



PANAMA CITY



PANAMA CANAL



APPLIED DEVELOPMENT HOLDINGS LTD.

實力建業集團有限公司

(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: 519

2011

中期報告 INTERIM REPORT

CORPORATE INFORMATION**BOARD OF DIRECTORS****Executive Directors:**

Hung Kin Sang, Raymond (*Managing Director*)
Hung Kai Mau, Marcus (*Chairman*)
Wong Kar Gee, Mimi (retired on 14 January 2011)

Independent Non-executive Directors:

Lun Tsan Kau
Lam Ka Wai, Graham
Su Ru Jia

AUDIT COMMITTEE

Lun Tsan Kau
Lam Ka Wai, Graham
Su Ru Jia

REMUNERATION COMMITTEE

Hung Kin Sang, Raymond
Lun Tsan Kau
Lam Ka Wai, Graham

COMPANY SECRETARY

Ng Kit Ling

REGISTERED OFFICE**In Hong Kong**

Units 3402-3, 34th Floor
China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

In Bermuda

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

公司資料**董事會****執行董事：**

洪建生 (*董事總經理*)
洪繼懋 (*主席*)
王家琪 (於二零一一年
一月十四日退任)

獨立非執行董事：

倫贊球
林家威
蘇汝佳

審核委員會

倫贊球
林家威
蘇汝佳

薪酬委員會

洪建生
倫贊球
林家威

公司秘書

吳潔玲

註冊辦事處

香港
香港
干諾道中168-200號
信德中心
招商局大廈
34樓3402-3室

百慕達

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

SHARE REGISTRAR IN HONG KONG

Computershare Hong Kong Investor Services Limited
46th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

在香港之股份登記處

香港中央證券登記有限公司
香港
皇后大道東183號
合和中心46樓

SHARE REGISTRAR IN BERMUDA

Butterfield Fulcrum Group
(Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

在百慕達之股份登記處

Butterfield Fulcrum Group
(Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
The Bank of East Asia, Limited
Nanyang Commercial Bank, Ltd.

主要銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司
東亞銀行有限公司
南洋商業銀行有限公司

AUDITORS

Mazars CPA Limited

核數師

瑪澤會計師事務所有限公司

SOLICITORS

Baker & McKenzie
Richards Butler
Sidley Austin

律師

貝克•麥堅時律師事務所
齊伯禮律師行
盛德律師行

STOCK CODE

The Stock Exchange of Hong Kong Limited: 519
American Depository Receipt: ADHLY

股份代號

香港聯合交易所有限公司：519
美國預托證券：ADHLY

WEBSITE

<http://www.applieddev.com>

網址

<http://www.applieddev.com>

The Board of Directors (the “Directors”) of Applied Development Holdings Limited (the “Company”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 31 December 2010 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 December 2010

實力建業集團有限公司(「本公司」)董事會(「董事會」)宣佈，本公司及其附屬公司(「本集團」)於截至二零一零年十二月三十一日止六個月之未經審核之綜合業績如下：

簡明綜合全面收益表

截至二零一零年十二月三十一日止六個月

		Six months ended 31 December	
		2010	2009
		(Unaudited)	(Unaudited)
Notes		HK\$'000	HK\$'000
		截至十二月三十一日止六個月	
		二零一零年	二零零九年
		(未經審核)	(未經審核)
附註		千港元	千港元
	Turnover 營業額	3,576	2,400
	Fair value change in investment properties 投資物業之公平值轉變	(2,444)	5,300
	Other operating income 其他經營收入	-	9,993
	Administrative expenses 行政開支	(11,573)	(11,088)
	Investment and other income 投資及其他收入	14,843	3
	Share-based payment expenses 以股本為基礎的支出	-	(5,332)
	Finance costs 融資成本	(580)	(233)
	Share of results of a jointly controlled entity 應佔一間共同控制公司的業績	85	117
	Profit before taxation 除稅前溢利	3,907	1,160
	Taxation 稅項	597	-
	Profit for the period 期內溢利	4,504	1,160
	Other comprehensive loss 其他全面虧損		
	Exchange difference arising on translation of foreign operations recognized directly in equity 換算海外業務產生直接確認於權益之外匯差額	-	(2)
	Total comprehensive income for the period 期內全面收益總額	4,504	1,158
	Earnings per share 每股盈利		
	Basic 基本	0.54 HK cent 港仙	0.14 HK cent 港仙
	Diluted 攤薄	0.54 HK cent 港仙	0.14 HK cent 港仙

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2010

簡明綜合財務狀況報表

於二零一零年十二月三十一日

	Notes	31/12/2010 (Unaudited) HK\$'000 二零一零年 十二月三十一日 (未經審核) 千港元	30/06/2010 (Audited) HK\$'000 二零一零年 六月三十日 (經審核) 千港元
	附註		
Non-current Assets			
Investment properties	6	437,200	437,088
Property, plant and equipment		2,534	5,174
Other assets		1,046	1,546
Interest in a jointly controlled entity		27,761	27,676
Prepaid lease payments – non-current portion		1,612	1,632
Available-for-sale investments		220	220
		470,373	473,336
Current Assets			
Trade and other receivables	7	18,445	3,817
Promissory note receivable from a jointly controlled entity	8	171,600	171,600
Amount due from a director*		453	146
Amount due from a jointly controlled entity	9	16,383	16,383
Prepaid lease payments – current portion		40	40
Bank balances and cash		36,546	2,403
		243,467	194,389
Current Liabilities			
Deposit Received – Disposal of AEL		3,158	–
Other payables	10	4,602	3,347
Tax payables		–	26
Amounts due to directors	11	3,548	15,317
Secured bank borrowings – due within one year		66,000	57,000
Obligations under finance leases – due within one year		–	21
		77,308	75,711
Net current assets		166,159	118,678
Total assets less current liabilities		636,532	592,014
Capital and reserves			
Share capital	12	8,389	8,389
Share premium & reserves		587,706	579,356
Total equity		596,095	587,745
Non-current liabilities			
Convertible Notes	13	36,774	–
Deferred tax liabilities		3,663	4,269
		40,437	4,269
Total equity attributable to owners of the Company		636,532	592,014

* The director retired on 14 January 2011.

* 該董事於二零一一年一月十四日退任。

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

For the six months ended 31 December 2010

截至二零一零年十二月三十一日止六個月

Equity attributable to owners of the Company

本公司持有人應佔權益

	Share capital HK\$'000	Treasury shares HK\$'000	Shares premium account HK\$'000	Share options reserve HK\$'000	Share convertible note reserve HK\$'000	Investment revaluation reserve HK\$'000	Other redemption reserve HK\$'000	Capital reserve HK\$'000	Capital reserve HK\$'000	Distributable reserve HK\$'000	Translation reserve HK\$'000	Retained profit HK\$'000	Total HK\$'000
	股本 千港元	庫存股份 千港元	溢價賬 千港元	購股權儲備 千港元	可換股票據儲備 千港元	投資重估儲備 千港元	其他儲備 千港元	贖回儲備 千港元	資本儲備 千港元	可分派儲備 千港元	換算儲備 千港元	保留溢利 千港元	合計 千港元
At 1 July 2009 (audited) 於二零九年七月一日(經審核)	8,732	(8,911)	445	-	-	(493)	8,551	11,577	204,610	93,961	61	216,214	534,747
Exchange differences arising on translation of foreign operations recognised directly in equity 換算海外業務產生之外匯差額直接確認於權益	-	-	-	-	-	-	-	-	-	-	(2)	-	(2)
Profit for the period 期內溢利	-	-	-	5,332	-	-	-	-	-	-	-	1,160	1,160
Total comprehensive profit for the period 期內全面溢利總額	-	-	-	5,332	-	-	-	-	-	-	(2)	1,160	1,158
Recognition of equity-settled share-based payment expenses 股本結算一項股份為基礎付款 - 交易確認	-	-	-	(5,332)	-	-	-	-	-	-	-	-	(5,332)
At 31 December 2009 (unaudited) 於二零九年十二月三十一日(未經審核)	8,732	(8,911)	445	5,332	-	(493)	8,551	11,577	204,610	93,961	59	217,374	541,237
At 1 July 2010 (audited) 於二零一零年七月一日(經審核)	8,389	-	445	5,332	-	(400)	8,551	11,920	204,610	93,961	61	254,876	587,745
Exchange differences arising on translation of foreign operations recognised directly in equity 換算海外業務產生之外匯差額直接確認於權益	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period 期內溢利	-	-	-	-	3,846	-	-	-	-	-	-	4,504	4,504
Total comprehensive profit for the period 期內全面溢利總額	-	-	-	-	3,846	-	-	-	-	-	-	4,504	4,504
Issue of convertible notes - note 13 發行可換股票據 - 附註13	-	-	-	-	-	-	-	-	-	-	-	-	3,846
At 31 December 2010 (unaudited) 於二零一零年十二月三十一日(未經審核)	8,389	-	445	5,332	3,846	(400)	8,551	11,920	204,610	93,961	61	259,380	596,095

