of underlying shares of the Company held	Approximate percentage of the issued share capital of the Company
姓名／名稱	身份	好倉／淡倉	所持本公司 股份數目	所持本公司 相關股份數目	佔本公司已發行 股本概約百分比
Everland Group Limited	Beneficial owner (Note 1) 實益擁有人(附註1)	Long position 好倉	-	83,333,333	10.72%
Wong Yun Sang 黃潤生	Interest of controlled corporation (Note 1) 於受控制法團之權益 (附註1)	Long position 好倉	-	83,333,333	10.72%
Wong Yun Sang 黃潤生	Beneficial owner (Note 1) 實益擁有人(附註1)	Long position 好倉	400,000	-	0.05%
Wong Yun Sang 黃潤生	Interest of spouse (Note 1) 配偶權益(附註1)	Long position 好倉	1,000,000	-	0.13%
Chen Mei May, Libby 陳美媚	Beneficial owner (Note 1) 實益擁有人(附註1)	Long position 好倉	1,000,000	-	0.13%
Chen Mei May, Libby 陳美媚	Interest of spouse (Note 1) 配偶權益(附註1)	Long position 好倉	400,000	-	0.05%
Chen Mei May, Libby 陳美媚	Interest of spouse (Note 1) 配偶權益(附註1)	Long position 好倉	-	83,333,333	10.72%
Chair Sai Sui 車世瑞	Interest of controlled corporation (Note 1) 於受控制法團之權益 (附註1)	Long position 好倉	-	83,333,333	10.72%
Yeung Po Yuk, Pymalia 楊寶玉	Beneficial owner (Note 2) 實益擁有人(附註2)	Long position 好倉	-	116,666,666	15.01%
Wonderich Investments Limited	Beneficial owner (Note 3) 實益擁有人(附註3)	Long position 好倉	-	43,333,333	5.57%



(b) INTERESTS AND SHORT POSITIONS OF OTHER PERSONS
IN SHARES AND UNDERLYING SHARES OF THE COMPANY
(continued)(b) 其他人士於本公司股份及相關股份之權益
及淡倉(續)

Name	Capacity	Long position/ Short position	Number of shares of the Company held	Number of underlying shares of the Company held	Approximate percentage of the issued share capital of the Company
姓名／名稱	身份	好倉／淡倉	所持本公司 股份數目	所持本公司 相關股份數目	佔本公司已發行 股本概約百分比
Lee Mei Lin 李美蓮	Interest of controlled corporation (Note 3) 於受控制法團之權益 (附註3)	Long position 好倉	-	43,333,333	5.57%
Lee Mei Lin 李美蓮	Beneficial owner (Note 3) 實益擁有人(附註3)	Long position 好倉	700,000	-	0.09%
Yu Man Chung 余文仲	Beneficial owner (Note 4) 實益擁有人(附註4)	Long position 好倉	-	10,000,000	1.28%
Yu Man Chung 余文仲	Interest of spouse (Note 4) 配偶權益(附註4)	Long position 好倉	-	33,333,333	4.28%
Tam Shui Ping 譚瑞萍	Interest of spouse (Note 4) 配偶權益(附註4)	Long position 好倉	-	10,000,000	1.28%
Tam Shui Ping 譚瑞萍	Beneficial owner (Note 4) 實益擁有人(附註4)	Long position 好倉	-	33,333,333	4.28%

(b) INTERESTS AND SHORT POSITIONS OF OTHER PERSONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY
(continued)

Notes:

1. Everland Group Limited was interested in 83,333,333 underlying shares (in respect of unlisted equity derivatives) of the Company. Mr. Wong Yun Sang and Mr. Chair Sai Sui owned as to 50% of Everland Group Limited respectively. By virtue of the SFO, each of Mr. Wong Yun Sang and Mr. Chair Sai Sui was deemed to be interested in the underlying shares of the Company in which Everland Group Limited was interested. Mr. Wong Yun Sang held 400,000 shares of the Company and his wife, Ms. Chen Mei May, Libby held 1,000,000 shares of the Company. Mr. Wong Yun Sang was deemed to be interested in the shares of the Company held by his wife and Ms. Chen Mei May, Libby was deemed to be interested in the shares and underlying shares of the Company held by her husband and Everland Group Limited.
2. Ms. Yeung Po Yuk, Pymalia was interested in 116,666,666 underlying shares (in respect of unlisted equity derivatives) of the Company.
3. Wonderich Investments Limited, a company wholly-owned by Ms. Lee Mei Lin, was interested in 43,333,333 underlying shares (in respect of unlisted equity derivatives) of the Company. Ms. Lee Mei Lin held 700,000 shares of the Company. By virtue of the SFO, Ms. Lee Mei Lin was deemed to be interested in the underlying shares of the Company in which Wonderich Investments Limited was interested.
4. Mr. Yu Man Chung and Ms. Tam Shui Ping were interested in 10,000,000 underlying shares (in respect of unlisted equity derivatives) of the Company and 33,333,333 underlying shares (in respect of unlisted equity derivatives) of the Company respectively. Ms. Tam Shui Ping is the spouse of Mr. Yu Man Chung and therefore by virtue of the SFO, they were deemed to be interested in the underlying shares of the Company interested by each other.

Save as disclosed above, no other parties were recorded in the register of the Company required to be kept under section 336 of the SFO as having interests or short positions in the shares or underlying shares of the Company as at 30th September, 2011.

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

During the six months ended 30th September, 2011, the Company repurchased its convertible notes in the principal amount of HK\$25 million at a consideration of HK\$25 million from a noteholder in June 2011 and such convertible notes were cancelled. Save as disclosed herein, during the six months ended 30th September, 2011, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

(b) 其他人士於本公司股份及相關股份之權益及淡倉(續)

附註：

1. Everland Group Limited於83,333,333股本公司相關股份(有關非上市股本衍生工具)中擁有權益。黃潤生先生及車世瑞先生分別擁有Everland Group Limited之50%權益。根據證券及期貨條例，黃潤生先生及車世瑞先生各被視為於Everland Group Limited擁有權益之本公司相關股份中擁有權益。黃潤生先生持有400,000股本公司股份，而其妻子陳美媚女士則持有1,000,000股本公司股份。黃潤生先生被視為於其妻子所持有之本公司股份中擁有權益，而陳美媚女士則被視為於其丈夫及Everland Group Limited所持有之本公司股份及本公司相關股份中擁有權益。
2. 楊寶玉女士於116,666,666股本公司相關股份(有關非上市股本衍生工具)中擁有權益。
3. Wonderich Investments Limited乃由李美蓮女士全資擁有之公司，並於43,333,333股本公司相關股份(有關非上市股本衍生工具)中擁有權益。李美蓮女士持有700,000股本公司股份。根據證券及期貨條例，李美蓮女士被視為於Wonderich Investments Limited擁有權益之本公司相關股份中擁有權益。
4. 余文仲先生及譚瑞萍女士分別於10,000,000股本公司相關股份(有關非上市股本衍生工具)及於33,333,333股本公司相關股份(有關非上市股本衍生工具)中擁有權益。譚瑞萍女士為余文仲先生之配偶，故根據證券及期貨條例，彼等被視為於對方各自擁有權益之本公司相關股份中擁有權益。

除上文所披露者外，於二零一一年九月三十日，根據證券及期貨條例第336條本公司須保存之登記冊所記錄，概無其他人士擁有本公司之股份或相關股份之權益或淡倉。

購買、出售或贖回本公司上市證券

於截至二零一一年九月三十日止六個月內，本公司於二零一一年六月以代價25,000,000港元向一名票據持有人購回金額25,000,000港元之本公司可換股票據，該等可換股票據已予註銷。除本文披露者外，於截至二零一一年九月三十日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has, throughout the six months ended 30th September, 2011, complied with the code provisions of the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules.

CHANGES IN INFORMATION ON DIRECTORS

Changes in information on the directors of the Company since the Company's last published annual report are set out below.

