Great Harvest Maeta Group Holdings Limited
榮 豐 聯 合 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 3683)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

The board (the "**Board**") of directors (the "**Directors**") of Great Harvest Maeta Group Holdings Limited (the "**Company**") is pleased to present the unaudited consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 September 2011 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 September 2011

		Six months ended 30 September	
		2011	2010
	NOTES	***US$'000***	*US$'000*
		(Unaudited)	(Unaudited)
Revenue	3	**13,985**	16,801
Cost of services		**(11,034)**	(11,241)
Gross profit		**2,951**	5,560
Other income	4	**105**	149
General and administrative expenses		**(979)**	(907)
Listing expenses		**—**	(1,655)
Finance costs	5	**(783)**	(445)
Profit before tax		**1,294**	2,702
Taxation	6	**—**	—
Profit for the period and total comprehensive income attributable to owners of the Company	7	**1,294**	2,702
Earnings per share			
Basic *(US cents)*	9	**0.16**	0.42

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 September 2011

	NOTES	30 September 2011 US$'000 (Unaudited)	31 March 2011 US$'000 (Audited)
Non-current assets			
Property, plant and equipment	10	**153,575**	159,534
Finance lease receivable		**1,603**	1,521
Restricted bank deposits	11	**4,000**	4,000
		159,178	165,055
Current assets			
Trade and other receivables	12	**4,094**	3,292
Pledged bank deposits	11	**2,048**	3,598
Bank balances and cash		**8,657**	5,804
		14,799	12,694
Current liabilities			
Other payables and accruals	13	**1,846**	3,437
Bank loans — due within one year	14	**9,723**	10,456
		11,569	13,893
Net current assets/(liabilities)		**3,230**	(1,199)
Total assets less current liabilities		**162,408**	163,856
Non-current liabilities			
Bank loans — due after one year	14	**44,466**	47,208
		117,942	116,648
Capital and reserves			
Share capital	15	**1,064**	1,064
Reserves		**116,878**	115,584
Equity attributable to owners of the Company		**117,942**	116,648

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2011

	Attributable to owners of the Company					
	Share capital *US$'000*	**Share premium** *US$'000*	**Special reserve** *US$'000*	**Other reserve** *US$'000* *(Note)*	**Retained profits** *US$'000*	**Total** *US$'000*
At 1 April 2010 (audited)	40	—	—	—	72,651	72,691
Profit for the period representing total comprehensive income	—	—	—	—	2,702	2,702
Issue of shares	6	—	—	—	—	6
Special reserve arising from exchange of shares upon group reorganisation	(46)	—	46	—	—	—
Capitalisation of the amounts due to directors	—	—	—	13,636	—	13,636
At 30 September 2010 (unaudited)	—	—	46	13,636	75,353	89,035
At 1 April 2011 (audited)	**1,064**	**25,120**	**46**	**13,636**	**76,782**	**116,648**
Profit for the period and total comprehensive income	**—**	**—**	**—**	**—**	**1,294**	**1,294**
At 30 September 2011 (unaudited)	**1,064**	**25,120**	**46**	**13,636**	**78,076**	**117,942**

Note: Other reserve represents capitalisation of amounts due to directors, who are the ultimate controlling shareholders of the Company.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2011

	Six months ended 30 September	
	2011	2010
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Operating activities		
Profit before tax	**1,294**	2,702
Depreciation of property, plant and equipment	**5,975**	5,647
Others	**(21)**	(26)
	7,248	8,323
Increase in trade and other receivables	**(802)**	(1,072)
(Decrease)/increase in other payables and accruals	**(1,577)**	117
Net cash from operating activities	**4,869**	7,368
Investing activities		
Withdrawal/(placement) of pledged bank deposits	**1,550**	(1,088)
Purchase of property, plant and equipment	**(16)**	—
Net cash from/(used in) investing activities	**1,534**	(1,088)
Financing activities		
Repayment of bank loans	**(3,550)**	(6,150)
Others	**—**	6
Net cash used in financing activities	**(3,550)**	(6,144)
Net increase in cash and cash equivalents	**2,853**	136
Cash and cash equivalents at beginning of the period	**5,804**	461
Cash and cash equivalents at end of the period, represented by bank balances and cash	**8,657**	597

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2011

1. GENERAL

The Company was incorporated as an exempted company in the Cayman Islands with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 21 April 2010. The shares of the Company had been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 11 October 2010.