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

For the six months ended 31 December 2010

截至二零一零年十二月三十一日止
六個月

Six months ended 31 December

2010	2009
(Unaudited)	(Unaudited)
HK\$'000	HK\$'000
截至十二月三十一日止六個月	截至十二月三十一日止六個月
二零一零年	二零零九年
(未經審核)	(未經審核)
千港元	千港元

Net cash used in operating activities	經營活動所用之 現金淨額	(25,456)	(4,472)
Net cash generated from investing activities	投資活動所得之 現金淨額	18,512	42
Net cash from financing activities	融資活動所得之 現金淨額	41,087	7,011
Net increase in cash and cash equivalents	現金及現金等值物之 淨額增加	34,143	2,581
Cash and cash equivalents at beginning of the period	期初現金及 現金等值物	2,403	(827)
Effect of foreign exchange rate changes	外幣兌換率變動之 影響	-	(2)
Cash and cash equivalents at the end of the period	期末現金及 現金等值物	36,546	1,752
Analysis of the balances of cash and cash equivalents	現金及現金等值物 結餘之分析		
Bank balance and cash	銀行結存及現金	36,546	1,767
Bank overdrafts	銀行透支	-	(15)
		36,546	1,752

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2010

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated interim financial statements are unaudited, but have been reviewed by the Audit Committee of the Company. These unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Accounting Standard No. 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

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

The accounting policies used in the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 30 June 2010.

In the current interim period, the Group has applied, for the first time, certain new standards, amendments and interpretations ("new HKFRSs") issued by HKICPA.

HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRSs (Amendments)	Amendments to HKAS 1, HKAS 7, HKAS 17, HKAS 36, HKAS 39, HKFRS 5 and HKFRS 8 as part of Improvements to HKFRSs issued in 2009
HKFRSs (Amendments)	Amendments to HKAS 27 and HKFRS 3 as part of Improvements to HKFRSs issued in 2010
HK Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that contains a Repayment on Demand Clause
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments

簡明綜合財務報表附註

截至二零一零年十二月三十一日止
六個月

1. 編製基準及會計政策

簡明綜合中期財務報表乃未經審核，惟已由本公司之審核委員會審閱。本未經審核簡明綜合中期財務報表乃按照香港聯合交易所有限公司（「交易所」）證券上市規則（「上市規則」）附錄16所載之適用披露規定及香港會計師公會（「香港會計師公會」）所頒佈之香港會計準則第34號「中期財務報告」編製。

簡明綜合中期財務報表乃根據歷史成本基準編製，惟若干財務工具及投資物業以公平值（如適用）釐定者除外。

簡明綜合中期財務報表所採用之會計政策與本集團截至二零一零年六月三十日止年度之綜合財務報表所載者一致。

於本中期期間內，本集團首次採用多項由香港會計師公會頒佈之新準則、經修訂及詮釋（以下統稱「新《香港財務報告準則》」），此等新準則、經修訂及詮釋。

香港財務報告準則第2號 (修訂本)	集團以股份為基礎及現金結算之交易
香港財務報告準則 (修訂本)	香港會計準則第1號、香港會計準則第7號、香港會計準則第17號、香港會計準則第36號、香港會計準則第39號、香港財務報告準則第5號及香港財務報告準則第8號之修訂，作為於二零零九年頒佈對香港財務報告準則之改進其中部分
香港財務報告準則 (修訂本)	香港會計準則第27號及香港財務報告準則第3號之修訂，作為於二零一零年頒佈對香港財務報告準則之改進其中部分
香港詮釋第5號	財務報告呈報 – 借款人對包含須於要求時償還條款之借款之分類
香港（國際財務報告詮釋委員會）– 詮釋第19號	以股本工具抵銷金融負債

The adoption of the new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the HKFRSs that have been issued but are not yet effective. The Directors anticipate that the application of these HKFRS will have no material impact on the financial statements of the Company.

2. SEGMENT INFORMATION

Management identifies operating segments based on internal reports that are regularly reviewed by the chief operating decision maker for the purposes of allocating resources to segments and assessing their performance. Segment information is analysed on the types of goods supplied and services provided by the Group's operating divisions. The Group's operations are organised into two operating segments, namely resort development and property investment, which are the same as the primary reportable segments determined in accordance with HKAS 14. The Group's resort development segment includes multi-purpose resort communities as well as sale of condo hotels, residential units and club memberships. No revenue has been earned by the resort development segment which is still under development. The property investment segment includes mainly residential and commercial properties that are held for capital appreciation or to earn rentals. No operating segments have been aggregated.

Segment revenue and results for the six months ended 31 December 2010 are presented below:

		Resort development (Unaudited) HK\$'000	Property investment (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
		度假村發展 (未經審核) 千港元	物業投資 (未經審核) 千港元	總額 (未經審核) 千港元
Turnover	營業額	–	3,576	3,576
Results	業績			
Segment results	分類業績	85	(899)	(814)
Unallocated income	未分配收入			14,843
Unallocated corporate expenses	未分配公司費用			(9,542)
Profit from operations	經營溢利			4,487
Finance costs	融資成本			(580)
Profit before taxation	除稅前溢利			3,907
Taxation	稅項			597
Profit for the period	期內溢利			4,504

採納其他新訂或經修訂香港財務報告準則對本會計期間或過往會計期間之本集團之已申報業績或財務狀況並無構成重大影響，因此並無確認前期調整。

本集團並無提早應用下列已頒佈但未生效之新訂及經修訂準則、修訂或詮釋。董事預期，應用新訂或更新的準則、修訂或詮釋將不會對本集團之財務報告造成重大影響。

2. 分部信息

管理層是基於定期由主要經營決策者復核用於向各分部分配資源及評估其表現之內部報告以識別經營分部。分部信息乃根據由本集團經營部門供應貨品及提供服務之類別而進行分析。本集團之經營業務分成兩種經營分部，名為度假村發展及物業投資，其與根據香港會計準則第14號確認之主要報告分部相同。本集團之度假村發展分部包括多用途度假村社區以及獨立產權酒店、住宅單位及俱樂部會籍。仍在興建中的度假村發展分部並沒有賺取收入。物業投資分部主要包括為資本增值或賺取租金收入而持有之住宅及商用物業。經營分部並無被匯總合計。

截至二零一零年十二月三十一日止六個月之分部收入及業績列報如下：

Segment assets and liabilities as of 31 December 2010 and other segment information for the six months ended 31 December 2010 are presented below:

於二零一零年十二月三十一日之分部資產及負債及截至二零一零年十二月三十一日止六個月之其他分部信息列報如下：

		Resort development HK\$'000 度假村發展 千港元	Property investment HK\$'000 物業投資 千港元	Segment total HK\$'000 分類總計 千港元	Unallocated HK\$'000 未分配 千港元	Total HK\$'000 總計 千港元
Assets	資產	384,154	252,400	636,554	77,286	713,840
Liabilities	負債	2,892	4,223	7,115	110,630	117,745
Other segment information:	其他分部資料：					
Depreciation of property, plant and equipment	物業、廠房及 設備之折舊	-	103	103	131	234
Release of prepaid lease payments	解除預付租賃 付款	-	20	20	-	20

Segment revenue and results for the six months ended 31 December 2009 are presented below:

截至二零零九年十二月三十一日止六個月之分部收入及業績列報如下：

		Resort development (Unaudited) HK\$'000 度假村發展 (未經審核) 千港元	Property investment (Unaudited) HK\$'000 物業投資 (未經審核) 千港元	Total (Unaudited) HK\$'000 總額 (未經審核) 千港元
Turnover	營業額	-	2,400	2,400
Results	業績			
Segment results	分類業績	117	6,570	6,687
Unallocated income	未分配收入			9,993
Unallocated corporate expenses	未分配公司費用			(15,287)
Profit from operations	經營溢利			1,393
Finance costs	融資成本			(233)
Profit before taxation	除稅前溢利			1,160
Taxation	稅項			-
Profit for the period	期內溢利			1,160

Segment assets and liabilities as of 31 December 2009 and other segment information for the six months ended 31 December 2009 are presented below:

於二零零九年十二月三十一日之分部資產及負債及截至二零零九年十二月三十一日止六個月之其他分部信息列報如下：

		Resort development HK\$'000 度假村發展 千港元	Property investment HK\$'000 物業投資 千港元	Segment total HK\$'000 分類總計 千港元	Unallocated HK\$'000 未分配 千港元	Total HK\$'000 總計 千港元
Assets	資產	364,755	209,700	574,455	34,219	608,674
Liabilities	負債	-	1,505	1,505	65,932	67,437
Other segment information:	其他分部資料：					
Depreciation of property, plant and equipment	物業、廠房及 設備之折舊	-	639	639	283	922
Release of prepaid lease payments	解除預付租賃 付款	-	20	20	-	20

Geographical segments

The Group's operations are principally located in Hong Kong, Canada, the People's Republic of China other than Hong Kong (the "PRC"), the British Virgin Islands (the "BVI") and Panama.

The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods:

地區分部

本集團之經營地區主要位於香港、加拿大、中華人民共和國（「中國」，不包括香港）、英屬處女群島（「英屬處女群島」）及巴拿馬。

下表提供本集團按地區市場劃分之營業額分析（不論貨品之來源地）：

Six months ended 31 December			
2010		2009	
Turnover (Unaudited) HK\$'000	Contribution (Unaudited) HK\$'000	Turnover (Unaudited) HK\$'000	Contribution (Unaudited) HK\$'000
截至十二月三十一日止六個月			
二零一零年		二零零九年	
營業額 (未經審核) 千港元	盈利 (未經審核) 千港元	營業額 (未經審核) 千港元	盈利 (未經審核) 千港元

Geographical segments	地區分類				
Hong Kong	香港	1,049	1,049	-	-
Canada	加拿大	144	144	-	-
The PRC	中國	2,383	1,318	2,400	1,270
The BVI	英屬處女群島	-	85	-	117
		3,576	2,596	2,400	1,387

3. PROFIT BEFORE TAXATION

3. 除稅前溢利

		Six months ended 31 December	
		2010	2009
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
		截至十二月三十一日止六個月	
		二零一零年	二零零九年
		(未經審核)	(未經審核)
		千港元	千港元
Profit for the period has been arrived at after charging:	期內溢利已扣除下列各項：		
Depreciation of property, plant and equipment and amortisation on:	物業、廠房及設備之折舊及攤銷：		
– Assets owned by the Group	– 本集團擁有之資產	234	639
– Assets held under finance leases	– 根據融資租約持有之資產	–	283
Finance costs	財務成本		
– Bank borrowing	– 銀行貸款	295	233
– Convertible notes	– 可換股票據	285	–
and after crediting:	並經計入：		
Dividend income from listed available-for-sale investments	可供出售上市投資股息收入	–	2
Net other operating income	其他營運收益 – 進一步收到		
– a further receipt of an additional consideration of the disposal of a subsidiary in 2006	有關於二零零六年出售之附屬公司之附加代價	–	9,993
Investment and other income	投資及其他收入 – 其他投資		
– gains on disposal of other investment (antiques)	(古董) 出售之收益	14,843	–

4. TAXATION

Hong Kong Profits Tax is calculated at the rate of 16.5% (2009: 16.5%) of the estimated assessable profits for the period. No provision for Hong Kong Profits Tax was made for the period ended 31 December 2010 (2009: Nil) as the Company and its subsidiaries had no assessable profit for that period. No provision for deferred tax has been made in the period.

Taxation arising in the PRC and overseas jurisdiction are calculated at the rates prevailing in the relevant jurisdictions based on existing legislation, interpretations and practices in respect thereof.

4. 稅項

香港利得稅乃按期內估計應課稅溢利以稅率16.5%計算(二零零九年: 16.5%)。截至二零一零年十二月三十一日止期間並無就香港利得稅作出撥備(二零零九年: 無)，原因是本公司及其附屬公司於期內並無應課稅溢利。期內並無作出遞延稅項撥備。

在中國及海外司法區域產生的稅項按照有關司法區域的現行法例，詮釋及實務的稅率計算。

The tax charge back comprises:

稅項撥回包括：

Six months ended 31 December

2010	2009
(Unaudited)	(Unaudited)
HK\$'000	HK\$'000
截至十二月三十一日止六個月	截至十二月三十一日止六個月
二零一零年	二零零九年
(未經審核)	(未經審核)
千港元	千港元

Current tax	即期稅項		
Hong Kong Profits Tax:	香港利得稅：		
Current period	本期內	-	-
Under-provision in previous period	過往期內撥備不足	-	-
		-	-
Deferred taxation – charge back	遞延稅項 – 撥回		
Origination and reversal of temporary differences	暫時性差異的產生及撥回	597	-
		597	-
Total tax charge back for the period	本期內稅項撥回總額	597	-

5. EARNINGS PER SHARE

The calculation of the diluted earnings per share is based on the same as the basic earnings per share for the period because the exercise prices of the share options granted (2009: higher) and convertible notes (2009: Nil) are higher than the average market price of shares during the period.

The calculation of the basic earnings per share for the period is based on the profit attributable to equity holders of the parent for the period of HK\$4,504,000 (2009: profit of HK\$1,160,000) and on the weighted average of 838,888,826 (2009: 838,888,826) ordinary shares of the Company in issue during the period.

