UNAUDITED INTERIM RESULTS

The board of directors (the "Board") of Hua Lien International (Holding) Company Limited (the "Company") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30th June 2015 together with the comparative figures as follow:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30th June 2015

		Six months ended 30th June	
		2015	2014
		(unaudited)	(unaudited)
	Notes	**HK$'000**	HK$'000
Turnover	(3)	**198,154**	208,785
Cost of sales		**(180,358)**	(195,721)
Gross profit		**17,796**	13,064
Changes in fair value of biological assets	(11)	**(34,471)**	(14,793)
Other income		**3,628**	6,400
Administrative expenses		**(42,588)**	(39,641)
Loss on extension of convertible notes		**–**	(36,572)
Other operating expenses	(4)	**(62,575)**	(10,575)
Finance costs	(5)	**(20,600)**	(20,131)
Loss before tax		**(138,810)**	(102,248)
Income tax expense	(7)	**–**	–
Loss for the period	(6)	**(138,810)**	(102,248)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the six months ended 30th June 2015

	Note	Six months ended 30th June 2015 (unaudited) HK$'000	2014 (unaudited) HK$'000
Loss for the period attributable to:			
Owners of the Company		**(120,909)**	(89,883)
Non-controlling interests		**(17,901)**	(12,365)
		(138,810)	(102,248)
Other comprehensive expense for the period			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(8,171)**	(23,659)
Total comprehensive expense for the period		**(146,981)**	(125,907)
Total comprehensive expense for the period attributable to:			
Owners of the Company		**(126,243)**	(105,887)
Non-controlling interests		**(20,738)**	(20,020)
		(146,981)	(125,907)
Loss per share	(8)		
– Basic (cents per share)		**(0.0552)**	(0.0410)
– Diluted (cents per share)		**(0.0552)**	(0.0410)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30th June 2015

	Notes	**30th June 2015 (unaudited) HK$'000**	31st December 2014 (audited) HK$'000
Non-current assets			
Property, plant and equipment	(10)	**546,204**	510,588
Biological assets – cane roots	(11)	**28,531**	28,783
Goodwill		**226,511**	226,511
Intangible asset		**289,050**	299,625
Deposit for acquisition of property, plant and equipment		**–**	2,314
		1,090,296	1,067,821
Current assets			
Biological assets – growing cane	(11)	**44,503**	86,779
Inventories		**215,541**	123,738
Trade and other receivables	(12)	**199,260**	321,247
Bank balances,deposits and cash	(13)	**142,073**	93,906
		601,377	625,670
Current liabilities			
Trade and other payables	(14)	**222,275**	199,793
Derivative component of convertible notes		**72,169**	72,169
Amount due to non-controlling interests		**306,284**	194,893
Bank borrowing		**–**	6,780
		600,728	473,635
Net current assets		**649**	152,035
Total assets less current liabilities		**1,090,945**	1,219,856
Non-current liabilities			
Liabilities component of convertible notes		**451,539**	433,469
Net assets		**639,406**	786,387

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

At 30th June 2015

	30th June 2015 (unaudited) HK$'000	31st December 2014 (audited) HK$'000
Capital and reserves		
Share capital	**219,118**	219,118
Reserves	**290,194**	416,437
Equity attributable to owners of the Company	**509,312**	635,555
Non-controlling interests	**130,094**	150,832
Total equity	**639,406**	786,387

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th June 2015

	Attributable to owners of the Company							Attributable to non-controlling interests	
	Share capital HK$'000	Share premium HK$'000	Convertible notes equity reserve HK$'000	Translation reserve HK$'000	Special reserve (Note) HK$'000	Accumulated losses HK$'000	Total HK$'000	HK$'000	Total HK$'000
At 1st January 2015 (audited)	219,118	708,392	391,763	(56,346)	(25,391)	(601,981)	635,555	150,832	786,387
Loss for the period	-	-	-	-	-	(120,909)	(120,909)	(17,901)	(138,810)
Exchange differences arising on translation of foreign operations	-	-	-	(5,334)	-	-	(5,334)	(2,837)	(8,171)
Total comprehensive expense	-	-	-	(5,334)	-	(120,909)	(126,243)	(20,738)	(146,981)
At 30th June 2015 (unaudited)	219,118	708,392	391,763	(61,680)	(25,391)	(722,890)	509,312	130,094	639,406

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(Continued)*

For the six months ended 30th June 2015

	Attributable to owners of the Company							Attributable to non-controlling interests	Total
	Share capital	Share premium	Convertible notes equity reserve	Translation reserve	Special reserve (Note)	Accumulated losses	Total		
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1st January 2014 (audited)	219,118	708,392	238,829	(24,577)	(25,391)	(391,899)	724,472	220,614	945,086
Loss for the period	–	–	–	–	–	(89,883)	(89,883)	(12,365)	(102,248)
Exchange differences arising on translation of foreign operations	–	–	–	(16,004)	–	–	(16,004)	(7,654)	(23,658)
Total comprehensive expense	–	–	–	(16,004)	–	(89,883)	(105,887)	(20,019)	(125,906)
Recognition of equity component upon extension of convertible notes	–	–	152,934	–	–	–	152,934	–	152,934
At 30th June 2014 (unaudited)	219,118	708,392	391,763	(40,581)	(25,391)	(481,782)	771,519	200,595	972,114

Note: The special reserve represents the difference between the consideration paid by the Company for the acquisition of the 70% equity interest in Joyful Right Limited and its subsidiaries (the "Joyful Right Group") under common control and the aggregate carrying amount of assets and liabilities acquired in Joyful Right Group.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30th June 2015

