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AMCO
United Holding Limited
 雋泰控股有限公司*

(formerly known as Guojin Resources Holdings Limited 國金資源控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code : 630)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2012

The Board of Directors (the “Board”) of AMCO United Holding Limited (the “Company”) announces the unaudited interim consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2012 together with comparative figures for the previous period as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Six months ended 30 June	
		2012 Unaudited HK\$'000	2011 Unaudited HK\$'000 (Re-presented)
CONTINUING OPERATIONS			
Turnover	3	80,726	37,246
Cost of sales		(64,638)	(29,566)
Gross profit		16,088	7,680
Other income		413	22
Distribution costs		(3,586)	(1,261)
Administrative expenses		(30,110)	(15,340)
Share-based payment expenses		–	(2,076)
Gain on change in fair value of a convertible note		8,064	–
Finance costs		(317)	(11,113)
Loss before income tax expense	4	(9,448)	(22,088)
Income tax credit/(expense)	5	38	(12)
Loss for the period from continuing operations		(9,410)	(22,100)
Discontinued operations			
Loss for the period from discontinued operations	6	–	(92,247)
Loss for the period		(9,410)	(114,347)

* For identification purposes only

	Six months ended 30 June	
	2012	2011
<i>Notes</i>	Unaudited HK\$'000	Unaudited HK\$'000 (Re-presented)
Other comprehensive income		
Exchange differences arising on translation	(102)	(1,013)
Change in fair value of available-for-sale financial assets	<u>28</u>	<u>–</u>
Other comprehensive income for the period, net of tax	<u>(74)</u>	<u>(1,013)</u>
Total comprehensive income for the period	<u>(9,484)</u>	<u>(115,360)</u>
Loss for the period attributable to:		
– Owners of the Company		
Continuing operations	(9,410)	(22,081)
Discontinued operations	<u>–</u>	<u>(92,247)</u>
	<u>(9,410)</u>	<u>(114,328)</u>
– Non-controlling interests		
Continuing operations	–	(19)
Discontinued operations	<u>–</u>	<u>–</u>
	<u>–</u>	<u>(19)</u>
	<u>(9,410)</u>	<u>(114,347)</u>
Total comprehensive income for the period attributable to:		
– Owners of the Company		
Continuing operations	(9,484)	(22,116)
Discontinued operations	<u>–</u>	<u>(93,225)</u>
	<u>(9,484)</u>	<u>(115,341)</u>
– Non-controlling interests		
Continuing operations	–	(19)
Discontinued operations	<u>–</u>	<u>–</u>
	<u>–</u>	<u>(19)</u>
	<u>(9,484)</u>	<u>(115,360)</u>
Loss per share	8	
From continuing and discontinued operations		
Basic	(0.11) cents	(7.60) cents
Diluted	<u>(0.18) cents</u>	<u>(7.60) cents</u>
From continuing operations		
Basic	(0.11) cents	(1.47) cents
Diluted	<u>(0.18) cents</u>	<u>(1.47) cents</u>
From discontinued operations		
Basic	–	(6.13) cents
Diluted	<u>–</u>	<u>(6.13) cents</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 June 2012	31 December 2011
		Unaudited	Audited
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		19,142	22,047
Intangible assets		–	–
Goodwill		67,362	67,362
Available-for-sale financial assets		1,197	1,169
Deferred tax assets		514	514
		88,215	91,092
Current assets			
Inventories		10,610	14,186
Trade and other receivables	9	38,900	44,409
Pledged time deposits		5,545	3,538
Cash and cash equivalents		20,623	49,565
		75,678	111,698
Current liabilities			
Trade and other payables	10	52,523	66,898
Bank and other borrowings		7,904	14,646
Convertible notes		8,786	12,644
Obligations under finance leases		289	387
Tax payable		11,762	11,794
		81,264	106,369
Net current (liabilities)/assets		(5,586)	5,329
Total assets less current liabilities		82,629	96,421