Ms. Chau Mei Wah, Rosanna was elected as a General Committee member of The Chamber of Hong Kong Listed Companies on 30th June, 2011.

Ms. Chau Mei Wah, Rosanna and Mr. Chan Yiu Lun, Alan are directors of Burcon NutraScience Corporation, the shares of which commenced trading on the NASDAQ Global Market on 27th October, 2011 in addition to the Toronto Stock Exchange and the Frankfurt Stock Exchange.

Mr. Chan Kwok Chuen, Augustine retired as a director of Hanny Holdings Limited ("Hanny") after the conclusion of the annual general meeting of Hanny and ipso facto ceased to be the managing director of Hanny on 24th August, 2011.

Mr. Chan Yiu Lun, Alan was appointed as an executive director of PYI with effect from 23rd November, 2011.

Mr. Lee Kit Wah was appointed as an independent non-executive director of Datronix Holdings Limited on 22nd August, 2011.

The updated biographies of directors of the Company are available on the Company's website.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. All directors of the Company have confirmed, following specific enquiry by the Company, that they complied with the required standard set out in the Model Code for the six months ended 30th September, 2011.

企業管治常規守則

本公司已於截至二零一一年九月三十日止六個月內一直遵守上市規則附錄十四所載之企業管治常規守則之守則條文。

董事資料之更改

自本公司最近刊發之年度報告以來本公司董事資料作出之更改載列如下。

周美華女士於二零一一年六月三十日獲選為香港上市公司商會常務委員會成員。

周美華女士及陳耀麟先生為Burcon NutraScience Corporation董事，除多倫多證券交易所及法蘭克福證券交易所外，其股份於二零一一年十月二十七日亦於納斯達克全球市場開始進行買賣。

陳國銓先生於二零一一年八月二十四日在錦興集團有限公司(「錦興」)之股東週年大會完結後退任錦興董事職務，並據此同時退任為錦興董事總經理。

陳耀麟先生於二零一一年十一月二十三日獲委任為保華之執行董事。

李傑華先生於二零一一年八月二十二日獲委任為連達科技控股有限公司獨立非執行董事。

本公司董事之更新履歷已刊登於本公司網站。

董事證券交易標準守則

本公司已採納上市規則附錄十所載的標準守則，作為本公司董事進行證券交易之標準守則。本公司向全體董事作出具體查詢後，彼等確認於截至二零一一年九月三十日止六個月內一直符合標準守則所規定之標準。

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, financial reporting process and internal control matters including a review of the unaudited interim financial report for the six months ended 30th September, 2011.

The interim financial report of the Company for the six months ended 30th September, 2011 has been reviewed by the auditor, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

On Behalf of the Board

Dr. Chan Kwok Keung, Charles
Chairman

Hong Kong, 25th November, 2011

審核委員會

審核委員會與管理層已審閱本集團採納之會計原則及慣例，並就審計、財務申報過程及內部監控事項，包括審閱截至二零一一年九月三十日止六個月之未經審核中期財務報告作商討。

本公司截至二零一一年九月三十日止六個月之中期財務報告已經由核數師德勤•關黃陳方會計師行根據香港會計師公會頒佈之《香港審閱工作準則》第2410號「由實體之獨立核數師執行之中期財務資料的審閱」進行審閱。

代表董事會

主席
陳國強博士

香港，二零一一年十一月二十五日

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF ITC CORPORATION LIMITED
(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 26 to 43, which comprises the condensed consolidated statement of financial position of ITC Corporation Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 30th September, 2011 and the related condensed consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
25th November, 2011

中期財務資料審閱報告書

致德祥企業集團有限公司董事會
(於百慕達註冊成立之有限公司)

引言

本行已審閱第26至43頁所載之中期財務資料，當中包括德祥企業集團有限公司「本公司」及其附屬公司（統稱「本集團」）於二零一一年九月三十日之簡明綜合財務狀況表，以及截至該日止六個月期間之相關簡明綜合全面收入表、簡明綜合權益變動表及簡明綜合現金流量表及某些解釋附註。香港聯合交易所有限公司證券主板上市規則規定，中期財務資料之編製須符合當中訂明之相關條文，以及由香港會計師公會頒佈之香港會計準則第34號《中期財務報告》（「香港會計準則第34號」）。本公司董事須負責根據香港會計準則第34號編製及呈報這些中期財務資料。本行之責任是根據審閱之結果，對本中期財務資料作出結論，並按照雙方所協定之委聘書條款僅向整體董事會報告，除此之外本報告別無其他目的。本行不會就本報告之內容向任何其他人士負上或承擔任何責任。

審閱範圍

本行依據香港會計師公會頒佈之《香港審閱工作準則》第2410號「由實體之獨立核數師執行之中期財務資料的審閱」進行審閱工作。審閱中期財務資料包括主要向負責財務和會計事務之人員作出查詢，以及進行分析性和其他審閱程序。由於審閱之範圍遠較根據香港審計準則進行審核之範圍為小，故本行不保證可知悉所有在審核中可能發現之重大事項。因此，本行不會發表審核意見。

結論

根據本行的審閱工作，本行並沒有注意到任何事項，使本行相信本財務資料在所有重大方面沒有按照香港會計準則第34號的規定編製。

德勤·關黃陳方會計師行
執業會計師

香港
二零一一年十一月二十五日

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 簡明綜合全面收入表

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2011 截至二零一一年九月三十日止六個月

		(Unaudited)	
		Six months ended	
		30.9.2011	30.9.2010
		HK\$'000	HK\$'000
		(未經審核)	
		截至九月三十日止六個月	
		二零一一年	二零一零年
		千港元	千港元
	Notes		
	附註		
Turnover	營業額		
- gross proceeds	- 所得款項總額	3	9,041
			30,419
Revenue	收入	3	8,945
			27,934
Management and other related service income	管理及其他有關服務收入		2,179
Net gain (loss) on financial instruments	金融工具之收益(虧損)淨額	4	24,823
Interest income	利息收入		4,372
Property rental income	物業租金收入		2,151
Other income	其他收入		2,095
Net gain on changes in fair values of investment properties	投資物業公平價值變動之收益淨額		2,000
Administrative expenses	行政開支		(25,415)
Finance costs	財務成本		(11,158)
Net gain (loss) on deemed disposal of partial interests in associates	視作出售聯營公司部分權益之收益(虧損)淨額	5	1,490
Share of results of associates	攤佔聯營公司業績		40,229
- share of results	- 攤佔業績		115,160
- gain on acquisitions of additional interests in associates	- 增購聯營公司額外權益之收益	12	14,633
			86,200
Profit before taxation and impairment loss on an associate upon and after classification as held for distribution to shareholders	除稅前及一間聯營公司於重新分類為持作分派予股東時及其後之減值虧損前之溢利		57,399
Impairment loss on an associate upon and after classification as held for distribution to shareholders	一間聯營公司於重新分類為持作分派予股東時及其後之減值虧損	6	-
			(845,445)
Profit (loss) before taxation	除稅前溢利(虧損)		57,399
Taxation	稅項	7	(330)
Profit (loss) for the period	本期間溢利(虧損)	8	57,069
Other comprehensive income (expenses):	其他全面收入(開支):		
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額		(1,381)
Share of other comprehensive (expenses) income of associates	攤佔聯營公司其他全面(開支)收入		(25,540)
Gain on revaluation of land and buildings	重估土地及樓宇之收益		9,120
Deferred tax arising on revaluation of land and buildings	重估土地及樓宇產生之遞延稅項		(1,505)
Reclassification adjustments:	重新分類調整:		
- reserves released on distribution of assets to shareholders	- 分派資產予股東時轉出儲備		-
- reserves released on deemed disposal of partial interests in associates	- 視作出售聯營公司部分權益時轉出儲備		(88,294)
			-
			(424)
Other comprehensive expenses for the period	本期間其他全面開支		(19,306)
Total comprehensive income (expenses) for the period	本期間全面收入(開支)總額		37,763
			(741,923)
Earnings (loss) per share	每股盈利(虧損)	10	
- Basic (HK cents)	- 基本(港仙)		7.34
			(94.19)
- Diluted (HK cents)	- 攤薄(港仙)		5.10
			(94.19)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 簡明綜合財務狀況表