	Six months ended 30th June	
	2015	2014
	(unaudited)	(unaudited)
	HK$'000	HK$'000
NET CASH USED IN OPERATING ACTIVITIES	**(9,761)**	(229,300)
NET CASH USED IN INVESTING ACTIVITIES	**(51,804)**	(28,392)
NET CASH FROM FINANCING ACTIVITIES	**104,701**	11,099
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**43,136**	(246,593)
CASH AND CASH EQUIVALENTS AT 1st JANUARY	**90,952**	328,617
EFFECT OF FOREIGN EXCHANGE RATE CHANGES, NET	**5,089**	(1,802)
CASH AND CASH EQUIVALENTS AT 30th JUNE	**139,177**	80,222
CASH AND CASH EQUIVALENTS REPRESENT:		
Current bank and cash	**123,684**	80,222
Short-term fixed deposit mature within three months	**15,493**	–
	139,177	80,222

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30th June 2015 have been prepared in accordance with Hong Kong Accounting Standard (the "HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. This should be read in conjunction with the annual financial statements of the Group for the year ended 31st December 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRS").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial information has been prepared under the historical cost basis, except for biological assets which are measured at fair values. The accounting policies used in the condensed consolidated financial information for the six months ended 30th June 2015 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31st December 2014, except for as described below.

In the current interim period, the Group have applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 19	Defined benefit plans: Employee contributions
Amendments to HKFRSs	Annual improvements to HKFRSs 2010-2012 cycle
Amendments to HKFRSs	Annual improvements to HKFRSs 2011-2013 cycle

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

3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

– Supporting services to sweetener and ethanol business (the "Supporting services");
– Sugar cane growing and sugar manufacturing business (the "Sugar business"); and
– Ethanol biofuel business (the "Ethanol business")

(a) Segment turnover and results

	Supporting services Six months ended 30th June		Sugar business Six months ended 30th June		Ethanol Business Six months ended 30th June		Total Six months ended 30th June	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Total reportable segment turnover	**30,643**	36,313	**171,802**	180,865	**-**	–	**202,445**	217,178
Inter-segment revenue	**(4,291)**	(8,393)	**-**	–	**-**	–	**(4,291)**	(8,393)
Reportable segment turnover from external customers	**26,352**	27,920	**171,802**	180,865	**-**	–	**198,154**	208,785
Reportable segment loss from external customers	**(59,116)**	(3,332)	**(58,957)**	(40,463)	**(1,618)**	(427)	**(119,691)**	(44,222)

Sales between segments are carried out at arm's length. The turnover from external customers reported to the board of directors, the chief operating decision maker of the Group, is measured in a manner consistent with in the income statement.

3. SEGMENT INFORMATION *(Continued)*

(b) Reconciliation of reportable segment profit or loss

	For the six months ended 30th June 2015 HK$'000	2014 HK$'000
Total loss for reportable segments from external customers	**(119,691)**	(44,222)
Loss before tax for other business activities and operating segments	**–**	–
	(119,691)	(44,222)
Unallocated corporate expenses	**(888)**	(37,895)
Finance costs	**(18,231)**	(20,131)
Loss before tax	**(138,810)**	(102,248)

(c) Reportable segment assets and liabilities

	Supporting services		Sugar business		Ethanol business		Unallocated		Total	
	30th June 2015 (unaudited) HK$'000	31st December 2014 (audited) HK$'000	**30th June 2015 (unaudited) HK$'000**	31st December 2014 (audited) HK$'000	**30th June 2015 (unaudited) HK$'000**	31st December 2014 (audited) HK$'000	**30th June 2015 (unaudited) HK$'000**	31st December 2014 (audited) HK$'000	**30th June 2015 (unaudited) HK$'000**	31st December 2014 (audited) HK$'000
Reportable segment assets	**732,389**	837,260	**935,588**	831,394	**11,278**	11,675	**12,418**	13,162	**1,691,673**	1,693,491
Reportable segment liabilities	**94,094**	158,345	**430,322**	238,027	**3,318**	3,635	**524,533**	507,097	**1,052,267**	907,104

3. SEGMENT INFORMATION *(Continued)*

(d) Other reportable segment information

(i) Revenue from external customers

	Six months ended 30th June	
	2015	2014
	(unaudited)	(unaudited)
	HK$'000	HK$'000
African Countries	**26,352**	27,920
Jamaica	**130,319**	180,865
U.S.A	**41,483**	–
	198,154	208,785

The revenue information from operations above is based on the location of the customers.

(ii) Non-current assets

	30th June	31st December
	2015	2014
	(unaudited)	(audited)
	HK$'000	HK$'000
African Countries	**117**	156
Jamaica	**574,529**	541,394
People's Republic of China	**515,650**	526,271
	1,090,296	1,067,821

The non-current assets information is based on the location of assets.

