



Burwill *Holdings Limited*
寶威控股有限公司

(於百慕達註冊成立之有限公司)

股份代號：24

年 報 2009



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Corporate Information 公司資料

DIRECTORS

CHAN Shing, *Chairman & Managing Director*
SIT Hoi Tung, *Executive Director & Deputy General Manager*
YANG Dawei, *Executive Director*
LAU Ting, *Executive Director*
TUNG Pui Shan, *Virginia, Executive Director*
KWOK Wai Lam, *Executive Director*
YIN Mark, *Executive Director*
SHAM Kai Man, *Executive Director*
CUI Shu Ming, *Independent Non-Executive Director*
MIAO Gengshu, *Independent Non-Executive Director*
HUANG Shenglan, *Independent Non-Executive Director*
SZE Tsai Ping, *Michael, Non-Executive Director*

COMPANY SECRETARY

KWOK Wai Lam

AUDIT COMMITTEE

CUI Shu Ming
MIAO Gengshu
HUANG Shenglan

REMUNERATION COMMITTEE

CUI Shu Ming
HUANG Shenglan
SIT Hoi Tung

AUDITORS

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants

LEGAL ADVISERS

Appleby
Baker & McKenzie

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

董事

陳城(主席兼董事總經理)
薛海東(執行董事兼副總經理)
楊大偉(執行董事)
劉婷(執行董事)
董佩珊(執行董事)
郭偉霖(執行董事)
尹虹(執行董事)
岑啟文(執行董事)
崔書明(獨立非執行董事)
苗耕書(獨立非執行董事)
黃勝藍(獨立非執行董事)
史習平(非執行董事)

公司秘書

郭偉霖

審核委員會

崔書明
苗耕書
黃勝藍

薪酬委員會

崔書明
黃勝藍
薛海東

核數師

國衛會計師事務所
英國特許會計師
香港執業會計師

法律顧問

Appleby
貝克·麥堅時律師行

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda



Corporate Information 公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 1402, 14th Floor
Office Tower
Convention Plaza
1 Harbour Road
Wanchai, Hong Kong
Tel: (852) 2877 7368
Fax: (852) 2877 7037

PRINCIPAL SHARE REGISTRARS

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

BRANCH SHARE REGISTRARS IN HONG KONG

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Hong Kong

SHARE TRANSFER AGENT IN SINGAPORE

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
Singapore Land Tower #32-01
Singapore 048623

PRINCIPAL BANKERS

Bangkok Bank Public Company Limited
BNP Paribas
DBS Bank (Hong Kong) Limited
Fortis Bank
Societe Generale
Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

WEBSITE

www.burwill.com

總辦事處及主要營業地點

香港灣仔
港灣道1號
會議展覽廣場
辦公大樓14樓1402室
電話：(852) 2877 7368
傳真：(852) 2877 7037

股份過戶登記處

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
香港皇后大道東183號
合和中心17M樓

新加坡股份過戶代理

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
Singapore Land Tower #32-01
Singapore 048623

主要往來銀行

盤谷銀行
法國巴黎銀行
星展銀行(香港)有限公司
富通銀行
法國興業銀行
渣打銀行(香港)有限公司
香港上海匯豐銀行有限公司

互聯網址

www.burwill.com



Management Discussion and Analysis 管理層討論與分析

BUSINESS REVIEW AND OUTLOOK

The year 2009 was not only a year with turbulence and opportunities, but also a year when our Group worked hard to adjust our core business structure and aggressively developed our steel upstream resources.

Affected by the financial tsunami, the Group's performance was unsatisfactory. Due to the tepid demand of the international steel market, steel price and transactions plummeted. For the year ended 31 December 2009, the Group recorded a 61% decrease in turnover to approximately HK\$3.3 billion compared with a year ago. Gross profit dropped 56% to approximately HK\$98 million. Loss attributable to equity holders of the Company for the year was approximately HK\$4.65 million.

Steel Business

In the first half of 2009, the impacts of the financial tsunami spread to global markets. A credit crunch, funds shortage as well as the strong US dollar all led to the slump of commodity prices and a sharp drop in market demand. As a result, the CRU international iron price index fell 37.6% compared with the year before. Global crude steel productivity dropped except in China and India. Various adverse factors led to the sharp decrease of trade, which is rare. Entering the second half of the year, although the Chinese market improved, thanks to government policies to stimulate the economy, the real economy of North America and Europe recovered slowly with subdued demand and inverse prices. That led to a drastic drop in China's steel exports compared with the year before. According to China's National Bureau of Statistics, China exported only 24.6 million tons of steel in 2009, a substantial 58.5% slump compared with the same period a year ago. The Group's trade sector strictly controlled the risk, decreasing the trade volume to maintain a basic trade amount in the traditional markets including China, Southeast Asia, southern Europe and India. Profitability was maintained while the performance was below expectations.

業務回顧與展望

二零零九年是動盪與機遇並存的一年，亦是本集團著力調整核心業務結構、積極開拓鋼鐵上游資源的一年。

受金融海嘯影響，本集團業績表現未如理想。截至二零零九年十二月三十一日止之全年，因國際鋼鐵市場需求不振，鋼價和交易數額大幅下跌，本集團銷售收入較去年同期下跌61%，至約33億港元；毛利下跌56%，至約9,800萬港元；本公司權益持有人應佔年度虧損約465萬港元。

鋼鐵業務

二零零九年上半年，金融海嘯的影響持續波及全球各主要市場。信貸收縮、資金緊絀、美元轉強，商品價格下跌，市場需求極度萎縮，CRU國際鋼價指數較去年下跌37.6%。全球粗鋼產量除中國、印度之外均錄得跌幅，多種不利因素使得交易明顯減少，情況實屬罕見。踏入下半年，雖然中國市場受惠於政府一系列刺激經濟政策而獲得改善，但由於北美、歐洲實體經濟的復甦進程緩慢，購買力疲弱，價格倒掛，造成中國鋼鐵出口數額較去年同期銳減。據中國國家統計局統計，二零零九年中國出口各類鋼材僅2,460萬噸，較去年同期下跌58.5%之多。在此情況下，本集團貿易部門嚴格控制風險，相應減少交易數量，僅維持在傳統銷售區域如中國、東南亞、南歐、印度等相關市場的基本貿易額，雖能保持盈利能力，但業績仍遜於預期。



Management Discussion and Analysis 管理層討論與分析

BUSINESS REVIEW AND OUTLOOK (continued)

Steel Business (continued)

In respect to the steel processing business, the Group's two factories in Dongguan reached an impasse of shrinking exports and dropping selling price, which resulted in a loss. In recent years, all processing companies dominated by foreign enterprises in the Pearl River Delta area face strong competition and a difficult business climate. Influenced by the financial tsunami, orders from America and Europe fell, adding to the misery of the steel processing business. Although sales orders at the two factories were slightly higher in the second half of 2009, the overall environment did not see improvement.

In order to aggressively seek market opportunities and to boost its competitiveness amid a global economic recovery, the Group set out four priorities during the year for long-term growth and expansion.

With respect to steel procurement and the expansion of a marketing network, the Group not only continues to solid the traditional markets in China and Asia, but also strives to speed up the development of markets in Europe, Central and South America, North Africa and the Middle East. That is in line with the trend that China will become the world's biggest steel net exporter. The opening of a representative office in Greece and the upgrading of the office in Turkey to a branch during the year marked the expansion of the Group's business operations in the Middle East as well as southern and eastern Europe.

In terms of getting a steady supply of upstream resources of steel, the Group successfully signed a five-year iron ore supply contract in July 2009 valued at US\$500 million with Australia's third largest iron ore producer, FMG. The deal provided a solid foundation for the development of our future global iron ore trade and enlarged the Group's income source and profitability.

業務回顧與展望(續)

鋼鐵業務(續)

鋼鐵加工業務方面，本集團位於東莞的兩間工廠全年陷入出口量萎縮和銷售價格下跌之困局，經營表現轉盈為虧。近年來，珠三角地區以外資為主體的加工企業均面臨競爭過度、轉型艱難的困境，又因金融海嘯波及，歐美訂單少之又少，對鋼鐵加工業務之影響可謂雪上加霜。儘管兩廠下半年接單情況略有好轉，但整體經營環境未見明顯改善。

對此，為積極尋求市場機遇，以期在全球實體經濟逐步復甦過程中迅速提升競爭力，並力爭拓展更加穩定和長期之盈利來源，本集團於年內相繼著手進行了四項重要工作。

在鋼材採購和營銷網絡建設方面，因應中國將作為全球最大的鋼材淨出口國的趨勢，本集團除繼續鞏固於中國和亞洲等傳統市場業務外，一直致力於加強對歐洲、中南美、北非、中東等市場的開拓，於年內增設希臘代表處，並將土耳其代表處升格為分公司，以展開中東、南歐及東歐等市場之業務。

在獲取鋼鐵上游資源的穩定供應方面，本集團於二零零九年七月成功與澳洲第三大鐵礦生產商FMG簽訂了為期逾五年、交易金額約5億美元的鐵礦砂供應合約，為未來鐵礦砂國際貿易的開展、擴大收入來源和盈利能力，奠定了穩固的基礎。



Management Discussion and Analysis 管理層討論與分析

BUSINESS REVIEW AND OUTLOOK (continued)

Steel Business (continued)

With respect to eliminating obsolete production capacity and increasing competitiveness, the two steel processing factories located in Guancheng and Changan, Dongguan, China, were combined and moved to the Changan factory area in the fourth quarter of 2009. The Group redeveloped the production line, eliminated some of the old machines and downsized frontline staff for the purposes of saving energy, controlling cost, optimizing production and management, and raising competitiveness. At the end of March 2010, the project was fundamentally completed. A self-owned plot covering over 45 acres was made available and can be utilized in future.

As part of the expansion of the mineral resources business, the Group signed a Share Purchase Agreement with Tai Xin Investment Limited to acquire a 51% stake in a target company for a consideration of HK\$500 million in November 2009. Meanwhile, the Group was granted a call option to acquire no less than 70% of the target company's issued share capital. Target company is engaged in exploiting, refining, processing and the sale of iron ore and refined iron ore. It also owns a large magnetite iron mine in Laiyang City, Shandong Province, covering an area of approximately 21 sq. km. The iron ore has many advantages, including rich reserves, a desirable geological location, and low cost in exploitation and mineral separation, scalable, along with potential of long-term exploiting and processing. The approval by the shareholders at the special general meeting was obtained and the deal of acquiring a 51% stake in the target company was completed on 31 March 2010. The Group believes the acquisition is of great significance. We are confident in the prospects of the iron ore, and that it will bring a positive and profound impact for the Group's long-term profitability.

業務回顧與展望(續)

鋼鐵業務(續)

在淘汰落後產能、強化企業競爭力方面，本集團於二零零九年第四季度將分散於中國東莞莞城和長安的兩間鋼鐵加工工廠合二為一，集中搬遷、合併至長安廠區，重新規劃和改造生產線，淘汰部份老舊設備，精簡一線人員，以期達致節能減耗、嚴控成本、優化生產和經營管理、強化企業競爭力之目的。於今年三月底，該項合併改造工程已基本完成，同時為本集團在東莞市區騰出一幅佔地逾45畝的自置土地資源，可留待日後用於適合之發展用途。

在積極開拓礦產資源業務方面，本集團於二零零九年十一月與Tai Xin Investment Limited訂立股份買賣協議，據此收購目標公司51%股權，總代價為5億港元。同時，本集團另外獲得收購目標公司不少於70%已發行股本的認購期權。目標公司從事鐵礦石、鐵精粉的開採、提煉及加工銷售業務，於中國山東省萊陽市境內擁有一超大型磁鐵礦，覆蓋面積約21平方公里。該鐵礦資源儲量豐富，地理位置優越，開採和選礦成本低廉，具有規模及長期開採、加工的潛力。經本集團股東特別大會批准，收購目標公司51%股權的交易已於二零一零年三月三十一日完成。本集團認為此收購意義重大，並對該鐵礦的發展前景充滿信心，相信這將對本集團未來長期的盈利貢獻帶來積極、深遠的影響。



Management Discussion and Analysis 管理層討論與分析

BUSINESS REVIEW AND OUTLOOK (continued)

Steel Business (continued)

Looking forward to the year 2010, the Group's operating environment is expected to improve considerably. The economy of China keeps on growing steadily; government measures to revive the economy have started to take effect; the moderately easy monetary policy has greatly improved liquidity; and the global economy is gradually bottoming out. After the inventory adjustment of steel companies, commodity prices began to rise, which drives the recovery of key steel markets in America, Europe and Asia. Especially when large infrastructure projects in India, Brazil and North Africa began to break ground, demand for steel imports and exports is expected to rise. In the first quarter, the prices of iron ore, steel scrap, coking coal and steam coal have risen. The prices of iron ore have doubled from last year's lowest levels, pushing up the cost of steel production and supporting steel prices. The global steel market is expected to see relatively balanced supply and demand.

According to the current orders and implementation status of sales contracts, the Group's trade sector is expected to be profitable this year. After consolidation and adjustment, the Dongguan factory, which has adopted product cost control programs and enhance the operation efficiency, will make efforts to turn into profit. To keep pace with the development of the magnetite iron mine in Laiyang City, Shandong Province, the brand-new No.1 Mineral Processing Plant has begun operation at the end of March. In addition, the No.2 Mineral Processing Plant will be completed and put into operation in the second half of this year. It is anticipated that the project will start to generate profits for the Group in 2010.

業務回顧與展望(續)

鋼鐵業務(續)

展望二零一零年，本集團經營環境有望獲得較大的改善。中國經濟依然將保持平穩增長，各國政府一系列振興經濟措施已開始見效，適度寬鬆的貨幣政策使得流動性大為改善，全球實體經濟已逐漸走出谷底。鋼鐵企業經過逾一年的去庫存化過程，商品價格恢復性上漲，帶動美洲、歐洲、亞洲各主要鋼鐵市場的復甦。尤其是印度、巴西、北非等國家和地區大型基建項目陸續動工，預期將刺激產生大量鋼材進出口需求。踏入第一季度，鐵礦石、廢鋼、焦煤、動力煤價格節節攀升，特別是鐵礦石價格已較去年低位上漲逾一倍之多，推動鋼鐵生產成本上升，對鋼材價格形成了有力的支撐，而全球整體鋼鐵市場有望於今年保持供需相對平衡的發展態勢。

根據已有訂單及已採購、銷售合約執行情況，預期本集團貿易部門在今年將有良好的盈利表現；經過合併和調整，東莞工廠嚴控成本，提升經營水平，將努力轉虧為盈；隨著山東萊陽磁鐵礦的開發，全新的第一選礦廠於三月底已建成投產，而第二選礦廠亦將於下半年建成投產，預期該項目將於年內開始為本集團帶來盈利貢獻。



Management Discussion and Analysis 管理層討論與分析

BUSINESS REVIEW AND OUTLOOK (continued)

Commercial Property Investment – Yangzhou Times Square

Yangzhou Times Square, an integrated shopping mall developed by the Group in China, was only slightly affected by the financial tsunami. The tenancy agreements of preferential rent covering 8,000m² signed during the opening of the Yangzhou Times Square, along with other leases involving near 10,000m², are due to expire within one to two years. Leveraging the healthy operation of Yangzhou Times Square, the increasing purchasing power of local consumers and newly signed contracts in the first quarter of this year with a substantial increase in shop rental, the Group believes the plaza's overall rent increments will further step up in the future.

Meanwhile, the Group has repurchased shops covering an area of over 3,600m² to raise its property ownership to facilitate the operation and management as well as to deliver capital gain. It is planned to renovate and upgrade the shopping mall facilities in one to two years. The Group will also introduce renowned brands to meet the development of the Yangzhou Times Square in the long run.

Listed Securities Investment – Lottery Business of Associated Company

China LotSynergy Holdings Limited (Stock code: 8161) ("CLS") was an associated company held by the Group since it was listed on the Growth Enterprise Market of the Hong Kong Stock Exchange. It is principally engaged in the provision of lottery systems, gaming products, terminal equipment and related technologies and marketing services to the public welfare lottery market in China. As of 31 December 2009, the Group directly held a 20.83% stake in CLS.

To clearly differentiate the businesses of the Group and CLS, providing a sound business positioning and rewarding the shareholders, the Group announced distributing 1.54 billion CLS shares with a market value of HK\$539 million to its shareholders on 15 December 2009. The distribution was completed on 27 January 2010 with the shareholders' approval at the special general meeting. Therefore, CLS is no longer the Group's associated company.

業務回顧與展望(續)

商業地產投資—揚州時代廣場

本集團於中國投資興建、經營的綜合性購物中心揚州時代廣場，受金融海嘯的影響輕微。在廣場開業時期以優惠租金簽訂的逾8,000平方米的合約，以及其他近1萬平方米的租約將陸續於今、明年到期。鑑於廣場經營日漸成熟，受惠於當地消費力不斷上升的市場環境，以及今年一季度部份新簽的合約已大幅調升租金，本集團相信未來廣場整體租金水平將獲提升。

同時，為加強業權，便於經營管理，以及獲取資產增值，本集團於年內回購了逾3,600平方米的舖位，並將在未來一、兩年對廣場進行動線改造、升級調整，以引入品牌，並藉此滿足廣場未來長期發展的需要。

上市股份投資—聯營公司彩票業務

本集團創辦及持有權益的聯營公司華彩控股有限公司(上市股份代號：8161)〔華彩〕是一家於香港聯交所創業板上市的公司，主要業務是為中國公益彩票市場提供彩票系統、遊戲產品、終端設備以及相關的技術與市場服務。於二零零九年十二月三十一日，本集團直接持有華彩20.83%的股權。

為了能夠清晰的區別本集團和華彩的不同業務，重新明確本集團的市場定位，並回饋本公司股東，本集團於二零零九年十二月十五日宣佈將其於最後可行日期投資持有的、市值約5.39億港元、共15.4億股華彩股份派送予本公司股東。經股東特別大會批准，派送已於二零一零年一月二十七日順利完成。故此，華彩將不再為本集團的聯營公司。



Management Discussion and Analysis 管理層討論與分析

LIQUIDITY AND FINANCIAL RESOURCES

In October 2009, the Company issued and allotted 310,000,000 new shares at a subscription price of HK\$0.35 per share, receiving net proceeds of approximately HK\$106,500,000. The issuance of new shares broadened the Company's capital base and enhanced the capital structure of the Group. As at 31 December 2009, the Group's total equity increased to HK\$1,588,051,000 (2008: HK\$1,469,321,000).

As at 31 December 2009, the Group had cash and bank balances of approximately HK\$293,639,000 (2008: HK\$361,849,000) and the current ratio, as a ratio of current assets to current liabilities, was 1.86 (2008: 1.76).

As at 31 December 2009, the total borrowings of the Group were approximately HK\$959,000,000 (2008: HK\$597,000,000) and their maturity profile was as follows:

		2009 HK\$ million 港幣百萬元	2008 HK\$ million 港幣百萬元
Within one year	一年內	567	444
In the second year	第二年	128	26
In the third to fifth year	第三年至第五年	231	74
In the sixth to tenth year	第六年至第十年	33	53
		959	597

The Group's borrowings were principally denominated in US Dollar, Renminbi and Hong Kong Dollar, and were charged interest at prevailing market rates.

As at 31 December 2009, the Group's gearing ratio, as a ratio of total borrowings net of total cash and cash equivalents to total equity, was 0.44 (2008: 0.19).

FOREIGN EXCHANGE RISK EXPOSURE

The Group considers that its operations are of minimal exchange risk as its receipts, payments, assets and liabilities are principally denominated in US Dollar, Renminbi and Hong Kong Dollar. Forward exchange contracts are used for hedging purposes when required.

資產流動性及財務資源

於二零零九年十月，本公司以每股認購價港幣0.35元發行及配發310,000,000股新股份，集資淨額約港幣106,500,000元。是次股份發行擴闊了本公司的資本基礎，並優化本集團的資本結構。於二零零九年十二月三十一日，本集團之總權益增加至港幣1,588,051,000元（二零零八年：港幣1,469,321,000元）。

於二零零九年十二月三十一日，本集團持有現金及銀行結餘約港幣293,639,000元（二零零八年：港幣361,849,000元）及流動比率（流動資產與流動負債相比）為1.86（二零零八年：1.76）。

於二零零九年十二月三十一日，集團之總貸款約為港幣959,000,000元（二零零八年：港幣597,000,000元），其還款期如下：

本集團貸款主要以美元、人民幣及港元為貨幣單位，支付市場息率利息。

於二零零九年十二月三十一日，本集團之借貸比率（總貸款扣除總現金及現金等價物之淨額與總權益相比）為0.44（二零零八年：0.19）。

外匯兌換風險

本集團之收入、支出、資產及負債均主要為美元、人民幣及港元。因此，本集團認為其經營之業務的外匯風險極低。於有需要時，會利用遠期外匯合約作對沖用途。



Management Discussion and Analysis 管理層討論與分析

CORPORATE GUARANTEES

As at 31 December 2009, the Group had the following outstanding corporate guarantees:

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Guarantee for general banking facilities granted to an associate	為聯營公司銀行融資作出之擔保	21,730	21,730
Guarantee for general banking facilities granted to a supplier	為供應商銀行融資作出之擔保	-	23,400
Guarantees given to banks for mortgage facilities granted to the buyers of the Group's properties	為集團物業購買者按揭貸款而向銀行作出之擔保	86	2,107
		21,816	47,237

CONTINGENT LIABILITIES

As at 31 December 2009, the Group had contingent liabilities relating to Mainland China land appreciation tax amounted to approximately HK\$30,009,000 (2008: HK\$30,009,000).

CAPITAL COMMITMENTS

As at 31 December 2009, the Group had no capital commitments (2008: HK\$16,000).

CHARGE ON ASSETS

As at 31 December 2009, the following assets were pledged: (i) certain leasehold land, land use rights and buildings with a net book amount of approximately HK\$141,338,000 (2008: HK\$113,982,000); (ii) certain motor vehicles and machinery with a net book amount of approximately HK\$4,577,000 (2008: HK\$5,905,000); and (iii) certain investment properties of approximately HK\$550,613,000 (2008: HK\$449,942,000).

STAFF

As at 31 December 2009, the Group employed 597 staff. Staff remuneration packages are structured and reviewed by reference to market terms and individual merits. The Group also provides other staff benefits which include year end double pay, contributory provident fund and medical insurance. Share options and discretionary bonus may also be granted to eligible staff based on individual and the Group performances. Training programmes for staff are provided as and when required.

公司擔保

於二零零九年十二月三十一日，本集團有以下未撇銷的公司擔保：

	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
	21,730	21,730
	-	23,400
	86	2,107
	21,816	47,237

或然負債

於二零零九年十二月三十一日，本集團有關中國土地增值稅的或然負債約港幣30,009,000元(二零零八年：港幣30,009,000元)。

資本承擔

於二零零九年十二月三十一日，本集團未有資本承擔(二零零八年：港幣16,000元)。

資產抵押

於二零零九年十二月三十一日，以下資產已予抵押：(i)部份租賃土地、土地使用權及樓宇帳面淨值約港幣141,338,000元(二零零八年：港幣113,982,000元)；(ii)部份車輛及機器帳面淨值約港幣4,577,000元(二零零八年：港幣5,905,000元)；及(iii)部份投資物業約港幣550,613,000元(二零零八年：港幣449,942,000元)。

僱員

於二零零九年十二月三十一日，本集團共僱用597名員工。僱員薪酬一般乃參考市場條件及根據個別表現制定及檢討。本集團並為僱員提供其它福利，包括年終雙糧、需供款之公積金及醫療保險。此外，本集團亦根據公司經營業績按員工個別表現而授出購股權及發放花紅，並會視乎需要為僱員提供培訓計劃。



Biographies of Directors 董事簡歷

Mr. CHAN Shing, aged 54

Chairman and Managing Director

Mr. CHAN joined the Group as Chairman and Managing Director in 1998. Mr. CHAN has over 20 years of experience in international trading of metal, the processing and manufacturing of related products, the management of industrial enterprises, the investment in industrial and commercial properties, the investment in marketable securities and corporate planning and management. Mr. CHAN is also an Executive Director of China LotSynergy Holdings Limited. Ms. LAU Ting is the spouse of Mr. CHAN.