Pursuant to the corporate reorganisation (the "Corporate Reorganisation") to rationalise the Group's structure in preparation for the listing of the Company's shares on the Stock Exchange, Ablaze Rich Investments Limited ("Ablaze Rich"), a company incorporated in the British Virgin Islands which was held by Mr. Yan Kim Po ("Mr. Yan") and his wife, Ms. Lam Kwan ("Ms. Lam"), acquired the entire interest in Bryance Group Limited, Great Ocean Shipping Limited, Greater Shipping Co., Ltd., Joy Ocean Shipping Limited and Union Apex Mega Shipping Limited (collectively referred to as the "Subsidiaries"), which were directly or indirectly held by Mr. Yan and Ms. Lam, by shares swap on 13 September 2010. Pursuant to the above Corporate Reorganisation, the Company was incorporated and interspersed between Ablaze Rich and the Subsidiaries, and became the holding company of the companies now comprising the Group on the same date. Details of the Corporate Reorganisation are set out in the section headed "Reorganisation" in Appendix V to the prospectus of the Company dated 27 September 2010.

The Corporate Reorganisation completed on 13 September 2010 was regarded as a reorganisation of companies under common control. Accordingly, the Group resulting from the Corporate Reorganisation including the Company and its subsidiaries is regarded as a continuing entity. The condensed consolidated financial statements are prepared using merger accounting based on the guidance in Accounting Guideline 5 "Merger accounting for common control combinations" as if the Corporate Reorganisation had occurred from the date when the combining entities first came under the control of the ultimate controlling party.

The condensed consolidated financial statements 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 (the "Listing Rules") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies used in the condensed consolidated financial statements for the six months ended 30 September 2011 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2011.

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

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HKAS 24 (Revised 2009)	Related Party Disclosures
HK(IFRIC) — Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC) — Int 19	Extinguishing Financial Liabilities with Equity Instruments

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

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

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

[1] Effective for annual periods beginning on or after 1 July 2012.

[2] Effective for annual periods beginning on or after 1 January 2013.

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

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable for services rendered by the Group to outside customers and less discounts.

	Six months ended 30 September	
	2011	2010
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Time charter income	**8,383**	14,348
Voyage charter income	**2,323**	—
Service income	**3,279**	2,453
	13,985	16,801

HKFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (i.e. executive directors) in order to allocate resources to segments and to assess their performance. The information reported to the Group's chief operating decision maker for the purpose of resource allocation and assessment of performance is prepared based on the overall operation of vessels on a combined basis, hence the Group has only one operating segment.

The chief operating decision maker regularly reviews the revenue components of time charter income, voyage charter income and service income, which is considered as a single operating segment on a combined basis. The gross profit and profit before tax are also reported internally on a combined basis for the resources allocation and performance assessment by the chief operating decision maker. Accordingly, no separate segment information is prepared.

4. OTHER INCOME

	Six months ended 30 September	
	2011	2010
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Interest income from bank deposits	**2**	—
Finance income	**82**	72
Others	**21**	77
	105	149

5. FINANCE COSTS

	Six months ended 30 September	
	2011	2010
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Interest on bank loans		
— wholly repayable within five years	**43**	81
— not wholly repayable within five years	**665**	321
Loan arrangement fee	**75**	43
	783	445

6. TAXATION

No provision for Hong Kong Profits Tax has been made for the Group's overseas subsidiaries as its income neither arises in, nor is derived from, Hong Kong during the six months ended 30 September 2011 and 2010.

No provision for Hong Kong Profits Tax has been made for the Group's subsidiary incorporated in Hong Kong as the subsidiary has no assessable profit during the six months ended 30 September 2011 and 2010.

In the opinion of the directors, there is no taxation arising in other jurisdictions.

7. PROFIT FOR THE PERIOD

	Six months ended 30 September	
	2011	2010
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	**5,975**	5,647

8. DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 30 September 2011 (1.4.2010 to 30.9.2010: nil).

9. BASIC EARNINGS PER SHARE

For the six months ended 30 September 2011, the number of shares for the purpose of basic earnings per share has been determined on the basis of 830,000,000 ordinary shares in issue throughout the period.