		30 June	31 December
		2012	2011
		Unaudited	Audited
	<i>Notes</i>	HK\$'000	HK\$'000
Non-current liabilities			
Obligations under finance leases		322	424
Deferred tax liabilities		1,011	1,011
Convertible notes		9,646	13,852
		<u>10,979</u>	<u>15,287</u>
Net assets		<u>71,650</u>	<u>81,134</u>
Capital and reserves			
Share capital	<i>11</i>	87,582	87,582
Reserves		<u>(14,413)</u>	<u>(4,929)</u>
Equity attributable to owners of the Company		73,169	82,653
Non-controlling interests		<u>(1,519)</u>	<u>(1,519)</u>
		<u>71,650</u>	<u>81,134</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

AMCO United Holding Limited (the “Company”) was incorporated in Bermuda with limited liability on 12 September 1996 as an exempted company under the Companies Act 1981 of Bermuda with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 28 November 1996.

The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in the manufacture and sale of medical devices, manufacture and sale plastic moulding products, manufacture and sale of data media products, and distribution of data media products.

2. Basis of preparation and accounting policies

The interim condensed consolidated financial statements for the six months ended 30 June 2012 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). These interim condensed consolidated financial statements are unaudited but have been reviewed by the Company’s audit committee.

The interim condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements as at 31 December 2011, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The interim condensed consolidated financial statements have been prepared on historical cost basis, except for certain assets and liabilities that are measured at their fair value, as appropriate.

At 30 June 2012, the Group’s current liabilities exceeded its current assets. Outstanding convertible notes of HK\$8,786,000, being classified as current liability, only reflect their timing of conversion instead of their timing of repayment or redemption. Also, the Directors have implemented measures to tighten cost controls and to wind down certain non-performing subsidiaries. In addition, the Directors are considering various alternatives to further strengthen the capital base of the Company in order to provide adequate funding to the Group for its ongoing business development. In preparing the interim condensed consolidated financial statements, the Directors have considered the Group’s sources of fund and believe that adequate funding is available to fulfill the Group’s short-term obligations and capital expenditure requirements. Accordingly, the interim condensed consolidated financial statements has been prepared on a going concern basis.

The accounting policies adopted and methods of computation used in the interim condensed consolidated financial statements are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2011 except as described below.

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 7 Disclosures – Transfer of Financial Assets

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

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

3. Segment information

During the six months ended 30 June 2012, the Group has four reportable segments (30 June 2011: four segments). The following summary describes the operations in each of the Group's reportable segments:

- (1) Manufacture and sale of medical devices products;
- (2) Manufacture and sale of plastic moulding products;
- (3) Manufacture and sale of data media products;
- (4) Distribution of data media products;
- (5) Remanufacture and sale of computer printing and imaging products (Discontinued operations); and
- (6) Trading and mining of mineral resources (Discontinued operations).

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

For the period ended 30 June 2012

	Continuing operations					Total <i>HK\$'000</i>
	Manufacture and sale of medical devices products <i>HK\$'000</i>	Manufacture and sale of plastic moulding products <i>HK\$'000</i>	Manufacture and sale of data media products <i>HK\$'000</i>	Distribution of data media products <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	
Revenue from external customers	24,657	38,705	12,482	4,882	N/A	80,726
Reportable segment revenue	<u>24,657</u>	<u>38,705</u>	<u>12,482</u>	<u>4,882</u>	N/A	<u>80,726</u>
Reportable segment profit	<u>7,688</u>	<u>2,860</u>	<u>2,224</u>	<u>12</u>	N/A	<u>12,784</u>

For the period ended 30 June 2011 (Re-presented):

	Continuing operations			Discontinued operations			Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
	Manufacture and sale of data media products <i>HK\$'000</i>	Distribution of data media products <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>	Remanufacture and sale of computer printing and imaging products <i>HK\$'000</i>	Trading and mining of mineral resources <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>		
Revenue from external customers	31,981	5,265	37,246	8,185	–	8,185	N/A	45,431
Reportable segment revenue	<u>31,981</u>	<u>5,265</u>	<u>37,246</u>	<u>8,185</u>	<u>–</u>	<u>8,185</u>	N/A	<u>45,431</u>
Reportable segment profit/(loss)	<u>6,115</u>	<u>304</u>	<u>6,419</u>	<u>(57,747)</u>	<u>(15,457)</u>	<u>(73,204)</u>	N/A	<u>(66,785)</u>

