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**Vision Fame International Holding Limited**  
**允升國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 1315)

**INTERIM RESULTS ANNOUNCEMENT**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

**INTERIM RESULTS**

The board (the “Board”) of directors (the “Directors”) of Vision Fame International Holding Limited (the “Company”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2012, together with the unaudited comparative figures for the corresponding period in 2011:

**Condensed Consolidated Statement of Comprehensive Income**

*For the six months ended 30 September 2012*

		<b>Six months ended</b>	
		<b>30 September</b>	
	<i>Notes</i>	<b>2012</b>	2011
		<b>HK\$’000</b>	HK\$’000
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Turnover	3	<b>484,016</b>	271,085
Cost of sales		<u><b>(440,583)</b></u>	<u>(229,809)</u>
Gross profit		<b>43,433</b>	41,276
Other income		<b>1,821</b>	11,602
Administrative expenses		<b>(24,428)</b>	(20,792)
Finance costs	4	<b>(818)</b>	(683)
Gain on disposal of a subsidiary		—	459
Share of profit (loss) of an associate		<u><b>7,051</b></u>	<u>(170)</u>
Profit before taxation	5	<b>27,059</b>	31,692
Taxation	6	<u><b>(3,856)</b></u>	<u>(4,774)</u>
Profit for the period attributable to owners of the Company		<u><b>23,203</b></u>	<u>26,918</u>

		<b>Six months ended</b>	
		<b>30 September</b>	
	<i>Note</i>	<b>2012</b>	2011
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Other comprehensive income (expense):</b>			
Exchange differences arising on translation of foreign operations		<b>1,924</b>	(2,253)
Reclassification adjustment for the cumulative exchange difference included in profit or loss upon disposal of foreign operation		—	39
Fair value gain (loss) on available-for-sale investments		<u><b>2,762</b></u>	<u>(4,135)</u>
<b>Other comprehensive income (expense) for the period</b>		<u><b>4,686</b></u>	<u>(6,349)</u>
<b>Total comprehensive income for the period attributable to owners of the Company</b>		<u><b>27,889</b></u>	<u>20,569</u>
<b>Earnings per share (in Hong Kong cents)</b>			
Basic and diluted	8	<u><b>7.73</b></u>	<u>10.81</u>

## Condensed Consolidated Statement of Financial Position

As at 30 September 2012

	<i>Notes</i>	<b>30 September 2012 HK\$'000 (Unaudited)</b>	31 March 2012 HK\$'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment		17,936	13,842
Interest in an associate		7,431	196
Available-for-sale investments		<u>16,150</u>	<u>13,030</u>
		<u>41,517</u>	<u>27,068</u>
<b>Current assets</b>			
Amounts due from customers for contract work		42,390	36,245
Trade and other receivables	9	243,962	208,831
Amount due from an associate		—	8,151
Pledged bank deposits		42,414	43,197
Bank balances and cash		<u>68,907</u>	<u>65,997</u>
		<u>397,673</u>	<u>362,421</u>
<b>Current liabilities</b>			
Trade and other payables	10	169,015	137,532
Secured bank borrowings		65,015	66,599
Tax payable		<u>7,112</u>	<u>6,203</u>
		<u>241,142</u>	<u>210,334</u>
Net current assets		<u>156,531</u>	<u>152,087</u>
Total assets less current liabilities		<u>198,048</u>	<u>179,155</u>
<b>Non-current liabilities</b>			
Provision for long service payments		1,272	1,272
Deferred tax liabilities		<u>418</u>	<u>414</u>
		<u>1,690</u>	<u>1,686</u>
Net assets		<u>196,358</u>	<u>177,469</u>
<b>Capital and reserves</b>			
Share capital		3,000	3,000
Reserves		<u>193,358</u>	<u>174,469</u>
Total equity		<u>196,358</u>	<u>177,469</u>

## Notes to the Condensed Consolidated Financial Statements

*For the six months ended 30 September 2012*

### 1. GENERAL

Vision Fame International Holding Limited (the “Company”) was incorporated in the Cayman Islands on 31 May 2011 as an exempted company with limited liability under the Companies Law of the Cayman Islands.

The Company acts as an investment holding company and the principal activities of its subsidiaries are provision of building construction, property maintenance and alterations, renovation, upgrading and fitting-out works services.