Mr. SIT Hoi Tung, aged 44

Executive Director and Deputy General Manager

Mr. SIT joined the Group in 1998 and was appointed as an Executive Director in 2000. He was promoted to Deputy General Manager in 2006. Mr. SIT is also a Director of Burwill Resources Limited in-charge of contracts and import/export bills operation for metal trading. He graduated from the Finance Department of Jinan University in Guangzhou. He had worked for banking sector and metal trading companies and has over 16 years' experience in international metal trading and import/export bills operation.

Mr. YANG Dawei, aged 57

Executive Director

Mr. YANG joined the Group in March 2001 and is an Executive Director. Mr. YANG is a Senior Economist of the PRC. In mid-1980's, he was employed as the Head of Changzhou Tractor Company, Jiangsu Province; the Chairman of Changzhou City Labour Union and the Head of Liyang City, Jiangsu Province. In mid 1990's, he was elected as Routing Deputy Mayor of Changzhou City Government, Jiangsu Province. He is currently the Chairman of the Jiangsu Overseas Group Corp. and the Chairman and President of Zhong Shan Company Limited, the window company of the Jiangsu Province in Hong Kong. He has got over 20 years of experience in corporate planning and management, international trade, corporate finance and project investment, international economic and technology cooperation.

陳城先生，五十四歲

主席兼董事總經理

陳先生於一九九八年加入本集團為主席兼董事總經理。陳先生在國際金屬貿易及加工製造相關之產品，以及工商企業管理、工商物業投資、有價證券投資及企業策劃與管理方面擁有逾二十年經驗。陳先生亦為China LotSynergy Holdings Limited(華彩控股有限公司)之執行董事。劉婷女士為陳先生之配偶。

薛海東先生，四十四歲

執行董事兼副總經理

薛先生於一九九八年加入本集團，並於二零零零年獲委任為執行董事。二零零六年獲晉升為副總經理。薛先生亦為寶威物料供應有限公司董事，主管金屬貿易的合同及出入口票據結算運作。彼於廣州暨南大學金融系畢業，曾任職銀行界及金屬貿易公司，彼在國際金屬貿易及出入口票據結算方面擁有逾十六年經驗。

楊大偉先生，五十七歲

執行董事

楊先生於二零零一年三月加入本集團，為執行董事。楊先生為高級經濟師，於八十年代中曾任江蘇省常州市拖拉機公司負責人、常州市總工會主席、江蘇省溧陽市負責人，於九十年代中起任常州市人民政府常務副市長，現任江蘇省海外企業集團有限公司董事長、江蘇省駐香港窗口公司鍾山有限公司董事長兼總裁。楊先生在企業策劃、經營管理及國際貿易、融資投資、國際經濟技術合作等多方面擁有逾二十年的經驗。



Biographies of Directors 董事簡歷

Ms. LAU Ting, aged 53

Executive Director

Ms. LAU joined the Group as an Executive Director in 1998. Ms. LAU has over 18 years of experience in business development and strategic planning, project investment and financial management. She is the spouse of Mr. CHAN Shing. Ms. LAU is also the Chairman and the Chief Executive Officer of China LotSynergy Holdings Limited.

Ms. TUNG Pui Shan, Virginia, aged 43

Executive Director

Ms. TUNG joined the Group in 1988 and is an Executive Director. Ms. TUNG is currently in-charge of the Investment Division. She holds a bachelor's degree in Management Sciences from the University of Manchester, United Kingdom.

Mr. KWOK Wai Lam, aged 47

Executive Director

Mr. KWOK joined the Group in 1994 and is an Executive Director. He is also the Company Secretary and the Group's Financial Controller. Mr. KWOK has over 20 years' experience in the areas of auditing, finance and accounting. He is a Fellow of The Association of Chartered Certified Accountants.

Mr. YIN Mark, aged 52

Executive Director

Mr. YIN joined the Group in 1998 and was appointed as an Executive Director in 1999. He graduated from Guangzhou Foreign Language University and worked for China National Metals and Minerals Import and Export Corporation (renamed China Minmetals Corporation) and European multinational steel manufacturing and trading company. He is currently the President of Burwill Steel Pipes Limited, and is in-charge of the Group's steel processing division and responsible for its daily management, business planning and development. He has over 30 years of experience in international metal trading.

劉婷女士，五十三歲

執行董事

劉女士於一九九八年加入本集團為執行董事。劉女士在企業發展策劃、項目投資、金融及財務管理方面擁有逾十八年經驗。劉女士乃陳城先生之配偶。劉女士同時為China LotSynergy Holdings Limited(華彩控股有限公司)之主席兼行政總裁。

董佩珊女士，四十三歲

執行董事

董女士於一九八八年加入本集團，現任執行董事，現時主管投資部。彼持有英國曼徹斯特大學(University of Manchester)頒發之管理學學士學位。

郭偉霖先生，四十七歲

執行董事

郭先生於一九九四年加入本集團，現任執行董事。彼為本公司公司秘書及集團財務總監。郭先生具有逾二十年之核數、財務及會計經驗。彼乃英國特許公認會計師公會資深會員。

尹虹先生，五十二歲

執行董事

尹先生於一九九八年加入本集團，並於一九九九年獲委任為執行董事。彼於廣州外國語學院畢業，曾於中國五金礦產進出口總公司(現稱中國五礦集團公司)及歐洲鋼鐵製造、跨國貿易機構任職，現任寶威鋼管有限公司董事長，負責集團鋼鐵加工部之日常統籌、業務策劃及發展。彼在國際金屬貿易方面擁有逾三十年經驗。



Biographies of Directors 董事簡歷

Mr. SHAM Kai Man, aged 43

Executive Director

Mr. SHAM joined the Group in 2000 and was appointed as an Executive Director in July 2009. He is the Managing Director of Burwill Resources Limited, a subsidiary of the Company, in charge of the Group's steel and mineral trading business. Mr. SHAM graduated from The University of Hong Kong and, prior to joining the Group, had worked for a multinational steel trading company for 7 years. He has over 16 years extensive experience in steel trading and gains good international connections.

Mr. CUI Shu Ming, aged 73

Independent Non-Executive Director

Mr. CUI joined the Group as an Independent Non-Executive Director in 1998. Mr. CUI graduated from People's University of China. He was the Deputy Head of the Bank of China, Jiangsu branch, the Executive Director of The National Commercial Bank, Ltd. and the General Manager of its Hong Kong branch, a Director and the Executive Vice President of The Ka Wah Bank Ltd.. Mr. CUI is currently an Independent Non-Executive Director of China LotSynergy Holdings Limited and Yue Da Mining Holdings Limited, both are listed companies in Hong Kong. He has over 40 years' experience in international finance and corporate planning and management.

Mr. MIAO Gengshu, aged 68

Independent Non-Executive Director

Mr. MIAO joined the Group as an Independent Non-Executive Director in December 2008. He is a senior economist, graduated from Tianjin Institute of Finance and Economics with major in economics and trade. He is currently the president of China Council for International Investment Promotion, the chairman of Sinotrans CSC Group (name changed after the merging of China National Foreign Trade Transportation (Group) Corporation and China Changjiang National Shipping (Group) Corporation), the chairman representing the Chinese side in the Sino-Brazil Business Council and a vice chairman of China International Trade Society. Mr. MIAO was a member of the 10th National Committee of Chinese People's Political Consultative Conference ("CPPCC") and a member of the Foreign Affairs Committee of the CPPCC. He was the president of China Minmetals Corporation, the general manager of Shanghai Metals & Minerals Import & Export Company and a deputy director general of Shanghai Foreign Economics & Trade Commission.

岑啟文先生，四十三歲

執行董事

岑先生於二零零零年加入本集團，並於二零零九年七月獲委任為執行董事，彼為本公司附屬公司寶威物料供應有限公司董事總經理，主管集團鋼鐵及礦產貿易進出口業務。岑先生畢業於香港大學，加入本集團前曾於跨國鋼鐵貿易公司任職七年，具國際人脈關係，在鋼鐵貿易方面擁有逾十六年的豐富經驗。

崔書明先生，七十三歲

獨立非執行董事

崔先生於一九九八年加入本集團為獨立非執行董事。崔先生於中國人民大學畢業。他曾任中國銀行江蘇省分行副行長、浙江興業銀行常務董事兼香港分行總經理、香港嘉華銀行董事兼執行副總裁。崔先生現時為香港上市公司China LotSynergy Holdings Limited(華彩控股有限公司)及悅達礦業控股有限公司之獨立非執行董事。彼在國際金融、企業策劃及管理等方面擁有逾四十年經驗。

苗耕書先生，六十八歲

獨立非執行董事

苗先生於二零零八年十二月加入本集團為獨立非執行董事。苗先生為高級經濟師，畢業於天津對外貿易學院經濟貿易專業。苗先生現為中國國際投資促進會會長、中國外運長航集團有限公司(中國對外貿易運輸(集團)總公司與中國長江航運(集團)總公司合併後更改之名稱)董事長、中國—巴西企業家委員會中方主席、中國國際貿易學會副會長。苗先生為中國人民政治協商會議第十屆全國委員會委員及外事委員會委員。他曾任中國五礦集團公司總裁、上海五金礦產進出口公司經理及上海市對外經濟貿易委員會副主任等高職。



Biographies of Directors 董事簡歷

Mr. HUANG Shenglan, aged 58

Independent Non-Executive Director

Mr. HUANG joined the Group as an Independent Non-Executive Director in September 2004. Mr. HUANG was an executive director and the deputy governor of China Everbright Bank, Head Office and was an executive director and the general manager of China Everbright Technology Limited. Mr. HUANG holds a diploma in Arts from Huazhong Normal University and in International Economics from Huadong Normal University and a certificate in International Economic Law from Xiamen University and in Advanced Management Programme from the Business School of Harvard University, USA. Mr. HUANG is also an Independent Non-Executive Director of China LotSynergy Holdings Limited, Symphony Holdings Limited and Chongqing Road & Bridge Co. Ltd.

Mr. SZE Tsai Ping, Michael, aged 64

Non-Executive Director

Mr. SZE was appointed as a Non-Executive Director in 2000. Mr. SZE has over 30 years of experience in the financial and securities field. He graduated with a Master of Laws (LLM) Degree from The University of Hong Kong. He is currently a Member of the Securities and Futures Appeals Tribunal. He was a former Council Member, Member of the Main Board Listing Committee of The Stock Exchange of Hong Kong Limited, Member of the Cash Market Consultative Panel of Hong Kong Exchanges and Clearing Limited and a former Independent Non-Executive director of C Y Foundation Group Limited. Mr. SZE is an Independent Non-Executive Director of GOME Electrical Appliances Holding Limited, Greentown China Holdings Limited, Harbour Centre Development Limited and Walker Group Holdings Limited, all of which are listed on the Stock Exchange. Mr. SZE is a Fellow of the Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He is also a Fellow of the Hong Kong Institute of Directors Limited.

黃勝藍先生，五十八歲

獨立非執行董事

黃先生於二零零四年九月加入本集團為獨立非執行董事。黃先生曾任中國光大銀行總行執行董事兼副行長及中國光大科技有限公司執行董事兼總經理。黃先生持有華中師範大學文學、華東師範大學國際經濟學文憑和廈門大學國際經濟法學及美國哈佛大學商學院高級管理課程證書。黃先生同時為China LotSynergy Holdings Limited(華彩控股有限公司)、新豐集團有限公司及重慶路橋股份有限公司之獨立非執行董事。

史習平先生，六十四歲

非執行董事

史先生於二零零零年獲委任為本集團之非執行董事。史先生在財經及證券界逾三十年經驗，持有香港大學法律碩士學位。彼現時為證券及期貨事務上訴審裁處委員。史先生曾出任香港聯合交易所有限公司理事、主板上市委員會委員、香港交易及結算所有限公司現貨市場諮詢小組委員會委員及中青基業集團有限公司獨立非執行董事。現時，史先生為國美電器控股有限公司、綠城中國控股有限公司、海港企業有限公司及盈進集團控股有限公司(以上皆為香港之上市公司)之獨立非執行董事。史先生為英格蘭及威爾斯會計師公會、香港會計師公會及英國特許公認會計師公會之資深會員。他同時亦為香港董事學會之資深會員。



Report of Directors 董事局報告

The board of Directors of the Company presents to the shareholders their report together with the audited financial statements of Burwill Holdings Limited (the "Company") and its subsidiaries (collectively known as the "Group") for the year ended 31 December 2009.

FINANCIAL RESULTS

The results of the Group for the year ended 31 December 2009 are set out in the consolidated income statement on page 47.

The respective state of affairs of the Group and the Company as at 31 December 2009 are set out in the balance sheets on pages 45 and 46.

The Group's cash flows are set out in the consolidated statement of cash flows on pages 51 and 52.

PRINCIPAL ACTIVITIES AND SEGMENT ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding.

Following the completion of the acquisition of magnetite iron ore mining businesses in the PRC on 31 March 2010, the principal activities of the Group are steel trading, steel processing, mineral resources exploration and development and commercial property investment.

The Group's segment results for the year and other segment information are set out in note 5 to the consolidated financial statements.

DIVIDEND

No interim dividend was paid during the year.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2009 (2008: Nil).

本公司董事局謹向各股東提呈Burwill Holdings Limited(寶威控股有限公司)(「本公司」)及其附屬公司(合稱「本集團」)截至二零零九年十二月三十一日止年度之董事局報告及經審核財務報表。

財務業績

本集團截至二零零九年十二月三十一日止年度之業績載列於第47頁之綜合損益表內。

本集團及本公司於二零零九年十二月三十一日之財務狀況已分別載列於第45頁及第46頁之資產負債表內。

本集團之現金流動情況載列於第51頁及第52頁之綜合現金流量表內。

主要業務及營運分類分析

本公司之主要業務為投資控股公司。

自二零一零年三月三十一日完成收購中國磁鐵礦業務，本集團之主要業務為鋼鐵貿易、鋼鐵加工、礦產資源勘探及開發、商業房地產投資。

本集團之年度分部業績及其它分部資料載列於綜合財務報表附註5。

股息

本年度並無派付中期股息。

董事局不擬就截至二零零九年十二月三十一日止年度派付末期股息(二零零八年：無)。



Report of Directors 董事局報告

MAJOR SUPPLIERS AND CUSTOMERS

The percentage of purchases attributable to the Group's major suppliers are as follows:

- the largest supplier
- five largest suppliers combined

The percentage of sales attributable to the Group's five major customers combined is less than 30%.

None of the Directors, their respective associates nor shareholders (which to the knowledge of the Directors own more than 5% of the Company's share capital) had any interest in the above suppliers or customers at any time during the year.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

The movements in property, plant and equipment and investment properties during the year are set out in notes 7 and 8 to the consolidated financial statements.

The particulars of properties held by the Group for investment as at 31 December 2009 are set out on page 155.

SUBSIDIARIES AND ASSOCIATES

The particulars of the Company's principal subsidiaries and associates as at 31 December 2009 are set out in notes 9 and 10 to the consolidated financial statements.

BANK LOANS

The particulars of the Group's bank loans are set out in note 19 to the consolidated financial statements.

The Group's bank loans were denominated in Hong Kong Dollar, US Dollar and Renminbi. As at 31 December 2009, around 78% of the Group's bank loans were denominated in Hong Kong Dollar and US Dollar. All the bank loans bear interest at prevailing market rates.

主要供應商及客戶

本集團之主要供應商所佔購貨額之百分比如下：

	%
	百分比
– 最大供應商	10
– 五大供應商合併購貨額	36

本集團之五大主要客戶合併佔營業額之百分比少於30%。

各董事、其各自聯繫人或據董事局所知擁有本公司股本中5%以上權益之股東，於本年度內任何時間概無擁有上述供應商或客戶之任何權益。

物業、機器及設備及投資物業

本年度內物業、機器及設備及投資物業之變動情況載列於綜合財務報表附註7及8。

本集團於二零零九年十二月三十一日持有之投資物業資料載列於第155頁。

附屬公司及聯營公司

本公司於二零零九年十二月三十一日之主要附屬公司及聯營公司資料載列於綜合財務報表附註9及10。

銀行貸款

本集團之銀行貸款之資料載於綜合財務報表附註19。

借予集團銀行貸款乃以港元、美元及人民幣為貨幣單位。於二零零九年十二月三十一日，本集團約78%之銀行貸款均為港元及美元貸款。所有銀行貸款均按目前市場息率支付利息。



Report of Directors 董事局報告

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 17 to the consolidated financial statements.

RESERVES

Details of movements in reserves during the year are set out in note 18 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2009, the Company's reserves available for distribution to shareholders calculated in accordance with the Companies Act 1981 of Bermuda amounted to HK\$133,631,000 (2008: HK\$141,709,000).

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws although there is no statutory restriction against the granting of such rights under the laws of Bermuda.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2009.

SHARE OPTION SCHEME

The share option scheme (the "Scheme") was duly adopted by the shareholders of the Company at the 2002 Annual General Meeting held on 6 June 2002, details of which are set out as follows:

(I) Summary of terms of the Scheme

(i) Purpose of the Scheme

The purpose of the Scheme is to provide incentives to Participants (as stated in paragraph (ii)) to contribute to the Group and to enable the Group to recruit high-calibre employees and attract resources that are valuable to the Group.

股本

本公司股本於本年度之變動情況詳列於綜合財務報表附註17。

儲備

本年度內儲備之變動情況詳列於綜合財務報表附註18。

可分派儲備

於二零零九年十二月三十一日，按照百慕達一九八一年公司法所計算，本公司可分派予股東之儲備為港幣133,631,000元(二零零八年：港幣141,709,000元)。

股份優先購買權

百慕達法律對授出股份優先購買權並無法定限制，本公司之章程細則亦無就授出該等權利作出規定。

購買、出售或贖回本公司上市證券

截至二零零九年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

購股權計劃

購股權計劃(「購股權計劃」)已於二零零二年六月六日舉行之二零零二年度股東週年大會上獲本公司股東批准採納，詳情如下：

(I) 購股權計劃主要條款

(i) 購股權計劃之目的

購股權計劃旨在鼓勵參與者(見本文(ii)段)為本集團作出貢獻，及讓本集團得以羅致具才幹之僱員，以及吸納對本集團具價值之資源。



Report of Directors 董事局報告

SHARE OPTION SCHEME (continued)

(I) Summary of terms of the Scheme (continued)

(ii) Participants

Any person being an employee, officer, buying agent, selling agent, consultant, sales representative or marketing representative of, or supplier or provider of goods or services to, the Group, including any executive or non-executive director of the Group.

(iii) Maximum number of shares

The limit on the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of any member of the Group must not exceed 30 per cent. of the number of issued shares from time to time. The total number of shares available for issue under the Scheme as at the date of this report is 94,164,430 shares, representing approximately 2.13 per cent. of the issued share capital of the Company as of that date.

(iv) Maximum entitlement of each Participant

Unless approved by shareholders in general meeting, no Participant shall be granted an option which would result in the total number of shares issued and to be issued upon exercise of all options granted and to be granted (including options exercised, cancelled and outstanding) to such Participant in any 12-month period up to and including the proposed date of grant for such options would exceed 1 per cent. of the number of shares in issue as at the proposed date of grant.

(v) Option period

An option may be exercised in accordance with the terms of the Scheme at any time during a period of not exceeding 10 years to be notified by the Board to the grantee, such period to commence on the date of grant or such later date as the Board may determine and expiring on the last day of the said period. Under the Scheme, the Board may, at its discretion, prescribe a minimum period for which an option must be held before it can be exercised.

購股權計劃(續)

(I) 購股權計劃主要條款(續)

(ii) 參與者

本集團僱員(包括本集團之執行董事或非執行董事)、主管、採購代理、銷售代理、顧問、銷售代表或市務代表或貨品或服務供應商或提供商。

(iii) 股份數目上限

根據購股權計劃及本集團任何成員公司之任何其他購股權計劃授出而有待行使之全部尚未行使購股權獲行使後發行之股份總數限額，不可超逾不時已發行股份數目30%。於本報告日期，根據購股權計劃可予發行之股份數量為94,164,430股，相等於當日本公司已發行股本約2.13%。

(iv) 每位參與者可獲授權益上限

除獲股東在股東大會上批准外，倘參與者於行使所有其已獲授予及將獲授予的購股權(包括已行使、已註銷及尚未行使的購股權)後，將令致其於截至及包括建議授出購股權之日止十二個月期間內已獲發行及可能發行之股份數目超逾建議授出該購股權當日已發行股份數目之1%，則不得向該參與者授出購股權。

(v) 購股權期限

任何購股權均可於董事局通知承授人在不超過十年之期限內任何時間根據購股權計劃之條款予以行使，該段期限由授出購股權日期或董事局決定之較後日期起計，並於該期限最後一日終止。根據購股權計劃，董事局可酌情訂定購股權獲行使前須持有之最短期限。



Report of Directors 董事局報告

SHARE OPTION SCHEME (continued)

(I) Summary of terms of the Scheme (continued)

(vi) Payment on acceptance of option

HK\$1.00 in cash is payable by the Participant who accepts the grant of an option in accordance with the terms of the Scheme on acceptance of the grant of an option.

(vii) Subscription price

The subscription price for the shares under the options to be granted under the Scheme will be a price determined by the Board and notified to a Participant at the time the grant of the options is made to (and subject to acceptance by) the Participant and will be at least the highest of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheets on the date of the grant (subject to acceptance) of the option, which must be a business day; (b) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant (subject to acceptance) of the option; and (c) the nominal value of the shares.

(viii) The life of the Scheme

The Scheme shall be valid and effective for a period of ten years commencing on 6 June 2002, after which period no further options will be granted or accepted but the provisions of the Scheme shall remain in full force and effect in all other respects.

(II) No options had been granted, exercised nor cancelled since the adoption of the Scheme on 6 June 2002.

購股權計劃(續)

(I) 購股權計劃主要條款(續)

(vi) 接納購股權須付款額

根據購股權計劃條款接納獲授購股權之參與者，在接納購股權時，須繳付現金港幣1元。

(vii) 認購價

根據購股權計劃授出之購股權項下股份之認購價，將由董事局釐定及於授予(有待接受)參與者該購股權時知會各參與者，並最少為下列價格中之最高者：(a)股份在授出(有待接受)購股權當日(必須為營業日)在聯交所每日報價表所列之收市價；(b)股份在緊接授出(有待接受)購股權之日期前五個營業日，在聯交所每日報價表所列之平均收市價；及(c)股份之面值。

(viii) 購股權計劃之限期

購股權計劃之有效期將由二零零二年六月六日起計，為期十年，其後將不得再授出或接納任何購股權，惟購股權計劃之條文在其他各方面將仍具有十足效力。

(II) 自二零零二年六月六日購股權計劃採納後概無授出購股權，亦無購股權獲行使或被註銷。



Report of Directors 董事局報告

DIRECTORS

The Directors of the Company during the year and up to the date of this report were:

Executive Directors:

Mr. CHAN Shing
Mr. SIT Hoi Tung
Mr. YANG Dawei
Ms. LAU Ting
Ms. TUNG Pui Shan, Virginia
Mr. KWOK Wai Lam
Mr. YIN Mark
Mr. SHAM Kai Man
– appointed on 20 July 2009

Independent Non-Executive Directors:

Mr. CUI Shu Ming
Mr. MIAO Gengshu
Mr. HUANG Shenglan

Non-Executive Director:

Mr. SZE Tsai Ping, Michael

In accordance with bye-laws 85 & 92 of the Bye-laws of the Company, Mr. SIT Hoi Tung, Mr. YANG Dawei, Mr. SHAM Kai Man and Mr. HUANG Shenglan shall retire from office at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Biographical details of the Directors of the Company are set out on pages 11 to 14.