3. SEGMENT INFORMATION *(Continued)*

(d) Other reportable segment information *(Continued)*

(iii) Depreciation and amortisation, allowance for doubtful debts as well as additions to non-current assets

	Depreciation and amortisation		Allowance for doubtful debts		Additions to non-current assets	
	Six months ended 30th June		Six months ended 30th June		Six months ended 30th June	
	2015	2014	**2015**	2014	**2015**	2014
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Supporting services	**10,619**	10,634	**-**	–	**-**	17
Sugar business	**7,331**	11,845	**52,000**	–	**54,251**	26,583
Ethanol business	**24**	30	**-**	–	**-**	2,039
	17,974	22,509	**52,000**	–	**54,251**	28,639

4. OTHER OPERATING EXPENSES

	Six months ended 30th June	
	2015	2014
	(unaudited)	(unaudited)
	HK$'000	HK$'000
Amortisation of intangible assets	**10,575**	10,575
Impairment loss on account receivables	**52,000**	–
	62,575	10,575

5. FINANCE COSTS

	Six months ended 30th June	
	2015	2014
	(unaudited)	(unaudited)
	HK$'000	HK$'000
Interest on:		
– Amounts due to non-controlling interests not wholly repayable within five years	**6,400**	19,126
– Bank borrowings wholly repayable within five years	**341**	–
Imputed interest expenses on convertible notes	**18,071**	306
Exchange losses on borrowings	**3,195**	699
Total borrowing costs	**28,007**	20,131
Less: amount capitalized in the cost of qualifying assets	**(7,407)**	–
	20,600	20,131

6. LOSS FOR THE PERIOD

	Six months ended 30th June	
	2015	2014
	(unaudited)	(unaudited)
	HK$'000	HK$'000
Loss for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	**7,399**	11,934

7. INCOME TAX EXPENSE

No provision for income tax has been made in the consolidated financial statements as loss sustained during the period and no taxation in relevant jurisdictions where it operates.

8. LOSS PER SHARE

The calculation of basic loss per share is based on the consolidated loss for the period attributable to owners of the Company of approximately HK$120,909,000 (six months ended 30th June 2014: approximately HK$89,883,000), and the weighted average number of 2,191,180,000 (30th June 2014: 2,191,180,000) ordinary shares in issue during the period.

The diluted loss per share for the period ended 30th June 2015 and 30th June 2014 are the same as basic loss per share as there is no dilutive effect from the assumed exercise of the conversion of the Company's outstanding convertible notes on the loss attributable to owners of the Company.

9. DIVIDEND

The Board does not recommend the payment of an interim dividend for the period ended 30th June 2015 (six months ended 30th June 2014: Nil).

10. ADDITIONS OF PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK$54,251,000 (six months ended 30th June 2014: approximately HK$28,639,000) on acquisition of property, plant and equipment.

11. BIOLOGICAL ASSETS

(a) Cane Roots

	30th June 2015 (unaudited) HK$'000	31st December 2014 (audited) HK$'000
Opening balance	**28,783**	27,395
Land preparation and cane plantation costs capitalised	**16,124**	25,843
Change in fair value	**(15,778)**	(22,357)
Exchange realignment	**(598)**	(2,098)
Carrying value at end of the period	**28,531**	28,783

11. BIOLOGICAL ASSETS *(Continued)*

(a) Cane Roots *(Continued)*

	30th June 2015	31st December 2014
Area, in hectares, under cane in Jamaica:		
Frome Estate	**4,095**	4,010
Monymusk Estate	**3,219**	3,336
Bernard Lodge Estate	**1,834**	1,843
	9,148	9,189

The average remaining expected life of cane roots is 3.03 (31st December 2014: 3.17), 3.84 (31st December 2014: 3.83), and 3.77 (31st December 2014: 4.10) years for the Frome, Monymusk and Bernard Lodge Estates respectively.

(b) Growing Cane

	30th June 2015 (unaudited) HK$'000	31st December 2014 (audited) HK$'000
Opening balance	**86,779**	98,424
Cane cultivation cost capitalised	**88,500**	156,271
Decrease in fair value of cane harvested	**(110,840)**	(125,277)
Change in fair value	**(18,693)**	(35,619)
Exchange realignment	**(1,243)**	(7,020)
Carrying value at end of the period	**44,503**	86,779

The decrease of in fair value of cane roots and growing cane for the period of approximately HK$34,471,000 (six months ended 30th June 2014: approximately H K$14,793,000) is reflected in the statement of profit or loss.

12. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables, net of allowance for doubtful debts, of approximately HK$172,022,000 (31st December 2014: approximately HK$297,242,000). The Group allows a credit period of 180 to 365 days (2014: 365 days) to its trade customers of supporting services of sweetener and ethanol business, zero to 30 days (2014: zero to 30 days) to trade customers of raw sugar trading and 15 days for advance payment based on estimated production output and 60 days credit period are granted to trade customers of molasses trading in Jamaica. The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates are as follows:

	30th June 2015 (unaudited) HK$'000	31st December 2014 (audited) HK$'000
0 – 30 days	**29,926**	79,980
31 – 60 days	**23,294**	5,319
61 – 90 days	**6,749**	2,626
91 – 365 days	**108,873**	181,532
> 365 days	**8,180**	27,785
	172,022	297,242

As at 30th June 2015, the Group's trade receivables included approximately HK$20,901,000 (2014: approximately HK$27,842,000) (see below for aged analysis) which were past due for which the Group had not provided for allowance for doubtful debts. These overdue balances were due from customers of good credit quality with no history of default.

Ageing of trade receivables which are past due but not impaired:

	30th June 2015 (unaudited) HK$'000	31st December 2014 (audited) HK$'000
Not yet due	**151,121**	269,400
Overdue 1 – 90 days	**12,256**	27,842
Overdue 91 -180 days	**8,645**	–
	172,022	297,242

13. BANK BALANCES, DEPOSITS AND CASH

	30th June 2015 (unaudited) HK$'000	31st December 2014 (audited) HK$'000
Bank balances and cash	123,684	63,763
Short-term fixed deposits mature within three months	15,493	27,189
Cash and cash equivalents	139,177	90,952
Pledged bank deposits (Note 18)	2,896	2,954
	142,073	93,906

Bank balances comprise time and demand deposits at bank which bear interest at the prevailing market rates.