Segment profit/(loss) represents the profit/(loss) attributable to each segment without allocation of administrative expenses, directors' emoluments, share-based payment expenses, gain on change in fair value of a convertible note, finance costs, interest income and income tax (credit)/expense. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and performance assessment.

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

	Continuing operations					Discontinued operations				
	Manufacture and sale of medical devices products <i>HK\$'000</i>	Manufacture and sale of plastic moulding products <i>HK\$'000</i>	Manufacture and sale of data media products <i>HK\$'000</i>	Distribution of data media products <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>	Remanufacture and sale of computer printing and imaging products <i>HK\$'000</i>	Trading and mining of mineral resources <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets and liabilities										
As at 30 June 2012 (unaudited)										
Reportable segment assets	83,040	33,427	3,298	1,252	121,017	-	-	-	42,876	163,893
Reportable segment liabilities	5,441	16,097	4,003	833	26,374	-	-	-	65,869	92,243
As at 31 December 2011 (audited)										
Reportable segment assets	79,278	45,592	11,372	3,749	139,991	-	1,321	1,321	61,478	202,790
Reportable segment liabilities	3,533	20,983	9,702	3,228	37,446	-	5,575	5,575	78,635	121,656

All assets are allocated to reportable segments other than available-for-sale financial assets, deferred tax assets, pledged time deposits, and cash and cash equivalents.

All liabilities are allocated to reportable segments other than amount due to a related company, tax payable, obligation under finance leases, bank and other borrowings, deferred tax liabilities and convertible notes.

The following is the Group's reconciliation of reportable segment revenues and profit and loss:

	Six months ended 30 June	
	2012 Unaudited <i>HK\$'000</i>	2011 Unaudited <i>HK\$'000</i> (Re-presented)
Revenue		
Reportable segment revenue	80,726	45,431
Loss before income tax expense and discontinued operations		
Reportable segment profit/(loss)	12,784	(66,785)
Segment loss from discontinued operations	-	73,204
Gain on change in fair value of a convertible note	8,064	-
Share-based payment expenses	-	(2,076)
Finance costs	(317)	(11,113)
Unallocated corporate income	131	22
Unallocated corporate expenses	(30,110)	(15,340)
Consolidated loss before income tax expense from continuing operations	(9,448)	(22,088)

4. Loss before income tax expense

Six months ended 30 June

2012	2011
Unaudited	Unaudited
HK\$'000	HK\$'000

(Re-presented)

Continuing operations:

Loss before income tax expense has been arrived at after charging:

Staff costs (including directors' emoluments)	22,659	12,410
Depreciation of property, plant and equipment	3,501	630
Cost of inventories recognised as an expense	64,638	29,566

5. Income tax credit/(expense)

Six months ended 30 June

2012	2011
Unaudited	Unaudited
HK\$'000	HK\$'000

(Re-presented)

Continuing operations:

Current tax – Hong Kong Profits Tax

– over provision in respect of prior periods

	43	–
	43	–

Current tax – Overseas taxation

– tax for the period

– under provision in respect of prior periods

	–	(12)
	(5)	–
	(5)	(12)
	38	(12)

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits for the both periods. Hong Kong profits tax has not been provided as there is no assessable profit arising in or derived from Hong Kong during the financial periods.

Overseas taxation is calculated at the rates prevailing in the respective jurisdiction.