董事

本公司於本年度內至本報告刊行日期止之董事詳列如下：

執行董事：

陳城先生
薛海東先生
楊大偉先生
劉婷女士
董佩珊女士
郭偉霖先生
尹虹先生
岑啟文先生
– 於二零零九年七月二十日委任

獨立非執行董事：

崔書明先生
苗耕書先生
黃勝藍先生

非執行董事：

史習平先生

依據本公司之章程細則第85及92條之規定，薛海東先生、楊大偉先生、岑啟文先生及黃勝藍先生於即將舉行之股東週年大會上告退，惟彼等均願意膺選連任。

本公司董事之簡歷載於第11頁至第14頁。



Report of Directors 董事局報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2009, the interests and short positions of the Directors and chief executive of the Company (including those interests and short positions which were taken or deemed to have interests and short positions under the provisions of the Securities and Futures Ordinance (the "SFO") in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of 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, were as follows:

Interests in Shares and Underlying Shares

(A) *The Company*

董事及行政總裁於股份、相關股份及債券證中擁有的權益及淡倉

於二零零九年十二月三十一日，根據本公司按照證券及期貨條例(「證券及期貨條例」)第352條所規定須予備存的登記冊所載，或如依據上市公司董事進行證券交易的標準守則通知本公司及香港聯合交易所有限公司(「聯交所」)，本公司各董事及行政總裁於本公司或其任何聯營公司(定義見證券及期貨條例第XV部)股份、相關股份及債券證中擁有或按照證券及期貨條例被視為擁有的權益及淡倉，詳情如下：

股份及相關股份權益

(A) *本公司*

Name of Director 董事姓名	Number of ordinary shares & underlying shares 普通股股份及相關股份數目				Approximate percentage interest in the Company's issued share capital 約佔本公司已發行股本百分比
	Personal Interests 個人權益	Family Interests 家族權益	Corporate Interests 公司權益	Total 總數	
CHAN Shing 陳城	106,398,521(L)	104,042,601(L) (Note 1) (附註1)	1,729,266,037(L) 1,406,427,301(S) (Notes 2 & 3) (附註2及3)	1,939,707,159(L) 1,406,427,301(S) (Note 3) (附註3)	56.68%(L) 41.10%(S)
SIT Hoi Tung 薛海東	4,413,869(L)	–	–	4,413,869(L)	0.13%(L)
LAU Ting 劉婷	104,042,601(L)	106,398,521(L) (Note 4) (附註4)	1,729,266,037(L) 1,406,427,301(S) (Notes 2 & 3) (附註2及3)	1,939,707,159(L) 1,406,427,301(S) (Note 3) (附註3)	56.68%(L) 41.10%(S)
TUNG Pui Shan, Virginia 董佩珊	21,725,226(L)	110,000(L)	7,104,000(L) (Note 5) (附註5)	28,939,226(L)	0.85%(L)



Report of Directors 董事局報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Interests in Shares and Underlying Shares (continued)

(A) The Company (continued)

Notes:

1. These interests were held by Ms. LAU Ting, the spouse of Mr. CHAN Shing.
2. 1,290,961,336 shares were held by Glory Add Limited ("Glory Add"), a wholly-owned subsidiary of Favor King Limited (a company which is wholly-owned by Mr. CHAN Shing and Ms. LAU Ting). 226,403,853 shares were held by Hang Sing Overseas Limited ("Hang Sing") which is owned as to 51% by Orient Strength Limited ("Orient Strength"), a company which is wholly-owned by Mr. CHAN Shing and Ms. LAU Ting. 211,900,848 shares were held by Strong Purpose Corporation ("Strong Purpose"), a company which is wholly-owned by Mr. CHAN Shing and Ms. LAU Ting.
3. As the interests of each of Mr. CHAN Shing and Ms. LAU Ting are deemed to be the interests of each other, the figures referred to the same shares.
4. These interests were held by Mr. CHAN Shing, the spouse of Ms. LAU Ting.
5. 7,104,000 shares were owned by Focus Cheer Consultants Limited ("Focus Cheer"), a company which is wholly-owned by Ms. TUNG Pui Shan, Virginia.
6. The letter "L" denotes long position and the letter "S" denotes short position.

董事及行政總裁於股份、相關股份及債券證中擁有的權益及淡倉(續)

股份及相關股份權益(續)

(A) 本公司(續)

附註：

1. 此等權益由劉婷女士擁有。劉婷女士為陳城先生之配偶。
2. 1,290,961,336股由陳城先生及劉婷女士全資擁有的Favor King Limited透過其全資擁有之公司Glory Add Limited(「Glory Add」)持有。226,403,853股由Hang Sing Overseas Limited(「Hang Sing」)持有，Orient Strength Limited(「Orient Strength」)持有Hang Sing 51%權益，而陳城先生及劉婷女士則全資擁有Orient Strength。211,900,848股由Strong Purpose Corporation(「Strong Purpose」)持有，陳城先生及劉婷女士全資擁有Strong Purpose。
3. 由於陳城先生及劉婷女士之權益被視為彼此的權益，故所列數字指相同的股份。
4. 此等權益由陳城先生擁有。陳城先生為劉婷女士之配偶。
5. 7,104,000股由董佩珊女士全資擁有之公司Focus Cheer Consultants Limited(「Focus Cheer」)持有。
6. 「L」表示好倉；「S」表示淡倉。



Report of Directors 董事局報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

董事及行政總裁於股份、相關股份及債券中擁有的權益及淡倉 (續)

Interests in Shares and Underlying Shares (continued)

股份及相關股份權益 (續)

(B) Associated Corporation – China LotSynergy Holdings Limited (“China LotSynergy”)

(B) 聯營公司—China LotSynergy Holdings Limited(華彩控股有限公司)(「華彩控股」)

Name of Director 董事姓名	Number of ordinary shares & underlying shares 普通股股份及相關股份數目				Approximate percentage interest in the issued share capital of China LotSynergy 約佔華彩控股已發行股本百分比
	Personal Interests 個人權益	Family Interests 家族權益	Corporate Interests 公司權益	Total 總數	
CHAN Shing 陳城	343,807,092(L) (Note 1) (附註1)	215,555,212(L) (Notes 1 & 2) (附註1及2)	1,629,617,232(L) 23,093,192(S) (Notes 3 & 4) (附註3及4)	2,188,979,536(L) 23,093,192(S) (Note 4) (附註4)	29.57%(L) 0.31%(S)
SIT Hoi Tung 薛海東	11,115,276(L)	–	–	11,115,276(L)	0.15%(L)
LAU Ting 劉婷	215,555,212(L) (Note 1) (附註1)	343,807,092(L) (Notes 1 & 5) (附註1及5)	1,629,617,232(L) 23,093,192(S) (Notes 3 & 4) (附註3及4)	2,188,979,536(L) 23,093,192(S) (Note 4) (附註4)	29.57%(L) 0.31%(S)
TUNG Pui Shan, Virginia 董佩珊	8,454,440(L)	22,000(L)	1,020,800(L) (Note 6) (附註6)	9,497,240(L)	0.13%(L)
KWOK Wai Lam 郭偉霖	8,800,000(L)	–	–	8,800,000(L)	0.12%(L)
YIN Mark 尹虹	4,067,600(L)	–	–	4,067,600(L)	0.05%(L)
SHAM Kai Man 岑啟文	6,000,000(L) (Note 7) (附註7)	–	–	6,000,000(L)	0.08%(L)
HUANG Shenglan 黃勝藍	6,400,000(L) (Note 1) (附註1)	–	–	6,400,000(L)	0.09%(L)



Report of Directors 董事局報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (continued)**Interests in Shares and Underlying Shares** (continued)

(B) Associated Corporation – China LotSynergy (continued)

Notes:

1. Among these interests, 2,400,000 underlying shares were share options.
2. These interests were held by Ms. LAU Ting, the spouse of Mr. CHAN Shing.
3. 45,280,768 shares were held by Hang Sing which is owned as to 51% by Orient Strength, a company which is wholly-owned by Mr. CHAN Shing and Ms. LAU Ting. 42,380,168 shares were held by Strong Purpose, a company which is wholly-owned by Mr. CHAN Shing and Ms. LAU Ting. 1,535,324,296 shares were held directly by the Company and 6,632,000 shares were held by Hillot Limited, a company wholly-owned by Burwill HK Portfolio Limited which is in turn wholly-owned by the Company.
4. As the interests of each of Mr. CHAN Shing and Ms. LAU Ting are deemed to be the interests of each other, the figures referred to the same shares.
5. These interests were held by Mr. CHAN Shing, the spouse of Ms. LAU Ting.
6. These shares were owned by Focus Cheer, a company which is wholly-owned by Ms. TUNG Pui Shan, Virginia.
7. These underlying shares were share options.
8. The letter "L" denotes long position and the letter "S" denotes short position.

Save as otherwise disclosed above, as at 31 December 2009, none of the Directors or chief executive of the Company had, or were deemed under the SFO to have, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register kept by the Company under 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.

董事及行政總裁於股份、相關股份及債券證中擁有的權益及淡倉 (續)**股份及相關股份權益** (續)

(B) 聯營公司—華彩控股 (續)

附註：

1. 此等權益當中2,400,000股相關股份屬購股權。
2. 此等權益由劉婷女士擁有。劉婷女士為陳城先生之配偶。
3. 45,280,768股由Hang Sing持有，Orient Strength持有Hang Sing 51%權益，而陳城先生及劉婷女士則全資擁有Orient Strength。42,380,168股由Strong Purpose持有，陳城先生及劉婷女士全資擁有Strong Purpose。1,535,324,296股由本公司直接持有。6,632,000股由Burwill HK Portfolio Limited全資擁有之公司Hillot Limited持有，而本公司則全資擁有Burwill HK Portfolio Limited。
4. 由於陳城先生及劉婷女士之權益被視為彼此的權益，故所列數字指相同的股份。
5. 此等權益由陳城先生擁有。陳城先生為劉婷女士之配偶。
6. 此等股份由董佩珊女士全資擁有之公司Focus Cheer持有。
7. 此等相關股份屬購股權。
8. 「L」表示好倉；「S」表示淡倉。

除上文所披露者外，於二零零九年十二月三十一日，本公司各董事或行政總裁概無於本公司或其任何聯營公司(定義見證券及期貨條例第XV部)之股份、相關股份及債券證中擁有或按照證券及期貨條例被視為擁有任何權益或淡倉記錄在按照證券及期貨條例第352條所規定須備存之登記冊內，或須如依據上市公司董事進行證券交易的標準守則通知本公司及聯交所。



Report of Directors 董事局報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 31 December 2009, according to the register required to be kept by the Company under Section 336 of the SFO, the following persons (other than the Directors and chief executive of the Company) had interests and short positions in the shares and underlying shares of the Company:

Interests in Shares and Underlying Shares

Name of shareholder	Nature of interest	Number of ordinary shares & underlying shares	Approximate percentage interest in the Company's issued share capital	Note
股東名稱	權益性質	普通股股份及相關股份數目	約佔本公司已發行股本百分比	附註
Favor King Limited	Corporate 公司	1,290,961,336(L) 1,290,961,336(S)	37.72% 37.72%	1
Hang Sing	Beneficiary 實益	226,403,853(L) 115,465,965(S)	6.62% 3.37%	2
Orient Strength	Corporate 公司	226,403,853(L) 115,465,965(S)	6.62% 3.37%	2
Zhong Shan Company Limited 鍾山有限公司	Corporate 公司	226,403,853(L) 115,465,965(S)	6.62% 3.37%	2
Superior Quality Assets Limited	Corporate 公司	226,403,853(L) 115,465,965(S)	6.62% 3.37%	2
Strong Purpose	Beneficiary 實益	211,900,848(L)	6.19%	3

主要股東於股份及相關股份中擁有的權益及淡倉

於二零零九年十二月三十一日，根據本公司按照證券及期貨條例第336條所規定須予備存之登記冊所載，以下人士(本公司董事及行政總裁除外)於本公司股份及相關股份中擁有權益及淡倉：

股份及相關股份權益



Report of Directors 董事局報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES
(continued)**Interests in Shares and Underlying Shares** (continued)

Notes:

1. These interests were held by Glory Add, a company which is wholly-owned by Favor King Limited. Favor King Limited is owned as to 50% by Mr. CHAN Shing and as to 50% by Ms. LAU Ting.
2. 51% of the issued share capital of Hang Sing was owned by Orient Strength, a company which is wholly-owned by Mr. CHAN Shing and Ms. LAU Ting, and 49% of the issued share capital of Hang Sing was owned by Superior Quality Assets Limited, a company which is wholly-owned by Zhong Shan Company Limited. Zhong Shan Company Limited was wholly-owned by the Jiangsu Provincial People's Government of the PRC. These 226,403,853 shares held by Hang Sing formed part of the interests of Mr. CHAN Shing and Ms. LAU Ting as disclosed herein.
3. These interests were held by Strong Purpose, a company which is wholly-owned by Mr. CHAN Shing and Ms. LAU Ting, formed part of the interests of Mr. CHAN Shing and Ms. LAU Ting as disclosed herein.
4. The letter "L" denotes long position and the letter "S" denotes short position.

Save as disclosed above, as at 31 December 2009, there was no person (other than the Directors and chief executive of the Company) who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO and/or who were directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

主要股東於股份及相關股份中擁有的權益及淡倉(續)**股份及相關股份權益**(續)

附註：

1. 此等權益由Favor King Limited全資擁有之公司Glory Add擁有。Favor King Limited分別由陳城先生及劉婷女士各自擁有其50%權益。
2. Hang Sing之51%已發行股本乃由陳城先生及劉婷女士全資擁有之Orient Strength所擁有，另外Hang Sing之49%已發行股本則由鍾山有限公司全資擁有之Superior Quality Assets Limited所擁有。鍾山有限公司乃中國江蘇省人民政府全資擁有之公司。Hang Sing持有之226,403,853股乃本文所分別披露陳城先生及劉婷女士之權益之一部份。
3. 此等權益由陳城先生及劉婷女士全資擁有之Strong Purpose所持有，為本文所分別披露陳城先生及劉婷女士之權益之一部份。
4. 「L」表示好倉；「S」表示淡倉。

除上文所披露者外，於二零零九年十二月三十一日，概無任何人士(本公司董事或行政總裁除外)於本公司股份及相關股份中擁有權益或淡倉記錄於按照證券及期貨條例第336條所存置的登記冊內，及／或直接或間接地持有已發行股本面值的5%或以上權益，並可於任何情況下，有權在本集團任何其他成員公司的股東大會上投票的權益。



Report of Directors 董事局報告

PLACING

2009 Placement

Pursuant to the placing agreement entered into between the Company and Guotai Junan Securities (Hong Kong) Limited on 21 October 2009 (the "2009 Placing Agreement"), the Company allotted and issued a total of 310,000,000 new shares of the Company on 30 October 2009 to at least six independent investors at a placing price of HK\$0.35 per share. The closing price per share on 20 October 2009, being the last trading day before the entering into the 2009 Placing Agreement, as quoted on the Stock Exchange was HK\$0.385. A net proceeds of approximately HK\$106.9 million raised was used as general working capital as well as for investments in natural mineral resources and related business.

2010 Private Placement

Pursuant to the placing agreement entered into between the Company and UBS AG, Hong Kong Branch on 11 March 2010 (the "2010 Placing Agreement"), the Company allotted and issued a total of 307,380,000 new shares of the Company on 16 March 2010 to at least six independent investors at a placing price of HK\$0.605 per share. The closing price per share on 10 March 2010, being the last trading day before the entering into the 2010 Placing Agreement, as quoted on the Stock Exchange was HK\$0.72. A net proceeds of approximately HK\$184 million raised was used to replenish the general working capital requirements of the Company.

The aggregate of 617,380,000 placing shares were allotted and issued under the general mandate granted to the Directors of the Company by its shareholders at the annual general meeting of the Company held on 9 June 2009.

配售

二零零九配售

根據本公司與國泰君安證券(香港)有限公司於二零零九年十月二十一日訂立之配售協議(「二零零九配售協議」)，本公司已於二零零九年十月三十日按每股0.35港元的配售價配發及發行合共310,000,000股本公司新股予不少於六名獨立投資者。於二零零九年十月二十日(即訂立二零零九配售協議前之最後交易日)聯交所的收市價為每股0.385港元。所得款項淨額約1.069億港元用作一般營運資金及投資於天然礦產資源及相關業務。

二零一零私募配售

根據本公司與瑞銀投資銀行香港分行於二零一零年三月十一日訂立之配售協議(「二零一零配售協議」)，本公司已於二零一零年三月十六日按每股0.605港元的配售價配發及發行合共307,380,000股本公司新股予不少於六名獨立投資者。於二零一零年三月十日(即訂立二零一零配售協議前之最後交易日)聯交所的收市價為每股0.72港元。所得款項淨額約1.84億港元用以補充本公司一般營運資金的需要。

合共617,380,000股配售股份乃根據股東於二零零九年六月九日舉行之本公司股東週年大會上授予董事之一般性授權配發及發行。



Report of Directors 董事局報告

MAJOR TRANSACTION – ACQUISITION OF MAGNETITE IRON ORE MINING BUSINESSES IN THE PRC

Burwill Minerals Limited (“Burwill Minerals”), a wholly-owned subsidiary of the Company, respectively entered into the Share Purchase Agreement with Tai Xin Investment Limited on 5 November 2009 and the Supplemental Share Purchase Agreement with Tai Xin Investment Limited and Tai Xin Holdings Limited (the “Vendor”) on 24 December 2009 for acquisition of 51% of the issued share capital of Tai Xin Minerals Limited (“Tai Xin Minerals”), which indirectly owns an extraordinarily large magnetite iron mine in Laiyang City, Shandong Province, PRC and holds a mining license tenement and four exploration licenses tenements covering in aggregate an area of approximately 21 sq. km., at a total consideration of HK\$500,000,000, which was satisfied by the payment of HK\$260,000,000 in cash and the issue of 685,700,000 new shares of the Company to the Vendor (the “Acquisition”). Burwill Minerals further entered into the Call Option Agreement with the Vendor and Tai Xin Minerals on 22 January 2010 whereby Tai Xin Minerals granted a call option in favour of Burwill Minerals to acquire new shares of Tai Xin Minerals at an additional consideration of HK\$259,000,000, to be paid on a one-off basis, to the effect that Burwill Minerals shall own not less than 70% of the enlarged issued share capital of Tai Xin Minerals (the “Call Option”). Both the Acquisition and the Call Option were approved by the shareholders of the Company at the special general meeting of the Company held on 12 February 2010. Completion of the Acquisition took place on 31 March 2010 and thereafter Tai Xin Minerals has become a non-wholly owned subsidiary of the Company.

The Acquisition constituted a major transaction for the Company under the rules governing the listing of securities on the Stock Exchange (the “Listing Rules”), details of the transaction were set out in the Company’s circular dated 27 January 2010.

Having always been proactive in seeking opportunities to integrate upwards in the steel business so as to increase synergies and enhance efficiency for the Group, the Directors believed that the Acquisition represented an opportunity by integrating the Company’s traditional trading businesses that are safe and stable with upper stream exploration and mining business which generate higher margin. Main investment highlights of the Acquisition were as follows:

- Strong fundamentals of the China iron ore and steel sectors

主要交易－收購中國磁鐵礦業務

本公司全資附屬公司寶威礦業有限公司(「寶威礦業」)分別於二零零九年十一月五日與 Tai Xin Investment Limited 訂立股份買賣協議及於二零零九年十二月二十四日與 Tai Xin Investment Limited 及 Tai Xin Holdings Limited (「賣方」)訂立補充股份買賣協議，以收購 Tai Xin Minerals Limited(「Tai Xin Minerals」)(其於中國山東省萊陽市境內間接擁有一超大型磁鐵礦，持有一個採礦許可證項目和四個勘探許可證項目，覆蓋面積合共約二十一平方公里)已發行股本51%，總代價為500,000,000港元，藉現金260,000,000港元以及發行685,700,000股本公司新股予賣方支付(「收購」)。寶威礦業進一步於二零一零年一月二十二日與賣方及 Tai Xin Minerals 訂立認股選擇權協議，據此，Tai Xin Minerals 已向寶威礦業授出認股選擇權，寶威礦業有權一次性按額外現金代價259,000,000港元認購 Tai Xin Minerals 新股，致使寶威礦業擁有 Tai Xin Minerals 經擴大已發行股本不少於70%(「認股選擇權」)。收購及認股選擇權已於二零一零年二月十二日舉行之本公司股東特別大會上獲本公司股東批准通過。收購已於二零一零年三月三十一日完成，據此，Tai Xin Minerals 成為本公司非全資附屬公司。

根據聯交所證券上市規則(「上市規則」)，收購構成本公司之主要交易，其詳情已列載於二零一零年一月二十七日本公司通函。

董事一直致力尋求機會整合上游鋼鐵業務，以為本集團增加協同效應及提高效率，相信收購正是一個機會透過將本公司安全穩定的既有貿易業務與產生更高邊際收益的上游勘探及採礦業務整合。收購之主要投資概要如下：

- 中國鐵礦及鋼鐵行業之穩健基礎



Report of Directors 董事局報告

MAJOR TRANSACTION – ACQUISITION OF MAGNETITE IRON ORE MINING BUSINESSES IN THE PRC (continued)

- Large mineral resource base of the mine, its relatively high iron content which enables the production of a premium product
- Low cost structure
- Fast production growth profile
- Strong track record of the management team of Tai Xin Minerals' Group

The Directors expected that the Acquisition was an important step for the Group to secure resources for its trading business and build an integrated steel and steel raw materials trading, and processing platform. By leveraging on the Company's years of experience and expertise, it would be well positioned to manage the extension of its steel business from traditional steel trading and steel processing to resources exploration and development.

DISTRIBUTION OF SHARES HELD IN A LISTED ASSOCIATED COMPANY

On 15 December 2009, the Board of Directors of the Company resolved to put forward to the shareholders of the Company a proposal to make a distribution out of contributed surplus of the Company to its shareholders (the "Distribution") wholly by the distribution of up to 1,540,025,856 ordinary shares of HK\$0.0025 each in China LotSynergy Holdings Limited (the "CLS Shares") on the basis of 9 CLS Shares for every 20 ordinary shares of the Company held on the record date (i.e. 21 January 2010).

The Distribution was approved by the shareholders of the Company at the special general meeting of the Company held on 21 January 2010 and certificates for the 1,540,023,984 CLS Shares, which represented 99.9% of the CLS Shares held by the Company before the Distribution, were duly dispatched to those entitled shareholders of the Company on 3 February 2010.

Details of the Distribution were set out in the Company's circular dated 29 December 2009.

主要交易－收購中國磁鐵礦業務(續)

- 礦場龐大礦物資源基礎，擁有高濃度鐵礦，可生產優質產品
- 低成本結構
- 生產增長迅速
- Tai Xin Minerals集團管理層團隊之良好業績紀錄

董事期望收購得以讓本集團邁向重要一步，藉確保資源以進行貿易業務及建立鋼及鋼原料買賣及加工之綜合平台。憑藉本公司的多年經驗及專業知識，其已準備就緒將鋼鐵業務由既有鋼鐵貿易及鋼鐵加工擴展至資源勘探及開發。

分派上市聯營公司股份

於二零零九年十二月十五日，董事局通過提呈自本公司實繳盈餘賬對本公司股東作出分派(「分派」)之建議予股東表決，該分派乃全數以派發最多1,540,025,856股China LotSynergy Holdings Limited(華彩控股有限公司)每股面值0.0025港元之普通股(「華彩股份」)支付，基準為於記錄日期(即二零一零年一月二十一日)每持有20股本公司普通股獲派9股華彩股份。

分派已於二零一零年一月二十一日舉行之本公司股東特別大會上獲本公司股東批准通過，而1,540,023,984股華彩股份(佔本公司於分派前所持有華彩股份之99.9%)之股票亦已於二零一零年二月三日寄發予本公司可獲分派資格之股東。

分派詳情已列載於二零零九年十二月二十九日本公司通函。



Report of Directors 董事局報告

REDUCTION OF SHARE PREMIUM

At the special general meeting of the Company held on 21 January 2010, a special resolution was passed by the shareholders of the Company to reduce the share premium account of the Company (as at the date of the passing of such resolution) to nil (the "Share Premium Reduction"). The credit arising from the Share Premium Reduction of approximately HK\$738.2 million was transferred to the contributed surplus of the Company for the purpose of making a distribution of 1,540,023,984 ordinary shares of China LotSynergy Holdings Limited to shareholders of the Company on 27 January 2010.

INCREASE IN AUTHORISED SHARE CAPITAL

The authorised share capital of the Company was increased from HK\$380,000,000 divided into 3,800,000,000 shares to HK\$680,000,000 divided into 6,800,000,000 shares, which was passed as an ordinary resolution by the shareholders of the Company at the special general meeting held on 12 February 2010.