For the six months ended 30 September 2010, the number of shares for the purpose of basic earnings per share has been determined on the basis of 640,000,000 ordinary shares issued pursuant to the Corporate Reorganisation and the capitalisation issue on 8 October 2010 that were deemed to have become effective on 1 April 2010.

No diluted earnings per share has been presented for both periods as the Company has no potential ordinary shares outstanding during both periods.

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2011, the Group acquired property, plant and equipment at a cost of US$16,000 (1.4.2010 to 30.9.2010: nil).

11. RESTRICTED BANK DEPOSITS/PLEDGED BANK DEPOSITS

The restricted bank deposits represent minimum deposits to be maintained throughout the terms of the bank loans.

The pledged deposits have been placed in designated banks as part of the securities provided for long-term bank loans granted to the Group. However, the balances in excess of quarterly loan installments can be withdrawn by the Group from time to time and so classified as current assets.

12. TRADE AND OTHER RECEIVABLES

Time charter income and service income are prepaid in advance. The credit period granted by the Group to the customers of voyage charter is within 7 days after completion of loading, signing and/or releasing bill of lading.

The following is an analysis of trade receivables presented based on the invoice date at the end of the reporting period:

	30 September 2011	31 March 2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Trade receivables		
0–30 days	**137**	571
31–365 days	**58**	218
Over 365 days	**94**	41
	289	830
Other receivable, prepayment and deposits	**3,805**	2,462
	4,094	3,292

13. OTHER PAYABLES AND ACCRUALS

	30 September 2011	31 March 2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Other payables and accruals	**621**	606
Receipts in advance from charterers	**1,225**	2,831
	1,846	3,437

14. BANK LOANS

	30 September 2011 *US$'000* (Unaudited)	31 March 2011 *US$'000* (Audited)
Bank loans	**54,900**	58,450
Loan arrangement fee	**(711)**	(786)
	54,189	57,664

Bank loans are repayable as follows:

Within one year	**9,723**	10,456
More than one year, but not exceeding two years	**4,986**	5,485
More than two years, but not exceeding five years	**13,606**	13,556
Over five years	**25,874**	28,167
	54,189	57,664
Less: Amounts due within one year shown under current liabilities	**(9,723)**	(10,456)
Amounts due after one year	**44,466**	47,208

During the period, the Group made repayment of bank loans amounting to US$3,550,000 (1.4.2010 to 30.9.2010: US$6,150,000).

15. SHARE CAPITAL

The following changes in the share capital of the Company took place during the period from 21 April 2010 (date of incorporation) to 30 September 2011:

	Notes	Number of ordinary shares at HK$0.01 per share	Amount *HK$*
Authorised:			
At 21 April 2010 (date of incorporation)	a	38,000,000	380,000
Increase in authorised share capital	b	962,000,000	9,620,000
At 30 September 2010, 31 March 2011 and 30 September 2011		1,000,000,000	10,000,000
Issued:			
Allotted and issued on 21 April 2010	a	1	—
Issue of shares upon completion of Corporate Reorganisation on 13 September 2010	b	499	5
At 30 September 2010		500	5
Capitalisation issue	c	639,999,500	6,399,995
Issue of shares upon the public offer and the placing	d	190,000,000	1,900,000
At 31 March 2011 and 30 September 2011		830,000,000	8,300,000

	30 September 2011 *US$'000* (Unaudited)	31 March 2011 *US$'000* (Audited)
Shown in the condensed consolidated financial statements	**1,064**	1,064

Notes:

a. The Company was incorporated on 21 April 2010 with an authorised share capital of HK$380,000 divided into 38,000,000 ordinary shares of HK$0.01 each. On the same date, one subscriber share was issued.

b. On 13 September 2010, the authorised share capital of HK$380,000 was increased by HK$9,620,000 divided into 962,000,000 ordinary shares, of which 499 shares were allotted and issued on the same date. These new shares ranked pari passu in all respects with the existing shares.

c. The directors of the Company were authorised to capitalise the amount of HK$6,399,995 (equivalent to US$821,000) standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 639,999,500 ordinary shares of HK$0.01 each of the Company for allotment and issue to the shareholders of the Company on the register of members of the Company on 13 September 2010. On 8 October 2010, the directors of the Company allotted and issued such shares as aforesaid and gave effect on the capitalisation issue.

d. On 8 October 2010, 160,000,000 ordinary shares of HK$0.01 were issued each pursuant to the Company's initial public offering at a price of HK$1.13 per share. On 11 October 2010, the shares of the Company were listed on the Stock Exchange. On 12 October 2010, a further 30,000,000 ordinary shares of HK$0.01 each were issued at HK$1.13 per share pursuant to the exercise of an over-allotment option.