AT 30TH SEPTEMBER, 2011 於二零一一年九月三十日

	Notes	(Unaudited) 30.9.2011 HK\$'000 (未經審核) 二零一一年 九月三十日 千港元	(Audited) 31.3.2011 HK\$'000 (經審核) 二零一一年 三月三十一日 千港元
	附註		
Non-current assets			
Property, plant and equipment	11	17,872	251,524
Investment properties	11	18,230	102,423
Intangible assets		1,693	1,737
Interests in associates	12	2,087,338	2,022,646
Debt portion of convertible notes	13	57,859	-
Conversion options embedded in convertible notes	13	9,693	-
Available-for-sale investments		1,038	1,552
		2,193,723	2,379,882
Current assets			
Inventories		27	30
Debtors, deposits and prepayments	14	3,055	4,701
Amounts due from associates		53,471	2,211
Loan receivable		5,000	26,969
Debt portion of convertible notes	13	-	56,088
Short-term bank deposits, bank balances and cash		26,817	8,970
		88,370	98,969
Assets classified as held for sale	15	370,877	-
		459,247	98,969
Current liabilities			
Creditors and accrued expenses	16	10,840	12,083
Amounts due to associates		86	526
Loan from a director		16,146	46,113
Dividend payable		7,770	-
Deposit received for disposal of subsidiaries	15	60,000	-
Bank borrowings - due within one year		-	5,250
Bank overdrafts		16,791	42,790
Convertible notes payable	17	-	161,589
		111,633	268,351
Liabilities associated with assets classified as held for sale	15	187,355	-
		298,988	268,351
Net current assets (liabilities)		160,259	(169,382)
Total assets less current liabilities		2,353,982	2,210,500
Non-current liabilities			
Bank borrowings - due after one year	17	-	42,250
Convertible notes payable		127,997	-
Deferred tax liabilities		1,000	38,457
		128,997	80,707
Net assets		2,224,985	2,129,793
Capital and reserves			
Share capital		7,770	7,770
Share premium and reserves		2,217,215	2,122,023
Total equity		2,224,985	2,129,793

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 簡明綜合權益變動表

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2011 截至二零一一年九月三十日止六個月

		Attributable to the owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Contributed surplus	Reserve on acquisition	Capital redemption reserve	Other reserve	Property revaluation reserve	Investment revaluation reserve	Translation reserve	Convertible note reserve	Accumulated profits	Total
		股本	股份溢價	實繳盈餘	收購儲備	股本贖回儲備	其他儲備	物業重估儲備	投資重估儲備	匯兌儲備	票據儲備	累計溢利	合計
		HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st April, 2011	於二零一一年四月一日	7,770	577,765	196,676	(91,489)	908	10,544	175,552	2,005	181,755	19,260	1,049,047	2,129,793
Profit for the period	本期間溢利	-	-	-	-	-	-	-	-	-	-	57,069	57,069
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	-	-	(1,381)	-	-	(1,381)
Share of other comprehensive expenses of associates	攤佔聯營公司其他全面收入	-	-	-	-	-	-	-	(1,762)	(23,778)	-	-	(25,540)
Gain on revaluation of land and buildings	重估土地及樓宇之收益	-	-	-	-	-	-	9,120	-	-	-	-	9,120
Deferred tax arising on revaluation of land and buildings	重估土地及樓宇產生之遞延稅項	-	-	-	-	-	-	(1,505)	-	-	-	-	(1,505)
Total comprehensive income (expenses) for the period	期間全面收入(開支)總額	-	-	-	-	-	-	7,615	(1,762)	(25,159)	-	57,069	37,763
Final dividend paid for the year ended 31st March, 2011	截至二零一一年三月三十一日止年度之已派付末期股息	-	-	-	-	-	-	-	-	-	-	(7,770)	(7,770)
Repurchase of convertible notes	購回可換股票據	-	-	-	-	-	-	-	-	-	(2,867)	(15)	(2,882)
Increase in associates' equity attributable to the Group's interests arising on equity transaction of the associates	因於聯營公司之股本交易導致本集團於聯營公司股權應佔權益增加	-	-	-	66,438	-	869	-	-	-	-	774	68,081
Extension of convertible notes	延後可換股票據	-	-	-	-	-	-	-	-	-	862	(662)	-
At 30th September, 2011	於二零一一年九月三十日	7,770	577,765	196,676	(25,051)	908	11,413	183,167	243	156,596	17,255	1,098,243	2,224,985

		Attributable to the owners of the Company 本公司擁有人應佔												
		Share capital	Share premium	Contributed surplus	Reserve on acquisition	Capital redemption reserve	Other reserve	Property revaluation reserve	Investment revaluation reserve	Translation reserve	Convertible note reserve	Share option reserve	Accumulated profits	Total
		股本	股份溢價	實繳盈餘	收購儲備	股本贖回儲備	其他儲備	物業重估儲備	投資重估儲備	匯兌儲備	票據儲備	購股權儲備	累計溢利	合計
		HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000	HKS' 000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st April, 2010	於二零一零年四月一日	7,537	570,579	1,377,041	(96,081)	908	2,159	142,791	68,794	139,034	22,928	18,248	799,290	3,053,228
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	-	-	-	(709,891)	(709,891)
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	-	-	(400)	-	-	-	(400)
Share of other comprehensive income of associates	攤佔聯營公司其他全面收入	-	-	-	-	-	-	-	34,617	22,469	-	-	-	57,086
Released on distribution of assets to shareholders	分派資產予股東時轉出	-	-	-	4,582	-	9,008	-	(101,884)	-	-	-	-	(88,294)
Released on deemed disposal of partial interests in associates	視作出售聯營公司部分權益時轉出	-	-	-	10	-	1,254	-	(209)	(1,479)	-	-	-	(424)
Total comprehensive income (expenses) for the period	期間全面收入(開支)總額	-	-	-	4,592	-	10,262	-	(67,476)	20,590	-	-	(709,891)	(741,923)
Distribution - final dividend paid for the year ended 31st March, 2010	分派 - 截至二零一零年三月三十一日止年度之末期股息	-	-	-	-	-	-	-	-	-	-	-	(7,537)	(7,537)
- distribution of assets to shareholders	分派資產予股東	-	-	(343,459)	-	-	-	-	-	-	-	-	-	(343,459)
Increase in associates' equity attributable to the Group's interests arising on equity transaction of the associates	因於聯營公司之股本交易導致本集團於聯營公司股權應佔權益增加	-	-	-	-	-	(1,682)	-	-	-	-	-	10,046	8,364
Released upon lapse of vested share options	已歸屬購股權失效時轉出	-	-	-	-	-	-	-	-	-	-	(369)	369	-
At 30th September, 2010	於二零一零年九月三十日	7,537	570,579	1,033,582	(91,489)	908	10,739	142,791	1,318	159,624	22,928	17,879	92,277	1,968,673

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS 簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2011 截至二零一一年九月三十日止六個月