OTHER INFORMATION DISCLOSED PURSUANT TO RULE 13.51B(1) OF LISTING RULES

On 1 February 2010, the annual salaries of each of Mr. CHAN Shing, Mr. SIT Hoi Tung, Ms. LAU Ting, Ms. TUNG Pui Shan, Virginia, Mr. KWOK Wai Lam, Mr. YIN Mark and Mr. SHAM Kai Man were increased by approximately 5%. The annual directors' fees of Mr. HUANG Shenglan and Mr. SZE Tsai Ping, Michael were revised to HK\$300,000 and HK\$156,000 respectively.

Mr. SZE Tsai Ping, Michael resigned as an Independent Non-Executive director of C Y Foundation Group Limited with effect from 3 November 2009 and ceased to be a Member of the Disciplinary Appeals Committee of The Stock Exchange of Hong Kong Limited.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the Share Option Scheme of the Company disclosed above, at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

削減股份溢價賬

於二零一零年一月二十一日本公司股東特別大會上，本公司股東通過特別決議案批准將決議案通過當日之本公司股份溢價賬削減至零（「削減股份溢價賬」）。因削減股份溢價賬產生之進賬金額約738,200,000港元即計入本公司實繳盈餘賬用以於二零一零年一月二十七日分派1,540,023,984股China LotSynergy Holdings Limited（華彩控股有限公司）普通股予本公司股東。

增加法定股本

於二零一零年二月十二日本公司股東特別大會上，本公司股東通過普通決議案批准將本公司法定股本由380,000,000港元分為3,800,000,000股增加至680,000,000港元分為6,800,000,000股。

根據上市規則第13.51B(1)條披露之其他資料

於二零一零年二月一日起，陳城先生、薛海東先生、劉婷女士、董佩珊女士、郭偉霖先生、尹虹先生及岑啟文先生之年薪調整增加約5%。黃勝藍先生及史習平先生之董事袍金分別調整為每年港幣300,000元及每年港幣156,000元。

史習平先生於二零零九年十一月三日辭任中青基業集團有限公司獨立非執行董事，並已不再擔任香港聯合交易所有限公司紀律上訴委員會委員。

認購股份或債券之安排

除本公司購股權計劃外，本年內本公司、其控股公司、或其附屬公司或同系附屬公司並無作出任何安排使本公司董事從認購本公司或其他機構之股份或債券獲取利益。



Report of Directors 董事局報告

SERVICE CONTRACTS WITH DIRECTORS

Each of the Executive Directors of the Company has entered into a service contract with the Company with no specific term of office or for an initial term of two years (subject to individual contract) from the date of appointment and will continue thereafter, until terminated by not less than one to six months (subject to individual contract) notice in writing served by either party on the other. The terms of office of Non-Executive Director and Independent Non-Executive Directors are the period up to their retirement by rotation in accordance with the Bye-laws of the Company.

Save as disclosed above, none of the Directors offering themselves for re-election at the forthcoming Annual General Meeting has an unexpired service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in the consolidated financial statements, there was no contracts of significance (as defined in Note 15 of Appendix 16 of the Listing Rules) in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any of the Company's Directors or members of its management had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

EMPLOYEES RETIREMENT BENEFIT

Details of the retirement benefit schemes of the Group and the employees' retirement benefit costs charged to the consolidated income statement for the year are set out in note 24 to the consolidated financial statements.

董事之服務合約

本公司各執行董事均已與本公司訂立服務合約，合約無指定任期或自委任日期起初步為期兩年(視乎其個別合約)，其後將一直生效直至任何一方向另一方發出不少於一至六個月(視乎其個別合約)書面通知終止為止。非執行董事及獨立非執行董事之任期須根據本公司章程細則按時輪值告退。

除以上所披露者外，於即將舉行之股東週年大會上擬重選連任之董事，概無與本公司訂立任何本公司不可於一年內免付賠償(法定賠償除外)予以終止之服務合約。

董事於合約之權益

除於綜合財務報表所披露者外，本公司董事或管理層成員概無於本公司或任何其附屬公司於年終時或於年內訂立，且對本集團業務而言屬重大合約(定義見上市規則附錄十六第15條)，直接或間接擁有任何重大權益。

管理合約

於年度內並無訂立或存有任何與本公司業務全部或主要部份相關之行政及管理合約。

僱員退休福利

本集團退休福利計劃詳情及計入年度內綜合損益表之僱員退休福利費用，載於綜合財務報表附註24。



Report of Directors 董事局報告

FIVE YEARS' FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 156.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company, the Company has maintained the prescribed public float under the Listing Rules.

AUDIT COMMITTEE

The Company has established an Audit Committee which comprises the three Independent Non-Executive Directors of the Company, Mr. CUI Shu Ming, Mr. MIAO Gengshu and Mr. HUANG Shenglan. The Audit Committee has reviewed and discussed with the management the accounting principles and practices adopted by the Group and auditing, internal controls and financial reporting matters. The audited financial statements of the Group for the year ended 31 December 2009 have been reviewed by the Audit Committee.

AUDITORS

HLB Hodgson Impey Cheng will retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board
CHAN Shing
Chairman

Hong Kong, 23 April 2010

五年財務概要

本集團過去五個財政年度之業績、資產及負債概要刊載於第156頁。

公眾持股量之足夠性

根據本公司可從公開途徑取得之資料，並據董事所知，本公司維持上市規則所定之公眾持股量。

審核委員會

本公司已成立審核委員會，由三位獨立非執行董事崔書明先生、苗耕書先生及黃勝藍先生組成。審核委員會已與管理層審閱及討論本集團採用之會計政策及慣例，以及審計、內部監控及財務申報事宜。截至二零零九年十二月三十一日止年度本集團經審核財務報表已經由審核委員會審閱。

核數師

國衛會計師事務所將任滿告退，有關續聘其為本公司核數師之決議案將於應屆股東週年大會上提呈。

董事局代表
主席
陳城

香港，二零一零年四月二十三日



Corporate Governance Report 企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Directors believe that good corporate governance is an essential element in enhancing the confidence of shareholders, investors, employees, business partners and the community as a whole and also the performance of the Group. The board of Directors of the Company (the "Board") will review the corporate governance structure and practices from time to time and shall make necessary arrangements to ensure business activities and decision making processes are made in a proper and prudent manner.

In the opinion of the Directors, the Company has complied with all the applicable code provisions of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the year ended 31 December 2009, except for the deviations as disclosed in this report.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the year.

BOARD OF DIRECTORS

The Directors of the Company during the year and up to the date of this report were:

Executive Directors

Mr. Chan Shing (*Chairman and Managing Director*)
 Mr. Sit Hoi Tung (*Deputy General Manager*)
 Mr. Yang Dawei
 Ms. Lau Ting
 Ms. Tung Pui Shan, Virginia
 Mr. Kwok Wai Lam
 Mr. Yin Mark
 Mr. Sham Kai Man (*appointed on 20 July 2009*)

企業管治常規

董事相信，優秀的企業管治是對加強股東、投資者、員工、業務夥伴及公眾人士對公司的信心及提升集團表現的重要元素。本公司董事局(「董事局」)將不時審閱企業管治架構及措施，確保業務及決策過程適當及審慎地進行。

除本報告所述有關偏離外，董事認為，本公司於截至二零零九年十二月三十一日止年度內一直遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「守則」)所有適用守則條文。

董事的證券交易

本公司採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)為本公司之董事證券交易行為守則。在向所有董事作出特定查詢後，所有董事均確認彼等於年度內已遵守標準守則所載之規定標準。

董事局

於本年度內及至本報告刊行日期止，本公司董事包括：

執行董事

陳城先生(*主席兼董事總經理*)
 薛海東先生(*副總經理*)
 楊大偉先生
 劉婷女士
 董佩珊女士
 郭偉霖先生
 尹虹先生
 岑啟文先生(*於二零零九年七月二十日委任*)



Corporate Governance Report 企業管治報告

BOARD OF DIRECTORS (continued)

Independent Non-Executive Directors

Mr. Cui Shu Ming
Mr. Miao Gengshu
Mr. Huang Shenglan

Non-Executive Director

Mr. Sze Tsai Ping, Michael

As at the date of this report, the Board comprised twelve Directors, eight of whom are Executive Directors (including the Chairman), three of whom are Independent Non-Executive Directors and one of whom is Non-Executive Director. Details of backgrounds and qualifications of each Director are set out in the section headed "Biographies of Directors" of this annual report. The Company has arranged appropriate insurance cover in respect of legal actions against the Directors.

The Board is responsible for the overall strategic development of the Group. It also monitors the financial performance and the internal controls of the Group's business operations. Executive Directors are responsible for running the Group and executing the strategies adopted by the Board. The day-to-day running of the Company is delegated to the management with department heads responsible for different aspects of the businesses/functions.

The Non-Executive Directors (including the Independent Non-Executive Directors) serve the relevant function of bringing independent judgement on the development, performance and risk management of the Group through their contributions in board meetings.

The Board considers that each Independent Non-Executive Director of the Company is independent in character and judgement. The Company has received from each Independent Non-Executive Director a written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules.

董事局(續)

獨立非執行董事

崔書明先生
苗耕書先生
黃勝藍先生

非執行董事

史習平先生

於本報告日期，董事局由十二名董事組成，八名為執行董事(包括主席)、三名為獨立非執行董事及一名為非執行董事。有關各董事之背景及資歷於本年報標題為「董事簡歷」一段中載述。本公司已向董事提供適當的法律訴訟保險安排。

董事局負責本集團的整體發展策略，同時監察集團財務表現及業務營運之內部監控。執行董事負責集團之運作及執行董事局採納之政策。本公司日常營運則授權管理層管理，各部門主管負責不同範疇之業務/職能。

非執行董事(包括獨立非執行董事)擔當相關職能，透過參與董事局會議在集團發展、表現及風險管理方面給予獨立意見。

董事局認為各獨立非執行董事之行動及判斷均屬獨立。本公司已接獲各獨立非執行董事之確認書，確認彼等符合上市規則第3.13條所載有關獨立性之規定。



Corporate Governance Report 企業管治報告

BOARD OF DIRECTORS (continued)

The Board meets regularly to discuss the Group's business development, operation and financial performance. Notice of at least 14 days is given to all Directors for all regular board meetings to give all Directors an opportunity to attend. All regular board meetings adhere to a formal agenda in which a schedule of matters is addressed to the Board. All Directors have access to board papers and related materials, and are provided with adequate information which enables the Board to make an informed decision on the matters to be discussed and considered at the board meetings. Minutes of board meetings are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any Director.

To the best knowledge of the Directors, there is no financial, business and family relationship among the members of the Board except that Ms. Lau Ting is the spouse of Mr. Chan Shing.

As stipulated in Code provision A.1.1, the board should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals with active participation, either in person or through other electronic means of communication, of a majority of directors entitled to be present. As the Company did not announce its quarterly results, two regular board meetings were held during the year for reviewing and approving the interim and annual financial performance of the Group, which did not fully comply with the relevant Code provision. Board meetings will be held on other occasions when board decisions are required.

董事局(續)

董事局定期舉行會議，討論本集團的發展、營運表現及財務狀況。就董事局所有定期會議，全體董事均會獲發最少十四天通知，以讓所有董事皆有機會騰空出席。所有定期董事局會議均設有正式議程，具體列出待議事項。所有董事均有權查閱董事局文件及有關素材，並會及時獲提供充分資料，使董事局可就提呈會議的事項作出知情決定。董事局會議記錄由公司秘書備存，任何董事可在發出合理通知下於任何合理時段查閱董事局會議記錄。

據董事所知悉，除劉婷女士為陳城先生之配偶外，董事局各成員之間並無財務、業務及親屬關係。

根據守則條文第A.1.1條規定，董事局應定期開會，董事局會議應每年召開至少四次，大約每季一次，並有大部份有權出席會議的董事親身出席，或透過其他電子通訊方法積極參與。由於本公司並無宣佈其季度業績，年內召開了兩次董事局定期會議，以審閱及批准本集團中期及年度財務表現，故此本公司未完全遵守有關守則條文。董事局將會按其他需要董事局作出決定的事宜召開董事局會議。



Corporate Governance Report 企業管治報告

BOARD OF DIRECTORS (continued)

During the year under review, twelve board meetings (including two regular board meetings) were held. Details of the attendance of the Directors are as follows:–

董事局 (續)

於年度內，董事局共舉行十二次會議(包括兩次定期會議)。董事之出席記錄詳情如下：

Executive Directors**執行董事**

	Directors' Attendance 董事出席次數
Mr. Chan Shing (Chairman and Managing Director) 陳城先生(主席兼董事總經理)	12/12
Mr. Sit Hoi Tung (Deputy General Manager) 薛海東先生(副總經理)	12/12
Mr. Yang Dawei 楊大偉先生	0/12
Ms. Lau Ting 劉婷女士	6/12
Ms. Tung Pui Shan, Virginia 董佩珊女士	12/12
Mr. Kwok Wai Lam 郭偉霖先生	12/12
Mr. Yin Mark 尹虹先生	10/12
Mr. Sham Kai Man 岑啟文先生	7/7

Independent Non-Executive Directors**獨立非執行董事**

Mr. Cui Shu Ming 崔書明先生	2/12
Mr. Miao Gengshu 苗耕書先生	1/12
Mr. Huang Shenglan 黃勝藍先生	3/12

Non-Executive Director**非執行董事**

Mr. Sze Tsai Ping, Michael 史習平先生	1/12
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Corporate Governance Report 企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the chairman and chief executive officer were not performed by separate individuals as is stipulated in Code provision A.2.1. The Chairman and Managing Director of the Company, Mr. Chan Shing, currently assumes the role of the chairman and also the chief executive officer responsible for overseeing the function of the Board and formulating overall strategies of and organising the implementation structure for the Company and also managing the Group's overall business operations. Given the nature of the Group's businesses which require considerable market expertise, the Board believed that the vesting of the two roles provides the Group with stable and consistent leadership and allows for more effective planning and implementation of long term business strategies. The Board will continuously review the effectiveness of the structure to balance the power and authority of the Board and the management.

NON-EXECUTIVE DIRECTORS

The Non-Executive Directors of the Company are not appointed for a specific term as is stipulated in Code provision A.4.1, but are subject to retirement by rotation in accordance with the Bye-laws of the Company (the "Bye-laws"). The Directors have not been required by the Bye-laws to retire by rotation at least once every three years. However, in accordance with Bye-law 85 of the Bye-laws, at each annual general meeting of the Company one-third of the Directors for the time being or, if their number is not a multiple of three, the number nearest to but not greater than one-third, shall retire from office by rotation save any Director holding office as Chairman or Managing Director. The Board will ensure the retirement of each Director, other than the one who holds the office as Chairman or Managing Director, by rotation at least once every three years in order to comply with Code provisions. The Chairman will not be subject to retirement by rotation as is stipulated in Code provision A.4.2, as the Board considered that the continuity of office of the Chairman provides the Group a strong and consistent leadership and is of great importance to the smooth operations of the Group. Mr. Sit Hoi Tung, Mr. Yang Dawei, Mr. Sham Kai Man and Mr. Huang Shenglan are subject to retirement by rotation at the forthcoming annual general meeting in accordance with the Company's Bye-laws.

主席及行政總裁

本公司並未按守則條文第A.2.1條所定，主席及行政總裁之職務由不同人擔任。本公司主席兼董事總經理陳城先生現兼任主席及行政總裁之職務，負責監管董事局事務，並為本公司制定整體發展策略及組織架構實施及管理本集團整體業務營運。鑑於本集團之業務性質要求相當的市場專門認知，董事局認為陳先生同時兼任兩職可為本集團提供更穩健及一貫的領導，利於集團更有效率地策劃及推行長遠商業策略。董事局將不時檢討此架構之成效，以確保董事局及管理層間之權力及權責之平衡。

非執行董事

本公司非執行董事的委任並未按守則條文第A.4.1條所定指定任期，惟彼等需按本公司之章程細則（「章程細則」）規定輪值告退。章程細則並無規定董事最少每三年輪值告退一次。然而，根據章程細則第85條，於每屆股東週年大會上，按當時在任董事人數計三分之一董事（或倘數目並非三之倍數，則為最接近但不超過三分之一之數目）必須輪值告退，惟主席或董事總經理者則無須輪值告退。董事局將會確保每位董事（惟擔任主席或董事總經理職務者除外）至少每三年輪值告退一次，以符合守則條文之規定。主席並未按守則條文第A.4.2條所定輪值退任，因董事局認為主席任期之連續性可予集團強而穩定的領導方向，乃對集團業務之順暢經營運作極為重要。根據本公司之章程細則之規定，薛海東先生、楊大偉先生、岑啟文先生及黃勝藍先生須於即將舉行之股東週年大會輪值退任。



Corporate Governance Report 企業管治報告

REMUNERATION COMMITTEE

The Remuneration Committee was established on 12 September 2006 with specific written terms of reference which deal with its authority and duties. The Remuneration Committee comprises three members, Mr. Cui Shu Ming, Mr. Huang Shenglan and Mr. Sit Hoi Tung. The chairman of the Remuneration Committee is Mr. Cui Shu Ming. The Remuneration Committee will meet at least once a year to determine the policy for the remuneration of Directors and the senior management, and consider and review the terms of service contracts of the Directors and the senior management.

In determining the emolument payable to Directors, the Remuneration Committee took into consideration factors such as time commitment and responsibilities of the Directors, abilities, performance and contribution of the Directors to the Group, the performance and profitability of the Group, the remuneration benchmark in the industry, the prevailing market/employment conditions and the desirability of performance-based remuneration.

Two meetings of the Remuneration Committee were held during the year ended 31 December 2009. Details of the attendance of the Remuneration Committee Meeting are as follows:

Mr. Cui Shu Ming (*Chairman of Remuneration Committee*)
 崔書明先生(薪酬委員會主席)
 Mr. Huang Shenglan
 黃勝藍先生
 Mr. Sit Hoi Tung
 薛海東先生

薪酬委員會

本公司於二零零六年九月十二日成立具有特定成文權責範圍的薪酬委員會，薪酬委員會由崔書明先生、黃勝藍先生及薛海東先生三位成員組成。薪酬委員會主席為崔書明先生。薪酬委員會每年最少舉行一次會議以釐定董事及高層管理人員之薪酬政策及考慮和審閱董事及高層管理人員服務合約之條款。

在釐定董事薪酬時，薪酬委員會會考慮多項因素，例如董事付出的時間及其職務、董事之能力、表現及對集團之貢獻、集團之業績表現及盈利能力，以及業界薪酬基準、當時市場狀況／招聘情況及按表現發放酬金之可行性等因素而釐定。

截至二零零九年十二月三十一日止年度內，薪酬委員會曾舉行兩次會議，薪酬委員會會議之出席記錄詳情如下：

Members' Attendance
委員出席次數

2/2
2/2
2/2



Corporate Governance Report 企業管治報告

NOMINATION OF DIRECTORS

The Board is responsible for considering the suitability of a candidate to act as a director, and approving and terminating the appointment of a director. During the year under review, the Company had not established a nomination committee with specific written terms of reference which deal clearly with its authority and duties. The Chairman is mainly responsible for identifying suitable candidates for members of the Board when there is a vacancy or an additional director is considered necessary. The Chairman will propose the appointment of such candidates to the Board for consideration and the Board will review the qualifications of the relevant candidates for determining the suitability to the Group on the basis of his qualifications, experience and background.

During the year under review, one meeting of the Board regarding the appointment of Mr. Sham Kai Man as an Executive Director of the Company was held. Details of the attendance of the meeting is as follows:

Executive Directors

執行董事

Mr. Chan Shing (<i>Chairman and Managing Director</i>) 陳城先生(主席兼董事總經理)	1/1
Mr. Sit Hoi Tung (<i>Deputy General Manager</i>) 薛海東先生(副總經理)	1/1
Mr. Yang Dawei 楊大偉先生	0/1
Ms. Lau Ting 劉婷女士	1/1
Ms. Tung Pui Shan, Virginia 董佩珊女士	1/1
Mr. Kwok Wai Lam 郭偉霖先生	1/1
Mr. Yin Mark 尹虹先生	1/1
Mr. Sham Kai Man 岑啟文先生	0/0

董事提名

董事局負責考慮出任董事合適人選以及批准及終止董事委任事宜。於年度內，本公司並未成立以書面明確界定職權及職責等職權範圍的提名委員會。主席主要負責於董事局有空缺或認為需要增聘董事時，物色合適人選加入董事局。主席將向董事局建議委任有關人選，董事局將按候選人之資歷、經驗及背景審閱有關人選之資格，決定是否適合加入本集團。

年度內，董事局就委任岑啟文先生為執行董事，舉行了一次會議。會議之出席記錄詳情如下：

Directors' Attendance

董事出席次數



Corporate Governance Report 企業管治報告

NOMINATION OF DIRECTORS (continued)

董事提名(續)

Directors' Attendance
董事出席次數

Independent Non-Executive Directors

獨立非執行董事

Mr. Cui Shu Ming 崔書明先生	0/1
Mr. Miao Gengshu 苗耕書先生	0/1
Mr. Huang Shenglan 黃勝藍先生	0/1

Non-Executive Director

非執行董事

Mr. Sze Tsai Ping, Michael 史習平先生	0/1
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AUDIT COMMITTEE

審核委員會

The Audit Committee was established in 2001 and provides the Board with advice and recommendations. As at the date of this report, the Audit Committee comprised three members, Mr. Cui Shu Ming, Mr. Miao Gengshu and Mr. Huang Shenglan. All of them are Independent Non-Executive Directors. The chairman of the Audit Committee is Mr. Cui Shu Ming. The Board considers that each Audit Committee member has broad commercial experience and there is a suitable mix of expertise in business, accounting and financial management in the Audit Committee.

審核委員會於二零零一年成立，為董事局提供意見及建議。於本報告日期，審核委員會由三名成員組成，分別為崔書明先生、苗耕書先生及黃勝藍先生，全部均為獨立非執行董事。審核委員會主席為崔書明先生。董事局認為各審核委員會成員均具有廣泛的商務經驗，而委員會內適當地融合了營運、會計及財務管理等方面的專業知識。

The Audit Committee's functions includes:

審核委員會的功能包括：

- to review and monitor financial reporting and the reporting judgement contained in them; and
- to review financial and internal controls, accounting policies and practices with management, internal and external auditors.
- 審議及監察財務報告，以及報告所包含的申報判斷；及
- 與管理層、內部及外聘核數師審議財務、內部監控及會計政策及常規。



Corporate Governance Report 企業管治報告

AUDIT COMMITTEE (continued)

The Audit Committee held two meetings during the year under review, one of which was attended by the external auditors, HLB Hodgson Impey Cheng. Details of the attendance of the Audit Committee meetings are as follows:

Mr. Cui Shu Ming	崔書明先生	2/2
Mr. Miao Gengshu	苗耕書先生	1/2
Mr. Huang Shenglan	黃勝藍先生	2/2

The Audit Committee has reviewed and discussed with the management the accounting principles and practices adopted by the Group and auditing, internal controls and financial reporting matters. The audited financial statements of the Group for the year ended 31 December 2009 have been reviewed by the Audit Committee. The terms of reference of the Audit Committee has been posted on the Company's website and is made available on request.

AUDITORS' REMUNERATION

For the year ended 31 December 2009, the Group had engaged the Group's external auditors, HLB Hodgson Impey Cheng, to provide the following services and their fees charged are set out below:

Types of Services

Audit of consolidated financial statement of the Group for the year

Non-audit services

– Acting as reporting accountants to report on financial information included in investment circulars issued by the Company

服務類別

集團年度綜合財務報表審計

非審計服務

– 出任申報會計師以匯報財務資料並載列於本公司投資通函內

審核委員會(續)

審核委員會於年度內共舉行兩次會議，外聘核數師國衛會計師事務所曾出席其中一次會議。審核委員會會議之出席記錄詳情如下：

Members' Attendance 委員出席次數

審核委員會已與管理層審閱及討論本集團採用之會計政策及慣例，以及審計、內部監控及財務申報事宜。截至二零零九年十二月三十一日止年度之經審核財務報表已經審核委員會審閱。審核委員會之職權範圍已載於本公司之網頁內和可按要求提供查閱。

核數師酬金

截至二零零九年十二月三十一日止年度，集團委聘本集團外聘核數師國衛會計師事務所提供以下服務，並收取費用如下：

Fee Charged for the year ended 31 December	
收取費用	
截至十二月三十一日止年度	
2009	2008
HK\$	HK\$
港元	港元

880,000 880,000

– 200,000



Corporate Governance Report 企業管治報告

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors' responsibilities for the financial statements and the responsibilities of the external auditors to the shareholders are set out on pages 43 and 44.