14. TRADE AND OTHER PAYABLES

Credit period granted by trade creditors of supporting services of sweetener and ethanol business is zero to 365 days (2014: 365 days) while credit period granted by trade creditors of sugar business in Jamaica external suppliers is from zero to 30 days (2014: zero to 30 days).

The following is an analysis of trade payables by age based on the invoice date.

	30th June 2015 (unaudited) HK$'000	31st December 2014 (audited) HK$'000
Not yet due	101,479	148,779
Overdue 1 – 90 days	54,742	2,552
Overdue 91 -180 days	10,935	4,501
	167,156	155,832

15. SHARE CAPITAL

	Number of shares '000	Value HK$'000
Ordinary share of HK$0.1 each		
Authorised:		
As at 31st December 2014 (audited) and 30th June 2015 (unaudited)	6,000,000	600,000
Issued and fully paid:		
As at 31st December 2014 (audited) and 30th June 2015 (unaudited)	2,191,180	219,118

16. COMMITMENTS

(a) Operating lease commitments

	For the six months ended 30th June	
	2015 (unaudited) HK$'000	2014 (unaudited) HK$'000
Minimum lease payments paid during the period under operating leases in respect of land and buildings	**3,674**	3,887

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases that fall due as follows:

	30th June 2015 (unaudited) HK$'000	31st December 2014 (audited) HK$'000
Within one year	**6,438**	6,777
In the second to fifth year inclusive	**25,751**	27,108
Over five years	**267,167**	284,639
	299,356	318,524

16. COMMITMENTS *(Continued)*

(a) Operating lease commitments *(Continued)*

Operating lease payments principally represent rentals payable by office premise and leased land for both period. The Group rented office premise in the People's Republic of China and leased approximately 32,572 hectares of land in Jamaica (including nearly 4,850 hectares of Managed Land of which retained and managed directly by the Government of Jamaica (the "GOJ")) at date of lease agreement for the purpose of cane cultivation from the GOJ). The initial term of the lease in Jamaica is 50 years with an option on expiry, to renew for a further 25 years. The actual hectare of land leased is subject to the result of a formal land survey that is still in progress. At the end of reporting period, the rental agreed to be charged by GOJ that is determined by the preliminary internal reviews and discussion agreed by both parties is of approximately 24,216 hectares (31st December 2014: approximately 24,216 hectares) which charged at present of US$35 per hectare per annum and approximately 7,022 hectare (31st December 2014: approximately 7,022 hectares) of Managed Land which charged nominal rental of US$1.

(b) Capital commitments

As at 30th June 2015 and 31st December 2014, the Group did not have any significant capital commitments.

17. RELATED PARTY TRANSACTIONS

During the period, the Group had certain transactions with related parties. Details of these transactions for the period and balances at 30th June 2015 with these related parties are as follows:

(a) Transaction with related parties

	Six months ended 30th June 2015 (unaudited) HK$'000	Six months ended 30th June 2014 (unaudited) HK$'000
Sales to subsidiaries of COMPLANT International Sugar Industry Co., Ltd. ("COMPLANT")	**26,352**	27,920
Purchases from China National Complete Plant Import & Export Corporation (Group) ("China Complant")	**12,721**	15,533
Rental and building management fee paid to China Complant	**483**	498

Notes: The above transactions with related parties were conducted with terms mutually agreed by both contract parties with reference to market prices.

17. RELATED PARTY TRANSACTIONS *(Continued)*

(b) Trade and other receivables, trade and other payables from related parties

	At 30th June 2015 (unaudited) HK$'000	At 31st December 2014 (audited) HK$'000
Amount due from subsidiaries of COMPLANT		
– Trade receivables	**217,770**	295,206
– Receipt in advance	**–**	(1,241)
Amount due from (to) China Complant		
Trade payables	**(48,784)**	(125,880)
Other payables	**(35,111)**	(21,362)

Notes: The amounts are interest-free and unsecured.

18. PLEDGE OF ASSETS

As at 30th June 2015 and 31st December 2014, River Right Limited (the "River Right", a wholly owned subsidiary of the Company) had pledged its interest in 65 shares in Zheng Da Investments Limited, representing 65% of issued capital, as security for the five-years zero-coupon Hong Kong-dollar convertible notes of principal amount of HK$24 million issued to China-Africa Xin Xing Investment Limited (a wholly-owned subsidiary of China-Africa Development Fund).

As at 30th June 2015 and 31st December 2014, a bank deposit of a subsidiary of approximately J$43.6 million (approximately HK$2.9 million) (31st December 2014: approximately J$43.6 million (approximately HK$2.9 million)) was pledged by a subsidiary of the Group to secure against its bank guarantee of J$40.0 million (approximately HK$2.7 million) in Jamaica as at 30th June 2015 and 31st December 2014. The cash collateral account attracts interest at 2.25% for the period ended 30th June 2015 (30th June 2014: 2.25%).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

OVERALL PERFORMANCE

For the six months ended 30th June 2015, the turnover of the Group decreased by 5.1% to approximately HK$198.2 million (six months ended 30th June 2014: approximately HK$208.8 million).

The overall gross profit percentage increased by about 2.7% to approximately 9.0% (six months ended 30th June 2014: approximately 6.3%).

The loss for the period increased by approximately HK$36.6 million to approximately HK$138.8 million (six months ended 30th June 2014: approximately HK$102.2 million).

Basic loss per share for the period was HK5.52 cents (six months ended 30th June 2014: HK4.10 cents).

The Directors do not recommend the payment of interim dividends for the six months ended 30th June 2015 (six months ended 30th June 2014: Nil).