5. 每股盈利

每股攤薄盈利披露乃於與每股基本盈利相同，因為授予之供購股權（2009：高於）及可換股票據（2009：無）之行使價高於本年度股份之平均市價。

每股基本盈利乃根據期內母公司股權持有人應佔溢利4,504,000港元（二零零九年：溢利1,160,000港元）及於期內本公司已發行普通股之加權平均數838,888,826股（二零零九年：838,888,826股）計算。

6. INVESTMENT PROPERTIES

6. 投資物業

VALUATION/FAIR VALUE	估值／公平值	HK\$'000
		千港元
At 1 July 2009	於二零零九年七月一日	204,400
Additions – subsequent expenditure	新增 – 其後費用	2,525
Reclassified from property, plant and equipment	物業、廠房及設備重新分類	165,711
Net increase in fair values	公平值增加淨額	64,452
At 30 June 2010 and 1 July 2010	於二零一零年六月三十日及 二零一零年七月一日	437,088
Reclassified from property, plant and equipment	物業、廠房及設備重新分類	2,556
Net decrease in fair value	公平值減少淨額	(2,444)
At 31 December 2010	於二零一零年十二月三十一日	437,200

The value of investment properties held by the Group at 30 June 2010 and 31 December 2010 comprises:

本集團持有之投資物業於二零一零年六月三十日及二零一零年十二月三十一日之價值包括：

		31/12/2010 (Unaudited) HK\$'000 二零一零年 十二月三十一日 (未經審核) 千港元	30/06/2010 (Audited) HK\$'000 二零一零年 六月三十日 (經審核) 千港元
Held in Hong Kong:	於香港持有：		
Long-term leases	長期租約	220,000	220,000
Held outside Hong Kong:	於香港以外地方持有：		
Medium-term leases	中期租約	25,400	32,288
Freehold	永久業權	191,800	184,800
		437,200	437,088

7. TRADE AND OTHER RECEIVABLES

The Group allows credit period ranging from 30 to 90 days to its trade customers. Included in trade and other receivables of the Group are trade debtors of HK\$74,000 (30 June 2010: HK\$73,000) and their aging analysis is as follows:

7. 貿易及其他應收款項

本集團給予其貿易客戶之平均信貸期介乎30至90天。本集團之貿易及其他應收款項已計入貿易應收款項74,000港元(二零一零年六月三十日：73,000港元)及其賬齡分析如下：

		31/12/2010 (Unaudited) HK\$'000 二零一零年 十二月三十一日 (未經審核) 千港元	30/06/2010 (Audited) HK\$'000 二零一零年 六月三十日 (經審核) 千港元
Within 90 days	90天以內	74	73

8. PROMISSORY NOTE RECEIVABLE FROM A JOINTLY CONTROLLED ENTITY

The amount is unsecured, interest-free and repayable on or before 9 April 2011.

8. 應收一間共同控制公司承兌票據

該款項乃無抵押，免息及於二零一一年四月九日或之前償還。

9. AMOUNT DUE FROM A JOINTLY CONTROLLED ENTITY

The amount is unsecured, interest-free and recoverable within one year.

9. 應收一間共同控制公司之款項

該款項乃無抵押，免息及於一年內償還。

10. TRADE AND OTHER PAYABLES

Included in trade and other payables of the Group are trade payables of HK\$Nil (30 June 2010: Nil).

10. 貿易及其他應付款項

本集團之貿易及其他應付款項已計入貿易應付款項無港元(二零一零年六月三十日：無)。

11. AMOUNTS DUE TO DIRECTORS

The amounts are unsecured, interest-free and have no fixed repayment term.

11. 應欠董事款項

該款項為無抵押、免息及無固定還款期。

12. SHARE CAPITAL**12. 股本**

		Number of Ordinary shares	Amount HK\$'000
		普通股數目	金額 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
<i>Authorised:</i>	<i>法定股本：</i>		
At 30 June 2010 and 31 December 2010	於二零一零年六月三十日及 二零一零年十二月三十一日	6,000,000,000	60,000
<i>Issued and fully paid:</i>	<i>已發行及繳足股本：</i>		
At 1 July 2009	於二零零九年七月一日	873,217,826	8,732
Cancellation upon repurchase of own shares	回購時註銷	(34,329,000)	(343)
At 30 June 2010, 1 July 2010 and 31 December 2010	於二零一零年六月三十日， 二零一零年七月一日及 二零一零年十二月三十一日	838,888,826	8,389

13. CONVERTIBLE NOTES

On 10 December 2010, the Company had issued 8% convertible notes in the aggregate principal amount of HK\$41,760,000. The noteholder may convert the whole or part (in minimum amount of HK\$250,000 or integral multiples) of the convertible note into share at conversion price of HK\$0.24, subject to adjustments, with the term of 3 years from 10 December 2010. The Company have no intention to redeem the whole the right 8% convertible notes till the maturity as the Company have the right (at its sole and absolute discretion) at any time after 1 year from 10 December 2010 to redeem the whole or any principal amount (in minimum amount of HK\$250,000 or integral multiples) of the convertible notes.

The fair values of the liability component and the equity conversion component were determined at issuance of the convertible notes. The fair value of the liability component was calculated using a market interest rate of 12.2%. The residual amount, representing the value of the equity conversion component, has been included in the convertible notes reserve.

13. 可換股票據

於二零一零年十二月十日，該公司已發行8%可換股票據其本金總額為港幣41,760,000港元。票據持有人由二零一零年十二月十日起的3年內可將全部或部分可轉換債券（以最低金額250,000港元或其整數倍數為單位）以行使價0.24港元轉換成股票（可予調整）。本公司無意贖回整個8%可換股票據的權利至到期日，由於該公司有權（在其唯一及絕對酌情權）在二零一零年十二月十日起的一年後的任何時間內贖回全部或任何本金金額（最低金額250,000港元或其整數倍數為單位）的可換股票據。

在發行可換股票據時，公平值的負債部分及權益轉換部分已被確定。公平值計算負債部分市場利率為12.2%計算。剩餘金額，表示該權益轉換部分的價值，已被列入為可換股票據儲備。

The convertible notes recognised in the balance sheet date are calculated as follows:

可換股票據在資產負債表確認之日起計算如下：

		Group and Company	
		2010	2009
		HK\$'000	HK\$'000
		集團及公司	
		二零一零年	二零零九年
		千港元	千港元
Liability component at 1 July	於七月一日負債部份	-	-
Face value of convertible notes issued	已發行可換股票據面值	41,760	-
Issue costs	發行成本	(1,224)	-
Equity component	權益部份	(3,846)	-
Liability component at the issuance date	於發行日負債部份	36,690	-
Interest expense	利息支出	285	-
Interest paid/payable	已付／應付利息	(201)	-
Liability component at 31 December	於十二月三十一日負債部份	36,774	-
Portion classified as non-current	分類為非流動部份	(36,774)	-
Current portion	流動部份	-	-
Equity component at 31 December	於十二月三十一日的權益部份	3,846	-

14. CONTINGENT LIABILITIES

As at 30 June 2010 and 31 December 2010, the Group had no significant contingent liabilities.

14. 或然負債

於二零一零年六月三十日及二零一零年十二月三十一日，本集團無任何重大或然負債。

15. CAPITAL COMMITMENTS

15. 資本承擔

		31/12/2010	30/06/2010
		(Unaudited)	(Audited)
		HK\$'000	HK\$'000
		二零一零年	二零一零年
		十二月三十一日	六月三十日
		(未經審核)	(經審核)
		千港元	千港元
Capital expenditure in respect of the acquisition of investment properties and property, plant and equipment contracted for but not provided in the consolidated financial statements	已簽約但未在綜合財務報表撥備之有關物業、廠房及設備之資本承擔		
- the Group	- 本集團	19,203	19,203
- share of a jointly controlled entity	- 應佔一間共同控制公司	31,288	31,288
		50,491	50,491

16. RELATED PARTY DISCLOSURES

(a) Balances

Details of the Group's outstanding balances with a related party are set out in the consolidated balance sheet and in notes 8 and 9.

- (b) Except the above disclosed, the Group had a licence agreement of using certain units of Severn Villa for HK\$174,000 per month (2009: waived due to free accommodation provided to the executive director) (the "Licence Agreement") with Ms Wong Kar Gee, Mimi ("Ms Wong"), a former director of the Company. On 18 December 2010, the Group terminated the Licence Agreement and Ms Wong was required to move out by 18 January 2011.