16. PLEDGE OF ASSETS

At the end of the reporting period, the Group had pledged the following assets to banks as securities against banking facilities granted to the Group:

	30 September 2011	31 March 2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Property, plant and equipment	**153,560**	159,534
Pledged bank deposits	**2,048**	3,598
	155,608	163,132

17. EVENTS AFTER THE END OF THE REPORTING PERIOD

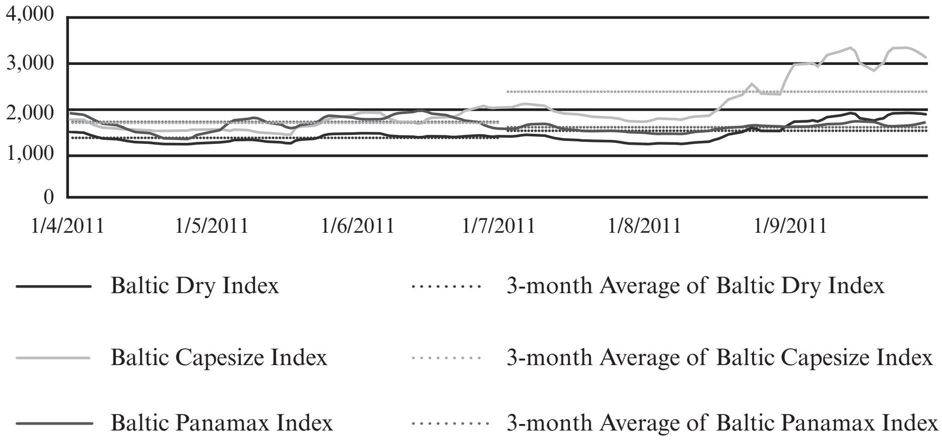
On 21 October 2011, the board of directors of the Company approved the grant of a total of 17.7 million share options by the Company, each carrying the right to subscribe for one share of par value of HK$0.01 each, at the exercise price of HK$1.15 per share to directors and employees of the Group (the "Grantees"), subject to their acceptance, under the share option scheme adopted by the Company on 19 August 2011 (the "Scheme"). The share options shall entitle the Grantees to subscribe for a total of 17.7 million new ordinary shares of par value HK$0.01 each in the share capital of the Company, representing approximately 2.13% of the issued share capital of the Company as at the date of approval of the Scheme. Details of the grant of share options under the Scheme are set out in the Company's announcement dated 21 October 2011.

The Group will account for the share options by recognising an expense over the vesting period.

MANAGEMENT DISCUSSION AND ANALYSIS

Market review

The Baltic Dry Index
April 2011 — September 2011



	Baltic Dry Index	Baltic Capesize Index	Baltic Panamax Index
1 April 2011 – 30 September 2011 (half year average)	1,459	2,056	1,665
1 April 2011 – 30 June 2011 (3-month average)	1,379	1,704	1,727
1 July 2011 – 30 September 2011 (3-month average)	1,534	2,381	1,609

Spot rates of the dry bulk freight market hovered at low levels for the six months ended 30 September 2011 as a result of the combined effect of the large number of delivery and usage of newly built vessels and small growth in demand for marine transportation of dry bulk cargoes. The Baltic Panamax Index, a direct indication of the business environment of the Group's fleet, varied from 1,925 points as at 1 April 2011 to 1,726 points as at 30 September 2011, having hit 1,978 points as at 15 June 2011, the highest during the six-month period. Freight rates under substantial pressure coupled with record high fuel oil prices have undermined fleet operating performance and resulted in fluctuations of the overall Baltic Dry Index and indices of other vessel types hovering at low levels.