INTERNAL CONTROL

During the year under review, the Board has conducted a review of the effectiveness of the internal control system of the Group.

The internal control system of the Group is designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risk. The Board is committed to implement an effective and sound internal control system to safeguard the interests of shareholders and the assets of the Group. The Board has delegated to the management the implementation of the system of internal controls and reviewing of all relevant financial, operational, compliance controls and risk management functions.

INVESTOR RELATIONS

The Company is committed to maintain an open and effective investor relations policy and to update investors on relevant information/developments in a timely manner, subject to relevant regulatory requirements. Briefings and meetings with institutional investors and analysts are conducted from time to time. The Company also replied the enquiries from shareholders timely. The Directors host the annual general meeting each year to meet the shareholders and answer their enquiries.

The corporate website of the Company has provided a communication platform via which the public and investor community can access to up-to-date information regarding the Group.

董事及核數師對財務報表之責任

董事對財務報表之責任及外聘核數師對股東之責任載於第43頁及第44頁。

內部監控

董事局於年度內已對本集團內部監控系統之有效性作出檢討。

本集團內部監控制度的設計能促使公司更有效地和有效率地運作，並確保財務報告的可靠性及遵守適用法例和規條，識別和管理潛在性的風險。董事局致力落實有效及良好的內部監控制度，以保障股東權益及集團資產。董事局已委派管理層落實內部監控系統及檢討所有相關財務、營運、規管監控及風險管理的效能。

投資者關係

本公司致力按照有關監管規定，維持公開及有效的投資者關係政策，並適時向投資者提供最新的業務資料／發展。本公司不時與機構投資者及分析員會面及簡報，亦及時回應股東查詢。董事每年主持股東週年大會，會見股東及回應彼等之提問。

本公司的公司網址亦提供了溝通平台，為公眾和投資者提供渠道查閱最新集團訊息。



Independent Auditors' Report 獨立核數師報告



Chartered Accountants
Certified Public Accountants

TO THE SHAREHOLDERS OF BURWILL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Burwill Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 45 to 154, which comprise the consolidated and company balance sheets as at 31 December 2009, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

31/F, Gloucester Tower 香港
The Landmark 中環
11 Pedder Street 畢打街11號
Central 置地廣場
Hong Kong 告羅士打大廈31樓

致實威控股有限公司

(於百慕達註冊成立之有限公司)

全體股東

本核數師(以下簡稱「我們」)已審核列載於第45至154頁實威控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下簡稱「貴集團」)之綜合財務報表，此財務報表包括於二零零九年十二月三十一日的綜合及公司資產負債表與截至該日止年度的綜合損益表、綜合全面損益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》之披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。



Independent Auditors' Report 獨立核數師報告

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

HLB Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

Hong Kong, 23 April 2010

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並按照《百慕達一九八一年公司法》第90條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，綜合財務報表已根據香港財務報告準則真實而公平地反映貴公司及貴集團於二零零九年十二月三十一日的事務狀況及貴集團截至該日止年度的盈利及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

國衛會計師事務所

英國特許會計師
香港執業會計師

香港，二零一零年四月二十三日



Balance Sheets

At 31 December 2009

資產負債表

於二零零九年十二月三十一日

		Note 附註	Consolidated 綜合		Company 公司		
			2009	2008	2009	2008	
			HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
ASSETS	資產						
Non-current assets	非流動資產						
Leasehold land and land use rights	租賃土地及土地使用權	6	77,768	79,416	-	-	
Property, plant and equipment	物業、機器及設備	7	89,481	99,258	-	-	
Investment properties	投資物業	8	601,018	522,726	-	-	
Intangible assets	無形資產		-	150	-	-	
Investments in subsidiaries	附屬公司投資	9	-	-	42,415	42,415	
Due from subsidiaries	附屬公司欠款	9	-	-	131,000	462,474	
Investments in associates	聯營公司投資	10	257,606	271,334	10,766	10,766	
Available-for-sale financial assets	可供出售財務資產	12	1,509	1,509	90	90	
Prepayments and other receivables	預付款及其它應收款	15	156,342	537	-	-	
Deferred income tax assets	遞延所得稅資產	20	23,136	20,054	-	-	
Total non-current assets	總非流動資產		1,206,860	994,984	184,271	515,745	
Current assets	流動資產						
Inventories	存貨	13	119,895	162,574	-	-	
Financial assets at fair value through profit or loss	按公平值透過損益列帳的財務資產	14	12,610	40,195	1	1	
Bills and accounts receivable	應收票據及應收帳項	15	1,075,523	973,906	-	-	
Deposits, prepayments and other receivables	按金、預付款及其它應收款	15	387,301	127,863	484	432	
Due from subsidiaries	附屬公司欠款	9	-	-	1,038,988	637,716	
Due from associates	聯營公司欠款	10	2,262	2,527	-	-	
Income tax refundable	可收回所得稅		190	139	190	-	
Cash and bank balances	現金及銀行結餘	16	293,639	361,849	15,763	765	
Total current assets	總流動資產		1,891,420	1,669,053	1,055,426	638,914	
Total assets	總資產		3,098,280	2,664,037	1,239,697	1,154,659	



Balance Sheets

At 31 December 2009

資產負債表

於二零零九年十二月三十一日

		Note 附註	Consolidated 綜合		Company 公司	
			2009	2008	2009	2008
			HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
EQUITY	權益					
Equity attributable to owners of the parent	本公司權益持有人應佔權益					
Share capital	股本	17	342,228	311,228	342,228	311,228
Other reserves	其它儲備	18	841,997	761,931	879,151	803,408
Retained profits	保留盈利	18	286,723	291,369	4,799	12,877
			1,470,948	1,364,528	1,226,178	1,127,513
Minority interests	少數股東權益		117,103	104,793	-	-
Total equity	總權益		1,588,051	1,469,321	1,226,178	1,127,513
LIABILITIES	負債					
Non-current liabilities	非流動負債					
Borrowings	貸款	19	392,032	153,423	-	-
Deferred income tax liabilities	遞延所得稅負債	20	101,632	91,122	-	-
Total non-current liabilities	總非流動負債		493,664	244,545	-	-
Current liabilities	流動負債					
Borrowings	貸款	19	567,124	443,849	-	-
Due to subsidiaries	欠附屬公司款項	9	-	-	10,464	24,962
Due to associates	欠聯營公司款項	10	24,079	24,301	-	-
Bills and accounts payable	應付票據及應付帳項	21	359,049	335,897	-	-
Other payables and accruals	其它應付帳項及應計費用		65,598	125,841	3,055	2,184
Income tax payable	應付所得稅		715	20,283	-	-
Total current liabilities	總流動負債		1,016,565	950,171	13,519	27,146
Total liabilities	總負債		1,510,229	1,194,716	13,519	27,146
Total equity and liabilities	總權益及負債		3,098,280	2,664,037	1,239,697	1,154,659
Net current assets	流動資產淨值		874,855	718,882	1,041,907	611,768
Total assets less current liabilities	總資產減流動負債		2,081,715	1,713,866	1,226,178	1,127,513

CHAN SHING
陳城
Chairman
主席

KWOK WAI LAM
郭偉霖
Director
董事



Consolidated Income Statement 綜合損益表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Note 附註	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Sales	銷售	5	3,256,714	8,334,596
Cost of sales	銷售成本	23	(3,158,960)	(8,111,375)
Gross profit	毛利		97,754	223,221
Other gains, net	其它收益淨額	22	84,443	141,721
Selling and distribution expenses	銷售及分銷費用	23	(44,168)	(71,585)
General and administrative expenses	一般及行政費用	23	(70,802)	(77,810)
Operating profit	經營盈利		67,227	215,547
Finance costs	融資成本	25	(28,230)	(54,007)
Share of losses of associates	所佔聯營公司虧損	10	(18,932)	(196,866)
Profit/(Loss) before income tax	除所得稅前 盈利/(虧損)		20,065	(35,326)
Income tax expense	所得稅	26	(12,401)	(69,577)
Profit/(Loss) for the year	年度盈利/(虧損)		7,664	(104,903)
Profit/(Loss) attributable to:	盈利/(虧損)歸屬於:			
Equity holders of the Company	本公司權益持有人	27	(4,646)	(148,808)
Minority interests	少數股東權益		12,310	43,905
			7,664	(104,903)
Loss per share attributable to equity holders of the Company during the year	年內本公司權益持有人應佔的每股虧損	28		
- basic and diluted	- 基本及攤薄		(0.15) HK cent港仙	(8.50) HK cents港仙



Consolidated Statement of Comprehensive Income 綜合全面損益表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Note 附註	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Profit/(Loss) for the year	年度盈利/(虧損)		7,664	(104,903)
Other comprehensive income:	其它全面收入：			
Share of other comprehensive income of associates	所佔聯營公司其它全面收入	18	2,980	5,884
Currency translation differences	貨幣匯兌差額	18	(881)	23,934
Other comprehensive income for the year, net of tax	年度其它全面收入，扣除稅項		2,099	29,818
Total comprehensive income/(loss) for the year	年度全面收入/(虧損)總額		9,763	(75,085)
Attributable to:	歸屬於：			
Equity holders of the Company	本公司權益持有人		(2,547)	(123,584)
Minority interests	少數股東權益		12,310	48,499
Total comprehensive income/(loss) for the year	年度全面收入/(虧損)總額		9,763	(75,085)



Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Note 附註	Attributable to equity holders of the Company 本公司權益持有人應佔			Minority interests 少數股東 權益	Total equity 總權益
			Share capital	Other reserves	Retained profits		
			股本 HK\$'000 港幣千元	其它儲備 HK\$'000 港幣千元	保留盈利 HK\$'000 港幣千元		
Balance at 1 January 2008	二零零八年一月一日結餘		111,213	644,300	440,237	56,218	1,251,968
Comprehensive income (Loss)/Profit for the year	全面收入 年度(虧損)/盈利		-	-	(148,808)	43,905	(104,903)
Other comprehensive income: Share of other comprehensive income of associates	其它全面收入: 所佔聯營公司其它 全面收入	18	-	5,884	-	-	5,884
Currency translation differences	貨幣匯兌差額	18	-	19,340	-	4,594	23,934
Total other comprehensive income	其它全面收入總額		-	25,224	-	4,594	29,818
Total comprehensive income/(loss)	全面收入/(虧損)總額		-	25,224	(148,808)	48,499	(75,085)
Repurchase of shares	購回股份	18	(60)	(246)	(60)	-	(366)
Issue of shares	發行股份	18	200,075	100,038	-	-	300,113
Share issue expenses	股份發行開支	18	-	(10,054)	-	-	(10,054)
Capital injection from minority shareholder	少數股東投入 股本		-	-	-	76	76
Share of other reserves of associates	所佔聯營公司 其它儲備	18	-	2,669	-	-	2,669
Balance at 31 December 2008	二零零八年十二月 三十一日結餘		311,228	761,931	291,369	104,793	1,469,321



Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Note 附註	Attributable to equity holders of the Company 本公司權益持有人應佔			Minority interests 少數股東 權益	Total equity 總權益
			Share capital 股本 HK\$'000 港幣千元	Other reserves 其它儲備 HK\$'000 港幣千元	Retained profits 保留盈利 HK\$'000 港幣千元		
Balance at 1 January 2009	二零零九年一月一日結餘		311,228	761,931	291,369	104,793	1,469,321
Comprehensive income (Loss)/Profit for the year	全面收入 年度(虧損)/盈利		-	-	(4,646)	12,310	7,664
Other comprehensive income:	其它全面收入:						
Share of other comprehensive income of associates	所佔聯營公司其它 全面收入	18	-	2,980	-	-	2,980
Currency translation differences	貨幣匯兌差額	18	-	(881)	-	-	(881)
Total other comprehensive income	其它全面收入總額		-	2,099	-	-	2,099
Total comprehensive income/(loss)	全面收入/(虧損)總額		-	2,099	(4,646)	12,310	9,763
Issue of shares	發行股份	18	31,000	77,500	-	-	108,500
Share issue expenses	股份發行開支	18	-	(1,757)	-	-	(1,757)
Share of other reserves of associates	所佔聯營公司 其它儲備	18	-	2,224	-	-	2,224
Balance at 31 December 2009	二零零九年十二月 三十一日結餘		342,228	841,997	286,723	117,103	1,588,051



Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Note	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
		附註		
Cash flows from operating activities	營運活動的現金流量			
Cash used in operations	營運所用的現金	30(a)	(377,056)	(155,180)
Interest paid	已付利息		(31,256)	(52,394)
Hong Kong profits tax paid	已付香港利得稅		(23,888)	(12,192)
Overseas tax paid	已付海外稅項		(769)	(1,926)
Overseas tax refunded	退還海外稅項		65	4
Net cash used in operating activities	營運活動所用的淨現金		(432,904)	(221,688)
Cash flows from investing activities	投資活動的現金流量			
Acquisition of property, plant and equipment	購入物業、機器及設備		(1,304)	(3,653)
Acquisition of investment properties	購入投資物業		(39,207)	–
Deposits paid for acquisition of investment properties	購入投資物業按金		(37,051)	–
Deposit paid for acquisition of subsidiaries	收購附屬公司按金		(78,000)	–
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款		685	723
Decrease in short-term bank deposits	短期銀行存款減少		22,593	60,271
Funds released from/(applied to) financial assets, net	資金來自/(用於)財務資產，淨額		44,786	(32,536)
Repayment of loans to third party	第三者償還借款		–	9,324
Interest received	已收利息		6,111	7,369
Decrease in amounts due from associates	聯營公司欠款減少		265	1,505
Dividends received from an associate	已收聯營公司股息		–	2,137
Dividends received from financial assets at fair value through profit or loss	已收按公平值透過損益列帳的財務資產股息		106	727
Net cash (used in)/generated from investing activities	投資活動(用於)/產生的淨現金		(81,016)	45,867



Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

	Note	2009	2008
	附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Cash flows from financing activities			
融資活動的現金流量			
Issue of shares	發行股份	108,500	300,113
Share issue expenses	股份發行開支	(1,757)	(10,054)
Repurchase of shares	購回股份	-	(366)
Increase/(Decrease) in trust receipts bank loans	信託提貨銀行貸款 增加/(減少)	161,911	(117,607)
Additions of other bank loans	新增其它銀行貸款	481,421	253,610
Repayment of other bank loans	償還其它銀行貸款	(270,138)	(213,331)
Repayment of other loans	償還其它貸款	(9,790)	(12,261)
Decrease in amounts due to associates	欠聯營公司款項 減少	(222)	(605)
Interest element of finance lease rental payments	付融資租賃利息 部份	(102)	(249)
Capital element of finance lease rental payments	付融資租賃資本 部份	(1,520)	(2,206)
Capital injection from minority shareholder	少數股東投入 股本	-	76
Net cash generated from financing activities	融資活動產生的 淨現金	468,303	197,120
Decrease in pledged bank deposits	已抵押銀行存款減少	-	750
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物 (減少)/增加淨額	(45,617)	22,049
Cash and cash equivalents at 1 January	於一月一日之現金及 現金等價物	311,553	283,461
Effect of exchange rate changes	匯率變動之影響	-	6,043
Cash and cash equivalents at 31 December	於十二月三十一日之 現金及現金等價物	265,936	311,553



Notes to the Consolidated Financial Statements 綜合財務報表附註

1 GENERAL INFORMATION

Burwill Holdings Limited (the “Company”) is an investment holding company. Its subsidiaries are principally engaged in steel trading, steel processing and commercial property.

The Company was incorporated in Bermuda as an exempted company with limited liability. The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 1983, and have a secondary listing on Singapore Exchange Securities Trading Limited since 1990.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$’000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 23 April 2010.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

1 一般資料

寶威控股有限公司(「本公司」)為一間投資控股公司。其附屬公司主要業務為鋼鐵貿易、鋼鐵加工及商業房地產。

本公司於百慕達註冊成立為獲豁免有限公司。本公司股份自一九八三年起於香港聯合交易所有限公司(「聯交所」)上市，及一九九零年起於新加坡證券交易所有限公司作第二上市。

除另有說明外，綜合財務報表以港幣千元列報。綜合財務報表已經由董事局在二零一零年四月二十三日批准刊發。

2 重要會計政策摘要

編製本綜合財務報表採用的主要會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內貫徹應用。

2.1 編製基準

本綜合財務報表乃按照香港會計師公會所頒佈香港財務報告準則(「香港財務報告準則」)編製。此外，本綜合財務報表亦包括聯交所證券上市規則及香港公司條例規定之適用披露資料。綜合財務報表已按照歷史成本法編製，並就投資物業、按公平值透過損益列帳的財務資產和財務負債(包括衍生工具)的重估而作出修訂。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

Changes in accounting policy and disclosures

- (a) New and amended standards adopted by the Group

The Group has adopted the following new and amended HKFRSs as of 1 January 2009:

- HKFRS 7 "Financial Instruments – Disclosures" (Amendment) (effective 1 January 2009). The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on loss per share.
- HKAS 1 (Revised) "Presentation of Financial Statements" (effective 1 January 2009). The revised standard prohibits the presentation of items of income and expenses (that is, "non-owner changes in equity") in the statement of changes in equity, requiring "non-owner changes in equity" to be presented separately from owner changes in equity in a statement of comprehensive income. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on loss per share.

2 重要會計政策摘要(續)

2.1 編製基準(續)

根據香港財務報告準則編撰之財務報表須應用若干重大會計評估。管理層亦須於應用本集團會計政策時作出判斷。需涉及較大程度判斷、較為複雜事項或對綜合財務報表所作重大之假設及評估於附註4披露。

會計政策之變更及披露

- (a) 本集團採納之新訂及修訂準則

本集團已於二零零九年一月一日採納以下新訂及修訂之香港財務報告準則：

- 香港財務報告準則第7號「金融工具－披露」(修訂本)(二零零九年一月一日生效)。該修訂規定增加有關公平值計量及流動資金風險的披露。該修訂特別規定按公平值等級得出的公平值計量之披露。由於會計政策之變更只導致額外披露，故對每股虧損並無造成影響。
- 香港會計準則第1號(經修訂)「財務報表的呈列方式」(二零零九年一月一日生效)。該經修訂準則禁止於權益變動表內呈列收入及開支項目(即「非擁有人權益變動」)，並規定「非擁有人權益變動」與擁有人權益變動於全面損益表中分開呈列。因此，本集團將所有擁有人權益變動於綜合權益變動表中呈列，而所有非擁有人權益變動則於綜合全面損益表中呈列。比較資料經已重新呈列，以符合經修訂的準則。由於會計政策的變動只對呈列方面有所影響，故對每股虧損並無造成影響。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures
(continued)

(a) New and amended standards adopted by the Group (continued)

- HKFRS 2 (Amendment), “Share-based Payment” (effective 1 January 2009) deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest or valuation there of subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Group and Company has adopted HKFRS 2 (Amendment) from 1 January 2009. The amendment does not have a material impact on the Group’s or Company’s financial statements.
- In respect of borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009, the Group capitalises borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The change in accounting policy had no material impact on loss per share as the Group does not have any qualifying asset at 31 December 2009.

2 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策之變更及披露(續)

(a) 本集團採納之新訂及修訂準則(續)

- 香港財務報告準則第2號(修訂本)「以股份支付的支出」(二零零九年一月一日生效)涉及歸屬條件及註銷。其澄清歸屬條件僅為服務條件及表現條件。以股份支付的支出的其它特徵並非歸屬條件。該等特徵須計入與僱員及其它提供類似服務的人士訂立的交易於授出當日的公平值；該等特徵不會對授出日期後預期歸屬的獎勵數目或其估值構成影響。不論是由實體或其它方作出之一切註銷，均應獲得相同會計處理。本集團及本公司已於二零零九年一月一日起採納香港財務報告準則第2號(修訂本)。該準則對本集團或本公司之財務報表並不構成重大影響。
- 有關合資格資產的借貸成本(其資本化的開始日期為二零零九年一月一日或以後)方面，本集團將收購、建設或生產合資格資產直接應佔的借貸成本資本化，作為該資產的部分成本。由於本集團於二零零九年十二月三十一日並無任何合資格資產，會計政策中的此項變更對每股虧損並無重大影響。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

(a) New and amended standards adopted by the Group (continued)

- HK(IFRIC)-Int 13 requires customer loyalty award credits to be accounted for as a separate component of the sales transaction in which they are granted. The consideration received in the sales transaction is allocated between the loyalty award credits and the other components of the sale. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished. The change in accounting policy had no material impact on the Group's or Company's financial statements.
- HK(IFRIC)-Int 16 provides guidance on the accounting for a hedge of a net investment in a foreign operation. This includes clarification that (i) hedge accounting may be applied only to the foreign exchange differences arising between the functional currencies of the foreign operation and the parent entity; (ii) a hedging instrument may be held by any entities within a group; and (iii) on disposal of a foreign operation, the cumulative gain or loss relating to both the net investment and the hedging instrument that was determined to be an effective hedge should be reclassified to the income statement as a reclassification adjustment. As the Group currently has no hedge of a net investment in a foreign operation, the interpretation has had no impact on the financial position or results of operations of the Group.

2 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策之變更及披露(續)

(a) 本集團採納之新訂及修訂準則(續)

- 香港(國際財務報告詮釋委員會)－詮釋第13號規定，客戶忠誠獎勵嘉許乃銷售交易一部分，須作為銷售交易的一個獨立組成部份列帳。銷售交易已收代價會在忠誠獎勵嘉許與銷售的其它組成部分之間進行分配。分配至忠誠獎勵嘉許之款項乃參考其公平值釐定，並於獎勵獲履行前或該責任因其它原因解除前列作遞延項目。會計政策中的此項變更對本集團或本公司之財務報表並不構成重大影響。
- 香港(國際財務報告詮釋委員會)－詮釋第16號為對海外業務投資淨額對沖進行會計處理提供了指引。其中包括闡明了(i)對沖會計處理僅適用於海外業務與母公司實體的功能貨幣間產生的匯兌差額；(ii)集團內任何實體均可持有對沖工具；及(iii)於出售海外業務時，有關投資淨額及已被認定為有效對沖的對沖工具兩者的累積收益或虧損，須作為重新分類調整於損益表重新分類。由於本集團現時並無海外業務之投資淨額對沖，該詮釋對本集團財務狀況或營運業績概無影響。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures
(continued)

- (a) New and amended standards adopted by the Group (continued)
- HKFRS 8, “Operating Segments” (effective 1 January 2009). HKFRS 8 replaces HKAS 14, “Segment Reporting”, and aligns segment reporting with the requirements of the US standard SFAS 131, “Disclosures about segments of an enterprise and related information”. The new standard requires a “management approach”, under which segment information is presented on the same basis as that used for internal reporting purposes. The Group has adopted HKFRS 8 since 1 January 2009, which did not result in any increase in the number of reportable segments. The segments applied in the previous consolidated financial statements were consistent with the internal reporting provided to the chief operating decision-maker.
- (b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following standards and amendments to existing standards have been published and are mandatory for the Group’s accounting periods beginning on or after 1 January 2010 or later periods, but the Group has not early adopted them:

- HK(IFRIC) 17, “Distribution of Non-cash Assets to Owners” (effective on or after 1 July 2009). The interpretation is part of the HKICPA’s annual improvements project published in May 2009. This interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. HKFRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable. The Group and Company will apply HK(IFRIC) 17 from 1 January 2010.