Sugar Cane Growing and Sugar Manufacturing Business in Jamaica

Business review

The cultivation of sugar cane, the manufacture and trading of sugar, molasses and related products in Jamaica was operated under Joyful Right Group. The Joyful Right Limited is the holding company of Pan-Caribbean Sugar Company Limited ("PCSC") which has operated the three sugar estates in Jamaica since 15th August 2011.

The turnover of the Joyful Right Group for six months ended 30th June 2015 was approximately J$2,552.8 million (approximately HK$171.8 million) (six months ended 30th June 2014: approximately J$2,540.2 million (approximately HK$180.9 million)). The approximately 0.5% increase in turnover in Jamaican dollars (but 5% decrease in Hong Kong dollar due to the depreciation of Jamaican dollar of approximately 5.5% during the period) was mainly due to the combined effects of decrease in average selling price and increase in trading volume. The average selling price per tonne of raw sugar is approximately J$76,000 (approximately HK$5,000) for first half of 2015 compared with approximately J$79,000 (approximately HK$6,000) for first half of 2014, representing a decrease of 3.8%. The decrease in average selling price was mainly due to the decrease in overseas selling price. The group sold a total of approximately 28,000 tonnes of raw sugar and approximately 31,000 tonnes of molasses for first half of 2015 compared with approximately 26,000 tonnes of raw sugar and approximately 26,000 tonnes of molasses for first half of 2014. The increase in trading volume was mainly due to the additional sales to U.S.A. and the increase in local sales of molasses from increased molasses output during first half of 2015.

As shown in below table, Jamaica remains the principal market for Joyful Right Group. The local sales in Jamaica accounted for approximately 75.9% (six months ended 30th June 2014: 100.0%) of total sales and the export to U.S.A. accounted for approximately 24.1% (six months ended 30th June 2014: Nil). It is because the average selling price in Jamaica for this period is still higher than that in international market and Joyful Right therefore will fulfill all local demand before export the excess overseas.

	Six months ended 30th June					
	2015			2014		
	J$'million	**HK$'million**	**% of Turnover**	J$'million	HK$'million	% of Turnover
By region						
Jamaica	**1,936.4**	**130.3**	**75.9**	2,540.2	180.9	100.0
U.S.A	**616.4**	**41.5**	**24.1**	–	–	–
	2,552.8	**171.8**	**100.0**	2,540.2	180.9	100.0

In terms of gross profit, the Joyful Right Group recorded a gross profit of approximately J$61.0 million (approximately HK$4.1 million) (six months ended 30th June 2014: a gross loss of approximately J$53.8 million (approximately HK$3.7 million)). The gross profit ratio was approximately 9.0% during first half of 2015 compared to gross loss ratio of approximately 2.2% of same period last year, the approximately 11.2% increase in gross profit ratio was mainly due to the reduction in unit cost from the decrease of maintenance cost and the decrease in depreciation cost from replacement of assets with longer life assets for those obsolete one in both Monymusk Estate and Frome Estate.

In terms of net loss, the Joyful Right Group recorded a net loss of approximately J$877.4 million (approximately HK$59.0 million) (six months ended 30th June 2014: net loss of approximately J$896.4 million (approximately HK$63.8 million)). The net loss is decreased by approximately J$30.5 million (approximately HK$ 2.1 million). The net loss for the period was the net result of the gross profit of approximately J$61.0 million (approximately HK$4.1 million) compared with gross loss of approximately J$53.8 million (approximately HK$3.7 million) for same period of 2014, the other revenue of approximately J$53.9 million (approximately HK$3.6 million) compared with that of approximately J$89.0 million (approximately HK$6.4 million) for same period of 2014, the fair value loss of biological assets of approximately J$512.2 million (approximately HK$34.5 million) compared with that of approximately J$207.8 million (approximately HK$14.8 million) for same period of 2014, the administration expense of approximately J$470.4 million (approximately HK$31.7 million) compared with that of approximately J$398.2 million (approximately HK$28.4 million) for same period of 2014. The reasons for the increase in gross profit of approximately J$114.8 million (approximately HK$7.7 million) had explained in above section. The decrease in other revenue of approximately J$35.2 million (approximately HK$2.4 million) was mainly due to decrease of cultivation service extended to farmers and decrease in scrap metal sales during the period. The increase in fair value loss of biological assets of approximately J$304.4 million (approximately HK$20.5 million) was mainly due to an additional management cost by contracting out the agricultural operation of Bernard Lodge Estate since March 2015 to a local firm in Jamaica that was believed to be more capable and more familiar with local agricultural practices. The management cost capitalized in biological assets as at 30th June 2015 on the basis of 95% of the fair value of the sugar cane of Bernard Lodge Estate as at 30th June 2015 (the outsourcing agreement specified the fee to be determined at 80% to 95% of sugar cane value at harvest) is of approximately J$45.0 million (approximately HK$3.0 million) for root and of approximately J$140.1 million (approximately HK$9.3 million) for growing cane and this had included in fair value loss calculation of biological assets as at 30th June 2015. The increase in administration expense of approximately J$72.2 million (approximately HK$4.9 million) was mainly due to the inventories loss found in stocktaking of approximately J$92.9 million (approximately HK$6.2 million) during the period.

Supporting services to sweetener and ethanol business

Business review

For the period ended 30th June 2015, the supporting services to sweetener and ethanol business recorded turnover from external customers of approximately HK$26.4 million (six months ended 30th June 2014: approximately HK$27.9 million). The decrease in turnover of approximately HK$1.5 million was mainly due to the net effect of the approximately HK$1.9 million increase in sales of consumables (including spare parts) and technical support services, the approximately HK$4.1 million decrease in sales of chemicals and fertilizers and the approximately HK$1.3 million decrease in sales of fixed assets during first half of 2015. The increase in sales of consumables and technical support services was due to the replacement orders for spare parts for trucks and dryer equipment in Republic of Madagascar. The decrease in sales of chemicals and fertilizer was resulted from one consumer in Republic of Madagascar shifted to local purchase for its fertilizer procurement in first half of 2015. The decrease in fixed assets sales was due to the reduction in budget for fixed assets investment of consumers who facing decreasing sugar price.