6. Loss for the period from discontinued operations

	Six months ended 30 June	
	2012	2011
	Unaudited	Unaudited
	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Re-presented)
Remanufacture and sale of computer printing and imaging products <i>(Note a)</i>	–	(69,162)
Trading and mining of mineral resources <i>(Note b)</i>	–	(23,085)
	<u>–</u>	<u>(92,247)</u>

(a) Remanufacture and sale of computer printing and imaging products

The business of remanufacture and sale of computer printing and imaging products which were carried by Jackin Enterprises Limited (“JEL”) and its subsidiaries were put into liquidation on 8 August 2011. These business segments are presented as part of discontinued operations in accordance with HKFRS 5.

For the six months ended 30 June 2011, an analysis of the results of this segment included in the interim condensed consolidated statement of comprehensive income is as follow:

	Six months ended 30 June 2011 Unaudited HK\$'000
Turnover	8,185
Cost of sales	<u>(40,355)</u>
Gross loss	(32,170)
Other income	50
Distribution costs	(1,634)
Administrative expenses	(12,499)
Reversal of impairment loss on trade receivables	47
Impairment losses	(24,040)
Finance costs	<u>(161)</u>
Loss before income tax credit	(70,407)
Income tax credit	<u>1,245</u>
Loss for the period from discontinued operations	<u><u>(69,162)</u></u>

Six months ended
30 June 2011
Unaudited
HK\$'000

Loss for the period from the discontinued operations includes the following:

Depreciation of property, plant and equipment	3,855
Amortisation of intangible assets	2,596
Cost of inventories recognised as expenses	20,745
Impairment losses on	
– property, plant and equipment	17,239
– intangible assets	6,319
– trade and other receivables	482
– inventories (included in cost of sales)	12,371
– inventories written off (included in cost of sales)	7,239
	7,239

(b) Trading and mining of mineral resources

During the year ended 31 December 2011, the directors decided to cease its trading and mining of mineral resources operation due to the Group had not been able to procure any justifiable opportunities in the area of trading and mining of mineral resources. Accordingly this business segment has also been presented as part of discontinued operations in accordance with HKFRS 5.

For the six months ended 30 June 2011, an analysis of the results of this segment included in the interim condensed consolidated statement of comprehensive income is as follows:

Six months ended
30 June 2011
Unaudited
HK\$'000
(Re-presented)

Turnover	–
Cost of sales	–
	–
Gross profit	–
Administrative expenses	(7,628)
Expenses related to mining project opportunities	(3,757)
Impairment losses on refundable deposits paid for acquisition of mining rights	(11,700)
	(11,700)
Loss before income tax expense	(23,085)
Income tax expense	–
	–
Loss for the period from discontinued operations	(23,085)

Loss for the period from the discontinued operations includes the following:

Expenses related to mining project opportunities	3,757
Impairment losses on refundable deposits paid for acquisition of mining rights	11,700
Staff cost	<u>7,628</u>

For the purpose of presenting discontinued operations, the comparative interim condensed consolidated statement of comprehensive income and the related notes have been re-presented as if the operations discontinued had been discontinued at the beginning of the comparative period.

7. Interim dividend

No dividends were paid, declared or proposed during the reporting period. The directors do not recommend the payment of an interim dividend. (2011: Nil)

8. Loss per share

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

	30 June 2012	30 June 2011
	Unaudited	Unaudited (Re-presented)
Basic		
Loss for the period for the purposes of computation of basic loss per share (<i>HK\$'000</i>)		
– from continuing operations	(9,410)	(22,081)
– from discontinued operations	<u>–</u>	<u>(92,247)</u>
	<u>(9,410)</u>	<u>(114,328)</u>
Number of shares		
Weighted average number of ordinary shares in issue	<u>8,758,239,861</u>	<u>1,503,750,505</u>

Note:

The calculation of basic loss per share for the period is based on the consolidated loss for the period attributable to owners of the Company and on the weighted average number of ordinary shares in issue during the period.