17. SUBSEQUENT EVENT

Reference made with the circular of the Company dated 11 January 2011 and the approval obtained from the shareholders in the special general meeting dated 14 February 2011, the Company will proceed the Disposal of the entire issued share capital of Applied Electronics Limited ("AEL") (the "Disposal") by 9 March 2011 with the total consideration of RMB15 million (approximately HK\$17.5 million). AEL holds a wholly-owned subsidiary only, Applied Electronics (Bahamas) Limited ("AE(B)"). After completion of the Disposal, AEL and AE(B) will no longer be subsidiaries of the Company.

16. 關連人士披露

(a) 結餘

本集團與關連人士尚未償還之結餘詳情載於簡明綜合財務狀況報表及附註8及9。

- (b) 除上述披露外，本集團與王家琪女士（「王女士」）（一位前公司董事）的以每月174,000港元作使用某些施勳別墅單位之協議（「使用協議」）（二零零九年：豁免，因執行董事而提供居所）。於二零一零年十二月十八日，本集團已終止該使用協議並要求王女士於二零一一年一月十八日前遷離。

17. 期後會計事項

參考於二零一一年一月十一日本公司作出的通函及在二零一一年二月十四日於股東特別大會上獲得股東的批准，公司將繼續進行在二零一一年三月九日前把全部實力電子有限公司（「AEL」）已發行的股本出售（「出售事項」），其總代價為人民幣15,000,000元（約為17,500,000港元）。AEL擁有全資子公司，Applied Electronics (Bahamas) Limited（「AE(B)」）。該出售事項完成後，AEL和AE(B)將不再是本公司的附屬公司。

INTERIM DIVIDEND

The Directors do not recommend an interim dividend for the period ended 31 December 2010 (2009: Nil).

REVIEW OF OPERATIONS

The Group's turnover for six months ended 31 December 2010 was approximately HK\$3,576,000 (2009: HK\$2,400,000). The Group recorded a profit of approximately HK\$4,504,000 (2009: profit of HK\$1,158,000) representing to an increase of approximately HK\$3,344,000. During the period ended 31 December 2010, even though the Company achieved the gain on disposal of the investment – antiques of approximately HK\$14.8 million and an increase of rental income of certain investment properties held by the Group, the Company had to provide the estimated cost of approximately HK\$4.4 million in respect of Ms Wong Kar Gee, Mimi's (the director retired in the last Annual General Meeting of the Company). Actions to the regulatory departments and the court against the Group.

BUSINESS REVIEW

(i) Resort and Property Development

BVI Project

Following the extension of the expiry dates of (i) the date of the Initial Land and Development Loan to be arranged by InterIsle Holdings Ltd. ("InterIsle"), a joint venture partner of the Group with a reputable commercial bank or financial institution and, (ii) the Quorum Note and (iii) the Deferred Purchase Price, both changed to 9 April 2011 as requested by InterIsle, our JV partner who needed more time to arrange the Initial Land and Development Loan after the settlement of the current challenge of the BVI Project and submission of the revised Master Plan of the golf course on 11 June 2010 in satisfaction of the requirements of relevant authorities in the BVI, InterIsle expressed its optimism of obtaining the finances of BVI Project once the approval of the Master Plan obtained. Therefore, the Management believes that the pre-sale of the residential of BVI Project will start upon the finances of BVI Project obtained.

中期股息

董事不建議就截至二零一零年十二月三十一日止期間派付中期股息(二零零九年：無)。

營運回顧

截止二零一零年十二月三十一日止六個月本集團之收入約為3,576,000港元(二零零九年：2,400,000港元)，本集團錄得溢利約4,504,000港元(二零零九年：溢利約1,158,000港元)，已計入其增加約3,344,000港元。於截止二零一零年十二月三十一日止期間，雖然本公司已錄得因出售投資一古董約14,800,000港元之收益及本集團擁有之部份投資物業租金收入上升，但因王家琪女士(已於最後之股東週年大會上退任的董事)向有關其向監管部門及法院對抗本集團之行動，以致本公司要花費估計約4,400,000港元之費用。

業務回顧

(i) 度假村及物業發展

英屬處女群島項目

隨著 InterIsle Holdings Ltd (「InterIsle」)，本集團之共同控制公司合夥人之要求需要進一步時間獲得初步土地及發展貸款，而(i)由InterIsle與一信譽之商業銀行或財務機構所安排之初步土地及發展貸款及(ii) Quorum票據及(iii)其延遲購買價，均延長至二零一一年四月九日。其乃因完成對英屬處女群島發展項目之質詢判決後及已於二零一零年六月十一日遞交了已修改達至英屬處女群島相關政府部門要求之高爾夫球場之藍圖，InterIsle需要進一步時間獲得初步土地及發展貸款。因InterIsle表示樂觀於當英屬處女群島的主要項目獲批准後而其取得的英屬處女群島之融資。有見及此，管理層相信英屬處女群島之住宅出售將因該融資而很快開始。

The BVI Project is envisioned to be master-planned resort community which will include: a five-star luxury resort hotel with approximately 200 hotel and condo-hotel units, destination spa, signature restaurant and conference rooms; a first-class marina with golf course and up to 600 high-end residences, ocean-view villas, and secluded mountain estate homes; as well as a unique artisan and retail village at Trellis Bay.

Panama Project

The Panama Project comprises two pieces of land (i) piece of land of approximately 494 hectares named Playa Grande in Boca Chica, district of San Lorenzo, Province of Chiriqui in Panama (the “Panama Land”); and (ii) a hot spring with a land size of approximately 9 hectares in Borough of San Felix, Province of Chiriqui, Panama (the “Hot Spring Property”). After the acquisition of the Panama Project in mid of 2007, the Group has developed a master plan for the project, devised golf course routing plans, various studies and tests on the project.

The Management recently has worked on the relevant plans of the sub-lot region of the Panama Land with the professionals and architects for the submission to the relevant authorities of Panama. The Group will replicate the business model of the BVI Project to partner with renowned experts in resort development industry to develop the Panama Project. Alternatively, if a suitably attractive offer is made by potential buyers, the Board may consider the disposal of the Panama Land and/or the Hot Spring Property.

The Panama Project is planned to feature a luxury hotel, a marina facility and a marina village, a 18-hole signature golf course, a branded fractional ownership club, branded ocean-view villas and branded residential lots. After completion of the Panama Project, 2,000 residential units in the various branded residential lots will be offered for sale.

英屬處女群島項目展望成為一主體計劃度假村社區，其包括一所約有200間房間酒店及獨立產權酒店、度假式水療、餐廳及會議室之五星級豪華酒店度假村；高爾夫球場及多至600間之高級住宅單位，海景別墅及獨立山村莊園單位之頂級遊艇村；以及在Trellis Bay獨一無二的工藝及銷售村莊。

巴拿馬項目

巴拿馬項目包括兩塊土地(i)名為 Playa Grande位於巴拿馬Boca Chica, San Lorenzo區，Chiriqui省之面積約494公頃之土地(該「巴拿馬土地」)及(ii)位於巴拿馬Borough San Felix，Chiriqui省之面積約9公頃之溫泉土地(「溫泉土地」)。於二零零七年中購入巴拿馬項目之後，本集團已策劃發展藍圖及進行高爾夫球場路線之規劃及對項目進行不同的研究和測試。

管理層近期已就巴拿馬分區之藍圖遞交到巴拿馬相關部門而與專業人員及建築師展開工作。本集團會套用發展英屬處女群島項目的商業模式，夥同度假村發展產業方面之知名專家一同發展巴拿馬項目。或如有合適潛在買家有吸引力的出價，董事局或會考慮出售巴拿馬土地及／或溫泉土地。

巴拿馬項目計劃包括豪華酒店、遊艇設施及遊艇村、一個18洞名師設計高爾夫球場、以營運商命名的分權物業及會所、以營運商命名的海景別墅及以營運商命名的住宅地段。待竣工後，將會提供2,000個不同品牌住宅單位出售。

(ii) Investment and Property Holding

The Group's investment properties, mainly in Hong Kong and the People's Republic of China continued to generate a rental income of totally HK\$3.6 million for the Group for the six months ended 31 December 2010.