Pursuant to a group reorganisation (the “Reorganisation”) of the Company and its subsidiaries (collectively referred to as the “Group”) to rationalise the structure of the Group in preparation for the listing of the Company’s shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing”), the Company acquired the equity interests of entities under common control and became the holding company of the subsidiaries now comprising the Group. Details of the Reorganisation were set out in the prospectus of the Company dated 30 December 2011.

The shares of the Company have been listed on the Stock Exchange with effect from 18 January 2012.

Since all entities which took part in the Reorganisation were under common control of Mr. Wong Law Fai, the Group is regarded as a continuing entity resulting from the Reorganisation of entities under common control. The condensed consolidated financial statements of the Group have been prepared using the principles of merger accounting in accordance with Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). Accordingly, the comparative condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows of the Group for the six months ended 30 September 2011 and relevant explanatory notes disclosed in these condensed consolidated financial statements have been prepared on the basis as if the current group structure has been in existence throughout the prior period.

### 2. PRINCIPAL ACCOUNTING POLICIES

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

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2012 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2012.

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA:

Amendments to HKFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to HKFRS 7	Disclosures — Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax — Recovery of Underlying Assets

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

### 3. TURNOVER AND SEGMENT INFORMATION

The Group's operating and reportable segments, based on information reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided as follows:

- (i) Building construction;
- (ii) Property maintenance; and
- (iii) Alterations, renovation, upgrading and fitting-out works.

No operating segments have been aggregated to form the above reportable segments and operating segments. Information regarding the above segments is reported below.

#### (a) Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

*For the six months ended 30 September 2012*

	<b>Building construction</b>	<b>Property maintenance</b>	<b>Alterations, renovation, upgrading and fitting- out works</b>	<b>Total</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Segment revenue	<u>134,112</u>	<u>74,940</u>	<u>274,964</u>	<u>484,016</u>
Segment profit	<u>16,669</u>	<u>4,490</u>	<u>23,155</u>	44,314
Other income				940
Central administration costs				(24,428)
Finance costs				(818)
Share of profit of an associate				<u>7,051</u>
Profit before taxation				<u>27,059</u>

For the six months ended 30 September 2011

	Building construction <i>HK\$'000</i> <i>(Unaudited)</i>	Property maintenance <i>HK\$'000</i> <i>(Unaudited)</i>	Alterations, renovation, upgrading and fitting- out works <i>HK\$'000</i> <i>(Unaudited)</i>	Total <i>HK\$'000</i> <i>(Unaudited)</i>
Segment revenue	<u>97,194</u>	<u>79,286</u>	<u>94,605</u>	<u>271,085</u>
Segment profit	<u>21,866</u>	<u>9,171</u>	<u>18,288</u>	49,325
Other income				3,553
Central administration costs				(20,792)
Finance costs				(683)
Gain on disposal of a subsidiary				459
Share of loss of an associate				<u>(170)</u>
Profit before taxation				<u>31,692</u>

**(b) Segment assets**

The following is an analysis of the Group's assets by reportable and operating segments:

	<b>30 September 2012</b> <i>HK\$'000</i> <i>(Unaudited)</i>	31 March 2012 <i>HK\$'000</i> <i>(Audited)</i>
Building construction	<b>91,603</b>	67,722
Property maintenance	<b>62,963</b>	64,476
Alterations, renovation, upgrading and fitting-out works	<u><b>116,034</b></u>	<u>86,252</u>
Total segment assets	<u><b>270,600</b></u>	<u>218,450</u>

#### 4. FINANCE COSTS

	<b>Six months ended 30 September</b>	
	<b>2012</b>	<b>2011</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Interest on secured bank borrowings wholly repayable within five years	<u><b>818</b></u>	<u>683</u>

#### 5. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging (crediting):

	<b>Six months ended 30 September</b>	
	<b>2012</b>	<b>2011</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Bank interest income	<b>(313)</b>	(237)
Interest income from sub-contractors	<b>(766)</b>	(421)
Other interest income ( <i>Note</i> )	—	(7,494)
Gain on disposal of property, plant and equipment	—	(1,744)
Investment income	<b>(7)</b>	(7)
Depreciation of property, plant and equipment	<b>1,792</b>	571
Minimum lease payment under operating leases in respect of land and buildings	<b>542</b>	590
Exchange difference, net	<u><b>765</b></u>	<u>198</u>

*Note:* During six months ended 30 September 2011, interest income of approximately HK\$7,494,000 represented revenues yielded by a recovery proceeding of the Group which was made against the other party for determination of their dispute in respect of the final contract amount of a construction project which the Group was engaged as the main contractor.