	30 June 2012	30 June 2011
	Unaudited	Unaudited (Re-presented)
Diluted		
Loss for the period for the purposes of computation of diluted loss per share (<i>HK\$'000</i>)		
– from continuing operations – basic	(9,410)	(22,081)
Adjustment on gain on change in fair value of a convertible note at period end	(8,064)	–
	<hr/>	<hr/>
– from continuing operations		
– adjusted loss	(17,474)	(22,081)
– from discontinued operations	–	(92,247)
	<hr/>	<hr/>
	(17,474)	(114,328)
	<hr/>	<hr/>
Number of shares		
Weighted average number of ordinary shares in issue	8,758,239,861	1,503,750,505
Adjustment for conversion of convertible notes	800,876,200	–
	<hr/>	<hr/>
Weighted average number of ordinary shares for diluted loss per share	<u>9,559,116,061</u>	<u>1,503,750,505</u>

Note:

In calculation of the diluted loss per share, the Company's outstanding share options were not taken into account as they had an anti-dilutive effect. Therefore, the calculation of diluted loss per share is based on the loss for the period attributable to owners of the Company and after adjustment to reflect the effect of deemed conversion of outstanding convertible notes. Weighted average number of dilutive potential ordinary shares is calculated by adjusting the conversion shares of all convertible notes that would be issuable if the end of the period were the end of the contingency period.

There was no dilutive effect for the period ended 30 June 2011 since all share options were anti-dilutive.

9. Trade and other receivables

	30 June 2012 Unaudited HK\$'000	31 December 2011 Audited HK\$'000
Trade and bill receivables, net of impairment loss recognised	17,698	31,632
Other deposits, prepayments and other receivables	<u>21,202</u>	<u>12,777</u>
	<u>38,900</u>	<u>44,409</u>

The Group allows an average credit period of 30 to 90 days to its trade customers (for the year ended 31 December 2011: 30 to 90 days). The ageing analysis of trade and bill receivables (net of accumulated impairment losses) are as follows:

	30 June 2012 Unaudited HK\$'000	31 December 2011 Audited HK\$'000
Neither past due nor impaired	15,490	16,014
Less than 3 months past due	2,141	8,769
3 to 6 months past due	–	3,574
Over 6 months past due	<u>67</u>	<u>3,275</u>
	<u>17,698</u>	<u>31,632</u>

10. Trade and other payables

	30 June	31 December
	2012	2011
	Unaudited	Audited
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	9,783	14,101
Accruals and other payables	39,000	49,057
Amount due to a related company	3,740	3,740
	<hr/>	<hr/>
	52,523	66,898
	<hr/> <hr/>	<hr/> <hr/>

The amount due to a related company, Titron Group Holdings Limited, in which Mr. Yip Wai Lun, Alvin (“Mr. Yip”) being the common director, is unsecured, interest-free and repayable on demand.

The aged analysis of trade payables as follows:

	30 June	31 December
	2012	2011
	Unaudited	Audited
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 3 months	9,135	11,946
Over 3 months but within 6 months	–	802
Over 6 months but within 9 months	72	320
Over 9 months but within 12 months	–	444
Over 1 year	576	589
	<hr/>	<hr/>
	9,783	14,101
	<hr/> <hr/>	<hr/> <hr/>

11. Share capital

	Par value per share <i>HK\$</i>	Number of shares <i>'000</i>	Amount <i>HK\$'000</i>
Authorised:			
Balance as at 1 January 2011	0.1	4,000,000	400,000
Balance as at 31 December 2011 and 30 June 2012	0.01	40,000,000	400,000
Issued and fully paid:			
Balance as at 1 January 2011	0.1	1,503,751	150,375
Capital reduction (<i>Note a</i>)			(135,337)
Issue of shares upon exercise of right shares of HK\$0.01 each (<i>Note b</i>)	0.01	1,654,125	16,541
Share issued on conversion of convertible bonds (<i>Note c</i>)	0.01	4,151,240	41,512
Share issued on conversion of convertible notes (<i>Note d</i>)	0.01	1,449,124	14,491
Balance as at 31 December 2011 and 30 June 2012	0.01	8,758,240	87,582

Notes:

- (a) Pursuant to the announcement dated 11 August 2011, the issued share capital of the Company was proposed to be reduced by reducing the par value of each share from HK\$0.1 to HK\$0.01, thereby cancelling the paid-up capital to the extent of HK\$0.09 on each share in issue. The credit balance of HK\$514,839,000 arising from the proposed capital reduction was credited to the contributed surplus account of the Company and then applied to set off against the accumulated losses as permitted by the laws of Bermuda and the Bye-Laws. The Company's authorised share capital remains at HK\$400,000,000, divided into 40,000,000,000 shares of HK\$0.01 each. Pursuant to the special general meeting held on 5 September 2011, the resolution for the Capital Reorganisation was passed and became effective on the 6 October 2011.

- (b) Pursuant to an ordinary resolution passed by the shareholders about the Rights Issue and Capital Reorganisation at the special general meeting held on 5 September 2011, the number of issued and fully paid ordinary shares was increased by 1,654,125,555 ordinary shares of HK\$0.01 each which rank pari passu with the existing shares in all respects. Rights issue is made on the basis of 11 Rights Shares for every 10 Shares at HK\$0.05 per Rights Share, raising total share proceeds of HK\$82,706,000 before related issue expenses.

- (c) On 20 June 2011, the Company, Ugent Holdings Limited, the initial issuer of the convertible bonds (“Ugent CB”) and the Bondholders entered into the Redemption Agreement, of which, Ugent shall give written notice to the Ugent Bondholders to redeem the Ugent CB. The Ugent Bondholders can use the Ugent CB to convert into the Company’s share as settlement. During the year ended 31 December 2011, all Ugent CB in the amount of approximately HK\$206,433,000 were converted into 4,151,240,001 ordinary shares at the agreed conversion rate of HK\$0.05/share per the Redemption Agreement.

- (d) During the year ended 31 December 2011, certain convertible notes in the amount of approximately HK\$72,456,000 were converted into 1,449,123,800 ordinary shares at the agreed conversation rate of HK\$0.05/share per the Sales & Purchase Agreement to acquire the Titron Group.

All shares issued during the year ended 31 December 2011 rank pari passu with the then existing shares in issue in all respects.

MANAGEMENT DISCUSSION AND ANALYSIS

Results, Business Review and Prospects

Results

The Company and its subsidiaries (collectively referred to as the “Group”) continued to face various challenges during the period under review. After a difficult year of 2011, the Group has been striving to develop its continuing operations in manufacture and sale of medical devices products, and manufacture and sale of plastic moulding products. The business segments of manufacture and sale of data media products, and distribution of data media products, having approached the end of their product life cycle, suffered significant decline in business volume. Regardless of a significant growth in the Group’s total operating revenue, cost challenges had eroded profit margins in general, resulting in a net operating loss during the period under review.

For the six months ended 30 June 2012, the turnover of the Group’s continuing operations increased by 116.9% to approximately HK\$80.7 million, compared to approximately HK\$37.2 million for the six months ended 30 June 2011. Loss from continuing operations for this six months period decreased by HK\$12.7 million to approximately HK\$9.4 million, representing a decrease of 57.5% compared with HK\$22.1 million for the same period of last year. Another reason for the improvement in operating result is a gain on change in fair value of a convertible note of HK\$8.1 million was recorded during the period, while there was no such gain in previous corresponding period.

During the six months ended 30 June 2012, the Group did not have any discontinued operating activities while a loss from discontinued operations in remanufacture and sale of computer printing and imaging products and trading and mining of mineral resources of about HK\$92.2 million was recorded in the first half of 2011.

The Group’s overall loss attributable to owners of the Company dropped by 91.8% from approximately HK\$114.3 million during the six months ended 30 June 2011 down to HK\$9.4 million for the first six months of 2012.

Business Review

Manufacture and sale of medical devices products

For the six months ended 30 June 2012, this business division newly added to the Group in October 2011 recorded a turnover of HK\$24.7 million, with a segmental profit contribution of approximately HK\$7.7 million. The Board is satisfied with the performance in this segment which still produced this result under a sluggish global business environment and the continuous challenges in manufacturing costs.