According to statistics from ship brokers, during the period from 1 April 2011 to 30 September 2011, 592 newly built dry bulk vessels of approximately 50 million dwt had been delivered and used, representing a growth of approximately 8% in the world dry bulk fleet size during the six-month period. However, the insignificant growth in demand for marine transportation of cargoes, among which the trade volume and marine transportation volume of Panamax vessels merely increased by 0.9% and 1.8%, respectively, during the first half of 2011, has put the overall freight market under mounting pressure of excessive supply. Nonetheless, the market was relieved to some extent by the substantial increase in demolition of aged vessels due to the pressure of declining freight rates. According to market statistics, during the period from 1 April 2011 to 30 September 2011, 231 aged dry bulk vessels of approximately 15 million dwt had been demolished, accounting for approximately 2.5% of the current world dry bulk fleet size as at 30 September 2011 and representing an almost four times increase over the corresponding period in 2010.

Business overview

A16.46(3)

The Group's vessels maintained a sound technical and operational status with an overall operation rate as high as 98.3% and the average daily charter rate of our fleet reaching approximately US$14,313 per day for the six months ended 30 September 2011.

Time charter rates were lower than spot rates and transactions were rare as freight rates remained at depressed levels in the spot market. To adapt to the market changes, the Group avoided contracting out its vessels (except for GREAT HARVEST) under long term time charters which has been varied at low freight rates and operated in the spot market in a bid for short-term contract and seek and wait for more favorable market opportunities. Entering September, freight rates for Capesize vessels have increased by approximately 50%, with freight rates of other vessel types following the same upward trend. To generate higher operating revenue for the Group, we aim to capture higher charter rates for our vessels by tapping on the seasonal bullish market in the fourth quarter of 2011.

Outlook

A16.46(3)

Driven by favorable seasonal factors such as coal transportation and export of cereals from North America for winter demand, the spot rate for dry bulk has been rising since September 2011. In particular, the significant increase in spot rate of Capesize vessels has brought greater positive impact on the overall freight market and kicked off the winter freight market with an upward trend this year. However, it is currently expected that spot rate will only see a slight recovery going forward as a result of the lingering oversupply in the overall shipping market.

In 2012, the delivery and usage of newly built vessels will continue to be substantial, according to statistics on new vessel orders. Excessive vessel supply due to expansion in fleet size exceeding the growth in demand for marine transportation will continue to exert impact and pressure on the spot market in the coming year. Development of the time charter market will be even more difficult with a depressed spot rate market. A likely solution to the situation would be to speed up or at least keep up the pace of the demolition of aged vessels. According to statistics from ship brokers, vessels aged over 25 years in the current world dry bulk fleet aggregated to approximately 70 million dwt. As such, a demolition rate same as that of 2011 will certainly relieve the pressure arising from expansion in fleet size to a certain extent.

Amidst the current difficult and volatile operating environment, the Group aims to generate higher operating revenue and will insist on its prudent operating strategies by chartering out its vessels to creditworthy users at higher charter rates when market opportunities arise. In a bid to consolidate and expand our scope of business, we currently intend to identify new development opportunities and/or expand our business and diversify our income streams by actively considering expansion into other businesses, such as the upstream business, apart from the shipping business.

Financial review

Revenue

Revenue of the Group decreased from about US$16.8 million for the six months ended 30 September 2010 to about US$14.0 million for the six months ended 30 September 2011, representing a decrease of about US$2.8 million, or about 16.8%. It comprised time charter income of about US$8.4 million (constituted about 59.9% of the revenue of the Group), voyage charter income of about US$2.3 million (constituted about 16.6% of the revenue of the Group) and service income of about US$3.3 million (constituted about 23.5% of the revenue of the Group) for the period under review. Such decrease was mainly attributable to the decrease in average Daily TCE of the Group's fleet from about US$24,000 for the six months ended 30 September 2010 to about US$14,000 for the six months ended 30 September 2011.

Cost of services

Cost of services of the Group decreased from about US$11.2 million for the six months ended 30 September 2010 to about US$11.0 million for the six months ended 30 September 2011, representing a decrease of about US$0.2 million or about 1.8%. The decrease of cost of services was mainly due to (i) the decrease in depreciation expenses arising from the reassessment of residual value of vessels; (ii) the decrease in the dry-docking expenses accrued for GREAT HARVEST, one of the Group's Panamax dry bulk vessels; and (iii) partial offset by the effect of the operating costs of the new vessel, GH GLORY, which was acquired in the second half of last year.

Gross profit

Gross profit of the Group decreased from about US$5.6 million for the six months ended 30 September 2010 to about US$3.0 million for the six months ended 30 September 2011, representing a decrease of about US$2.6 million or about 46.9%, while the gross profit margin decreased from about 33.1% for the six months ended 30 September 2010 to about 21.1% for the six months ended 30 September 2011. The decrease in gross profit margin of the Group was attributable to the decrease in gross profit deriving from the time charter segment due to the decrease in average Daily TCE of the Group's vessels.