#### 6. TAXATION

	<b>Six months ended 30 September</b>	
	<b>2012</b>	<b>2011</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Current taxation		
Hong Kong Profits Tax	<b>3,852</b>	3,310
Singapore Corporate Tax	<u>—</u>	<u>1,460</u>
	<b>3,852</b>	4,770
Deferred taxation	<u><b>4</b></u>	<u>4</u>
	<u><b>3,856</b></u>	<u>4,774</u>

## 7. DIVIDENDS

During the current interim period, a final dividend of HK3 cents per share in respect of the year ended 31 March 2012 (six months ended 30 September 2011: nil in respect of the year ended 31 March 2011) was declared and paid to the owners of the Company. The aggregate amount of the final dividend declared and paid in the interim period amounted to HK\$9,000,000 (six months ended 30 September 2011: nil).

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 September 2012 (six months ended 30 September 2011: nil).

## 8. EARNINGS PER SHARE

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

	<b>Six months ended 30 September</b>	
	<b>2012</b>	<b>2011</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Earnings</b>		
Earnings for the purpose of basic earnings per share	<u>23,203</u>	<u>26,918</u>
	<i>'000</i>	<i>'000</i>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>300,000</u>	<u>249,000</u>

The weighted average number of ordinary share in issue during the period ended 30 September 2011 represents 249,000,000 ordinary shares in issue before the Listing, as if such shares had been outstanding during the six months ended 30 September 2011.

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares for the six months ended 30 September 2012 and 2011.

## 9. TRADE RECEIVABLES

The following is an analysis of trade receivables by age, presented based on the invoice date at the end of the reporting period, and net of impairment loss recognised:

	<b>30 September</b>	<b>31 March</b>
	<b>2012</b>	<b>2012</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Within 30 days	<b>144,563</b>	82,806
More than 30 days and within 90 days	<b>79</b>	—
More than 90 days	<u>1,749</u>	<u>593</u>
	<u><b>146,391</b></u>	<u>83,399</u>



## 10. TRADE PAYABLES

The following is an analysis of trade payables by age, presented based on the invoice date at the end of the reporting period:

	<b>30 September 2012</b>	31 March 2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Within 30 days	<b>121,680</b>	98,931
More than 30 days and within 90 days	<b>1,751</b>	1,610
More than 90 days	<b>135</b>	104
	<b><u>123,566</u></b>	<b><u>100,645</u></b>

## MANAGEMENT DISCUSSION AND ANALYSIS

### (1) Interim Results

For the six months ended 30 September 2012 (the “Period”), the Group recorded a turnover of approximately HK\$484,016,000, representing a 79% increase against approximately HK\$271,085,000 of the same period in 2011. The increase in turnover was contributed mainly by the building construction segment and alterations, renovation, upgrading and fitting-out works segment (collectively “A&A works segment”). During the Period, a construction project in Singapore has been in full swing resulting in more revenue being recognised. In addition, A&A works segment in Hong Kong performed steadily during the Period as the market has maintained a favourable trend and a strong momentum.

During the Period, the Group achieved a gross profit of approximately HK\$43,433,000 (six months ended 30 September 2011: approximately HK\$41,276,000). The moderate increase was a result of more gross profit contribution from A&A works segment primarily in Hong Kong market.

During the Period, the Group had won seven new contracts with total contract value amounting to approximately HK\$215,313,000 of which six contracts with contract value of approximately HK\$207,683,000 were A&A works segment. As at 30 September 2012, the Group has projects in progress with total contract sum of approximately HK\$2,128 million.

Soon after the Period, another approximately HK\$164,300,000 worth of new contract was awarded.

Other income for the Period was approximately HK\$1,821,000 representing a substantial decrease as compared with the last interim period. The decrease was mainly contributed by the recovery of interest income in the last interim period from a recovery proceeding of the Group which was made against one of our customers in relation to disputes for the final account for a building construction project completed in 2001.

Share of profit of an associate of approximately HK\$7,051,000 represented profit contributed from an associate company of the Company, Castilia Development Pte Ltd, in Singapore. The residential apartments of the said associate company were handed over to the buyers during the Period resulting recognition of profit from sales of the residential apartments.