2 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策之變更及披露(續)

- (a) 本集團採納之新訂及修訂準則(續)
- 香港財務報告準則第8號「營運分部」(於二零零九年一月一日生效)。香港財務報告準則第8號取代香港會計準則第14號「分部報告」，並使分部申報方式符合美國財務會計準則第131號「企業之分部及相關資料之披露」之規定。新準則規定遵從「管理方針」，據此，分部資料按就內部報告目的之相同基準呈列。本集團自二零零九年一月一日起已採納香港財務報告準則第8號，該準則並沒有導致可分部報告增加。以往的綜合財務報表所應用的分部與向主要經營決策提供之內報報告所採用者一致。
- (b) 尚未生效而本集團並無提早採納之準則及對現有準則之修訂及詮釋

以下準則及對現有準則之修訂經已刊發，本集團須於二零一零年一月一日或之後開始之會計期間或較後期間實行，惟本集團並無提早採納：

- 香港(國際財務報告詮釋委員會)第17號，「向擁有人分派非現金資產」(於二零零九年七月一日或之後生效)。該詮釋為於二零零九年五月刊發之香港會計師公會年度改進項目的一部分。該詮釋就實體向股東分派非現金資產(作為儲備之分派或股息)之安排提供會計指引。香港財務報告準則第5號亦已修訂，以規定資產只有在現況下可供分派而分派的可能性甚高的情況下才可分類為持有作分派。本集團及本公司將自二零一零年一月一日起應用香港(國際財務報告詮釋委員會)第17號。



Notes to the Consolidated Financial Statements 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKAS 27 (Revised), "Consolidated and Separate Financial Statements", (effective from 1 July 2009). The revised standard requires the effects of all transactions with minority interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The Group will apply HKAS 27 (Revised) prospectively to transactions with minority interests from 1 January 2010.
- HKFRS 3 (Revised), "Business Combinations" (effective from 1 July 2009). The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply HKFRS 3 (Revised) prospectively to all business combinations from 1 January 2010.

2 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策之變更及披露(續)

(b) 尚未生效而本集團並無提早採納之準則及對現有準則之修訂及詮釋(續)

- 香港會計準則第27號(經修訂)「綜合及獨立財務報表」(自二零零九年七月一日起生效)。此經修訂準則規定，如控制權並無變動，則與少數股東權益之所有交易之影響必須於權益中記錄，而此等交易將不再導致商譽或盈虧。此準則亦訂明失去控制權時的會計處理方式。於該實體的任何保留權益按公平值重新計量，並於損益內確認收益或虧損。本集團將自二零一零年一月一日起對與少數股東權益之交易不予追溯地應用香港會計準則第27號(經修訂)。
- 香港財務報告準則第3號(經修訂)「業務合併」(自二零零九年七月一日起生效)。此經修訂準則繼續對業務合併應用收購法，但有重大變更。例如，購買業務之所有付款須按收購日期的公平值入帳，分類為債務的或然付款其後於損益表重新計量。對於被收購方的非控制性權益，可按逐項收購基準以公平值或非控制性權益應佔被收購方淨資產的比例計量。所有收購相關成本必須計入開支。本集團將自二零一零年一月一日起對所有業務合併不予追溯地應用香港財務報告準則第3號(經修訂)。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures
(continued)

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKAS 38 (Amendment), “Intangible Assets” (effective from 1 July 2009). The amendment is part of the HKICPA’s annual improvements project published in May 2009 and the Group and Company will apply HKAS 38 (Amendment) from the date HKFRS 3 (Revised) is adopted. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. The amendment will not result in a material impact on the Group’s or Company’s financial statements.
- HKFRS 5 (Amendment), “Measurement of Non-current Assets (or disposal groups) classified as held for sale”. The amendment is part of the HKICPA’s annual improvements project published in May 2009. The amendment provides clarification that HKFRS 5 specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of HKAS 1 still apply, particularly paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of HKAS 1. The Group and Company will apply HKFRS 5 (Amendment) from 1 January 2010. It is not expected to have a material impact on the Group’s or Company’s financial statements.

2 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策之變更及披露(續)

(b) 尚未生效而本集團並無提早採納之準則及對現有準則之修訂及詮釋(續)

- 香港會計準則第38號(修訂本)「無形資產」(自二零零九年七月一日起生效)。此修訂本為於二零零九年五月刊發之香港會計師公會年度改進項目的一部分。本集團及本公司將自採納香港財務報告準則第3號(經修訂)之日期應用香港會計準則第38號(修訂本)。此修訂本澄清於業務合併所得之無形資產公平值計量之指引，並批准將無形資產組成一項單一資產(如各資產擁有類似的有用經濟年期)。此修訂對本集團或本公司之財務報表將不會造成重大影響。
- 香港財務報告準則第5號(修訂本)「分類為持作出售的非流動資產(或出售組別)的計量」。此修訂本為於二零零九年五月刊發之香港會計師公會年度改進項目之一部分。此修訂澄清了香港財務報告準則第5號規定的披露非流動資產(或出售組別)為出售或終止經營進行分類。它還明確指出，香港會計準則第1號的總體要求仍然適用，特別是香港會計準則第1號中第15段(以實現公允列報)和第125段(估計不確定性之來源)。本集團及本公司將自二零一零年一月一日起應用香港財務報告準則第5號(修訂本)。預期對本集團或本公司之財務報表無重大影響。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures
(continued)

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKAS 1 (Amendment), "Presentation of Financial Statements". The amendment is part of the HKICPA's annual improvements project published in May 2009. The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counterparty to settle in shares at any time. The Group and Company will apply HKAS 1 (Amendment) from 1 January 2010. It is not expected to have a material impact on the Group's or Company's financial statements.

2 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策之變更及披露(續)

(b) 尚未生效而本集團並無提早採納之準則及對現有準則之修訂及詮釋(續)

- 香港會計準則第1號(修訂本)「財務報表的呈列方式」。此修訂本為二零零九年五月刊發的香港會計師公會的年度改進計劃中的一部分。此修訂澄清了發行權益工具得以清償的負債不會影響對該負債作為流動負債或非流動負債的分類。通過對流動負債定義的修訂，此修訂允許此類負債分類為非流動負債(企業有無限制權利通過轉移現金或其它資產在一個會計年度後至少推遲12個月結算)，惟企業仍可能被交易對方要求於任何時候以股份結算。本集團和本公司將於二零一零年一月一日起採納香港會計準則第1號(修訂本)。預期對本集團或本公司之財務報表無重大影響。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKFRS 2 (Amendments), “Group Cash-settled Share-based Payment Transactions” (effective from 1 January 2010). In addition to incorporating HK(IFRIC) – Int 8, “Scope of HKFRS 2”, and HK(IFRIC) – Int 11, “HKFRS 2 – Group and Treasury Share Transactions”, the amendments expand on the guidance in HK(IFRIC) – Int 11 to address the classification of group arrangements that were not covered by the interpretation. The new guidance is not expected to have a material impact on the Group’s financial statements.

2.2 Consolidation

(a) *Subsidiaries*

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

2 重要會計政策摘要(續)

2.1 編製基準(續)

會計政策之變更及披露(續)

(b) 尚未生效而本集團並無提早採納之準則及對現有準則之修訂及詮釋(續)

- 香港財務報告準則第2號(修訂本)「集團現金結算以股份支付之交易」(自二零一零年一月一日起生效)。此外，該項修訂將香港(國際財務報告詮釋委員會)–詮釋第8號「香港財務報告準則第2號的範圍」和香港(國際財務報告詮釋委員會)–詮釋第11號「香港財務報告準則第2號—集團及庫存股份交易」整合入香港財務報告準則第2號，並擴展了香港(國際財務報告詮釋委員會)–詮釋第11號的指引以明確該詮釋尚未涉及的集團安排。預期新指引對本集團之財務報表無重大影響。

2.2 綜合帳目

(a) *附屬公司*

附屬公司指本集團有權管控其財政及營運政策而控制之所有實體(包括特殊目的實體)，一般附帶超過半數投票權的股權。在評定本集團是否控制另一實體時，目前可行使或可兌換的潛在投票權的存在及影響均予考慮。附屬公司在控制權轉移至本集團之日起全面綜合入帳。附屬公司在控制權終止之日起停止綜合入帳。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.2 Consolidation (continued)

(a) *Subsidiaries* (continued)

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2 重要會計政策摘要(續)

2.2 綜合帳目(續)

(a) *附屬公司(續)*

會計收購法乃用作本集團收購附屬公司的入帳方法。收購的成本根據於交易日期所給予資產、所發行的股本工具及所產生或承擔的負債的公平值計算，另加該收購直接應佔的成本。在企業合併中所收購的可識別的資產以及所承擔的負債及或然負債，首先以彼等於收購日期的公平值計量，而不論任何少數股東權益的數額。收購成本超過本集團應佔所收購的可識別資產淨值公平值的數額記錄為商譽。若收購成本低於所購入附屬公司資產淨值的公平值，該差額直接在綜合損益表確認。

集團內公司之間的交易、結餘及未實現交易收益予以對銷。未實現虧損亦予以對銷。

附屬公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

在本公司之資產負債表內，於附屬公司之投資按成本值扣除減值虧損準備列帳。附屬公司之業績由本公司按已收及應收股息入帳。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidation (continued)

(b) Transactions with minority interests

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interest result in gains and losses for the Group and are recorded in the consolidated income statement. Purchases from minority interest result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

(c) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

2 重要會計政策摘要(續)

2.2 綜合帳目(續)

(b) 與少數股東權益交易

集團採用處理與少數股東權益交易如同與集團以外人士交易的政策。因出售予少數股東權益而產生的集團盈虧在綜合損益表記帳。採購自少數股東權益所產生的商譽為已付代價及所佔購入附屬公司淨資產帳面值的差額。

(c) 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權的實體，通常附帶有20% – 50%投票權的股權。聯營公司投資以權益會計法入帳，初始以成本確認。本集團於聯營公司之投資包括收購時已識別的商譽、扣除任何累計減值虧損。

本集團應佔收購後聯營公司的溢利或虧損於綜合損益表內確認，而應佔收購後儲備的變動則於儲備帳內確認。投資帳面值會根據累計之收購後變動而作出調整。如本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其它無抵押應收款，本集團不會確認進一步虧損，除非本集團已代聯營公司承擔責任或作出付款。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.2 Consolidation (continued)

(c) *Associates* (continued)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the consolidated income statement.

In the Company's balance sheet, the investments in associates are stated at cost less provision for impairment losses. The results of associates are accounted for by the Company on the basis of dividend received and receivable.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decisions.

2 重要會計政策摘要(續)

2.2 綜合帳目(續)

(c) *聯營公司(續)*

本集團與其聯營公司之間交易的未實現收益按集團在聯營公司權益的數額對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

於投資之聯營公司之攤薄損益於綜合損益表確認。

在本公司之資產負債表內，於聯營公司之投資按成本值扣除減值虧損準備列帳。聯營公司之業績由本公司按已收及應收股息入帳。

2.3 分部報告

營運分部按照向首席營運決策者提供的內部報告貫徹一致的方式報告。首席營運決策者已獲確定為作出策略性決定之董事局，負責營運分部之資源分配及表現評估。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.4 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and the Group's presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

Translation difference on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the available-for-sale reserve in equity.

2 重要會計政策摘要(續)

2.4 外幣匯兌

(a) *功能和列帳貨幣*

本集團每個實體的財務報表所列項目均以該實體營運所在的主要經濟環境的貨幣計量(「功能貨幣」)。綜合財務報表以港幣呈報，港幣為本公司的功能及本集團的列帳貨幣。

(b) *交易及結餘*

外幣交易採用交易日的匯率，或當交易重新計量，則以評估日當天匯率，換算為功能貨幣。除了符合在權益中遞延入帳的現金流量對沖和淨投資對沖外，結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在綜合損益表確認。

分類為可供出售之外幣列值貨幣證券之公平值變動分析為證券攤銷成本變動產生之匯兌差額及證券帳面值之其它變動。有關攤銷成本變動之匯兌差額於損益確認，而帳面值其它變動則於權益中確認。

非貨幣財務資產及負債之匯兌差額，例如按公平值透過損益列帳的股本，均列報為損益帳中作為公平值收益或虧損。至於歸類為可供出售權益等非貨幣財務資產之匯兌差異，列入權益中可供出售儲備內。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation (continued)

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2 重要會計政策摘要(續)

2.4 外幣匯兌(續)

(c) 集團公司

功能貨幣與列帳貨幣不同的所有集團實體(當中沒有嚴重通脹經濟體系貨幣)的業績和財務狀況按如下方法換算為列帳貨幣：

- 每份呈報的資產負債表內的資產和負債按該資產負債表日期的收市匯率換算；
- 每份損益表內的收入和費用按平均匯率換算(除非此平均匯率非為計及各交易日期匯率累計影響的合理約數；在此情況下，收支按各交易日期的匯率換算)；及
- 所有由此產生的匯兌差額確認為權益的獨立組成項目。

綜合帳目時，換算海外實體投資淨額和換算指定為此等投資之對沖項目的借貸及其它貨幣工具所產生匯兌差額，均列入股東權益內。當出售部分或出售海外業務時，已列入權益之匯兌差額會於綜合損益表確認為出售收益或虧損的一部分。

收購海外實體產生的商譽及公平值調整視為該海外實體的資產和負債，並按收市匯率換算。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the consolidated income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

– Buildings	20 to 50 years
– Leasehold improvements	2 to 10 years (over the period of leases)
– Machinery	10 years
– Furniture and equipment	4 to 10 years
– Motor vehicles	4 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated income statement.

2 重要會計政策摘要(續)

2.5 物業、機器及設備

物業、機器及設備按歷史成本減折舊和減值虧損列帳。歷史成本包括收購該項目直接應佔的開支。成本可包括從權益中轉撥的有關該物業、機器及設備利用外幣購買的合資格現金流量對沖產生的任何收益／損失。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團，且該項目的成本能可靠計量時，才包括在資產的帳面值或確認為獨立資產(按適用)。已更換零件的帳面值從帳上剔除。所有其它維修及保養在產生的財政期間內於綜合損益表支銷。

物業、機器及設備的折舊採用以下的估計可使用年期將成本按直線法分攤至剩餘價值計算：

– 樓宇	20至 50年
– 租賃樓宇裝修	2至 10年 (按租約年期)
– 機器	10年
– 傢具及設備	4至 10年
– 車輛	4至 10年

資產的剩餘價值及可使用年期在每個報告日期末進行檢討，及在適當時調整。

若資產的帳面值高於其估計可收回金額，其帳面值即時撇減至可收回金額(附註 2.7)。

出售盈虧乃按所得款與帳面值比較，並於綜合損益表確認。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Intangible assets

(a) Domain names and trademarks

Acquisition costs of domain names and legal costs related to the registration of trademarks are capitalised and amortised on a straight-line basis over their estimated useful lives of ten years.

(b) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of ten years.

2.7 Impairment of investments in subsidiaries, associates and non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting period.

Impairment testing of the investments in subsidiaries or associates is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary or associate in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2 重要會計政策摘要(續)

2.6 無形資產

(a) 域名及商標

包括購買域名之成本及有關商標登記之律師費，以成本列帳並按直線法於估計可使用年期十年期內攤銷。

(b) 電腦軟件

購買電腦軟件版權乃根據購買和達至使用之成本會撥充資本，此成本列帳於估計可使用年期十年期內攤銷。

2.7 附屬公司、聯營公司及非財務資產投資之減值

可無限期使用之資產(例如商譽)不予攤銷，並每年進行減值檢測。資產於發生可能無法收回帳面值之事件或狀況變動時，須進行減值檢討。減值虧損乃就資產帳面值超出其可收回金額之差額確認。可收回金額為資產公平值減出售成本與使用價值之較高者。就評估減值，資產乃按可個別識別現金流量之最低層分類(現金產生單位)。商譽以外已減值之非財務資產於每個報告日期檢討撥回減值之可能性。

於附屬公司或聯營公司之投資取得股息後，倘股息超過附屬公司或聯營公司於宣派該等股息期內全面收益總額或倘於獨立財務報表之投資之帳面值超過被投資者資產淨值(包括商譽)於綜合財務報表之帳面值，則須作出附屬公司或聯營公司之投資之減值測試。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.8 Financial assets

2.8.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

(c) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2 重要會計政策摘要(續)

2.8 財務資產

2.8.1 分類

本集團將其財務資產分類如下：按公平值透過損益列帳、貸款及應收款及可供出售財務資產。分類方式視乎購入財務資產目的而定。管理層在初步確認時釐定其財務資產的分類。

(a) *按公平值透過損益列帳的財務資產*

按公平值透過損益列帳的財務資產為持作買賣的財務資產。財務資產若在購入時主要用作在短期內出售，則分類為此類別。衍生工具除非被指定為對沖，否則亦分類為持作買賣用途。在此類別的資產則分類為流動資產。

(b) *貸款及應收款*

貸款及應收款為有固定或可釐定付款且沒有在活躍市場上報價的非衍生財務資產。此等款項包括在流動資產內，但到期日由報告日期末起計超過12個月者，則分類為非流動資產。

(c) *可供出售財務資產*

可供出售財務資產為非衍生工具，被指定為此類別或未被分類為任何其它類別。除非此資產在報告日期末後12個月內到期或管理層有意在報告日期末後12個月內出售該項投資，否則此等資產列在非流動資產內。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets (continued)

2.8.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date (the date on which the Group commits to purchase or sell the asset). Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the consolidated income statement within other gains, in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidation income statement as part of other income when the Group’s right to receive payments is established.

2 重要會計政策摘要(續)

2.8 財務資產(續)

2.8.2 確認及計算

財務資產的購入及出售在交易日確認－交易日指本集團承諾購入或出售該資產之日。對於所有並非按公平值透過損益列帳的投資，初步按公平值加交易成本確認。按公平值透過損益列帳的財務資產，初步按公平值確認並將交易成本支銷在綜合損益表。當從投資收取現金流量的權利經已屆滿或經已轉讓，而本集團亦已將擁有的所有風險和回報實際轉讓時，財務資產即終止確認。可供出售財務資產及按公平值透過損益列帳的財務資產其後按公平值列帳。貸款及應收款其後利用實際利息法按攤銷成本列帳。

因為「按公平值透過損益列帳的財務資產」類別的公平值變動而產生的盈虧，列入產生期間的綜合損益表其它收益內。按公平值透過損益列帳之財務資產之股息收入於本集團收取有關款項之權利確立時於綜合損益表確認為其它收入一部分。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets (continued)

2.8.2 Recognition and measurement (continued)

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in profit or loss; translation differences on non-monetary securities are recognised in other comprehensive income. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated income statement as gains and losses from investment securities.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated income statement as part of other income. Dividends on available-for-sale equity instruments are recognised in the consolidated income statement as part of other income when the Group's right to receive payments is established.

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2 重要會計政策摘要(續)

2.8 財務資產(續)

2.8.2 確認及計算(續)

以外幣計值並分類為可供出售的貨幣證券的公平值變動將分解至因證券的攤銷成本轉變而產生的匯兌差額及證券帳面值的其它變動。貨幣證券之匯兌差額計入損益，非貨幣證券之匯兌差額則計入其它全面損益表內。分類為可供出售之貨幣及非貨幣證券之公平值變動於其它全面損益表中確認。

當分類為可供出售的證券被售出或減值時，在權益確認的累計公平值調整，將現列入綜合損益表作為投資證券的盈虧。

可供出售證券按實際利息法計算的利息在綜合損益表確認為其它收入一部分。當集團就收款的權利確立時，可供出售股權工具的股息在綜合損益表確認為其它收入一部分。

2.9 抵銷金融工具

倘有可執行法律權利抵銷某些已確認金額及有意以淨額基準結算或變現資產以同時清償負債時，財務資產及負債將互相抵銷，有關之淨款項於資產負債表內呈報。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or

2 重要會計政策摘要(續)

2.10 財務資產減值

(a) 以攤餘成本列帳之資產

本集團會於各報告期末衡量是否有客觀證據證明財務資產或一組財務資產出現減值。惟當有客觀證據證明於首次確認資產後發生一宗或多宗事件導致減值出現(「虧損事件」)，而該宗(或該等)虧損事件對該項或該組財務資產之估計未來現金流量構成可合理估計的影響，有關的財務資產才算出現減值及產生減值虧損。

本集團用以釐定出現減值虧損事件的客觀證據之準則包括：

- 發行人或承擔人出現重大財政困難；
- 違反合約如逾期支付或拖欠利息或本金；
- 本集團因借款人之財政困難及有關之經濟或法律理由，給予借款人一項本集團在其它情況下不會考慮之優惠；
- 借款人可能將破產或進行其它財務重組；
- 因為財政困難而導致某財務資產失去活躍市場；或



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.10 Impairment of financial assets (continued)

(a) *Assets carried at amortised cost* (continued)

- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 - (i) adverse changes in the payment status of borrowers in the portfolio;
 - (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2 重要會計政策摘要(續)

2.10 財務資產減值(續)

(a) 以攤餘成本列帳之資產(續)

- 明顯的資料顯示一組財務資產自首次確認入帳後，其估計之未來現金流量出現重大之跌幅，儘管尚未能認明有關跌幅是來自組合內哪項個別財務資產，包括：
 - (i) 組合內借款人之付款狀況出現逆轉；
 - (ii) 組合內資產拖欠行情況與有關國家或當地經濟狀況配合。

本集團首先評估是否有客觀證據證明出現減值。

虧損金額以資產帳面值與按財務資產原來實際利率貼現估計之未來現金流量(不包括未產生的日後信貸虧損)所得現值兩者間之差額計量。資產的帳面值被銷減，虧損金額則於綜合損益表內確認。倘貸款或持至到期投資按浮動利率計息，計量任何減值虧損之貼現率則為合約下釐定的即期實際利率。作為可行之權宜之計，本集團可按某工具可觀察得到之市價為公平值之基礎計量其減值。

倘於繼後期間減值虧損金額減少，同時客觀地與減值獲確認後發生之事項相關(例如債務人信貸評級改善)，則過往確認的減值虧損之撥回將於綜合損益表中確認。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Impairment of financial assets (continued)

(b) Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria refer to (a) above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the separate consolidated income statement. Impairment losses recognised in the separate consolidated income statement on equity instruments are not reversed through the separate consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the separate consolidated income statement.

2.11 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated group, is classified as investment property.

Investment property comprises land held under operating leases and buildings held under finance leases.

2 重要會計政策摘要(續)

2.10 財務資產減值(續)

(b) 分類為可供出售之資產

本集團在每個報告日期末評估是否有客觀證據證明某項財務資產或某組財務資產經已減值。對於債務證券，本集團用(a)部份所提出的準則評估。倘股本投資歸類為可供出售，證券公平值之重大或持續下跌至低於其成本值亦為資產出現減值之證據。倘存有證據顯示可供出售財務資產出現減值，其累計虧損(收購成本與現時公平值之差額)減該財務資產以往於獨立綜合損益表內確認之任何減值則於權益帳撤銷，並於獨立綜合損益表內確認。於獨立綜合損益表內確認的股本工具減值虧損不會透過損益表撥回。倘於繼後期間，被分類為可供出售的債務工具之公平值增加，而該增值可客觀地與減值虧損於獨立綜合損益表確認後出現之事件有關，減值虧損則於獨立綜合損益表中撥回。

2.11 投資物業

為獲得長期租金收益或資本增值或兩者兼備而持有，且並非由綜合集團內的公司佔用的物業列為投資物業。

投資物業包括以營運租賃持有的土地及以融資租賃持有之樓宇。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Investment properties (continued)

Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are reviewed annually by external valuers. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property; others, including contingent rent payments, are not recognised in the consolidated financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

2 重要會計政策摘要(續)

2.11 投資物業(續)

以營運租賃持有的土地，如符合投資物業其餘定義，按投資物業分類及記帳。營運租賃猶如其為融資租賃而記帳。

投資物業初步按其成本計量，包括相關的交易成本。

在初步確認後，投資物業按公平值列帳。公平值根據活躍市場價格計算，如有需要，將就個別資產的性質、地點或狀況的任何差異作出調整。如沒有此等資料，本集團利用其它估值方法，例如較不活躍市場的近期價格或貼現現金流量預測法。此等估值每年由外部估值師檢討。為繼續用作投資物業而正在重建或市場已變得不活躍的投資物業，繼續按公平值計量。

投資物業的公平值反映(包括其它)來自現有租賃的租金收入，及在現時市場情況下未來租賃的租金收入假設。

公平值亦反映，在類似基準下物業預期的任何現金流出。此等現金流出部份確認為負債，包括列為投資物業的土地有關的融資租賃負債；而其它，包括或然租金款項，不在綜合財務報表列帳。

其後支出只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，才計入在資產的帳面值中。所有其它維修及保養成本在產生的財政期間內於綜合損益表支銷。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Investment properties (continued)

Changes in fair values are recognised in the consolidated income statement as part of other gain.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes. Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at cost until construction or development is complete, at which time it is reclassified and subsequently accounted for as investment property.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under HKAS 16. However, if a fair value reverses a previous impairment loss, the gain is recognised in the consolidated income statement.