		(Unaudited)	
		Six months ended	
		30.9.2011	30.9.2010
		HK\$'000	HK\$'000
		(未經審核)	
		截至九月三十日止六個月	
		二零一一年	二零一零年
		千港元	千港元
Net cash used in operating activities	經營業務動用之現金淨額	(3,004)	(27,377)
Net cash from investing activities	投資業務所得之現金淨額		
Deposit received for disposal of subsidiaries	出售附屬公司之已收按金	60,000	-
Acquisition of additional interests in associates	增購聯營公司權益	(2,205)	(30,187)
Acquisition of convertible notes	收購可換股票據	-	(31,460)
Proceeds from early redemption of convertible notes	提前贖回可換股票據所得款項	-	100,496
Proceeds from disposal of available-for-sale investments	出售可供銷售投資所得款項	-	3,095
Others	其他	257	1,239
		58,052	43,183
Net cash used in financing activities	融資業務動用之現金淨額		
New bank loans raised	新造銀行貸款	50,000	-
Repayment of loan from a director	償還由一名董事借款	(29,967)	-
Redemption of convertible notes payable	贖回可換股票據應付款項	(25,279)	-
Interest paid	已付利息	(6,194)	(5,164)
		(11,440)	(5,164)
Net increase in cash and cash equivalents	現金與現金等值項目增加淨額	43,608	10,642
Cash and cash equivalents at beginning of the period	期初現金與現金等值項目	(33,820)	106,233
Effect of foreign exchange rate changes	外幣匯率變動之影響	209	(67)
Cash and cash equivalents at end of the period	期末現金與現金等值項目	9,997	116,808
Analysis of the balance of cash and cash equivalents	現金與現金等值項目結存分析		
Short-term bank deposits, bank balances and cash	短期銀行存款、銀行結存及現金	76,672	159,589
Bank overdrafts	銀行透支	(66,675)	(42,781)
		9,997	116,808

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2011 截至二零一一年九月三十日止六個月

1. BASIS OF PREPARATION

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

2. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th September, 2011 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31st March, 2011 except as described below.

In the current interim period, the Group has applied, for the first time, a number of new or revised Standards, Amendments and Interpretation ("new or revised HKFRSs") issued by the HKICPA.

The application of the new or revised HKFRSs in the current interim period has no material effect on the amounts reported in these condensed consolidated financial statements and / or disclosures set out in these condensed consolidated financial statements.

The Group has not early applied new or revised standard, amendments and interpretation that have been issued but are not yet effective. The following standard, amendment and interpretation has been issued after the date the consolidated financial statements for the year ended 31st March, 2011 were authorised for issuance but are not yet effective:

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income ²
HKAS 19 (Revised 2011)	Employee Benefits ¹
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine ¹

¹ Effective for annual periods beginning on or after 1st January, 2013.

² Effective for annual periods beginning on or after 1st July, 2012.

The directors of the Company anticipate that the application of the new or revised standard, amendments and interpretation will have no material impact on the results and the financial position of the Group.

1. 編製基準

德祥企業集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之簡明綜合財務報表乃根據香港聯合交易所有限公司證券上市規則附錄十六有關披露之適用規定及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)之規定而編製。

2. 主要會計政策

簡明綜合財務報表乃根據歷史成本法編製，惟若干物業及金融工具乃按重估金額或公平價值(視前者適用)計算。

除下文所述者外，截至二零一一年九月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方法與於編製本集團截至二零一一年三月三十一日止年度之年度財務報表所沿用者相同。

於本中期期間，本集團首次應用由香港會計師公會頒佈之若干新訂及經修訂準則、修訂及詮釋(「新訂及經修訂香港財務報告準則」)。

於本中期期間應用新訂及經修訂香港財務報告準則對該等簡明綜合財務報表所報金額及/或該等簡明綜合財務報表所載披露內容並無重大影響。

本集團並無提早應用已頒佈惟尚未生效之新訂或經修訂準則、修訂及詮釋。以下準則、修訂及詮釋已於截至二零一一年三月三十一日止年度之綜合財務報表日期後獲授權頒佈但尚未生效：

香港會計準則第1號 (修訂本)	呈列其他全面收入項目 ²
香港會計準則第19號 (二零一一年經修訂)	僱員福利 ¹
香港(國際財務報告 詮釋委員會) — 詮釋第20號	露天礦場生產階段 之剝採成本 ¹

¹ 於二零一三年一月一日或其後開始之年度期間生效。

² 於二零一二年七月一日或其後開始之年度期間生效。

本公司董事預計，應用該等新訂或經修訂準則、修訂及詮釋將不會對本集團業績及財務狀況造成重大影響。



3. TURNOVER, GROSS PROCEEDS, REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable from outside customers for the period and includes gain on disposal of investments held for trading.

Segment information

The Group's operating segments, based on information reported to the chief operating decision maker, being the Executive Directors of the Company, for the purposes of resources allocation and performance assessment are as follows:

Finance	- loan financing services
Long term investment	- investment in investments such as convertible notes issued by the associates
Other investment	- investment in available-for-sale investments and trading of securities
Others	- leasing of investment properties, leasing of motor vehicles and management services

Information regarding the above segments is reported below.

Gross proceeds included in turnover represents the amounts received and receivable from outside customers for the period together with gross proceeds from disposal of financial instruments which arise incidental to the main revenue generating activities of the Group.

3. 營業額、所得款項總額、收入及分部資料

收入指期內來自外界客戶之已收及應收款項，當中包括出售持作買賣投資之收益。

分部資料

本集團之經營分部，根據呈報予主要經營決策人士（即本公司之執行董事）之資料以作資源分配及表現評估之用途、分類如下：

融資	— 貸款融資服務
長期投資	— 投資於投資項目如聯營公司發行之可換股票據
其他投資	— 投資於可供銷售投資及證券買賣
其他	— 投資物業租賃、出租汽車及管理服務

有關上述分部之資料呈報如下。

列入營業額之所得款項總額，指期內已收及應收對外客戶之款項，連同出售金融工具之所得款項總額，該等金融工具乃於本集團主要產生收入活動中產生。

3. TURNOVER, GROSS PROCEEDS, REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

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

Six months ended 30th September, 2011

3. 營業額、所得款項總額、收入及分部資料(續)

分部資料(續)

以下為本集團於回顧期間之收入及業績按經營分部劃分之分析：

截至二零一一年九月三十日止六個月

		Finance HK\$'000 融資 千港元	Long term investment HK\$'000 長期投資 千港元	Other investment HK\$'000 其他投資 千港元	Others HK\$'000 其他 千港元	Segment total HK\$'000 分部總計 千港元	Eliminations HK\$'000 抵銷 千港元	Consolidated HK\$'000 綜合 千港元
TURNOVER	營業額							
- gross proceeds	- 所得款項總額	5,037	3,797	252	6,030	15,116	(6,075)	9,041
SEGMENT REVENUE	分部收入							
External sales	對外銷售	472	3,797	156	4,520	8,945	-	8,945
Inter-segment sales	分部間銷售	4,565	-	-	1,510	6,075	(6,075)	-
Total	總計	5,037	3,797	156	6,030	15,020	(6,075)	8,945
RESULT	業績							
Segment result	分部業績	(11,258)	12,276	(3,538)	4,615	2,095	-	2,095
Central administration costs	中央行政成本							(6,049)
Finance costs	財務成本							(11,158)
Net gain on deemed disposal of partial interests in associates	視作出售聯營公司部分 權益之收益淨額							1,490
Gain on convertible notes payable	可換股票據應付款項之收益							16,159
Share of results of associates	攤佔聯營公司業績							40,229
- share of results	- 攤佔業績							
- gain on acquisitions of additional interests in associates	- 增購聯營公司額外 權益之收益							14,633
Profit before taxation	除稅前溢利							57,399

3. TURNOVER, GROSS PROCEEDS, REVENUE AND SEGMENT INFORMATION

(continued)

Segment information (continued)

Six months ended 30th September, 2010

3. 營業額、所得款項總額、收入及分部資料(續)

分部資料(續)