Following the shareholders' approval of disposal of Applied Electronics Limited's ("AEL") entire shares who mainly holds Ping Wu Properties as defined in the Company's circular dated 11 January 2011 obtained in the Special General Meeting dated 14 February 2011, the Management would proceed the sales of the entire AEL's shares by 9 March 2011. If after the completion of the above disposal, the Management will foresee the rental income to generate from other investment properties mainly held by the Group.

(iii) Financing

On 10 December 2010, the Company had issued 8% convertible notes in aggregate principal amount of HK\$41,760,000 of maturity term of 3 years. The holders of the convertible notes may convert the whole or part of the convertible notes into shares at conversion price of HK\$0.24 subject to adjustments. The Company also has the right at anytime after 9 December 2011 to redeem the whole or any principal amount of the convertible note (please refer to this note 13 of this announcement for more details).

OUTLOOK

Following the recovery of the global economy and the property market in Hong Kong, the management believes that the Group's investment properties in Hong Kong and Panama and the developments in the BVI will bring in satisfactory returns to the Group.

Based on our outlook of the resort and property sector and investment property market, we will continue to be strategically allied with high-quality architects, designers, and resort developers to develop future resort projects for development or for sale and seek other appropriate property investment opportunities in the Asian region.

(ii) 投資及持有物業

本集團之投資物業，主要位於香港及中國，其截至二零一零年十二月三十一日止六個月期間之租金總收入為3,600,000港元。

隨著於二零一一年二月十四日之股東特別大會上獲得股東批准通過出售實力電子有限公司（「AEL」）之全部股份（其持有於二零一一年一月十一日之公司之通函中所述其持有之「平湖物業」），管理層將於二零一一年三月九日前完成出售AEL全部股份之事宜。如完成以上所述之出售，管理層將預見租金收入只來自本集團持有之其他投資物業。

(iii) 融資事項

於二零一零年十二月十日，本公司已發行以年息8%三年期之可換股票據（其本金額為41,760,000港元）。可換股票據持有者可以行使價0.24港元（可供調整）換購成股票。本公司亦有權於二零一一年十二月九日後贖回全部或部份以定額本金計算之可換股票據（詳情刊載於本公告之附註13內）。

展望

隨著環球經濟復甦及興旺之香港物業市場，管理層相信本集團旗下之香港及巴拿馬之投資物業及位於英屬處女群島之發展項目將會為本集團帶來滿意之回報。

有見度假村及物業項目之良好發展前景，本集團將繼續與高質素建築師、設計師及度假村發展商組成策略聯盟，共同發展未來度假村項目，為本集團帶來良好盈利，及在亞洲地區尋找其他合適的物業投資機會。

LITIGATION WITH A FORMER DIRECTOR, MS WONG KAR GEE, MIMI

Reference is made to the Company's announcements dated 23 February 2011 and 25 February 2011 in relation to the following litigation ("**Action**") commenced against the Group by Ms Wong Kar Gee, Mimi ("**Ms Wong**") (a former director was retired in the last annual general meeting of the Company on 14 January 2011).

High Court Miscellaneous Proceedings No. 1602/2010

(a) On 24 August 2010, Ms Wong commenced legal proceedings against Mr Raymond Hung Kin Sang and the Company seeking, among other things, to inspect certain books of accounts, statutory records and documents of the Company. By way of update, as Ms Wong is no longer a Director, she has continued with her application under this Action in her capacity as a Shareholder. This Action is presently ongoing in the Hong Kong High Court and a hearing of her application has presently been fixed for 10 March 2011.

High Court Miscellaneous Proceedings No. 243/2011 ("HCMP 243/2011") and matrimonial proceedings

(b) On 18 December 2010, the Company and Severn Villa Limited (a wholly-owned subsidiary of the Company) gave notice to Ms Wong to move out and return possession of the Severn Villa properties (namely, Flat A on 1st floor, Flat B on 1st floor and Flat B on 2nd floor, 3 Severn Road, The Peak, Hong Kong) (collectively, the "**Severn Villa properties**") by 18 January 2011. Ms Wong did not move out of the Severn Villa Properties on 18 January 2011.

與前董事王家琪女士之訴訟

茲根據本公司於二零一一年二月二十三日及二零一一年二月二十五日之公告，以下是王家琪女士（「王女士」）（前董事及其於二零一一年一月十四日本公司之上次股東週年大會上退任）對本集團訴訟（「行動」）。

高等法院一般事件編號1602/2010

(a) 於二零一零年八月二十四日，王女士開始對洪建生先生及本公司展開法律程序要求，除其他事項外，進行檢查公司某些賬目、法定記錄和文件。由最新資料得悉，因為王女士已不再是本公司之董事，但她卻以股東的身份再繼續她的行動。目前正就該行動向香港高等法院申請並已排期在二零一一年三月十日進行聆訊。

高等法院一般事件編號243/2011 ("HCMP 243/2011") 及婚姻訴訟

(b) 於二零一零年十二月十八日，本公司及Severn Villa Limited（本公司之全資附屬公司）向王女士發出須於二零一一年一月十八日前遷出及交還施勳物業（為香港山頂施勳道3號1樓A及B單位，2樓B單位）（統稱「施勳物業」）通知書，於二零一一年一月十八日，王女士未遷出施勳物業。

- (c) On 18 January 2011, Ms Wong applied to the Hong Kong High Court to join the Company and Severn Villa Limited as intervening parties to the matrimonial proceedings (between Ms Wong and Mr Raymond Hung Kin Sang (an executive director of the Company)), seeking determination and declaration as to the beneficial and/or proprietary ownership of and/or interests in the Severn Villa properties (the “**Application**”).
- (d) On 18 February 2011, Ms Wong commenced proceedings in HCMP 243/2011 against the Company and Severn Villa Limited for certain declarations relating to the beneficial and/or proprietary ownership of and/or interests in the Severn Villa properties. This Action is presently ongoing.
- (e) The Board believes that Ms Wong’s above claim might relate to the recent notification to Ms Wong to move out and return possession of the Severn Villa properties.
- (f) On 24 February 2011, Deputy High Court Judge Carlson stayed the Application pending the determination of HCMP 243/2011.
- (c) 於二零一一年一月十八日，王女士向高等法院申請要求將本公司及 **Severn Villa Limited** 為其婚姻訴訟（王女士及洪建生先生（本公司之一名執行董事）之間）參與者及尋求決定及聲稱王女士為施動物業受益人及／或物業持有人及／或權益（該「申請」）。
- (d) 於二零一一年二月十八日，王女士展開其在香港高等法院案 **HCMP 243/2011** 向本公司及 **Severn Villa Limited**（本公司之全資附屬公司）某些聲明有關施動物業受益人及／或物業持有人及／或權益展開一項行動。
- (e) 董事會認為，王女士要求上述賠償是與本集團最近發出的通知要求王女士遷出及交還施動物業使用權有關。
- (f) 於二零一一年二月二十四日，副高等法院法官 **Carlson** 更延緩該申請直至 **HCMP 243/2011** 有判決為止。

Labour Tribunal Claim No. LBTC 326/2011

- (g) On 28 January 2011, Ms Wong filed a claim with the Labour Tribunal against the Company seeking alleged: (i) arrears of wages; (ii) long service payment; (iii) damages for the Company’s alleged breach of her employment contract; (iv) credit card allowance; and (v) other unpaid wages and reimbursements. The total amount of her claim (excluding item (iii) above, in which she has applied for damages to be assessed and determined) is approximately HK\$3.492 million. On 24 February 2011, the Labour Tribunal ordered that the matter be transferred to the Hong Kong High Court.