General and administrative expenses

General and administrative expenses of the Group increased from about US$0.9 million for the six months ended 30 September 2010 to about US$1.0 million for the six months ended 30 September 2011, representing an increase of about US$0.1 million or about 7.9%, mainly attributable to the expenses incurred by Union Apex Mega Shipping Limited, the Group's wholly-owned subsidiary in Hong Kong, which had been engaged in the administrative works for all the operation and commercial activities of our other operating subsidiaries since June 2010.

Finance costs

Finance costs of the Group increased from about US$0.4 million for the six months ended 30 September 2010 to about US$0.8 million for the six months ended 30 September 2011, representing an increase of about US$0.4 million or about 76.0%. Such increase was mainly attributable to the bank loan for the acquisition of GH GLORY.

Profit and total comprehensive income

Profit of the Group decreased from about US$2.7 million for the six months ended 30 September 2010 to about US$1.3 million for the six months ended 30 September 2011, representing a decrease of about US$1.4 million, or about 52.1%. Such decrease was mainly due to (i) the decrease in gross profit of about US$2.6 million; and (ii) the increase in finance costs of about US$0.4 million. As the decrease in gross profit and the increase in finance costs during the period under review were rather significant, the absence of listing expenses during the period under review, which amounted to about US$1.7 million for the six months ended 30 September 2010, was still insufficient to offset the decrease in the profit of the Group during the period under review.

Liquidity, financial resources, capital structure and gearing ratio

As at 30 September 2011, the Group's bank balances and cash amounted to about US$8.7 million (as at 31 March 2011: about US$5.8 million), of which about 98.6% were denominated in US$ and about 1.4% in HK$. Outstanding bank loans amounted to about US$54.2 million (as at 31 March 2011: about US$57.7 million), of which 100% (as at 31 March 2011: 100%) were denominated in US$.

As at 30 September 2011 and 31 March 2011, the Group had a gearing ratio (being the bank loans of the Group divided by the total assets of the Group) of about 31.3% and 32.4% respectively. The decrease in gearing ratio as at 30 September 2011 was mainly due to the repayment of the principal amount of the Group's bank loans.

The Group's net current assets/liabilities value position had improved from net current liabilities of about US$1.2 million as at 31 March 2011 to net current assets of about US$3.2 million as at 30 September 2011, representing an increase of about US$4.4 million, or about 369%. Such increase was mainly due to the repayments of bank loans by the Group.

The Group's liquidity requirements will be satisfied by a combination of cash flow generated from the working capital arising from operating activities and bank loans.

Bank loans and disclosure under Rules 13.13 to 13.19 of the Listing Rules

Pursuant to Rule 13.18 of the Listing Rules, a general disclosure obligation will arise where an issuer or any of its subsidiaries enters into a loan agreement that includes a condition imposing specific performance obligations on any controlling shareholders, such as a requirement to maintain a specified minimum holding in the share capital of the issuer. As at 30 September 2011, the Group recorded outstanding bank loans of about US$54.2 million. The bank loans, namely the First Loan[1], the Second Loan[2] and the Third Loan[3], were for financing the acquisition of vessels of the Group and were secured by, inter alia, the following:

- Corporate guarantee from the Company;
- First preferred mortgages over the vessels held by Bryance Group Limited ("**Bryance Group**"), Joy Ocean Shipping Limited ("**Joy Ocean**"), Great Ocean Shipping Limited ("**Great Ocean**") and Way Ocean Shipping Limited ("**Way Ocean**"), respectively;
- Assignment of the charter-hire income and insurance in respect of the vessels held by Bryance Group, Joy Ocean, Great Ocean and Way Ocean, respectively;
- Charges over shares of each of Bryance Group, Joy Ocean, Great Ocean and Way Ocean.

The above bank loans were provided to the Group on the conditions that, inter alia, Mr. Yan, Ms. Lam and/or any company controlled by them shall jointly hold at least 51% (for the First Loan and Third Loan) and at least 65% (for the Second Loan only) shareholding interests in the Company respectively. Moreover, in relation to the Second Loan, it will be an event of default if any two of Mr. Yan, Ms. Lam and Mr. Cao Jiancheng cease to be the executive Directors of the Company without the lender's consent.