截至二零一零年九月三十日止六個月

		Finance HK\$'000 融資 千港元	Long term investment HK\$'000 長期投資 千港元	Other investment HK\$'000 其他投資 千港元	Others HK\$'000 其他 千港元	Segment total HK\$'000 分部總計 千港元	Eliminations HK\$'000 抵銷 千港元	Consolidated HK\$'000 綜合 千港元
TURNOVER	營業額							
- gross proceeds	- 所得款項總額	7,250	18,491	5,048	6,045	36,834	(6,415)	30,419
SEGMENT REVENUE	分部收入							
External sales	對外銷售	2,345	18,491	2,563	4,535	27,934	-	27,934
Inter-segment sales	分部間銷售	4,905	-	-	1,510	6,415	(6,415)	-
Total	總計	7,250	18,491	2,563	6,045	34,349	(6,415)	27,934
RESULT	業績							
Segment result	分部業績	(13,289)	9,881	2,558	1,462	612	-	612
Central administration costs	中央行政成本							(9,029)
Finance costs	財務成本							(10,946)
Net loss on deemed disposal of partial interests in associates	視作出售聯營公司部分 權益之虧損淨額							(46,443)
Share of results of associates - share of results	攤佔聯營公司業績 - 攤佔業績							115,160
- gain on acquisitions of additional interests in associates	- 增購聯營公司額外 權益之收益							86,200
Profit before taxation and impairment loss on an associate upon and after classification as held for distribution to shareholders	除稅前及一間聯營公司於 重新分類為持作分派予股東時 及其後之減值虧損前之溢利							135,554
Impairment loss on an associate upon and after classification as held for distribution to shareholders	一間聯營公司於重新分類 為持作分派予股東時及 其後之減值虧損							(845,445)
Loss before taxation	除稅前虧損							(709,891)

Inter-segment sales are charged at prevailing market rate or at terms determined and agreed by both parties.

Segment result represents the result of each segment without allocation of central administration costs, including directors' salaries, finance costs, impairment loss on an associate upon and after classification as held for distribution to shareholders and items related to interest in associates.

分部間之銷售乃按通行市價或按雙方決定及同意之條款收取。

分部業績指各分部之業績，惟不將中央行政成本(包括董事薪酬)、財務成本、一間聯營公司於重新分類為持作分派予股東時及其後之減值虧損及與聯營公司權益有關之項目分配。

4. NET GAIN (LOSS) ON FINANCIAL INSTRUMENTS

4. 金融工具之收益(虧損)淨額

		Six months ended	
		30.9.2011	30.9.2010
		HK\$'000	HK\$'000
		截至九月三十日止六個月	二零一零年
		二零一一年	二零一零年
		千港元	千港元
Dividend income on investments	投資之股息收入	134	1
Gain on convertible notes payable (note 17)	可換股票據應付款項之收益(附註17)	16,159	-
Net gain (loss) on:	下列各項之收益(虧損)淨額:		
- Repurchase of convertible notes receivable (note 13)	- 購回可換股票據應收款項(附註13)	13,704	(8,513)
- Conversion options embedded in convertible notes receivable	- 可換股票據應收款項附帶之換股權	(5,196)	(76)
- Investments held for trading	- 持作買賣投資	22	2,563
		24,823	(6,025)

5. NET GAIN (LOSS) ON DEEMED DISPOSAL OF PARTIAL INTERESTS IN ASSOCIATES

The net gain for the six months ended 30th September, 2011 was mainly resulted from the deemed disposal of partial interests in associates which was resulted from the dilution effect of exercise of share options by parties other than the Group. For the six months ended 30th September, 2010, the net loss was mainly resulted from the deemed disposal of partial interests in associates which arose from the dilution effect of exercise of share options by parties other than the Group, and placement of shares being issued by the associates.

5. 視作出售聯營公司部分權益之收益(虧損)淨額

截至二零一一年九月三十日止六個月之收益淨額主要乃因本集團以外人士行使購股權所產生之攤薄效應被視作出售聯營公司部分權益所致。截至二零一零年九月三十日止六個月之虧損淨額主要乃因本集團以外人士行使購股權及該等聯營公司配售股份所產生之攤薄效應被視作出售聯營公司部分權益所致。

6. IMPAIRMENT LOSS ON AN ASSOCIATE UPON AND AFTER CLASSIFICATION AS HELD FOR DISTRIBUTION TO SHAREHOLDERS

In July 2010, Hanny Holdings Limited ("Hanny"), a then associate of the Group proposed a repurchase offer to repurchase the 2% convertible notes issued by Hanny at their face value to be satisfied by the issue of new shares in Hanny of HK\$0.5 each (the "Hanny Repurchase Offer"). The Group proposed an acceptance of the Hanny Repurchase Offer (the "Acceptance") and a distribution of the Group's contributed surplus on the basis of 9.3 ordinary shares in Hanny for every 10 ordinary shares in the Company (the "Distribution"). The Distribution had been approved by the shareholders of the Company on 21st September, 2010. On the date of approval of the Distribution, the Group held 42.77% equity interest in Hanny, representing 240,146,821 shares in Hanny. Taking into account the 462,958,590 new shares in Hanny obtained through the Acceptance, the total number of Hanny shares distributed was 700,936,289 (details of which were set out in the announcement of the Company dated 21st October, 2010). Impairment loss on an associate upon and after classification as held for distribution to shareholder of HK\$845,445,000 were recognised in the profit and loss for the period ended 30th September, 2010.

6. 一間聯營公司於重新分類為持作分派予股東時及其後之減值虧損

於二零一零年七月，本集團當時之一間聯營公司錦興集團有限公司(「錦興」)提出購回建議，建議通過發行每股面值0.5港元之錦興新股份按票據面值購回錦興所發行之2厘可換股票據(「錦興購回建議」)。本集團建議接納錦興購回建議(「接納」)及分派本集團之實繳盈餘，基準為每持有10股本公司普通股股份獲派9.3股錦興普通股份(「分派」)。分派已於二零一零年九月二十一日獲本公司股東批准。於批准分派當日，本集團持有錦興42.77%之股本權益，相當於240,146,821股錦興股份。計及通過接納而取得之462,958,590股錦興新股份，所分派之錦興股份總數為700,936,289股(詳情載於本公司日期為二零一零年十月二十一日之公佈)。一間聯營公司於重新分類為持作分派予股東時及其後之減值虧損845,445,000港元已於截至二零一零年九月三十日止期間於損益中確認。

7. TAXATION

Taxation represents the deferred tax recognised by the Group.

No provision for Hong Kong Profits Tax has been made as the entities within the Group had no assessable profit for both periods.

7. 稅項

稅項指本集團確認之遞延稅項。

由於本集團所包括之單位於兩個期間內並無應課稅溢利，故並無於期內作出香港利得稅撥備。

8. PROFIT (LOSS) FOR THE PERIOD

8. 本期間溢利(虧損)

		Six months ended	
		30.9.2011	30.9.2010
		HK\$'000	HK\$'000
		截至九月三十日止六個月	二零一零年
		二零一一年	二零一零年
		千港元	千港元
Profit (loss) for the period has been arrived at after charging (crediting):	本期間溢利(虧損)已扣除(計入):		
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	6,664	6,078
Share of taxation of associates (included in share of results of associates)	攤佔聯營公司稅項 (列入攤佔聯營公司業績)	<u>38,378</u>	<u>35,544</u>

9. DISTRIBUTION

During the current period, a final dividend of HK1.0 cent per share in respect of the year ended 31st March, 2011 (2010: HK1.0 cent per share in respect of the year ended 31st March, 2010) was declared and approved for distribution to shareholders of the Company. The aggregate amount of the final dividend declared and approved in the current interim period amounted to HK\$7,770,000 (2010: HK\$7,537,000).

In addition, as detailed in note 6, the Distribution had been approved by the shareholders of the Company on 21st September, 2010. The amount of the Distribution recognised in the condensed consolidated financial statements for the six months ended 30th September, 2010 was HK\$343,459,000, which was determined with reference to the market price of the distributed Hanny shares on 30th September, 2010.

Subsequent to the end of the interim period, the directors have determined that an interim dividend of HK1.0 cent per share (2010: Nil) will be paid to the shareholders of the Company whose names appear in the Register of Members of the Company at the close of business on 20th January, 2012.