Manufacture and sale of plastic moulding products

This business division also started contributing to the results of the Group from October 2011. During the period under review, the Group achieved a turnover of HK\$38.7 million with a segmental profit contribution of HK\$2.9 million. Considering the fact that OEM manufacturing for overseas customers had experienced very tough challenges throughout China, the management has been working hard to maintain an optimal level of operations.

Manufacture and sale of data media products

For the six months ended 30 June 2012, this division recorded a turnover of approximately HK\$12.5 million, representing a decline of 60.9% from HK\$32.0 million for the six months ended 30 June 2011. Profit contribution for this period in this segment was HK\$2.2 million, compared with previous corresponding period's HK\$6.1 million, equivalent to a 63.9% decrease. The Board had foreseen the global product demand would continue to shrink and had accordingly been downsizing this segment of operation in line with the reducing customer orders.

Distribution of data media products

Facing the same impact of global demand shrinkage as in the manufacturing sector, distribution of data media products experienced a same dipping trend of customer demand from a turnover level of HK\$5.3 million for the six months ended 30 June 2011 down to HK\$4.9 million for this reporting period, representing a 7.5% decline. Again, the Group tackled the situation by synchronizing its size of operation with the declining business potential, thus managed to produce a profit of about HK\$12,000, representing a decrease of 96.1% from approximately HK\$304,000 of previous period.

Prospects

Changes in the global business environment and climate are posing various challenges to the Group. An adaptive approach is the strategy of the Group to maintain its competitiveness and pioneer position among competitors. However, existing business of manufacture and distribution of data media products is considered approaching the final stage of their product life cycle. The Group is already in the process of scaling down such operations and re-directing the resources into business opportunities arising from the medical devices manufacture segment. At the same time, plastic moulding products manufacture division, which provides the fundamental experience, skillset and knowhow for the Group's ongoing business development, would be given adequate support to preserve its competitive advantage and to complement the Group's future business ventures. By incorporating all aspects of innovation, technology and manufacturing capabilities, the Company is in the process of moving from a low cost China centric product environment to a globally linked knowledge centric environment.

The Company continues to see opportunities arising from the technology innovation in the medical and health care market sectors. Having set the goal of venturing into new business opportunities emerging from these sectors, the Group is aligning its resources as well as working closely with its international business partners in order to secure a solid position in this new business arena.

Financial Review

Capital and debt structure

As at 30 June 2012, the Group's consolidated net assets was approximately HK\$71.7 million, representing approximately HK\$9.4 million, equivalent to a 11.6%, decrease compared with that of 31 December 2011, mainly due to the net effect of operating loss for the period and a gain on change in fair value of a convertible note.

At 30 June 2012, the Company has outstanding convertible notes issued as partial consideration for the acquisition of the Titron Group valued at approximately HK\$18.4 million, of which, approximately HK\$9.6 million was classified as non-current liabilities due to the conversion conditions applicable to their convertibility.

As at 30 June 2012, the Group's total borrowings from financial institutions amounted to HK\$8.5 million, representing a decrease by HK\$7.0 million from HK\$15.5 million as at 31 December 2011. Over 96.5% of the such borrowings were payable within one year. Since most of the borrowings were denominated in Hong Kong dollars and subject to floating interest rates, the risk of currency exposure was minimal. The Group's total cash and bank balances amounted to approximately HK\$20.6 million at 30 June 2012, which was about HK\$29.0 million lower than the position of HK\$49.6 million at 31 December 2011.

Working capital and liquidity

As at 30 June 2012, the Group's current ratio and quick ratio were 0.9 and 0.8 respectively (31 December 2011: 1.1 and 0.9 respectively). Inventory turnover on sales of continuing operations decreased to 24 days which is 20 days shorter than that at 31 December 2011. Receivable turnover of continuing operations was 40 days while it was 47 days at 31 December 2011.