For the Period, profit attributable to owners of the Company decreased to approximately HK\$23,203,000 as compared with approximately HK\$26,918,000 of the corresponding period in 2011.

The basic earnings per share for the Period were HK7.73 cents compared to HK10.81 cents of the same period in 2011.

## **(2) Review of Operations**

### *(i) Building Construction*

Revenue for the building construction segment for the Period was approximately HK\$134,112,000 (six months ended 30 September 2011: approximately HK\$97,194,000) and segment profit was approximately HK\$16,669,000 (six months ended 30 September 2011: approximately HK\$21,866,000). The result for the Group in this segment during the Period was due to a decrease in segment profit resulting from a recovery of revenue in the last interim period in 2011 in relation to disputes for the final contract amount for a building construction project completed in 2001 with one of our customers.

### *(ii) Property Maintenance*

Revenue for the property maintenance segment for the Period was approximately HK\$74,940,000 (six months ended 30 September 2011: approximately HK\$79,286,000) and segment profit was approximately HK\$4,490,000 (six months ended 30 September 2011: approximately HK\$9,171,000). The overall result for the Group in this segment was a drop in revenue and segment profit.

The decline in segment profit of the Period mainly arose from the contribution of relatively high segment profit from a property maintenance project with an international casino gaming resort in Singapore in the last interim period in 2011.

### *(iii) Alterations, renovation, upgrading and fitting-out works*

Revenue for the A&A works segment for the Period was approximately HK\$274,964,000 (six months ended 30 September 2011: approximately HK\$94,605,000) and segment profit was approximately HK\$23,155,000 (six months ended 30 September 2011: approximately HK\$18,288,000). The overall result for the Group in this segment was increase in both revenue and segment profit associated with decrease in segment profit margin as compared with the last interim period 2011.

The segment profit margin of last interim period in 2011 was higher, which was primarily benefited from several luxurious and high-end fitting out projects for an international casino gaming resort in Singapore.

During the current interim period, the A&A works segment worked on many prestigious projects including construction of several lift towers for Hong Kong Housing Authority, alteration and addition works at the Harbour City and various alteration and addition works for The Link Management Ltd.

### **(3) Prospects**

With the continuous adjustment of the global market, the growth momentum of Hong Kong economy is expected to slow down in the coming year. Fortunately, the local construction market has maintained a steady trend in the past year and expected to growth continuously in the coming years. This is benefited from the rolling out of the committed major infrastructure projects and the more promising and ambitious housing policy of the new government that bring about opportunities to the Hong Kong construction industry. The Group believes that our solid track record coupled with our competent and dedicated project management team will enable us on the well preparation for the opportunities ahead.

In Singapore, the construction industry is likely to continue booming due to the increase in the public housing projects release by the Government and the increase in land sales to meet with the increase in demand. Also, the Group will explore opportunity for strategic expansion in the region.

The strong economic growth in Macau supports a surge in the construction demand. The Group will prepare and equip itself with adequate resources and look forward to participating further in this market.

On the other hand, the continuous rising of labour and material costs, escalating staff salary level together with the shortage of workers and professional affect the current markets and undoubtedly bring about challenges to the industry. In facing the challenges, the Group will vigilantly control costs and adopt a prudent approach in the selection of quality projects with an aim to maintain a balanced mixture of business and maximizing profit.

### **(4) Financial Position**

The Group mainly relies upon funds generated internally together with secured bank borrowings to finance its operations and expansion.

As at 30 September 2012, the Group's total cash in hand was approximately HK\$111,321,000 (as at 31 March 2012: approximately HK\$109,194,000).

The portfolio of the currencies of bank deposits is listed as follow:

	<b>30 September</b>	31 March
	<b>2012</b>	2012
	<b>'000</b>	<b>'000</b>
Hong Kong Dollars	<b>83,138</b>	76,176
United States Dollars	<b>853</b>	853
Singapore Dollars	<b>3,325</b>	3,558
Macao Patacas	<b>549</b>	3,765

During the Period, the Group has no financial instrument for currency hedging purpose.

The Group has certain portion of bank balances and cash denominated in currencies other than the functional currency of the entity to which they relate. The Group currently does not have any financial instruments for currency hedging purpose but will consider hedging significant foreign currency exposure should the need arise.