勞資審裁處索償編號LBTC 326/2011

- (g) 於二零一一年一月二十八日，王女士向勞資審裁處申請對本公司提出索償，其聲稱要求：(i)延發工資；(ii)長期服務金；(iii)聲稱有關公司違反僱傭合同的賠償；(iv)信用卡津貼；及(v)其他未繳付的工資及報銷。她的總索償金額（不包括項目第(iii)項中她已申請就損害賠償作出評估和確定）約為**3,492,000**港元。於二零一一年二月二十四日之聆訊，決定將王女士之要求移交高等法院審理。

The Directors are of the view that the Ms Wong's Actions above are without merit. The Company has instructed lawyers to handle the Actions and will continue to use its best endeavors to protect the interests of the Company and the Shareholders as a whole in its conduct thereof. The Company will continue to keep its Shareholders updated about the progress of the Actions and any other material claim, action or proceeding which Ms Wong may commence in the future.

PLEDGE OF ASSETS

As at 31 December 2010, the Group pledged the investment properties totaling to HK\$220,000,000 (30 June 2010: HK\$220,000,000) to banks to secure general banking facilities granted to the Group.

As agreed with the bank, the pledge of the Group's properties held for sale will be released when the properties are sold.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2010, the Group's total net asset value and borrowings amount to HK\$596.1 million and HK\$102.7 million respectively, representing a gearing ratio of 17.2%. As at 31 December 2010, the Group's current assets and current liabilities amount to HK\$243.40 million and HK\$77.3 million respectively, representing a current ratio of 3.1 times. In addition, the majority of the Group's assets were in Hong Kong, and hence United States dollars and the exposure to foreign exchange were insignificant to the Group.

The Group's transactions were mostly denominated in United States dollars and Hong Kong dollars. Apart from the exposure to the Chinese Renminbi, the Management considers the exposure to exchange risk as arrival.

董事們認為，載於上述之王女士的行動是毫無根據的。本公司已指示律師處理該行動，並將繼續盡最大努力保護公司及股東在其中處理該行動中的整體利益。本公司將繼續知會股東有關其對該行動之最新進展及任何其他王女士在未來有可能展開之重大索償，訴訟或法律程序。

資產抵押

於二零一零年十二月三十一日，本集團以總額220,000,000港元（二零一零年六月三十日：220,000,000港元）的投資物業作抵押為本集團獲授一般銀行信貸之擔保。

獲得該銀行同意，本集團待出售物業之抵押將於出售時被解除。

資本結構、流動現金及財務資源

於二零一零年十二月三十一日，本集團之總資產淨值及總借款淨值分別為596,100,000港元及102,700,000港元，負債資產比率維持於17.2%。於二零一零年十二月三十一日，本集團之流動資產及流動負債分別為243,400,000港元及77,300,000港元，流動比率為3.1倍。此外，本集團大部分資產以港元及美元持有，故本集團並無重大外匯波動風險。

本集團交易主要以美元及港元表述。除了中國人民幣之風險以外，管理層相信兌換風險已達至對沖。

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2010, the interests held by the directors of the Company (“Directors”) in the shares, underlying shares of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), as recorded in register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “Model Code”) contained in the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”), were as follows:

Long position in shares of the Company

董事於本公司股份及相關股份之權益

於二零一零年十二月三十一日，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條存置之登記冊所載，本公司董事擁有本公司及其相聯法團（定義見證券及期貨條例第XV部）股份及相關股份權益，或根據交易所證券上市規則（「上市規則」）所載上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及交易所之權益如下：

本公司股份好倉持有

Name of directors 董事姓名	Number of ordinary shares 普通股數目			Approximate % of shareholding 概約持股 百分比
	Beneficial owner 實益擁有人	Held by controlled corporation 由受控制 公司持有	Total 總計	
Hung Kin Sang, Raymond 洪建生	333,912,701	75,022,883 (Note 1) (附註1)	408,935,584	48.75%
Hung Kai Mau, Marcus 洪繼懋	2,960,000	–	2,960,000	0.35%
Wong Kar Gee, Mimi (retired on 14 January 2011) 王家琪 (於二零一一年一月十四日退任)	9,310,056	–	9,310,056	1.11%

Note 1: These shares were held by the following companies:

附註1：該等股份由下列公司持有：

Number of ordinary shares 普通股數目	
Malcolm Trading Inc.	44,362,883
Jaytime Overseas Ltd.	30,660,000
	75,022,883

Malcolm Trading Inc. and Jaytime Overseas Ltd. are wholly owned and controlled by Mr Hung Kin Sang, Raymond.

Malcolm Trading Inc. 及 Jaytime Overseas Ltd. 均受洪建生先生所持有及操控。

Note 2: Ms Wong Kar Gee, Mimi ("Ms Wong") has represented to the Company that she has an interest in shares of the Company of a total 405,655,584 shares. This is on the basis that 405,655,584 shares in the Company are said by Ms Wong to be held in trust by a family trust with her as one of the beneficiaries. Ms Wong's claim is not reflected in the register of members of the Company and is disputed by Mr Hung Kin Sang, Raymond.

Save as disclosed above, as at 31 December 2010, none of the Directors or chief executives of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of Listed Companies and which were required to be entered into and kept under the register pursuant to section 352 of the SFO.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

The Directors and employees of the Company and its subsidiaries are entitled to participate in the share option scheme of the Company adopted by the Company on 16 September 2002 (the "Scheme").

The following table discloses movements of the share options of the Company granted to the Directors during the period:

附註2：王家琪女士（「王女士」）已向本公司表示她持有本公司權益總計為405,655,584股。乃根據王女士聲稱該405,655,584股本公司股份由其家庭信託基金以信託形式持有而她為其中一位受益人。王女士之聲稱情況尚未反映在本公司的股東登記冊內及就此事件正與洪建生先生爭議。

除上文披露者外，於二零一零年十二月三十一日，本公司董事及行政要員概無於本公司或任何相聯法團（定義見證券及期貨條例第XV分部）之股份、相關股份及債權證中擁有須根據證券及期貨條例第XV分部第7及8分部知會本公司及交易所或根據上市公司董事證券交易之標準守則知會本公司及交易所及須記錄於根據證券及期貨條例第352條規定置存之登記冊之權益及淡倉（包括根據證券及期貨條例之該等條文被計作或視作擁有之權益及淡倉）。

購買股份及債券安排

本公司及其附屬公司之董事及僱員均可參與本公司於二零零二年九月十六日所採納之本公司購股權計劃（「計劃」）。

在本期間，給予本公司董事之公司購股權變動如下：

Name of directors	Date of share options granted	Outstanding at beginning of the period, as at 1 July 2010 本期初購股權結餘，於二零一零年七月一日	Granted during the period	Exercised during the period	Lapsed or cancelled during the period	Outstanding at end of the period, as at 31 December 2010 本期終結餘，於二零一零年十二月三十一日	Exercise price
董事名稱	購股權給予日期		本期間給予	本期間行使	本期間已逾期或作廢		行使價 HK\$ 港元
Hung Kin Sang, Raymond 洪建生	21 October 2009 二零零九年十月二十一日	22,700,000	-	-	-	22,700,000	0.29
Hung Kai Mau, Marcus 洪繼懋	21 October 2009 二零零九年十月二十一日	8,400,000	-	-	-	8,400,000	0.29
Wong Kar Gee, Mimi (retired on 14 January 2011) 王家琪 (於二零一一年一月十四日退任)	21 October 2009 二零零九年十月二十一日	13,330,000	-	-	-	13,330,000	0.29
Total for directors 總數予董事		44,430,000	-	-	-	44,430,000	

Notes:

- (1) The exercise period of the share options of the Company granted to all above directors is five years from the date of grant and there is no minimum vesting period for the share options of the Company.
- (2) The closing price of the shares of the Company immediately before the date of grant of share options is HK\$0.29.