9. 分派

於本期間內，已就截至二零一一年三月三十一日止年度宣派及批准分派予股東末期股息每股1.0港仙(二零一零年：截至二零一零年三月三十一日止年度股息每股1.0港仙)派付予本公司股東。本中期期間已宣派及批准之末期股息總額為7,770,000港元(二零一零年：7,537,000港元)。

此外，如附註6所詳述，分派已於二零一零年九月二十一日獲本公司股東批准。於截至二零一零年九月三十日止六個月之綜合財務報表確認之分派金額為343,459,000港元，乃參照已分派錦興股份於二零一零年九月三十日之市價釐定。

中期期間結束後，董事決定向於二零一二年一月二十日於營業時間結束時名列本公司股東名冊之本公司股東派付每股1.0港仙(二零一零年：無)之中期股息。

10. EARNINGS (LOSS) PER SHARE

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

10. 每股盈利(虧損)

本公司擁有人應佔之每股基本及攤薄盈利(虧損)乃按以下數據計算：

		Six months ended	
		30.9.2011	30.9.2010
		HK\$'000	HK\$'000
		截至九月三十日止六個月	
		二零一一年	二零一零年
		千港元	千港元
Earnings (loss) for the period attributable to the owners of the Company for the purpose of basic earnings (loss) per share	本期間本公司擁有人應佔盈利(虧損)用以計算每股基本盈利(虧損)	57,069	(709,891)
Effect of dilutive potential ordinary shares:	潛在可攤薄普通股之影響：		
Adjustment of finance cost on convertible notes payable	財務成本按可換股票據應付款項調整	8,655	-
Earnings (loss) for the purpose of diluted earnings (loss) per share	用以計算每股攤薄盈利(虧損)之盈利(虧損)	65,724	(709,891)
		Number of shares	
		股份數目	
Number of ordinary shares for the purposes of basic earnings (loss) per share	用以計算每股基本盈利(虧損)之普通股數目	777,028,676	753,695,343
Effect of dilutive potential ordinary shares of convertible notes payable	潛在可攤薄普通股按可換股票據應付款項之影響	511,730,419	-
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	用以計算每股攤薄盈利(虧損)之普通股加權平均數	1,288,759,095	753,695,343

For the six months ended 30th September, 2010, the potential ordinary shares attributable to the Company's outstanding convertible notes payable and share options has anti-dilutive effect as the assumed conversion and exercise would result in a decrease in loss per share.

於截至二零一零年九月三十日止六個月，本公司尚未償還之可換股票據應付款項及購股權應佔之潛在普通股具反攤薄影響，因為假設轉換及行使會引致每股虧損減少。



11. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the period, the Group spent approximately HK\$266,000 (1.4.2010 to 30.9.2010: HK\$300,000) on property, plant and equipment.

The fair value of Group's land and building and investment properties at 30th September, 2011 were determined by the directors of the Company with reference to the market evidence of transaction prices for similar properties in the same locations and conditions. The resulting increase in fair value of land and buildings of HK\$9,120,000 has been recognised directly in property revaluation reserve for the six months ended 30th September, 2011 (2010: Nil). The resulting increase in fair value of investment properties of HK\$2,000,000 has been recognised directly in profit or loss for the six months ended 30th September, 2011 (2010: Nil).

As detailed in note 15, during the current period, as a result of the classification of the Top Precise Group (as defined in note 15) as disposal group, certain property, plant and equipment and investment properties were classified as "Assets classified as held for sale".

12. INTERESTS IN ASSOCIATES / GAIN ON ACQUISITIONS OF ADDITIONAL INTERESTS IN ASSOCIATES**11. 物業、廠房及設備及投資物業之變動**

於本期間內，本集團動用約266,000港元(二零一零年四月一日至二零一零年九月三十日：300,000港元)於物業、廠房及設備。

於二零一一年九月三十日，本集團土地及樓宇及投資物業的公平價值乃由本公司董事參考同區相同狀況的同類物業的近期成交價市場證據後釐定。所產生土地及樓宇公平價值增加9,120,000港元(二零一零年：無)已於截至二零一一年九月三十日止六個月之物業重估儲備中直接確認。所產生投資物業公平價值增加2,000,000港元(二零一零年：無)已於截至二零一一年九月三十日止六個月之損益中直接確認。

如附註15所詳述，於本期間內，由於Top Precise集團(如附註15所界定)分類為出售組合，若干物業、廠房及設備及投資物業乃分類為「列作持作銷售資產」。

12. 聯營公司權益／增購聯營公司額外權益之收益

		(Unaudited) 30.9.2011 HK\$'000 (未經審核) 二零一一年 九月三十日 千港元	(Audited) 31.3.2011 HK\$'000 (經審核) 二零一一年 三月三十一日 千港元
Share of net assets of associates:	攤佔聯營公司淨資產：		
Listed in Hong Kong	於香港上市	2,085,132	2,015,464
Listed overseas	於海外上市	1,029	6,005
Goodwill	商譽	1,177	1,177
		<u>2,087,338</u>	<u>2,022,646</u>
Market value of listed securities:	上市證券之市值：		
Hong Kong	香港	592,571	696,948
Overseas	海外	293,751	496,729
		<u>886,322</u>	<u>1,193,677</u>

12. INTERESTS IN ASSOCIATES / GAIN ON ACQUISITIONS OF ADDITIONAL INTERESTS IN ASSOCIATES (continued)

A writ of summons was served on 28th July, 2011 upon Paul Y. Engineering Group Limited ("Paul Y. Engineering"), a 61.9% subsidiary of PYI Corporation Limited in which the Group held 26.7% equity interest, and two of its subsidiaries claiming for, amongst others, damages in a sum of approximately RMB780 million (of which the portion attributable to the Group's interest is approximately RMB130 million according to the effective interest held by the Group in Paul Y. Engineering) related to a property development project in the PRC. It is stated in the writ of summons that Paul Y. Engineering and two of its subsidiaries were alleged to be in breach of certain terms contained in an alleged oral agreement (which is denied by Paul Y. Engineering). Taken into consideration of a legal opinion, Paul Y. Engineering is of the view that Paul Y. Engineering and two of its subsidiaries would put up a respectable defence against the alleged claim and that it is probable that there would not be adverse material impact on the financial position of Paul Y. Engineering.

13. DEBT PORTION OF CONVERTIBLE NOTES AND CONVERSION OPTIONS EMBEDDED IN CONVERTIBLE NOTES

At 31st March, 2011, the 1% convertible notes were issued by an associate of the Group, ITC Properties Group Limited ("ITC Properties") (the "ITC Properties Notes") with a principal amount of HK\$64,000,000 and maturity date of 14th June, 2011. Details of the ITC Properties Notes were set out in the consolidated financial statements for the year ended 31st March, 2011.

In February 2011, ITC Properties proposed a repurchase offer (the "ITC Properties Repurchase Offer") to repurchase the ITC Properties Notes at an amount equal to the sum of the outstanding principal amount and 10% redemption premium of the ITC Properties Notes by the issue of a 3.25% convertible notes (the "New ITC Properties Notes") with initial conversion price of HK\$2.2 per share (subject to adjustments). Unless previously converted, ITC Properties shall redeem the New ITC Properties Notes at the redemption amount which is 105% of the principal amount on the maturity date.

The Group accepted the ITC Properties Repurchase Offer in March 2011. ITC Properties repurchased the ITC Properties Notes held by the Group at the consideration of HK\$70.4 million, which is proposed to be satisfied by the issue of the New ITC Properties Notes in the principal amount of HK\$70.4 million. In May 2011, the conditions precedent for the ITC Properties Repurchase Offer have been fulfilled. Accordingly, the New ITC Properties Notes with principal amount of HK\$70.4 million was issued to the Group. A gain on the acceptance of the ITC Properties Repurchase Offer of HK\$13,704,000 was recognised in the profit or loss.

The maturity date of the New ITC Properties Notes will be the date falling 30 months after the date of issue of the New ITC Properties Notes i.e. 25th November, 2013. Accordingly, the debt portion of the convertible notes, together with the conversion options embedded in convertible notes are classified as non-current assets on the consolidated statement of financial position.