Whereas total interest bearing borrowings have reduced slightly from approximately HK\$66,599,000 as at 31 March 2012 to approximately HK\$65,015,000 as at 30 September 2012. All borrowings were denominated in Hong Kong Dollars. The total amounts of secured bank borrowings as at 30 September 2012 were repayable within one year based on the scheduled repayment dates set out in the loan agreements. The Group's net cash balance have increased from approximately HK\$42,595,000 as at 31 March 2012 to approximately HK\$46,306,000 as at 30 September 2012.

The bank borrowings are secured by the Group's property, certain bank deposits and benefits under certain construction contracts. At the end of the Period, the Group had pledged the following assets to banks and an insurance company to secure the banking facilities and performance bonds granted to the Group:

	<b>30 September</b>	31 March
	<b>2012</b>	2012
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Property, plant and equipment	<b>8,010</b>	8,100
Other receivables	<b>16,842</b>	16,696
Bank deposits	<b>42,414</b>	43,197
	<b><u>67,266</u></b>	<b><u>67,993</u></b>

Interest on bank loans are charged at floating rates. The Group currently does not have an interest rate hedging policy and the Group monitors interest risks continuously and considers hedging any excessive risk when necessary. As at 30 September 2012, the Group has been granted total banking facilities of approximately HK\$197,182,000 (31 March 2012: approximately HK\$195,989,000). An amount of approximately HK\$100,318,000 (31 March 2012: approximately HK\$105,868,000) remained unutilized.

## **(5) Credit risk**

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 30 September 2012 and 31 March 2012 in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the condensed consolidated statements of financial position. In minimise the credit risk, the management of the Group has delegated a team responsible for determination of monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade and other receivables regularly at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

## **(6) Liquidity and Financial Resources**

As at 30 September 2012, the gearing ratio of the Group was approximately 14.8% (31 March 2012: approximately 17.1%). The gearing ratio is calculated by dividing total interest-bearing borrowings with total assets as at reporting date multiplied by 100%. The gearing ratio improved because of slightly reduced secured bank borrowings as at 30 September 2012 as compared to 31 March 2012 due to repayments made to banks as at 30 September 2012.

As at 30 September 2012, current assets and current liabilities were stated at approximately HK\$372,185,000 (as at 31 March 2012: approximately HK\$348,224,000) and approximately HK\$214,854,000 (as at 31 March 2012: approximately HK\$191,579,000), respectively. Current ratio decreased slightly from 1.82 times as at 31 March 2012 to 1.73 times as at 30 September 2012. The current ratio is calculated by dividing current assets with current liabilities as at the end of respective period.

The management and control of the Group's financial, capital management and external financing functions are monitored centrally by our Group's finance department in Hong Kong. The Group adheres to prudent principle financial management in order to control and minimize financial and operational risks.

The Group's financial position is sound and strong. With available bank balances and cash and existing available bank credit facilities, the Group has sufficient liquidity and financial resources to satisfy its financial requirements.

## (7) Contingent Liabilities and Capital Commitments

At the end of the Period, the Group had provided the following guarantees:

	<b>30 September 2012 HK\$'000 (Unaudited)</b>	31 March 2012 HK\$'000 (Audited)
Guarantees in respect of performance bonds in favor of its clients	<b>105,268</b>	83,359
Guarantee given to bank in respect of banking facilities granted to an associate	<u><b>14,551</b></u>	<u>14,227</u>
	<u><b>119,819</b></u>	<u>97,586</u>

At the end of the Period, the Directors considered that the fair value of the financial guarantee is insignificant.

The Group did not have any significant capital commitment as at 30 September 2012 and 31 March 2012.

## (8) Available-For-Sale Investments

As at 30 September 2012, the Group has available-for-sale investments of approximately HK\$16,150,000 (31 March 2012: approximately HK\$13,030,000), which comprised primarily investment in the listed shares of a listed company in Singapore, HLH Group Limited. As at 30 September 2012, the Group held 89,400,000 shares (31 March 2012: held 89,400,000 shares). The fair values of the above listed shares are determined based on the quoted bid prices available on the Singapore Exchange Limited. The Group considered that acquiring shares in HLH Group Limited and investing in Castilia Development Pte Ltd (a property development company in Singapore as to 20% owned by the Group and 80% owned by HLH Group Limited) would help the Group's expansion in Southeast Asia by leveraging the experience of HLH Group Limited in the construction business.