Save as disclosed above, the Directors have confirmed that, as at the date of this announcement, there are no other circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

Notes:

1. First loan represents a term loan for the aggregate principal amount of US$65 million for the purpose of refinancing the former bank borrowings for the acquisitions of GH FORTUNE and GH RESOURCES, and for working capital purpose. US$35 million of the principal amount of such term loan shall be repaid by 36 quarterly instalments, and US$30 million thereof shall be repaid by 16 quarterly instalments, commencing 3 months from 9 January 2008.

2. Second Loan represents a term loan for the principal amount of US$39 million for the acquisition of GH POWER. The principal amount shall be repaid by 40 quarterly instalments commencing 3 months from 11 February 2008.

3. Third Loan represents a term loan for the principal amount of US$26 million for the acquisition of GH GLORY. 70% of the principal amount of the bank loan shall be repayable by 28 consecutive quarterly instalments of US$650,000 commencing three months from the drawdown date, and the remaining 30% of the principal amount of the loan to be repaid together with the last quarterly instalment. Further details are set out in the Company's announcement dated 19 November 2010.

Charges on assets

As at 30 September 2011, the Group had pledged the following assets to banks as securities against banking facilities granted to the Group:

	30 September 2011 *US$'000*	31 March 2011 *US$'000*
Property, plant and equipment	**153,560**	159,534
Pledged bank deposits	**2,048**	3,598
	155,608	163,132

Exposure to fluctuations in exchange rate risk and related hedges

The Group's transactions and monetary assets were primarily denominated in US$. Operating expenses of the Group's Hong Kong subsidiary were primarily denominated in HK$ and the bank loans of the Group were denominated in US$. As the Group does not have significant foreign currency transactions or balances, the Directors consider that the level of foreign currency exposure for the Group is relatively minimal.

During the six months ended 30 September 2011, the Group had not adopted any financial instruments for hedging purposes.

Contingent liabilities

There were no significant contingent liabilities for the Group as at 30 September 2011.

Interim dividend

The Board does not recommend any interim dividend for the six months ended 30 September 2011 (Dividend for the six months ended 30 September 2010: US$Nil).

Purchase, sale or redemption of the Company's listed securities

Neither the Company nor any of its subsidiaries had purchased, redeemed or cancelled any of the Company's listed securities during the six months ended 30 September 2011.

Employees

As at 30 September 2011, the Group had employed a total of 123 employees (as at 31 March 2011: 120 employees). For the six months ended 30 September 2011, the total salaries and related cost (including Directors' fees) amounted to approximately US$2.5 million (as at 31 March 2011: US$4.1 million). It is the Group's policy to remunerate its employees according to the relevant market situation, and accordingly the Group's employees' remuneration level remains at a competitive level and is adjusted in accordance with the employees' performance. Other benefits offered by the Group include mandatory provident fund scheme and medical insurance.

CODE ON CORPORATE GOVERNANCE PRACTICES (THE "CG CODE")

The Company has adopted the principles and code provisions set out in the CG Code contained in Appendix 14 to the Listing Rules. Throughout the six months ended 30 September 2011 and up to the date of this announcement, the Company has been in compliance with the code provisions set out in the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS ("MODEL CODE")

The Company has adopted the Model Code as its code of conduct regarding Directors' securities transactions.

The Directors have confirmed that, following specific enquiry by the Company, they have complied with the required standards as set out in the Model Code throughout the six months ended 30 September 2011 and up to the date of this announcement.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company has reviewed the unaudited condensed consolidated financial information of the Group for the six months ended 30 September 2011, which has also been reviewed by the Company's independent auditor, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (www.greatharvestmg.com). The interim report of the Company for the six months ended 30 September 2011 will also be despatched to the shareholders of the Company and published on the aforesaid website in due course.

For and on behalf of the Board
Great Harvest Maeta Group Holdings Limited
Yan Kim Po
Chairman

Hong Kong, 25 November 2011

As at the date of this announcement, the executive Directors are Mr. Yan Kim Po, Ms. Lam Kwan and Mr. Cao Jiancheng; and the independent non-executive Directors are Mr. Cheung Kwan Hung, Mr. Chan Chung Bun, Bunny and Mr. Wai Kwok Hung.