For a transfer from properties held for sale to investment properties, any difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in the consolidated income statement.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2 重要會計政策摘要(續)

2.11 投資物業(續)

公平值變動在綜合損益表列帳為其它收益的一部份。

若投資物業變成業主自用，會被重新分類為物業、機器及設備，其於重新分類日期的公平值，就會計目的而言變為其成本。現正興建或發展供日後用作投資物業的物業，被分類為物業、機器及設備，並按成本列帳，直至建築或發展完成為止，屆時重新分類為投資物業並其後按投資物業記帳。

根據香港會計準則第16號，若物業、機器及設備的某個項目因其用途改變而成為投資物業，該項目於轉撥日期的帳面值與公平值的任何差額在權益中確認為物業、機器及設備的重估。然而，若公平值收益將以往的減值虧損撥回，該收益於綜合損益表確認。

待售物業轉撥至投資物業時，須在綜合損益表確認有關物業於轉撥日之公平值與其過往帳面值兩者之差額。

2.12 存貨

存貨按成本及可變現淨值兩者的較低者列帳。成本利用先進先出法釐定。製成品及在製品的成本包括原材料、直接勞工、其它直接成本和相關的生產經常開支(依據正常營運能力)。這不包括貸款成本。可變現淨值為在通常業務過程中的估計銷售價，減適用的變動銷售費用。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Accounts and other receivables

Accounts receivable are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of accounts and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Accounts and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.14 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts (if any).

2.15 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 重要會計政策摘要(續)

2.13 應收帳項及其它應收款

應收帳項是於日常業務過程中向客戶銷售商品或提供服務而應收之款項。倘應收帳項及其它應收帳款計將在一年或一年以內收回(若更長則在業務正常經營週期內)，則歸類為流動資產。否則，在非流動資產中列報。

應收帳項及其它應收帳款最初按公平值確認，其後則以實際利率法按攤銷成本減減值撥備計算。

2.14 現金及現金等價物

現金及現金等價物包括現金、銀行之通知存款、原到期日為三個月或以下的其它短期高流動性投資，以及銀行透支(如有)。

2.15 股本

普通股被列為權益。

直接歸屬於發行新股或購股權的新增成本在權益中列為所得款的減少(扣除稅項)。

2.16 應付帳項

應付帳項是於日常業務過程中從供應商處購買商品或接受服務形成的支付責任。倘應付帳項及其它應付帳款計將在一年或一年內支付(若更長則在業務正常經營週期內)，則歸類為流動負債。否則，在非流動負債中列報。

應付帳項初步按公平值確認，其後以實際利率法按攤銷成本計量。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2.18 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 重要會計政策摘要(續)

2.17 貸款

借貸扣除所產生之交易成本後初步按公平值確認，其後按攤銷成本列帳；所得款項(扣除交易成本)與贖回價值的任何差額利用實際利息法於貸款期間內在綜合損益表確認。

為建立貸款額度所支付的費用，當部分或所有額度很可能將被使用時確認為交易成本。於此情況下，該費用在使用貸款額度前將予以遞延。倘無證據表明部分或所有額度將被使用，則該費用將作為流動性服務的預付款項資本化，並在額度相關的期限內攤銷。

2.18 本年及遞延所得稅

期內稅項費用包括當期和遞延所得稅。除了直接與其它全面損益或權益相關的項目的稅項分別在其它全面損益或直接在權益表中確認，其餘的均在綜合損益表中確認。

本年所得稅開支乃按本公司、附屬公司及聯營公司經營及產生應課稅收入之國家於報告日期末已實行或大致已實行之稅務法律計算。管理層就需作詮釋適用稅項法規下所作稅務申報定期評估，並按預期將支付稅務機關的款項基準計提適當撥備。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Current and deferred income tax (continued)

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 重要會計政策摘要(續)

2.18 本年及遞延所得稅(續)

遞延所得稅利用負債法就資產和負債的稅基與資產和負債在綜合財務報表的帳面值之差產生的暫時差異確認。然而，若遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初步確認，而又卻在交易時不影響會計損益或應課稅盈虧，則不作確認。遞延所得稅採用在報告日期末前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率(及法例)而釐定。

遞延所得稅資產是就可能未來應課稅盈利而就此可使用暫時差異而確認。

遞延所得稅就附屬公司及聯營公司投資產生之暫時差異而撥備，但假若本集團可以控制暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回則除外。

倘有合法強制執行權利可抵銷當期稅項資產與當期稅項負債，以及當遞延所得稅資產與負債與同一課稅當局就有意按淨額基準結付結餘的一間應課稅實體或不同應課稅實體徵收之所得稅有關，則遞延所得稅資產與負債會予以抵銷。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of each reporting period.

Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

(b) Bonus plans

Provisions for bonus plans due wholly within 12 months after the end of each reporting period are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(c) Pension obligations

The Group operates a number of defined contribution plans, the assets of which are generally held in separate trustee – administered funds.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 重要會計政策摘要(續)

2.19 僱員福利

(a) 僱員應享假期

僱員在年假和長期服務休假之權利在僱員應享有時確認。本集團為截至報告日期末止僱員已提供之服務而產生之年假及長期服務休假之估計負債作出撥備。

僱員之病假及產假或陪妻分娩假不作確認，直至僱員正式休假。

(b) 獎金計劃

當本集團為僱員已提供之服務而產生現有法律或推定性責任，而責任金額能可靠估算時，則將在報告日期末後12個月內應付之獎金計劃作撥備入帳。

(c) 退休金責任

集團營運多項界定供款退休計劃，計劃之資產一般由獨立管理之基金持有。

對於界定供款計劃，本集團以強制性、合約性或自願性方式向公開或私人管理的退休保險計劃供款。本集團作出供款後，即無進一步付款責任。供款在應付時確認為僱員福利開支，且可由供款全數歸屬前離開計劃的僱員所放棄的供款而減少。預付供款按照現金退款或可減少未來付款而確認為資產。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Employee benefits (continued)

(d) Share-based compensation

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement with a corresponding adjustment to equity.

The cash subscribed for the shares issued when the options are exercised is credited to share capital (nominal value) and share premium, net of any directly attributable transaction costs.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

2 重要會計政策摘要(續)

2.19 僱員福利(續)

(d) 以股份為基礎的補償

本集團設有以股本支付的股份報酬計劃，以本集團的股本工具(購股權)作為獲得僱員服務之代價。僱員為獲取授予購股權而提供的服務的公平值確認為費用。在歸屬期間內將予支銷的總金額參考授予的購股權的公平值釐定，不包括任何非市場既定條件(例如盈利能力、銷售增長目標和該實體僱員在指定時期留任)的影響。非市場既定條件包括在有關預期歸屬的購股權數目的假設中。有關總開支於歸屬時期內而指定歸屬條件能被滿足時確認。在每個報告日期末，本集團根據非市場既定條件修訂其對預期歸屬購股權數目的估計。本集團在綜合損益表確認對原估算修訂(如有)的影響，並對權益作出相應調整。

在購股權獲行使時，認購所發行股份之現金扣除任何直接應佔交易成本後計入股本(面值)及股份溢價。

本公司授予集團附屬公司僱員認購其股本工具的購股權被視為注資。所接受僱員服務的公平值乃參照授出日期的公平值計量，於歸屬期間作為於附屬公司的投資進行確認，並相應地計入權益。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.21 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of value-added tax, business tax, returns, rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

- (a) Sale of goods – income from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to customers.
- (b) Rental income – rental income is recognised on a straight line basis over the lease term.
- (c) Service income – service income is recognised in the accounting periods in which the services are rendered.

2 重要會計政策摘要(續)

2.20 撥備

當本集團因已發生之事件須承擔現有法律或推定責任，而解除責任時有可能消耗資源，並且在責任金額能夠可靠地作出估算的情況下，需確認撥備。

如有多項類似責任，其需要在償付中流出資源的可能性，是根據責任的類別整體考慮。即使在同一責任類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

撥備按預期需要的開支以償付責任的貼現值衡量，並採用稅前比率反映當時市場對金錢的時間值及該責任的相關風險。因時間的流逝而增加的撥備以利息支出確認。

2.21 收益確認

收益包括在集團通常活動過程中出售貨品及服務已收或應收代價的公平值。收益在扣除增值稅、營業稅、退貨、回扣和折扣，以及對銷集團內部銷售後呈示。收益確認如下：

- (a) 銷貨 – 銷貨收益在擁有權之重大風險及回報轉移至客戶時確認。
- (b) 租金收入 – 租金收入按租約年期以直線法確認。
- (c) 服務收入 – 服務收入在服務提供的會計期內確認。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2.21 Revenue recognition (continued)

- (d) Interest income – interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables are recognised using the original effective interest rate.
- (e) Dividend income – dividend income is recognised when the right to receive payment is established.

2.22 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2 重要會計政策摘要(續)

2.21 收益確認(續)

- (d) 利息收入—利息收入採用實際利息法確認。倘貸款及應收款出現減值，本集團會將帳面值減至可收回款額，即估計的未來現金流量按該工具之原有效利率貼現值，並繼續將貼現計算並確認為利息收入。已減值貸款及應收款之利息收入按原實際利率確認。
- (e) 股息收入—股息收入於收取款項之權利確立時確認。

2.22 租賃

擁有權的重大部份風險和回報由出租人保留的租賃分類為營運租賃。根據營運租賃支付的款項(扣除自出租人收取之任何獎勵金後)於租賃期內以直線法在綜合損益表支銷。

本集團持有租賃物業、機器及設備。如本集團持有租賃物業、機器及設備擁有權的近乎所有風險及回報，分類為融資租賃。融資租賃在租賃開始時按租賃資產之公平值及最低租賃付款現值兩者之較低者入帳。

每筆租金均分攤為負債及財務開支，使財務費用佔融資結欠額為常數比率。相應租賃責任在扣除財務開支後計入其它長期應付款內。財務費用的利息部份於租約期內在綜合損益表支銷，使財務費用與每個期間的負債餘額之比為常數定期利率。根據融資租賃取得的物業、機器及設備按資產之可用年期或租期兩者的較低者折舊。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest-rate risk, cash flow interest-rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a treasury committee under policies approved by the board of directors. The committee identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest-rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing of excess liquidity.

2 重要會計政策摘要(續)

2.23 股息分派

向本公司股東分派的股息在股息獲本公司股東批准的期間內於本集團及本公司的財務報表內列為負債。

3 財務風險管理

3.1 財務風險因素

本集團的活動承受著多種的財務風險：市場風險(包括外匯風險、公平值利率風險、現金流量利率風險及價格風險)、信貸風險及流動資金風險。本集團的整體風險管理計劃專注於財務市場的難預測性，並尋求儘量減低對本集團財務表現的潛在不利影響。

風險管理由財資委員會根據董事局批准之政策執行。財資委員會透過與集團內營運單位之緊密合作，負責確定、評估及對沖財務風險。董事局就整體風險管理制訂原則，並就外匯風險、利率風險、信貸風險、衍生金融工具與非衍生金融工具之應用及將剩餘流動資金作出投資等範疇制訂政策。



3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) *Market risk*

(i) Foreign exchange risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currency. Approximately 87% (2008: 88%) of the Group's turnover are denominated in currencies other than the functional currency of the operating units making the sale, whilst approximately 10% (2008: 10%) of costs are denominated in the units' functional currency. The Group manages the foreign exchange exposure arising from its normal course of business activities and investments in foreign operations by funding its local operations and investments through cash flow generated from business transactions locally. The management monitors foreign exchange exposure closely and forward exchange contracts are used for hedging purposes when required.

In view of the fact that the Hong Kong dollar ("HK\$") is pegged to the United States dollar ("US\$"), the Group's exposure to foreign currency risk is minimal.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in Chinese Renminbi (RMB) exchange rate, with all other variables held constant, of the Group's profit/(loss) after income tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) *市場風險*

(i) 外匯風險

本集團面對交易貨幣風險。該等風險來自營運單位使用單位功能貨幣以外的貨幣進行銷售或採購。本集團約87%(二零零八年: 88%)之營業額以進行銷售的營運單位功能貨幣以外的貨幣列值, 約10%(二零零八年: 10%)的成本以該單位功能貨幣列值。本集團透過當地業務交易所產生之現金流為其當地營運及投資提供資金, 以管理日常業務過程中及投資於海外業務產生之外匯風險。管理層密切監察外幣風險及於有需要時, 會利用遠期外匯合約作對沖用途。

由於港元與美元掛鈎, 本集團面對之外匯風險屬輕微。

下表呈列當所有其它變數保持不變時, 本集團之除所得稅後盈利/(虧損)(因貨幣資產及負債公平值變動)及權益於報告日期末對人民幣匯率的合理變動之敏感度。



Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

		Increase/ (Decrease) in RMB	Increase/ (Decrease) in profit after income tax 除所得稅後 盈利增加/ (減少)	Increase/ (Decrease) in equity 權益增加/ (減少)
		%	HK\$'000 港幣千元	HK\$'000 港幣千元
2009	二零零九年			
If HK\$ weakens against RMB	倘港元兌人民幣轉弱	10	(2,302)	(2,302)
If HK\$ strengthens against RMB	倘港元兌人民幣轉強	(10)	2,302	2,302
			(Increase)/ Decrease in loss after income tax 除所得稅後 虧損(增加)/ 減少	Increase/ (Decrease) in equity 權益增加/ (減少)
		%	HK\$'000 港幣千元	HK\$'000 港幣千元
2008	二零零八年			
If HK\$ weakens against RMB	倘港元兌人民幣轉弱	10	(1,752)	(1,752)
If HK\$ strengthens against RMB	倘港元兌人民幣轉強	(10)	1,752	1,752



3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual equity investments classified as trading equity investments (Note 14) as at 31 December 2009. The Group's listed investments are listed in Hong Kong and overseas are valued at quoted market prices at the end of the reporting period.

The following table demonstrates the sensitivity to 5% increase/decrease in the fair values of the equity investments with all other variables held constant and after any impact on income tax, based on their carrying amounts at the end of the reporting period.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 價格風險

股票價格風險為股票指數水平及個別證券價值變動導致股本證券公平值下降之風險。於二零零九年十二月三十一日，本集團面對之股票價格風險來自列為買賣股本投資(附註14)之個別股本投資。本集團之上市投資乃於香港及海外上市，按報告日期末所報市場價格估值。

下表呈列按於報告日期末股本投資之帳面值，當所有其它變數保持不變時，及計及任何所得稅影響後股本投資公平值增加/減少5%之敏感度。



Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Price risk (continued)

		Increase/ (Decrease) in carrying amount of equity investment 股本投資 帳面值增加/ (減少) HK\$'000 港幣千元	Increase/ (Decrease) in profit after income tax 除所得稅後 盈利增加/ (減少) HK\$'000 港幣千元	Increase/ (Decrease) in equity 權益增加/ (減少) HK\$'000 港幣千元
2009	二零零九年			
5% increase in equity price	股本價格上升5%	631	526	526
5% decrease in equity price	股本價格下降5%	(631)	(526)	(526)

		Increase/ (Decrease) in carrying amount of equity investment 股本投資 帳面值增加/ (減少) HK\$'000 港幣千元	(Increase)/ Decrease in loss after income tax 除所得稅後 虧損(增加)/ 減少 HK\$'000 港幣千元	Increase/ (Decrease) in equity 權益增加/ (減少) HK\$'000 港幣千元
2008	二零零八年			
5% increase in equity price	股本價格上升5%	2,010	1,678	1,678
5% decrease in equity price	股本價格下降5%	(2,010)	(1,678)	(1,678)



3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(iii) Cash flow and fair value interest-rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest-rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk. During 2009 and 2008, the Group's borrowings at variable rate were denominated in US\$, RMB and HK\$.

The Group has not hedged its exposure to cash flow and fair value interest-rate risk, as the management considers the risk is insignificant to the Group.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit/(loss) after income tax (through the impact on floating rate borrowings) and the Group's equity.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 現金流量及公平值利率風險

由於本集團並無重大計息資產，故本集團的收入和營運現金流量基本上不受市場利率波動的影響。

本集團的利率風險來自長期貸款。按變動利率發行的貸款令本集團承受現金流量利率風險。按固定利率發行的貸款令本集團承受公平值利率風險。二零零九年及二零零八年，本集團變動利率的貸款為美元、人民幣及港元。

由於管理層認為有關風險對本集團並不重大，故本集團並無對沖其現金流量及公平值利率風險。

下表呈列當所有其它變數不變時，本集團之除所得稅後盈利／(虧損)(透過浮動利率貸款變動之影響)及本集團權益對合理利率變動之敏感度。



Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

- (iii) Cash flow and fair value interest-rate risk (continued)

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

- (iii) 現金流量及公平值利率風險(續)

		Increase/ (Decrease) in basis points	Increase/ (Decrease) in profit after income tax 除所得稅後 盈利增加/ (減少)	Increase/ (Decrease) in equity 權益增加/ (減少)
		利率基點 增加/(減少)	HK\$'000 港幣千元	HK\$'000 港幣千元
2009	二零零九年			
US\$	美元	100	(830)	(830)
RMB	人民幣	100	(873)	(873)
HK\$	港元	100	(1,155)	(1,155)
US\$	美元	(100)	830	830
RMB	人民幣	(100)	873	873
HK\$	港元	(100)	1,155	1,155
			(Increase)/ Decrease in loss after income tax 除所得稅後 虧損(增加)/ 減少	Increase/ (Decrease) in equity 權益增加/ (減少)
			HK\$'000 港幣千元	HK\$'000 港幣千元
2008	二零零八年			
US\$	美元	100	(212)	(212)
RMB	人民幣	100	(333)	(333)
HK\$	港元	100	(803)	(803)
US\$	美元	(100)	212	212
RMB	人民幣	(100)	333	333
HK\$	港元	(100)	803	803



3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk

The Group reviews the recoverability of its financial assets periodically to ensure that potential credit risk of the counterparty is managed at an early stage and sufficient provision is made for possible defaults. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, due from associates and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Further quantitative data in respect of the Group's exposure to credit risk arising from accounts receivable are disclosed in Note 15 to the consolidated financial statements.

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

本集團定期檢討其財務資產之可收回金額，以確保及早對交易對方的信貸風險作出管理，並在有需要時作充足之減值虧損撥備。此外，本集團持續監察應收結餘情況，而本集團並無重大壞帳風險。

就有關本集團其它財務資產(其中包括現金及現金等價物、聯營公司欠款及其它應收款)的信貸風險，本集團因對方違約所產生的信貸風險，上限相等於該等工具的帳面值。

就本集團應收帳項信貸風險之其它量化數據，已於綜合財務報表附註15披露。

(c) 流動資金風險

本集團董事局就流動資金風險管理承擔最終責任，並已為本集團之短期、中期及長期資金融資及流動資金需求的管理建立一個合適之流動資金風險管理藍圖。本集團藉不斷監察預測及實際現金流、財務資產及負債之年期配對，及維持充足儲備及信貸額，管理流動資金風險。



Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the end of reporting period, based on the contractual undiscounted payments, was as follows:

	Carrying amount as per consolidated balance sheet	Total contractual undiscounted cash flows	On demand or within 1 year	More than 1 year but less than 5 years	More than 5 years but less than 10 years
	按綜合資產負債表之帳面值	已立約而未貼現之現金流量總額	應要求或一年內償還	一年以上但於五年內	五年以上但於十年內
	HKS'000 港幣千元	HKS'000 港幣千元	HKS'000 港幣千元	HKS'000 港幣千元	HKS'000 港幣千元
2009	二零零九年				
Borrowings	貸款	959,156	973,440	581,408	359,068
Due to associates	欠聯營公司款項	24,079	24,079	24,079	-
Bills and accounts payable	應付票據及應付帳項	359,049	359,049	359,049	-
Other payables and accruals	其它應付帳項及應計費用	42,499	42,499	42,499	-
Guarantee for general banking facilities granted to an associate	為聯營公司銀行融資作出之擔保	-	21,730	21,730	-
Guarantees given to banks for mortgage facilities granted to the buyers of the Group's properties	為集團物業購買者按揭貸款而向銀行作出之擔保	-	86	86	-
		1,384,783	1,420,883	1,028,851	359,068
					32,964

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

根據已立約而未貼現之付款計算，本集團於報告日期末財務負債之年期如下：



Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3 財務風險管理(續)

3.1 Financial risk factors (continued)

3.1 財務風險因素(續)

(c) Liquidity risk (continued)

(c) 流動資金風險(續)

		Carrying amount as per consolidated balance sheet 按綜合 資產負債表之 帳面值 HK\$'000 港幣千元	Total contractual undiscounted cash flows 已立約 而未貼現之 現金流量總額 HK\$'000 港幣千元	On demand or within 1 year 應要求或 一年內償還 HK\$'000 港幣千元	More than 1 year but less than 5 years 一年以上 但於五年內 HK\$'000 港幣千元	More than 5 years but less than 10 years 五年以上 但於十年內 HK\$'000 港幣千元
2008	二零零八年					
Borrowings	貸款	597,272	610,316	456,861	100,331	53,124
Due to associates	欠聯營公司款項	24,301	24,301	24,301	-	-
Bills and accounts payable	應付票據及應付帳項	335,897	335,897	335,897	-	-
Other payables and accruals	其它應付帳項及應計費用	113,479	113,479	113,479	-	-
Guarantee for general banking facilities granted to an associate	為聯營公司銀行融資作出之擔保	-	21,730	21,730	-	-
Guarantee for general banking facilities granted to a supplier	為供應商銀行融資作出之擔保	-	23,400	23,400	-	-
Guarantees given to banks for mortgage facilities granted to the buyers of the Group's properties	為集團物業購買者按揭貸款 而向銀行作出之擔保	-	2,107	2,107	-	-
		1,070,949	1,131,230	977,775	100,331	53,124



Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheet) less cash and cash equivalents. Adjusted capital comprises all components of equity (including share capital, reserves, retained profits, minority interests and other loans from minority shareholders of subsidiaries as shown in the consolidated balance sheet).

During 2009, the Group's strategy, which was unchanged from 2008, was to maintain a debt-to-adjusted capital ratio below 90%. The debt-to-adjusted capital ratios at 31 December 2009 and 2008 are as follows:

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Total debts	總債務	959,156	597,272
Less: Cash and cash equivalents	減：現金及現金等價物	(265,936)	(311,553)
Net debt	淨債務	693,220	285,719
Total equity	總權益	1,588,051	1,469,321
Adjusted capital	經調整股本	1,592,489	1,473,759
Debt-to-adjusted capital ratio	債務對經調整股本比率	44%	19%

3 財務風險管理(續)

3.2 資金風險管理

本集團管理資金之目標為保障本集團持續經營之能力，以為股東帶來回報、為其它權益持有人帶來利益，及維持理想資金結構以減低資本成本。

為維持或調整資本結構，本集團或會調整向股東派付股息之金額，向股東返還資金或發行新股份。

本集團按債務與經調整股本比率監察股本。此比率按債務淨額除以經調整股本計算。債務淨額按總貸款(包括綜合資產負債表所列示之流動或非流動貸款)減現金及現金等價物計算。經調整股本包括所有權益部分(包括綜合資產負債表所列示的股本、儲備、保留盈利、少數股東權益及附屬公司少數股東的其它貸款)。

於二零零九年，本集團之策略為維持債務與經調整股本比率低於90%，與二零零八年相同。於二零零九年及二零零八年十二月三十一日之債務與經調整股本比率如下：



Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation

Effective 1 January 2009, the Group adopted the amendment to HKFRS 7 for financial instruments that are measured in the balance sheet at fair value, this requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets that are measured at fair value at 31 December 2009.