Gross profit of supporting services to sweetener and ethanol business from external customers for the six months ended 30th June 2015 declined by approximately HK$0.9 million to approximately HK$13.6 million (six months ended 30th June 2014: approximately HK$14.5 million). The overall gross profit after elimination of inter-segment sales is around 51.7% (six months ended 30th June 2014: around 52.0%). The gross profit ratio was basically maintaining the same level of the same period last year.

The net loss from operations of supporting services to sweetener and ethanol business was approximately HK$59.1 million (six months ended 30th June 2014: approximately HK$3.5 million). The increase in loss from operations was resulting from the HK$52.0 million increase in provision for bad debts for past-due trade receivables which are considered impaired. Out of this HK$52.0 million, there is about HK$42.1 million relating to past-due debts of two consumers that will postpone their repayment, one is La Sucrerie de COMPLANT de Madagascar ("African Company 1", which is incorporated in Republic of Madagascar and is an indirect subsidiary of COMPLANT International Sugar Industry Co., Ltd., "COMPLANT", which is a substantial shareholder holding 13.69% issued share capital of the Company), have been forced to temporarily shut down its sugar agricultural and industrial operations after which hardly hit by the labour strike and subsequent riots there and the second is COMPLANT Magbass Sugar Complex Company Limited ("African Company 2", which is a company incorporated in Republic of Sierra Leone and is an indirectly holding owned subsidiaries of COMPLANT), African Company 2 has operation in Sierra Leone, due to recent outbreak of Ebola in the country, the essential staff in factory has moved out of the country temporarily as precaution and not return yet and created difficulties in sugar crushing to start. In view of the above hindrances will have short-term effect on their liquidity and provision was therefore required.

In the first half of 2015 and 2014, all the customers of supporting services to sweetener and ethanol business, except the inter-segment sales for six months ended 30th June 2015 to Jamaica and Benin, was located in African countries, which recorded a revenue of approximately HK$26.4 million (six months ended 30th June 2014: approximately HK$27.9 million) and the net loss of this segment was approximately HK$59.1 million (six months ended 30th June 2014: approximately HK$3.3 million). The review of performance of this segment had already covered in above sections.

Ethanol Business

Business review

No trading activity for the ethanol business of the period under review (six months ended 30th June 2014: Nil).

The operating loss of approximately HK$1.6 million (six months ended 30th June 2014: approximately HK$0.4 million) was mainly relating to the administration expenses by a subsidiary of the Group for the period.

FINANCIAL REVIEW

Equity

As at 30th June 2015, the Company had 2,191,180,000 outstanding ordinary shares of HK$0.1 each (31st December 2014: 2,191,180,000 shares).

Total equity attributable to owners of the Company as at 30th June 2015 amounts to approximately HK$509.3 million (31st December 2014: approximately HK$635.6 million).

Liquidity and gearing

As at 30th June 2015, the Group's Hong Kong total borrowing that consisted of short term loans and convertible notes of approximately HK$757.8 million (31st December 2014: approximately HK$635.1 million), of which approximately HK$451.5 million (31st December 2014: approximately HK$433.4 million) was the outstanding five-year zero-coupon Hong Kong dollar convertible notes, of approximately US$39.1 million (approximately HK$306.3 million) (31st December 2014: US$25.0 million (approximately HK$194.9 million)) accumulated drawdown under the short-term senior bridging loan from COMPLANT and of Nil (31st December 2014: J$100.0 million (approximately HK$6.8 million)) bank borrowing by a subsidiary in Jamaica of the Group.

For the outstanding five-year zero-coupon Hong Kong-dollar convertible notes, except a principal amount of HK$24 million is secured by shares of a subsidiary of the Company, the others were unsecured. For the short-term senior bridging loan from COMPLANT, it was unsecured but ranked senior in right of payment to its existing and future long term debts of PCSC.

The Group's gearing ratio calculated as a ratio of total borrowings (including short-term loans and convertible notes) to equity attributable to owners of the Company as at 30th June 2015 was approximately 148.8% (31st December 2014: approximately 99.9%). The increase in ratio was mainly due to the decrease in equity attributable to owners of the Company as a result of the total comprehensive expense for the period of approximately HK$126.2 million attributable to owners of the Company. The Group's borrowings as at 30th June 2015 are denominated in Hong Kong dollars and US dollars (31st December 2014: Hong Kong dollars, US dollars and Jamaican dollars).

Bank balances, deposits and cash balances as at 30th June 2015 amounted to approximately HK$142.1 million (31st December 2014: approximately HK$93.9 million), mainly denominated in Hong Kong dollars, US dollars and Jamaican dollars. The bank balances were placed in short-term deposits with major banks in Hong Kong and Jamaica. The bank balance and cash increased by approximately HK$48.2 million. The change was brought by the combined effect of the net cash used in operation of approximately HK$9.8 million which mainly used for the increase in inventories, the net cash used in investing activities of approximately HK$51.8 million which mainly used for acquisition of fixed assets in industrial and agricultural rehabilitation in Jamaica and the net cash inflow from finance activities of approximately HK$104.7 million which mainly from the short-term bridging loan of approximately HK$111.4 million from COMPLANT.