As at 30 June 2012, the Group recorded a net current liability of HK\$5.6 million. The Board would like to highlight that a portion of the outstanding convertible notes amounting HK\$8.8 million, being classified as current liability, only reflects their timing of conversion instead of their timing of repayment or redemption. Also, the Directors have implemented measures to tighten cost controls and to wind down certain non-performing subsidiaries. In addition, the Directors are considering various alternatives to further strengthen the capital base of the Company in order to provide adequate funding to the Group for its ongoing business development. In preparing the interim condensed consolidated financial statements, the Directors have considered the Group's sources of fund and believe that adequate funding is available to fulfill the Group's short-term obligations and capital expenditure requirements. Accordingly, the interim condensed consolidated financial statements has been prepared on a going concern basis.

Contingent liabilities and charges

As at 30 June 2012, the Group has pledged its assets with an aggregate net book value of HK\$8 million (31 December 2011: HK\$6 million) to secure bank facilities granted and finance lease obligations. The Group had no material contingent liabilities at 30 June 2012.

Change of Company Name

During the period under review, for the purpose of refreshing the Company's corporate identity and reflecting the new development focus of the Group, the Company has changed its name to "AMCO United Holding Limited"「雋泰控股有限公司」(for identification purposes) from "Guojin Resources Holdings Limited"「國金資源控股有限公司」(for identification purposes) which has become effective on 20 February 2012. The registration of the new English name of the Company in Hong Kong under Part XI of the Companies Ordinance took effect from 13 March 2012.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2012, the number of employees of the Group was approximately 260. The remuneration packages of the Group's employees are mainly based on their performance and experience, taking into account the current industry practices. Remuneration package of employees includes salaries, insurance, mandatory provident fund and share option scheme. Other employee benefits include medical cover, housing allowance and discretionary bonuses.

CORPORATE GOVERNANCE

The Company has complied with all code provisions of the Code on Corporate Governance Practices during the period from 1 January 2012 to 31 March 2012 and the Corporate Governance Code ("CG Code") during the period from 1 April 2012 to 30 June 2012 as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, save as disclosed as follows.

In respect of code provision A.2.1 of the CG Code, Mr. Yip was the Chairman and Managing Director of the Company (The Company regards the role of its Managing Director to be the same as that of chief executive under the CG Code) during the six months ended 30 June 2012. The Board considers that it would be in the interest of its shareholders that the roles of the Chairman and Managing Director of the Company be combined to enable effective and efficient business planning and execution to improve shareholders' value. In this light, the Company has maintained Mr. Yip as the Chairman and Managing Director of the Company. The Company will review the current structure when and as it becomes appropriate.

In respect of code provision A.4.1 of the CG Code, the three Independent Non-executive Directors are not appointed for a specific term but are subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Bye-laws of the Company, and their appointment will be reviewed when they are due for re-election.

In respect of code provision A.6.7 of the CG Code, Mr. Lau Man Tak, an Independent Non-executive Director of the Company, was not in a position to attend the annual general meeting of the Company held on 30 May 2012 due to his overseas commitment.

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 Listing Rules as its code of conduct regarding directors’ securities transactions. Following specific enquiry by the Company, all Directors have confirmed that they have complied with the required standard as set out in the Model Code during the six months ended 30 June 2012.

AUDIT COMMITTEE

The Audit Committee comprises three Independent Non-executive Directors, Mr. Leung Ka Kui, Johnny, Mr. Chan Kam Kwan, Jason and Mr. Lau Man Tak. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group, and discussed financial reporting matters including the review of the unaudited interim results for the six months ended 30 June 2012.

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

During the six months ended 30 June 2012, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

By Order of the Board
AMCO United Holding Limited
Yip Wai Lun, Alvin
Chairman and Managing Director

Hong Kong, 27 August 2012

As at the date of this announcement, Mr. Yip Wai Lun, Alvin and Ms. Leung Mei Han are the Executive Directors; and Mr. Leung Ka Kui, Johnny, Mr. Chan Kam Kwan, Jason and Mr. Lau Man Tak are the Independent Non-executive Directors.