12. 聯營公司權益／增購聯營公司額外權益之收益 (續)

一份傳訊令於二零一一年七月二十八日送達保華建業集團有限公司(「保華建業」)(保華集團有限公司擁有61.9%之附屬公司，本集團持有保華集團有限公司26.7%股本權益)及其兩間附屬公司，就(其中包括)與中國一物業發展項目提出約人民幣780,000,000元損失(按照本集團於保華建業持有之實際利益，其中由本集團攤佔之部份為約人民幣130,000,000元)之索償。該傳訊令狀指稱保華建業及其兩間附屬公司違反一份所聲稱之口頭協議內的某些條款(此被保華建業否定)。審議法律意見後，保華建業認為保華建業及其兩間附屬公司對該些指控有充份理據抗辯，而這很可能不會對保華建業之財務狀況構成重大不利影響。

13. 可換股票據債項部份及可換股票據附帶之換股權

於二零一一年三月三十一日，此1厘可換股票據乃由本集團之一間聯營公司德祥地產集團有限公司(「德祥地產」)發行(「德祥地產票據」)，本金金額為64,000,000港元及到期日為二零一一年六月十四日。德祥地產票據之詳情載於截至二零一一年三月三十一日止年度之綜合財務報表。

於二零一一年二月，德祥地產建議購回建議(「德祥地產購回建議」)，按相等於未償還德祥地產票據本金額及10%贖回溢價按初步換股價每股2.2港元(可予調整)發行3.25厘可換股票據(「新德祥地產票據」)。到期時，除非先前轉換，德祥地產須按贖回價(即本金額之105%)贖回新德祥地產票據。

本集團於二零一一年三月接納德祥地產購回建議。德祥地產以70,400,000港元之代價購回本集團持有之德祥地產票據，並建議以發行本金額70,400,000港元之新德祥地產票據之方式支付。於二零一一年五月，德祥地產購回建議之先決條件已獲達成。因此，本金額70,400,000港元之新德祥地產票據已發行予本集團。接納德祥地產購回建議之收益13,704,000港元已於損益中確認。

新德祥地產票據之到期日將為發行新德祥地產票據當日後之30個月(即二零一三年十一月二十五日)。因此，可換股票據之債項部分(連同可換股票據附帶之換股權)乃於綜合財務狀況表內分類為非流動資產。



13. DEBT PORTION OF CONVERTIBLE NOTES AND CONVERSION OPTIONS EMBEDDED IN CONVERTIBLE NOTES (continued)

The Group classified the debt portion of the convertible notes as loans and receivables and the embedded conversion option is deemed as held for trading and recognised at fair value on initial recognition. The fair values of the conversion options embedded in convertible notes on initial recognition and the end of the reporting period are determined by the directors of the Company with reference to the valuation performed by independent professional valuers not connected with the Group using Black-Scholes Option Pricing Model.

14. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors of HK\$504,000 (31.3.2011: HK\$3,547,000) and their aged analysis at the end of the reporting period is as follows:

13. 可換股票據債項部份及可換股票據附帶之換股權 (續)

於首次確認時，本集團將可換股票據之債項部份分類為貸款及應收款項，而附帶換股權則視為持作買賣並按公平價值確認。該等可換股票據附帶之換股權於首次確認時及於報告期末之公平價值由本公司董事參考與本集團概無關連之獨立專業估值師使用Black-Scholes期權定價模式所進行之估值後釐定。

14. 應收賬款、訂金及預付款項

應收賬款、訂金及預付款項中包括504,000港元(二零一一年三月三十一日：3,547,000港元)之應收貿易賬款及於呈報期間之期末日之賬齡分析如下：

		(Unaudited)	(Audited)
		30.9.2011	31.3.2011
		HK\$'000	HK\$'000
		(未經審核)	(經審核)
		二零一一年	二零一一年
		九月三十日	三月三十一日
		千港元	千港元
Trade debtors	應收貿易賬款		
0 - 30 days	0 - 30日	483	2,200
31 - 60 days	31 - 60日	9	16
61 - 90 days	61 - 90日	4	5
Over 90 days	超過90日	8	1,326
		<u>504</u>	<u>3,547</u>

Trade debtors arising from property investment business are payable one month in advance and the credit terms granted by the Group to other trade debtors normally range from 30 days to 90 days.

物業投資業務產生之應收貿易賬款須提早一個月墊付，而本集團就其他應收貿易賬款授出之信貸期一般由30日至90日不等。

15. ASSETS CLASSIFIED AS HELD FOR SALE / LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

On 9th September, 2011, the Group entered into a sale and purchase agreement to dispose of its entire interest in Top Precise Investments Limited, a wholly-owned subsidiary of the Company ("Top Precise", together with its subsidiary, collectively referred to as the "Top Precise Group"), ("Top Precise Agreement") and the entire amount of the shareholder's loan owing by Top Precise to Hero's Way Resources Ltd., another wholly-owned subsidiary of the Company as at the completion date to a subsidiary of ITC Properties for a consideration of HK\$313,000,000 plus the net tangible asset value ("NTAV", as defined in the circular dated 26th October, 2011) at completion subject to adjustment (see circular dated 26th October, 2011 issued by the Company for details). Top Precise Group is engaged in the leasing of properties to the Group and outsiders. The transaction was completed on 16th November, 2011, on which date, the consideration was determined as HK\$215,670,000. According to the Top Precise Agreement, the Group had given an indemnity to the purchaser relating to taxation liabilities, if any, and the affairs and business of Top Precise Group up to the date of disposal.

The assets and liabilities attributable to the Top Precise Group that are expected to be sold within twelve months have been classified as a disposal group held for sale and are separately presented in the condensed consolidated statement of financial position.

The sale proceeds are expected to exceed the net carrying amount of the relevant assets and liabilities and, accordingly, no impairment loss has been recognised.

Major classes of assets and liabilities of Top Precise Group as at 30th September, 2011, excluding the shareholder's loan owing to Hero's Way Resources Ltd., are as follows:

		30.9.2011
		HK\$'000
		二零一一年
		九月三十日
		千港元
Property, plant and equipment	物業、廠房及設備	235,908
Investment properties	投資物業	85,000
Debtors, deposits and prepayments	應收賬款、訂金及預付款項	114
Bank balances	銀行結存	49,855
Total assets classified as held for sale	分類為持作銷售資產之總值	370,877
Creditors and accrued expenses	應付賬款及應計開支	678
Bank overdraft	銀行透支	49,884
Bank borrowings	銀行借款	97,500
Deferred taxation	遞延稅項	39,293
Total liabilities associated with assets classified as held for sale	涉及列作分類為持作銷售資產之負債總額	187,355

15. 分類為持作銷售資產／涉及列作分類為持作銷售資產之負債

於二零一一年九月九日，本集團訂立一份買賣協議出售其於本公司全資附屬公司Top Precise Investments Limited（「Top Precise」，連同其附屬公司統稱「Top Precise集團」）之全部權益（「Top Precise協議」）及Top Precise於完成日期欠本公司另一全資附屬公司Hero's Way Resources Ltd.之全數股東貸款予德祥地產之一間附屬公司，代價為313,000,000港元加完成時之有形資產淨值（「有形資產淨值」，定義見於二零一一年十月二十六日發出之通函）（可予調整）（詳情請參閱本公司於二零一一年十月二十六日發出之通函）。Top Precise集團從事租賃物業予本集團及外界人士。該交易已於二零一一年十一月十六日完成，當日之代價定為215,670,000港元。根據Top Precise協議，本集團已就Top Precise集團直至出售日期之稅務負債（如有）及事務及業務向買方作出彌償保證。

歸入Top Precise集團而預期將於十二個月內出售之資產及負債乃分類為持作銷售出售組合，並獨立呈列於簡明綜合財務狀況表。

銷售所得款項預期將高於相關資產及負債之賬面淨值，故無確認減值虧損。

Top Precise集團於二零一一年九月三十日之主要資產及負債類別（不包括欠Hero's Way Resources Ltd.之股東貸款）如下：

16. CREDITORS AND ACCRUED EXPENSES

Included in creditors and accrued expenses are trade payables of HK\$3,313,000 (31.3.2011: HK\$3,972,000) and their aged analysis at the end of the reporting period is as follows:

		(Unaudited) 30.9.2011 HK\$'000 (未經審核) 二零一一年 九月三十日 千港元	(Audited) 31.3.2011 HK\$'000 (經審核) 二零一一年 三月三十一日 千港元
Trade creditors	應付貿易賬款		
0 - 30 days	0 - 30日	324	472
31 - 60 days	31 - 60日	2,989	3,500
		<u>3,313</u>	<u>3,972</u>

17. CONVERTIBLE NOTES PAYABLE

On 2nd November, 2009, the Company issued 5% convertible notes which are unsecured, at par value of HK\$200,000,000 (the "Notes"). Interest is payable semiannually. The Notes are denominated in Hong Kong Dollar and entitle the holders to convert it into ordinary shares of the Company at any time between the period commencing on and including the 7th day after the date of issue of the Notes up to and including the date which is 7 days prior to the maturity date on 2nd November, 2011 at an initial conversion price of HK\$0.50 per conversion share (subject to anti-dilutive adjustments), which was subsequently adjusted to HK\$0.30 as a result of the Distribution. If the Notes have not been converted, they will be redeemed on 2nd November, 2011 at 100% of the outstanding principal amount. The Company is entitled to purchase the Notes at any time and any price agreed by the holders and the Company. The effective interest rate of the liability component is 11.52% per annum.

During the current period, the Notes with principal amount of HK\$25,000,000 was repurchased at par value, resulting in a gain of HK\$2,265,000.

On 29th September, 2011, the Company extended the maturity date of the remaining outstanding Notes of an aggregate principal amount of HK\$143,000,000 for two years from 2nd November, 2011 to 2nd November, 2013 (see circular dated 14th September, 2011 issued by the Company for details), resulting in a gain of HK\$13,894,000. All the other terms and conditions of the Notes remain unchanged. As at 30th September, 2011, the aggregate outstanding principal amount of the Notes is HK\$143,000,000. The effective interest rate of the liability component is 12.33% per annum.

16. 應付賬款及應計開支

應付賬款及應計開支中包括3,313,000港元(二零一一年三月三十一日: 3,972,000港元)之應付貿易賬款及於呈報期間之期末日之賬齡分析如下:

17. 可換股票據應付款項

於二零零九年十一月二日,本公司發行票面值200,000,000港元5厘之無抵押可換股票據(「票據」)。利息每半年應付一次。票據以港元計值,並授權其持有人按初步換股價每股0.50港元(可予以反攤薄調整)(其後因分派而調整為0.30港元)於新票據發行日期後第七日(包括該日)起至其到期日二零一一年十一月二日前第七日(包括該日)起期間隨時將之轉換為本公司之普通股。如無轉換票據,其將於二零一一年十一月二日按尚未行使本金額之100%贖回。本公司有權於任何時間以持有人及本公司同意之價格購回票據。債項部份之實際年利率為11.52%。

本期間內,該本金額25,000,000港元之票據乃按面值購回,因而產生收益2,265,000港元。

於二零一一年九月二十九日,本公司將餘下本金總額143,000,000港元之未行使票據之兩年到期日由二零一一年十一月二日延後至二零一三年十一月二日(詳情請參閱本公司於二零一一年九月十四日發出之通函),產生收益13,894,000港元。票據之所有其他條款及條件維持不變。於二零一一年九月三十日,票據之未行使本金總額為143,000,000港元。債項部份之實際年利率為12.33%。

18. RELATED PARTY TRANSACTIONS

(i) Related party transactions

During the period, the Group had transactions with the following related parties, details of which are as follows:

		Six months ended	
		30.9.2011	30.9.2010
		<i>HK\$'000</i>	<i>HK\$'000</i>
		截至九月三十日止六個月	二零一零年
		二零一一年	二零一零年
		千港元	千港元
Associates of the Group:	本集團之聯營公司：		
Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	1,935	1,866
Service fees charged by the Group	本集團收取服務費	320	1,361
Interest income received and receivable by the Group	本集團收取及應收利息收入	4,144	19,873
A director:	一名董事：		
Interest expenses paid and payable by the Group	本集團已付及應付利息開支	<u>1,036</u>	<u>-</u>

(ii) Compensation of key management personnel

(ii) 管理層要員之薪金

		Six months ended	
		30.9.2011	30.9.2010
		<i>HK\$'000</i>	<i>HK\$'000</i>
		截至九月三十日止六個月	二零一零年
		二零一一年	二零一零年
		千港元	千港元
Fees	袍金	330	330
Salaries and other emoluments	薪金及其他酬金	<u>5,376</u>	<u>5,376</u>
		<u>5,706</u>	<u>5,706</u>



19. EVENT AFTER THE END OF THE INTERIM REPORTING PERIOD

In addition to the transaction completed on 16th November, 2011 with details disclosed in note 15, subsequent to 30th September, 2011 and up to the date of this report, the Group acquired an aggregate of approximately 86 million shares of Rosedale Hotel Holdings Limited ("Rosedale"), an associate of the Group, representing approximately 13.1% equity interest in Rosedale, for an aggregate cash consideration of HK\$39 million. As a result of the acquisition, the equity interest held by the Group in Rosedale increased from 16.6% at 30th September, 2011 to 29.7% at the date of this report. Up to the date of this report, the financial information of Rosedale at the dates of these acquisitions is not yet available and accordingly, the directors of the Company are not able to assess the financial impact of the acquisitions to the Group.

However, with reference to the latest published interim report of Rosedale for the six months ended 30th June, 2011, the directors considered that the pro forma gain on acquisition of the additional interest in Rosedale to be recognised in the profit or loss would be approximately HK\$212 million. Such pro forma gain on acquisition was determined on the assumption that the aggregate fair values of net identifiable assets, liabilities and contingent liabilities at the dates of acquisitions are not significantly different from their carrying amounts as at 30th June, 2011 as included in the latest published interim report of Rosedale for the six months ended 30th June, 2011 and the financial impact of the acquisitions will be adjusted when the financial information of Rosedale is available and after completion of professional valuations on the fair values of the assets and liabilities of Rosedale on the dates of acquisitions.

The pro forma information is for illustrative purpose only and is not necessarily an indication of the gain that actually would have been achieved had the fair value assessment been completed nor is it intended to be a projection of future gain.

19. 中期報告期末後事項

除於二零一一年十一月十六日完成之交易(詳情於附註15披露)外,於二零一一年九月三十日後及截至本報告日期,本集團購買合共約86,000,000股珀麗酒店控股有限公司(「珀麗」,為本集團之一間聯營公司)股份,佔珀麗約13.1%股本權益,總現金代價39,000,000港元。由於購買事項關係,本集團所持有於珀麗之股本權益由二零一一年九月三十日16.6%增加至本報告日期29.7%。截至本報告日期,尚未取得珀麗於購買日期之財務資料,因此,本公司董事尚未能評估購買對本集團之財務影響。

然而,參考珀麗截至二零一一年六月三十日止六個月之最近期刊發中期報告,董事認為將於損益中確認之增購珀麗權益之備考收益應約為212,000,000港元。釐定上述購買之備考收益時乃假設可識別資產、負債及或然負債於購買當日之公平價值總和與珀麗於截至二零一一年六月三十日止六個月之最近期刊發中期報告所載彼等於二零一一年六月三十日之賬面值並無重大差別,而購買之財務影響將於取得珀麗之財務資料及於就珀麗於購買日期之資產及負債之公平價值完成專業估值後予以調整。

備考資料僅供說明,概不必要及顯示於完成公平價值評估時實際上應達成之收益,亦不擬作為未來收益之預測。



ITC CORPORATION LIMITED
德祥企業集團有限公司