The Group's funding policy will continue to finance the business operations with internally generated cash and loan facilities from banks and COMPLANT.

Pledge of assets

As at 30th June 2015 and 31st December 2014, River Right Limited (the "River Right", a wholly-owned subsidiary of the Company) had pledged its interest in 65 shares in Zheng Da Investments Limited, representing 65% of issued capital, as security for the five-years zero-coupon Hong Kong-dollar convertible notes of principal amount of HK$24 million issued to China-Africa Xin Xing Investment Limited (a wholly-owned subsidiary of China-Africa Development Fund).

As at 30th June 2015 and 31st December 2014, a bank deposit of a subsidiary of approximately J$43.6 million (approximately HK$2.9 million) (31st December 2014: approximately J$43.6 million (approximately HK$2.9 million)) was pledged by a subsidiary of the Group to secure against its bank guarantee of J$40.0 million (approximately HK$2.7 million) in Jamaica as at 30th June 2015 and 31st December 2014. The cash collateral account attracts interest at 2.25% for the period ended 30th June 2015 (30th June 2014: 2.25%).

EMPLOYEE REMUNERATION POLICY

Remuneration policies

Staff remuneration packages of the Group are comprised of salary and discretionary bonuses and are determined with reference to the market conditions and the performance of the Group and the individuals concerned. The Group also provided other staff benefits including medical insurance, provident funds and share options to eligible staff of the Group. The total remuneration paid to the employees (including pension costs and the directors' remuneration) of the Group in the period under review was approximately HK$49.0 million (six months ended 30th June 2014: approximately HK$42.4 million), of which, approximately HK$46.8 million (six months ended 30th June 2014: approximately HK$33.6 million) was the total staff cost in sugar cane growing and sugar manufacturing business in Jamaica. The increase in staff cost is mainly due to salary adjustment during the period.

As at 30th June 2015, the Group had 350 full time employees (31st December 2014: 299).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group had no material acquisition or disposal of subsidiaries, associates or jointly-controlled entities during the period under review.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as those disclosed in 2014 annual report, the Group had no other material investments and capital assets during the period under review.

CAPITAL STRUCTURE

There is no change in capital structure during the period under review.

TREASURY POLICIES

The Group continues to adhere to prudent treasury policies. The Group's overall financial and funding policies were aimed to control credit risk to lower the risk of credit sales, the liquidity risk to ensure that funds would be recovered on a timely basis to fulfill the requirement of debt repayment and to closely monitor the overall currency and interest rate exposures to minimize risks in their fluctuation. The Group did not use any derivative financial instruments to hedge for its risk exposure during the period ended 30th June 2015.

FOREIGN EXCHANGE EXPOSURE

The Group's operates in Jamaica and African countries, China and Hong Kong. During the period ended 30th June 2015, turnover was denominated mainly in US dollar and Jamaican dollar while its costs and expenses were primarily in Jamaican dollar and US dollar where the Group's continuing operations are based. The Group is exposed to potential foreign exchange risk as a result of fluctuations between those currencies that are not pegged. In addition, the main operational assets of the Group are located and denominated in local currencies in Jamaica and African countries while the Group's reporting currency is in Hong Kong dollar. This also exposes the Group to potential foreign exchange risk upon translation of those assets on each reporting date.

The Group did not enter into any arrangements or financial instruments for the purpose of hedging against the potential foreign exchange risks during the period under review. In the event that Jamaican dollar were to depreciated substantially against US dollar, the risk can be mitigated by increasing the sales denominated in US dollar. As for the operational assets of the Group, any foreign exchange losses due to translation of the carrying value of the assets to the Group's reporting currency on reporting dates are unrealised and non-cash in nature. As such, active hedging activities are not considered warranted. Nonetheless, management will monitor closely its foreign currency exposure to ensure appropriate measures are taken promptly against any significant potential adverse impact.

SIGNIFICANT INVESTMENTS HELD

The Group had not made any significant investment during the period ended 2015 and 2014.

PROSPECTS

For the sugar cane growing and sugar manufacturing business in Jamaica, the downward trend on raw sugar price and the loss-making situation will maintain for second half of the year. Presently, PCSC is replacing another set of bagasse boiler and turbine, reduction gearbox, electric DC motor and flexible coupling in pressing workshop in Monymusk Estate and Frome Estate. Those replacements will complete before the start of next crop season. Furthermore, Monymusk Estate is also carrying out the agricultural upgrading, including canals transformation, the transformation of power transmission lines, pumping stations and transformation. After that, we expected the efficiency of stream and electricity generation in Monymusk Estate and Frome Estate and sugar cane productivity in Monymusk Estate will increase. This can help further to lower the fuel and electricity cost and increase the availability of sugar cane for production. The increase in flow of cane will also increase the capacity to supply superfluous electricity to National Grid for coming crop season and in turn will improve the profitability. Sourcing additional long-term external loan finance to sustain this loss-making operation and to complete the revival plan is still in progress but concrete agreement yet to achieve.

For the Group's supporting services to sweetener and ethanol business segment, the demand from our customers in African countries remains to be soft during second half of the year the downward trend on sugar will continue to affect their liquidity for capital investment and stock up their inventories.

For the Group's ethanol biofuel business, the construction of ethanol plant continues to suspect during the period, pending for appropriate alternate business plan for this operation.