附註：

- (1) 全部以上董事之購股權行使期為期5年(由給予日起計)。其沒有限制行使本公司購股權期。
- (2) 給予購股權日之前之本公司收市價為0.29港元。

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. None of the Directors or their spouses or children under the age of 18 had any right to subscribe for securities of the Company or had exercised any such rights during the period.

SUBSTANTIAL SHAREHOLDERS

Other than the interests disclosed above under the heading "Directors' interests in shares and underlying shares of the Company" in respect of certain Directors, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO discloses no person as having a notifiable interest or short position in the issued share capital of the Company at 31 December 2010.

除上文所披露者外，本公司或其任何附屬公司於本期間內任何時間概無訂立任何安排，致使本公司之董事可藉購買本公司或任何其他法人團體之股份或債券而獲得利益。各董事或彼等之配偶或未滿十八歲子女概無認購本公司證券之權利，亦無於本期間內行使任何該等權利。

主要股東

除上文「董事於本公司股份及相關股份之權益」一節所披露本公司若干董事之權益外，本公司根據證券及期貨條例第336條之規定而存置之主要股東名冊顯示，於二零一零年十二月三十一日並無任何人士擁有本公司已發行股本而須予公佈之權益或淡倉。

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed above, no contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or any of its subsidiaries had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

EMPLOYEE INFORMATION

As at 31 December 2010, the Group employed a total of 16 full-time employees.

The Group's emolument policies are formulated on the basis of performance of individual employees and are reviewed annually. The Group also provides medical insurance coverage and provident fund scheme (as the case may be) to its employees depending on the location of such employees.

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

During the six months ended 31 December 2010, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

The Company is committed to adopt best corporate governance practices and procedures of the Group. It strives to enhance transparency and independency of operation through the use of effective accountability system to enable a healthy and sustainable development of the Company. The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 31 December 2010.

董事於重大合約中之權益

除上文披露者外，於期終或期內任何時間，本公司或其任何附屬公司概無訂立本公司或其任何附屬公司之董事於其中有直接或間接重大權益之重大合約。

僱員資料

於二零一零年十二月三十一日，本集團合共僱用16名全職僱員。

本集團乃按個別員工之表現制訂薪酬政策，並每年檢討一次。本集團亦因應員工工作之地點為僱員提供醫療保險及公積金計劃（視情況而定）。

買賣或贖回本公司上市證券

於截至二零一零年十二月三十一日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

企業管治

本公司致力以高素質之董事會、健全之內部控制及對全體股東提供高透明度及高問責性之方式遵守最佳企業管治常規及程序。本公司於截至二零一零年十二月三十一日止六個月內一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治常規守則。

In order to reinforce independence and accountability, the role of the Chairman is separated from that of the Group's Managing Director in which their respective responsibilities were endorsed by the Board in writing and more than one-third of the Board comprises of Independent Non-Executive Directors.

AUDIT COMMITTEE

The Audit Committee currently comprises of Independent Non-Executive Directors, namely, Mr Lun Tsan Kau (Chairman of the Audit Committee), Mr Lam Ka Wai, Graham and Mr Su Ru Jia. All of them have related professional qualifications, accounting or related financial management expertise. The Audit Committee has the responsibility to review with the senior management and the Company's external auditors the internal and external audit findings, the accounting principles and practices adopted by the Group pursuant to the Listing Rules, and to discuss with them issues relating to auditing, internal controls, risk management financial reporting matters (including the interim financial report for the six months ended 31 December 2010 before recommending it to the Board for approval) and statutory compliance. The Audit Committee is satisfied that the internal controls and accounting systems of the Group are adequate.

REMUNERATION COMMITTEE

The Remuneration Committee was formed by a majority of Independent Non-Executive Directors which comprises of one executive director, Mr Hung Kin Sang, Raymond, and two Independent Non-Executive Directors, namely, Mr Lun Tsan Kau and Mr Lam Ka Wai, Graham. The Remuneration Committee has the responsibility to make recommendations to the Board on the remuneration policy of the Company and its structure. It also reviews specific remuneration packages of all executive Directors and senior management in accordance with the corporate goals and objectives as resolved by the Board from time to time.

為提高獨立性及問責性，本集團主席之角色獨立於本集團董事總經理，二者之職責分別由董事會書面註明。此外，董事會超過三分之一成員由獨立非執行董事組成。

審核委員會

審核委員會現時由獨立非執行董事即倫贊球先生（審核委員會主席）、林家威先生及蘇汝佳先生組成。彼等皆擁有相關專業資格、會計或相關財經管理專業知識。審核委員會負責與管理層及本公司外部核數師審閱內部及外部審核結果、本集團所採納之會計原則及慣例、上市規則、法定合規情況，並就審核、內部控制、風險管理及財務申報事宜（包括提交董事會批准前之截至二零一零年十二月三十一日止六個月中期財務報告）進行討論。審核委員會對本集團之內部控制及會計制度感到滿意並認為適當。

薪酬委員會

薪酬委員會成員包括大多數獨立非執行董事。薪酬委員會由一名執行董事（洪建生先生）及兩名獨立非執行董事（倫贊球先生及林家威先生）組成。薪酬委員會負責就與董事及高級管理層之薪酬相關之政策及結構向本公司董事會提出建議。該委員會亦根據董事會不時確定之企業目標及目的審查全體執行董事及高級管理人員之個別薪酬待遇。

MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules. Having made specific enquiries of all the Directors, all the Directors have confirmed that they had complied with the required standard set out in the Model Code during the accounting period covered by the interim report for the six months from 1 July 2010 to 31 December 2010.

PUBLICATION OF INFORMATION ON WEBSITES

This results announcement is available for viewing on the website of Stock Exchange at <http://www.hkex.com.hk> and on the website of the Company at <http://www.applieddev.com>.

MEMBERS OF THE BOARD

At the date hereof, the members of the board are as follows:

Executive directors:

Hung Kin Sang, Raymond (*Managing Director*)

Hung Kai Mau, Marcus (*Chairman*)

Independent non-executive directors:

Lun Tsan Kau

Lam Ka Wai, Graham

Su Ru Jia

By order of the Board

Applied Development Holdings Limited

Hung Kin Sang, Raymond

Managing Director

Hong Kong, 25 February 2011

董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載的上市公司董事進行證券交易之標準守則（「標準守則」）。經向本公司各董事作出個別查詢後，各董事已確認彼等於本中期報告之會計期間（二零一零年七月一日至二零一零年十二月三十一日止六個月）一直遵守標準守則所載之要求標準。

於網站刊發資料

本業績公佈可於交易所網站 <http://www.hkex.com.hk> 及本公司網站 <http://www.applieddev.com> 閱。

董事會成員

於本報告日期，董事會成員如下：

執行董事：

洪建生（*董事總經理*）

洪繼懋（*主席*）

獨立非執行董事：

倫贊球

林家威

蘇汝佳

承董事會命

實力建業集團有限公司

洪建生

董事總經理

香港，二零一一年二月二十五日



APPLIED DEVELOPMENT HOLDINGS LTD.

實力建業集團有限公司