**(9) Movement of incomplete contracts for the six months ended 30 September 2012**

	<b>31 March 2012</b>	<b>Contracts Secured</b>	<b>Contracts Completed</b>	<b>30 September 2012</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Building Construction	1,015,928	—	40,910	<b>975,018</b>
Property Maintenance	398,256	7,630	—	<b>405,886</b>
Alteration, Renovation, Upgrading And Fitting-Out Works	<u>662,153</u>	<u>207,683</u>	<u>123,083</u>	<u><b>746,753</b></u>
	<u><u>2,076,337</u></u>	<u><u>215,313</u></u>	<u><u>163,993</u></u>	<u><u><b>2,127,657</b></u></u>

**(10) Employees and remuneration policies**

As at 30 September 2012, the Group employed a total of 279 staff (30 September 2011: 262 staff) which included employees in Hong Kong, Singapore and Macau. The total remuneration for staff was approximately HK\$39 million for the Period (six months ended 30 September 2011: approximately HK\$32 million).

The Group establishes its remuneration policy by making reference to the prevailing market conditions and a performance-based reward system. It is to ensure that the Group is able to attract, retain and motivate executives of the highest caliber, essential to the successful leadership and effective management of the Group. The performance measures are balanced between financial and industrial comparatives. The components of remuneration package are consisted of basic salary, allowances, benefit-in-kind, fringe benefits including medical insurance and contributions to mandatory provident funds, as well as incentives like discretionary bonus. The Group also provides external training programmes which are complementary to certain job functions.

The remuneration packages of the senior management are recommended by the managing director of the respective company and approved by the Board by reference to their respective responsibilities and accountability, target achievements, business results and market competitiveness of the Group. The remuneration packages of the managerial and support staff are determined by the directors of the respective company.

**INTERIM DIVIDEND**

The Directors do not recommend the payment of dividend for the six months ended 30 September 2012.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “Model Code”) as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). Specific enquiry has been made to each of the Directors and all Directors have confirmed that they have complied with the Model Code during the six months ended 30 September 2012.

## DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2012, the interests or short positions of the Directors and chief executives of the Company in the shares of the Company (the “Shares”), underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “SFO”)) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as follows:

<b>Name of Director</b>	<b>Capacity</b>	<b>Number of issued ordinary Shares held</b>	<b>Percentage of the issued share capital of the Company</b>
Mr. Wong Law Fai ( <i>Note</i> )	Interest of Controlled Corporation	225,000,000 (L)	75%

(L) : Long position

*Note:* The 225,000,000 Shares are held by Smart Tactics Group Limited, and Mr. Wong Law Fai beneficially owns the entire issued share capital of Smart Tactics Group Limited. By virtue of the SFO, Mr. Wong Law Fai is deemed to be interested in the 225,000,000 Shares held by Smart Tactics Group Limited.

Save as disclosed above, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.



## DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed above, at no time during the six months ended 30 September 2012 was the Company, or any of its holding companies, its subsidiaries or its fellow subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their spouses and children under 18 years of age) to hold any interest or short positions in the Shares, or underlying shares, or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2012, the following persons (other than Directors or chief executives of the Company) were interested in 5% or more of the issued share capital of the Company which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules on the Stock Exchange:

Name of Shareholders	Capacity	Number of issued ordinary Shares held	Percentage of the issued share capital of the Company
Smart Tactics Group Limited	Beneficial Owner	225,000,000 (L)	75%
Ms. Lam Shui Ling Patriza ( <i>Note</i> )	Interest of Spouse	225,000,000 (L)	75%

(L) : Long position

*Note:* Ms. Lam Shui Ling Patriza is the spouse of Mr. Wong Law Fai, the executive Director. By virtue of the SFO, Ms. Lam Shui Ling Patriza is deemed to be interested in 225,000,000 Shares which Mr. Wong Law Fai is interested in.

Save as disclosed above, as at 30 September 2012, the Company had not been notified by any persons (other than the Directors and chief executive of the Company) who had an interest or short position in the Shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## SHARE OPTION SCHEME

The share option scheme of the Company (the "Share Option Scheme") has been adopted by the shareholders of the Company (the "Shareholders") by way of written resolution passed on 19 December 2011 for the purpose of attracting and retaining the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors,

contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

There is no option outstanding, granted, exercised, cancelled and lapsed during the Period.