DIRECTORS' INTERESTS IN SECURITIES

As at 30th June 2015, the interests of the directors and their associates in the ordinary shares in the Company as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Long position in shares

	Number of ordinary shares held				
Name of director	Beneficial Owner	Held by Spouse (Note)	Held by controlled Group (Note)	Total	Approximately percentage of interest
Mr. Hu Yebi	–	3,448,000	212,495,083	215,943,083	9.86%

Note: Mr. Hu Yebi and his spouse, Ms. Li Ling Xiu are deemed (by virtue of the SFO) to be interested in 215,943,083 shares, among these 215,943,083 shares, as to 3,448,000 shares held by Ms. Li Ling Xiu and as to 212,495,083 shares held by Hollyview International Limited, a company beneficially owned by Mr. Hu Yebi.

Save as disclosed above, as at 30th June 2015, there were no other interests or short positions of the directors in any shares of the Company which have been notified to the Company pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which any such director was taken or deemed to have under such provisions of SFO) or recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

SHARE OPTION SCHEME

The Company has, in accordance with Chapter 17 the Listing Rules, adopted a new share option scheme (the "2007 Share Option Scheme"), as approved by the shareholders of the Company at the extraordinary general meeting held on 20th September 2007. The purpose of the 2007 Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to the employees, directors, consultants and advisers of the Group and to promote the success of the Group. The details of the 2007 Share Option Scheme as pursuant to the Listing Rules are set out in the Company's circular dated 3rd September 2007.

As at the end of the reporting period, no share option has been granted under the 2007 Share Option Scheme since its adoption.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the share option scheme as disclosed above, at no time during the period was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debts securities (including debentures) of, the Company or any other body corporate and none of the directors, their spouses or children under the age of 18, had any rights to subscribe for securities in the Company, or had exercised any such rights.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30th June 2015, as far as is known to the Directors or the chief executive of the Company, the following persons (other than Directors or chief executive of the Company) had interests in shares and underlying shares and debentures of the Company, as recorded in the register required to be kept under section 336 of the SFO:

Long Position in shares

Name	Nature of interests and capacity in which interest are held: Beneficial owner (Note 2)	Nature of interests and capacity in which interest are held: Held by controlled Group	Total	Approximate % of the issued share capital
China National Complete Plant Import & Export Corporation (Group) ("China Complant")	800,000,000	–	800,000,000	36.51
COMPLANT International Sugar Industry Co., Ltd. ("COMPLANT") (Note 1)	300,000,000	–	300,000,000	13.69

Note 1: In addition to the 300,000,000 shares, COMPLANT holds convertible notes of principal amount HK$533.7 million convertible into 889,500,000 shares representing 40.59% of the issued capital of the Company.

Note 2: State-owned Assets Supervision and Administration Commission (中國國務院國有資產監督管理委員會) holds 100% of the State Development & Investment Corp. (國家開發投資公司) which holds 100% of China Complant which in turn holds 70% in COMPLANT.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 30th June 2015, the Company has complied with the code provisions of the Corporate Governance Code as set out in the Appendix 14 to the Listing Rules (the "Code"), except for the following deviation:–

Code Provision E.1.2

Under the code provision E.1.2, the chairman of the Board should attend the annual general meeting. Mr. Liu Xueyi, the chairman of the Board, was unable to attend the annual general meeting of the Company held on 26th June 2015 (the "Meeting") due to another business engagement. Dr. Zheng Liu, an independent non-executive Director, chaired the Meeting on behalf of the chairman of the Board and was available to answer questions.

Code Provision A.2.1 and A.2.4

Under the code provision A.2.1, the roles of chairman and chief executive officer (the "CEO") should be separate people and should not be performed by the same individual. The divisions of responsibilities between the chairman and CEO should be clearly established and set out in writing. Under the new code provision A.2.4, the chairman should provide leadership for the board. The chairman should ensure that the board works effectively and performs its responsibilities, and that all key and appropriate issues are discussed by it in a timely manner.

The Company segregates the role of Chairman from the Managing Director who also assumes the responsibilities of chief executive officer. Mr. Liaw Yuan Chian was the Managing Director till his resignation on 16th December 2010. The Company has not refilled these positions yet that calls for an exhaustive scrutiny in the selection. The Board considered the balance of power between the Board members and the balance of authority between the Board and the management have not been impaired after the resignation of the Managing Director, given that half of the Board members are independent non-executive and a clear division of responsibilities are in place for the running of the business of the Group. The Company remains structured to ensure appropriate segregation of duties so that power is not concentrated in any one individual.

Code Provision A.4.1

Under the code provision A.4.1, non-executive Directors should be appointed for a specific term, subject to re-election. None of the existing independent non-executive Directors (the "INEDs") of the Company is appointed for a specific term. This constitutes a deviation from the code provision A.4.1 during the period. However, one-third of the Directors (including executive and non-executive) are subject to retirement by rotation at each annual general meeting under the Company's articles of association (the "Articles"). As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

Code Provision A.6.7

Under the new code provision A.6.7, independent non-executive Directors and other nonexecutive directors, as equal board members, should give the board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings and development a balanced understanding of the views of shareholders. Due to other business commitment, Mr. Yu Chi Jui and Ms. Li Xiao Wei, INEDs of the Company, did not attend the extraordinary general meetings and the annual general meeting held on 26th June 2015 and, which constitutes a deviation from the code provision A.6.7 during the period.

REVIEW OF INTERIM FINANCIAL STATEMENTS

The Audit Committee comprises three independent non-executive Directors has held meetings to review with management the accounting principles and practices adopted by the Group and discussing internal controls and financial reporting matters including a review of the unaudited condensed interim financial statements for the six months ended 30th June 2015.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

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

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

FORWARD LOOKING STATEMENTS

This report contains certain forward looking statements with respect to the financial condition, results of operations and business of the Group. These forward looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

By order of the Board
Liu Xueyi
Chairman

Hong Kong, 31st August 2015