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

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

## **CORPORATE GOVERNANCE PRACTICES**

The Company is committed to the establishment of good corporate governance practices and procedures. The Company has complied with all the code provisions as set out in Corporate Governance Code and Corporate Governance Report to the Appendix 14 of the Listing Rules (the "CG Code") throughout the six months ended 30 September 2012 except the code provisions A.2.1 and A.6.7 of the CG Code as disclosed below:

According to the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. During the six months ended 30 September 2012, Mr. Wong Law Fai is both the chairman of the Board (the "Chairman") and the chief executive officer of the Company (the "Chief Executive Officer"); therefore, the Group does not at present separate the roles of the Chairman and the Chief Executive Officer.

The Board considered that Mr. Wong Law Fai has in-depth knowledge and experience in the building construction industry and is the most appropriate person to manage the Group, therefore, the roles of the Chairman and the Chief Executive Officer exercised by the same individual, Mr. Wong Law Fai, is beneficial to the business prospects and management of the Group. Notwithstanding the above, if candidate with suitable leadership, knowledge, skills and experience can be identified within or outside the Group, the Company will make necessary arrangements.

According to the code provision A.6.7 of the CG Code, the independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. An independent non-executive Director was unable to attend the annual general meeting of the Company held on 31 August 2012 due to other commitments.

## **AUDIT COMMITTEE**

The audit committee of the Company (the "Audit Committee") was established on 19 December 2011 with written terms of reference which were revised on 28 March 2012 in compliance with the CG Code and are available on the websites of the Stock Exchange and the Company. The primary duties of the

Audit Committee are to review the financial information of the Group, oversee the financial reporting process and internal control procedures of the Group, and oversee the relationship with the Company's external auditors.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Lam Siu Lo, Andrew, JP, Mr. Li Ying Ming and Mr. Tam Tak Kei, Raymond. Mr. Tam Tak Kei, Raymond is the chairman of the Audit Committee.

The Audit Committee has reviewed with the management this announcement and the Group's interim results for the Period.

## **REMUNERATION COMMITTEE**

The remuneration committee of the Company (the "Remuneration Committee") was established on 19 December 2011 with written terms of reference which were revised on 28 March 2012 in compliance with the CG Code and are available on the websites of the Stock Exchange and the Company. The primary duties of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration, make recommendations to the Board on the remuneration of non-executive Directors and determine the remuneration packages of individual executive Directors and senior management.

The Remuneration Committee comprises three independent non-executive Directors, namely Mr. Lam Siu Lo, Andrew, JP, Mr. Li Ying Ming and Mr. Tam Tak Kei, Raymond, and one executive Director, namely Mr. Wong Law Fai. Mr. Li Ying Ming is the chairman of the Remuneration Committee.

## **NOMINATION COMMITTEE**

The nomination committee of the Company (the "Nomination Committee") was established on 19 December 2011 with written terms of reference which were revised on 28 March 2012 in compliance with the CG Code and are available on the websites of the Stock Exchange and the Company. The primary duties of the Nomination Committee are to make recommendations to the Board on the appointment of Directors and management of the Board succession.

The Nomination Committee comprises three independent non-executive Directors, namely Mr. Lam Siu Lo, Andrew, JP, Mr. Li Ying Ming and Mr. Tam Tak Kei, Raymond, and one executive Director, namely Mr. Wong Law Fai. Mr. Lam Siu Lo, Andrew, JP is the chairman of the Nomination Committee.

## **PRE-EMPTIVE RIGHTS**

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

## **CHANGE OF DIRECTOR'S INFORMATION**

Pursuant to Rule 13.51B (1) of the Listing Rules, the change of information on the Director is as follow:

Mr. Tam Tak Kei, Raymond has been appointed as an independent non-executive director of Sunley Holdings Limited (stock code: 1240), a company listed on the Main Board of the Stock Exchange, on 11 September 2012.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This interim results announcement is published on the Company's website (<http://www.irasia.com/listco/hk/visionfame/index.htm>) and the Stock Exchange's website (<http://www.hkex.com.hk>). The 2012 Interim Report containing all the information required by the Listing Rules will be dispatched to the Shareholders and available on the same websites in due course.

By Order of the Board  
**Vision Fame International Holding Limited**  
**Wong Law Fai**  
*Chairman*

Hong Kong, 27 November 2012

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Wong Law Fai, Mr. So Kwok Lam and Mr. Yip Chi Chong; and three independent non-executive Directors, namely Mr. Lam Siu Lo, Andrew, JP, Mr. Li Ying Ming and Mr. Tam Tak Kei, Raymond.*