Assets 資產

Financial assets at fair value through profit or loss – listed equity securities	按公平值透過損益列帳的財務資產 – 上市股本證券
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The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

3 財務風險管理(續)

3.3 公平值估計

對香港財務準則第7號的修訂於二零零九年一月一日生效，本集團對於資產負債表以公平值計量的金融工具採用該修訂本，需要根據以下公平值計量等級披露公平值計量方法：

- 同類資產或負債在活躍市場上的報價(未經調整)(第一級)。
- 除第一級所包括的報價外，資產或負債的可直接(即價格)或間接(即從價格以外得出)觀察所得輸入值(第二級)。
- 並非根據可觀察市場數據而釐定的資產或負債輸入值(即不可觀察輸入值)(第三級)。

下表呈列本集團於二零零九年十二月三十一日以公平值計量的資產。

Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
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在活躍市場買賣之金融工具之公平值乃按報告日期末之市場報價計算。倘報價可容易及規律地從交易市場、經銷商、經紀人、產業集團、股價服務機構或監管機構中獲得，且該等報價反映按公平原則磋商之真實及定期發生交易，則該市場視為活躍。就本集團所持財務資產所用市場報價為現行買價。該等工具屬第一級。



Notes to the Consolidated Financial Statements 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)**3.3 Fair value estimation (continued)**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) *Estimated impairment of property, plant and equipment, leasehold land and land use rights*

Property, plant and equipment, leasehold land and land use rights are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of property, plant and equipment, leasehold land and land use rights have been determined based on value-in-use calculations, taking into account latest market information and past experience. These calculations and valuations require the use of judgements and estimates.

3 財務風險管理(續)**3.3 公平值估計(續)**

並非在活躍市場買賣之金融工具(如場外交易衍生工具)之公平值採用估值技術釐定。該等估值技術以最大限度使用了可獲得的可觀察市場數據，將對實體特定估計的依賴降到最低。倘按公平值計量一項工具的所有重大輸入值均可觀察獲得，則該項工具屬第二級。

倘一個或多個重大輸入值並非根據可觀察市場數據釐定，則該項工具屬第三級。

4 關鍵會計估算及判斷

估算和判斷會被持續評估，並根據過往經驗和其它因素進行評價，包括在有關情況下相信為合理的對未來事件的預測。

4.1 關鍵會計估算及假設

本集團對未來作出估算和假設。所得的會計估算如其定義，很少會與其實際結果相同。很大機會導致下個財政年度的資產和負債的帳面值作出重大調整的估算和假設討論如下。

(a) *物業、機器及設備和租賃土地及土地使用權減值估算*

當有事件出現或情況改變顯示帳面值可能無法收回時，須就物業、機器及設備和租賃土地及土地使用權進行減值檢討。在考慮近期市況及過往經驗，物業、機器及設備、租賃土地及土地使用權的可收回金額按照使用價值計算而釐定。此等計算及估價需要利用判斷及估算。



4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

4.1 Critical accounting estimates and assumptions (continued)

(b) Estimate of fair value of investment properties

The best evidence of fair value of properties is normally the current prices in an active market for comparable properties. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including:

- (i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences, by reference to independent valuations; and
- (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

If information on current or recent prices of investment properties is not available, the fair values of investment properties are determined using discounted cash flow valuation techniques. The Group uses assumptions that are mainly based on market conditions existing at end of each reporting period.

The principal assumptions underlying management's estimation of fair value are those related to: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates. These valuations are regularly compared to actual market yield data, and actual transactions by the Group and those reported by the market.

4 關鍵會計估算及判斷(續)

4.1 關鍵會計估算及假設(續)

(b) 投資物業公平值的估計

物業的公平值的最佳憑證普遍為可與相比的物業在活躍市場的當時價格。若沒有此等資料，本集團在一系列合理的公平值估計範圍內釐定有關金額。在作出判斷時，本集團會考慮多方面的資料，包括：

- (i) 以獨立估價作為參考，不同性質、狀況或地點的物業在活躍市場的當時價格（或受限於不同租賃或其它合約），經調整以反映此等差別；及
- (ii) 相類似物業在較不活躍市場的近期價格，附帶調整以反映該等價格出現的交易日期後經濟狀況的任何變動。

如未能取得當時或近期價格的資料，投資物業的公平值利用貼現現金估值技術釐定。本集團利用的假設主要根據報告日期末當時的市場情況釐定。

管理層對公平值估計的主要假設涉及：合約租金的收取；預期未來市場租金；無效期；維修規定；及適當的貼現率。此等估值定期與實際的市場收益數據以及本集團的實際交易和市場報告作出比較。



4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

4.1 Critical accounting estimates and assumptions (continued)

(b) *Estimate of fair value of investment properties* (continued)

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

(c) *Income tax and deferred income tax*

The Group is subject to taxation in Mainland China and Hong Kong. Significant judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the periods in which such determination are made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and income tax in the periods in which such estimate is changed.

4 關鍵會計估算及判斷 (續)

4.1 關鍵會計估算及假設 (續)

(b) *投資物業公平值的估計* (續)

預期未來市場租金按照相類似物業在同一地點和狀況的當時市場租金釐定。

(c) *所得稅及遞延所得稅*

本集團需要在中國及香港繳納稅項。在釐定稅項撥備金額及繳付相關稅項的時間時，需要作出重大判斷。在一般業務過程中，有許多交易和計算所涉及的最終稅務釐定都是不確定的。如此等事件的最終稅務後果與最初記錄的金額不同，此等差額將影響作出此等釐定期間的所得稅和遞延所得稅撥備。

當管理層認為未來可能存在應課稅盈利，令暫時差異或稅損得以被利用，有關該暫時差異及稅損的遞延所得稅資產會被確認。在預期情況有別於原估計時，該差異會在情況變更的期間內影響遞延所得稅資產和所得稅的確認。



4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

4.2 Critical judgements in applying the Group's accounting policies

Distinction between investment properties and owner-occupied properties

The Group determines whether a property qualifies as investment property. In making its judgement, the Group considers whether the property generates cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions can be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgement.

4 關鍵會計估算及判斷(續)

4.2 應用本集團會計政策的關鍵判斷

投資物業與業主自用物業的分別

本集團釐定一項物業是否符合資格為投資物業。在作出判斷時，本集團會考慮該物業所產生的現金流量是否基本不受與實體持有的其它資產所影響。業主自用物業所產生的現金流量，不單只來自該物業，亦來自用於生產或供應流程的其它資產。

某些物業其中的一部份是用以賺取租金或作為資本增值用途而持有的，而另一部份則持有作生產或供應貨品或服務或作為行政用途。如該等部份可獨立出售(或按融資租賃獨立出租)，本集團會對該等部份獨立記帳。如該等部份不可以獨立出售，該物業只會在其不重大部份用作生產或供應貨品或服務或作行政用途而持有時記帳為投資物業。在釐定附屬服務是否那樣重大以致某項物業不符合作為投資物業時，須作出判斷。本集團在作出判斷時會獨立研究每項物業。



Notes to the Consolidated Financial Statements 綜合財務報表附註

5 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the board of directors of the Company. The directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The directors assess the performance of the operating segments based on a measure of profit/(loss) before income tax for the year. The information provided to the directors is measured in a manner consistent with that in the consolidated financial statements.

The Group is organised into three major operating units: (i) steel trading; (ii) steel processing; (iii) commercial property; and (iv) other segment comprises, principally, management services business.

Turnover recognised during the year is as follows:

		2009	2008
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Sale of goods	銷貨	3,219,932	8,299,344
Rental income	租金收入	19,774	14,350
Service income	服務收入	17,008	20,902
		3,256,714	8,334,596

5 分部資料

主要營運決策者已被確定為本公司董事會。董事評審本集團的內部報告，以評估業績和分配資源。管理部門已根據這些報告決定了經營分部。

董事會按本年度除所得稅前盈利／(虧損)來評估經營分部的業績。向董事報告的資料與本綜合財務報表資料測量的方式一致。

本集團由三個主要營運單位組成：(i)鋼鐵貿易；(ii)鋼鐵加工；(iii)商業房地產；及(iv) 其它分部業務主要包括管理服務。

本年度確認之營業額如下：



Notes to the Consolidated Financial Statements 綜合財務報表附註

5 SEGMENT INFORMATION (continued)

5 分部資料(續)

The segment results for the year ended 31 December 2009 are as follows:

截至二零零九年十二月三十一日止年度的分部業績如下：

		Steel trading 鋼鐵貿易 HK\$'000 港幣千元	Steel processing 鋼鐵加工 HK\$'000 港幣千元	Commercial property 商業房地產 HK\$'000 港幣千元	Others 其它 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Group 集團 HK\$'000 港幣千元
Total segment sales	分部銷售總額	2,890,369	349,612	19,998	18,431	-	3,278,410
Inter-segment sales	分部間銷售	(21,008)	-	(224)	(464)	-	(21,696)
Sales	銷售	2,869,361	349,612	19,774	17,967	-	3,256,714
Operating profit/(loss) before change in fair value of investment properties and financial assets at fair value through profit or loss	未計投資物業及按公平值透過損益列帳的財務資產之公平值增減的經營盈利/(虧損)	29,341	(14,606)	23,510	-	(27,305)	10,940
Change in fair value of investment properties	投資物業公平值增減	-	-	39,085	-	-	39,085
Change in fair value of financial assets at fair value through profit or loss	按公平值透過損益列帳的財務資產之公平值增減	-	-	-	-	17,202	17,202
Operating profit/(loss)	經營盈利/(虧損)	29,341	(14,606)	62,595	-	(10,103)	67,227
Finance costs	融資成本	(12,673)	(7,352)	(7,719)	-	(486)	(28,230)
Share of losses of associates	應佔聯營公司虧損	-	-	-	-	(18,932)	(18,932)
Segment results	分部業績	16,668	(21,958)	54,876	-	(29,521)	20,065
Income tax expense	所得稅						(12,401)
Profit for the year	年度盈利						7,664



Notes to the Consolidated Financial Statements 綜合財務報表附註

5 SEGMENT INFORMATION (continued)

5 分部資料(續)

The segment results for the year ended 31 December 2008 are as follows:

截至二零零八年十二月三十一日止年度的分部業績如下：

		Steel trading 鋼鐵貿易 HK\$'000 港幣千元	Steel processing 鋼鐵加工 HK\$'000 港幣千元	Commercial property 商業房地產 HK\$'000 港幣千元	Others 其它 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Group 集團 HK\$'000 港幣千元
Total segment sales	分部銷售總額	7,711,903	591,986	14,568	21,693	-	8,340,150
Inter-segment sales	分部間銷售	(4,657)	(270)	(218)	(409)	-	(5,554)
Sales	銷售	7,707,246	591,716	14,350	21,284	-	8,334,596
Operating profit/(loss) before change in fair value of investment properties and financial assets at fair value through profit or loss and gain arising from transfer from properties held for sale to investment properties	未計投資物業、按公平值透過損益列帳的財務資產之公平值增減及待售物業轉撥至投資物業所產生之收益的經營盈利/(虧損)	89,999	29,744	11,063	335	(41,957)	89,184
Change in fair value of investment properties	投資物業公平值增減	-	-	13,775	-	-	13,775
Change in fair value of financial assets at fair value through profit or loss	按公平值透過損益列帳的財務資產之公平值增減	-	-	-	-	(56,551)	(56,551)
Gain arising from transfer from properties held for sale to investment properties	待售物業轉撥至投資物業所產生之收益	-	-	169,139	-	-	169,139
Operating profit/(loss)	經營盈利/(虧損)	89,999	29,744	193,977	335	(98,508)	215,547
Finance costs	融資成本	(24,864)	(20,289)	(4,737)	(313)	(3,804)	(54,007)
Share of losses of associates	應佔聯營公司虧損	-	-	-	-	(196,866)	(196,866)
Segment results	分部業績	65,135	9,455	189,240	22	(299,178)	(35,326)
Income tax expense	所得稅						(69,577)
Loss for the year	年度虧損						(104,903)

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the prevailing market prices.

分部間銷售及轉撥交易之售價乃參照當時售予第三者之當時市場價格訂定。



Notes to the Consolidated Financial Statements 綜合財務報表附註

5 SEGMENT INFORMATION (continued)

Segment results represent the profit/(loss) earned by each segment without allocation of unallocated corporate expenses including directors' salaries, share of losses of associates, fair value gains/(losses) on financial assets at fair value through profit or loss and loss on deemed acquisition of interest in an associate.

Other segment information

The segment assets and liabilities as at 31 December 2009 and depreciation, amortisation and capital expenditures for the year ended 31 December 2009 are as follows:

		Steel trading 鋼鐵貿易 HK\$'000 港幣千元	Steel processing 鋼鐵加工 HK\$'000 港幣千元	Commercial property 商業房地產 HK\$'000 港幣千元	Others 其它 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Group 集團 HK\$'000 港幣千元
Assets	資產	1,657,938	329,820	704,196	8,138	398,188	3,098,280
Liabilities	負債	775,609	336,883	186,958	6,469	204,310	1,510,229
Depreciation	折舊	798	5,994	1,859	1,765	469	10,885
Amortisation	攤銷	-	368	37	-	1,263	1,668
Capital expenditures	資本開支	35	775	39,311	387	3	40,511

5 分部資料(續)

分部業績指由各分部賺取之溢利/(虧損)而並不包括未分配之企業開支，當中包括董事薪金、應佔聯營公司虧損、按公平值透過損益列帳的財務資產之公平值收益/(虧損)及視作購入聯營公司權益虧損。

其它分部資料

於二零零九年十二月三十一日的分部資產和負債以及截至二零零九年十二月三十一日止年度的折舊、攤銷及資本開支如下：



Notes to the Consolidated Financial Statements 綜合財務報表附註

5 SEGMENT INFORMATION (continued)

Other segment information (continued)

The segment assets and liabilities as at 31 December 2008 and depreciation, amortisation and capital expenditures for the year ended 31 December 2008 are as follows:

		Steel trading 鋼鐵貿易 HK\$'000 港幣千元	Steel processing 鋼鐵加工 HK\$'000 港幣千元	Commercial property 商業房地產 HK\$'000 港幣千元	Others 其它 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Group 集團 HK\$'000 港幣千元
Assets	資產	1,186,553	457,941	579,309	8,926	431,308	2,664,037
Liabilities	負債	541,316	297,746	94,789	8,895	251,970	1,194,716
Depreciation	折舊	847	6,204	2,275	1,514	503	11,343
Amortisation	攤銷	-	368	36	-	1,263	1,667
Capital expenditures	資本開支	609	1,097	1,654	133	160	3,653

Segment assets exclude financial instruments, deferred income tax assets, investments in associates, intangible assets, income tax refundable and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude deferred income tax liabilities, income tax payable, corporate borrowings and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Capital expenditures comprise additions to investment properties and property, plant and equipment.

5 分部資料(續)

其它分部資料(續)

於二零零八年十二月三十一日的分部資產和負債以及截至二零零八年十二月三十一日止年度的折舊、攤銷及資本開支如下：

分部資產並不包括金融工具、遞延所得稅資產、聯營公司投資、無形資產、可收回所得稅及其它未分配總公司及企業資產，因此資產以集團方式管理。

分部負債並不包括遞延所得稅負債、應付所得稅、企業貸款及其它未分配總公司及企業負債，因此負債以集團方式管理。

資本開支包括對投資物業和物業、機器及設備的添置。



Notes to the Consolidated Financial Statements 綜合財務報表附註

5 SEGMENT INFORMATION (continued)

Geographical information

The Group's business segments operate in four main geographical areas, even though they are managed on a worldwide basis.

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Sales (by location of customers)	銷售(按顧客地區分類)		
– Mainland China	– 中國	1,937,641	2,752,025
– Asia (other than Mainland China and Hong Kong)	– 亞洲 (不包括中國及香港)	686,979	2,103,138
– Europe	– 歐洲	468,903	2,897,564
– Others	– 其它	163,191	581,869
		3,256,714	8,334,596
Non-current assets	非流動資產		
– Mainland China	– 中國	695,487	625,795
– Hong Kong	– 香港	228,984	75,910
– Europe	– 歐洲	138	232
		924,609	701,937

The non-current asset information above is based on the location of assets and excludes financial instruments, deferred income tax assets, investments in associates and intangible assets.

For the year ended 31 December 2009 and 2008, the Group does not have any single significant customer with the transaction value above 10% of the external sales.

5 分部資料(續)

地區資料

本集團的業務分部在四個主要地區經營，雖然此等業務是以全球方式管理。

以上非流動資產按資產所在地區劃分，但不包括金融工具、遞延所得稅資產、聯營公司投資及無形資產。

於截至二零零九年及二零零八年十二月三十一日止年度並無與其交易之收入超過本集團收入10%之單一客戶。



Notes to the Consolidated Financial Statements 綜合財務報表附註

6 LEASEHOLD LAND AND LAND USE RIGHTS

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book amounts are analysed as follows:

In Hong Kong, held on:	在香港持有：
Leases of over 50 years	五十年期以上租賃
Outside Hong Kong, held on:	在香港以外持有：
Leases of between 10 to 50 years	十至五十年期的租賃

Leasehold land and land use rights with aggregate carrying amount of approximately HK\$77,768,000 as at 31 December 2009 (2008: HK\$69,089,000) were pledged to secure against certain of the Group's bank borrowings (see Note 19).

Movement of the leasehold land and land use rights during the year is as follows:

Opening	期初
Exchange differences	匯兌差額
Amortisation of prepaid operating lease payments	預付營運租賃款項攤銷

6 租賃土地及土地使用權

本集團在租賃土地及土地使用權的權益指預付營運租賃款，按其帳面淨值分析如下：

2009	2008
HK\$'000	HK\$'000
港幣千元	港幣千元

62,308	63,552
--------	--------

15,460	15,864
--------	--------

77,768	79,416
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於二零零九年十二月三十一日，租賃土地及土地使用權總帳面值約港幣77,768,000元(二零零八年：港幣69,089,000元)已為部份集團銀行貸款作抵押(見附註19)。

租賃土地及土地使用權於年內的變動如下：

2009	2008
HK\$'000	HK\$'000
港幣千元	港幣千元

79,416	81,001
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-	62
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(1,648)	(1,647)
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77,768	79,416
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Notes to the Consolidated Financial Statements 綜合財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT

7 物業、機器及設備

		Buildings 樓宇 HK\$'000 港幣千元	Leasehold improve- ments 租賃樓宇 裝修 HK\$'000 港幣千元	Machinery 機器 HK\$'000 港幣千元	Furniture and equipment 傢具 及設備 HK\$'000 港幣千元	Motor vehicles 車輛 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2008	於二零零八年一月一日						
Cost	成本	105,503	13,697	72,381	12,899	13,333	217,813
Accumulated depreciation	累計折舊	(31,675)	(8,654)	(53,318)	(9,698)	(9,258)	(112,603)
Net book amount	帳面淨值	73,828	5,043	19,063	3,201	4,075	105,210
Year ended 31 December 2008	截至二零零八年 十二月三十一日止年度						
Opening net book amount	期初帳面淨值	73,828	5,043	19,063	3,201	4,075	105,210
Exchange differences	匯兌差額	1,772	246	-	85	33	2,136
Additions	增添	635	1,962	210	846	-	3,653
Disposals	出售	-	(37)	(77)	(38)	(246)	(398)
Depreciation	折舊	(3,457)	(2,452)	(3,154)	(947)	(1,333)	(11,343)
Closing net book amount	期終帳面淨值	72,778	4,762	16,042	3,147	2,529	99,258
At 31 December 2008	於二零零八年 十二月三十一日						
Cost	成本	108,240	16,225	72,334	13,242	11,400	221,441
Accumulated depreciation	累計折舊	(35,462)	(11,463)	(56,292)	(10,095)	(8,871)	(122,183)
Net book amount	帳面淨值	72,778	4,762	16,042	3,147	2,529	99,258
Year ended 31 December 2009	截至二零零九年 十二月三十一日止年度						
Opening net book amount	期初帳面淨值	72,778	4,762	16,042	3,147	2,529	99,258
Exchange differences	匯兌差額	(98)	-	-	2	-	(96)
Additions	增添	-	110	94	642	458	1,304
Disposals	出售	-	(89)	-	(11)	-	(100)
Depreciation	折舊	(3,468)	(2,219)	(3,149)	(981)	(1,068)	(10,885)
Closing net book amount	期終帳面淨值	69,212	2,564	12,987	2,799	1,919	89,481
At 31 December 2009	於二零零九年 十二月三十一日						
Cost	成本	108,142	16,246	72,428	13,481	9,247	219,544
Accumulated depreciation	累計折舊	(38,930)	(13,682)	(59,441)	(10,682)	(7,328)	(130,063)
Net book amount	帳面淨值	69,212	2,564	12,987	2,799	1,919	89,481



Notes to the Consolidated Financial Statements 綜合財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation expense of approximately HK\$5,658,000 (2008: HK\$6,009,000) has been expensed in cost of sales, HK\$798,000 (2008: HK\$852,000) in selling and distribution expenses and HK\$4,429,000 (2008: HK\$4,482,000) in general and administrative expenses.

Buildings with carrying amount of approximately HK\$63,570,000 at 31 December 2009 (2008: HK\$44,893,000) were pledged to secure against certain of the Group's bank borrowings (see Note 19).

Motor vehicles and machinery include the following amounts where the Group is a lessee under finance leases:

7 物業、機器及設備(續)

折舊費用其中約港幣5,658,000元(二零零八年：港幣6,009,000元)在銷售成本中支銷，港幣798,000元(二零零八年：港幣852,000元)計入銷售及分銷費用，而港幣4,429,000元(二零零八年：港幣4,482,000元)則計入一般及行政費用。

於二零零九年十二月三十一日，樓宇帳面值約港幣63,570,000元(二零零八年：港幣44,893,000元)已為部份集團銀行貸款作抵押(見附註19)。

集團作為融資租賃承租方的車輛及機器包括下述金額：

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Cost – capitalised finance leases	成本－資本化融資租賃	7,149	8,984
Accumulated depreciation	累計折舊	(2,572)	(3,079)
Net book amount	帳面淨值	4,577	5,905

8 INVESTMENT PROPERTIES

Beginning of the year	年初	522,726	286,501
Additions	增添	39,207	–
Fair value gains (included in other gains, net)(Note 22)	公平值收益(包括在其它收益淨額)(附註22)	39,085	13,775
Exchange differences	匯兌差額	–	15,099
Transfer from properties held for sale	由待售物業轉入	–	207,351
End of the year	年末	601,018	522,726

8 投資物業

	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Beginning of the year	522,726	286,501
Additions	39,207	–
Fair value gains (included in other gains, net)(Note 22)	39,085	13,775
Exchange differences	–	15,099
Transfer from properties held for sale	–	207,351
End of the year	601,018	522,726



Notes to the Consolidated Financial Statements 綜合財務報表附註

8 INVESTMENT PROPERTIES (continued)

During the year ended 31 December 2008, the properties held for sale of the Group were reclassified as investment properties. For the transfer from properties held for sale to investment properties, the difference between the fair value of the properties at the date of transfer and its carrying amount, amounting to approximately HK\$169,139,000, was recognised in the consolidated income statement for the year ended 31 December 2008.

The investment properties were revalued on an open market basis at 31 December 2009 by independent, professionally qualified valuers, Vigers Appraisal & Consulting Limited.

The Group's interests in investment properties at their net book amounts are analysed as follows:

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Mainland China	中國		
– held on leases of over 50 years	– 持有五十年期以上的租賃	22,727	19,205
– held on leases of between 10 and 50 years	– 持有十至五十年期 的租賃	578,291	503,521
		601,018	522,726

At 31 December 2009, investment properties of approximately HK\$550,613,000 (2008: HK\$449,942,000) were pledged as collateral for the Group's banking facilities (see Note 19).

9 INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES

(a) Investments in subsidiaries

		Company 公司	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份，按成本	42,415	42,415

8 投資物業(續)

截至二零零八年十二月三十一日止年度，本集團把待售物業重新分類為投資物業。待售物業轉撥至投資物業時，該物業轉讓當日的公平值和其先前的帳面值約為港幣169,139,000元之間的差額，須在截止二零零八年十二月三十一日止年度綜合損益表中確認。

投資物業在二零零九年十二月三十一日由獨立專業合資格評估師威格斯資產評估顧問有限公司根據公開市值重估。

本集團在投資物業的權益按其帳面淨值分析如下：

	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Mainland China		
– held on leases of over 50 years	22,727	19,205
– held on leases of between 10 and 50 years	578,291	503,521
	601,018	522,726

於二零零九年十二月三十一日，投資物業約港幣550,613,000元(二零零八年：港幣449,942,000元)已予抵押，作為本集團之銀行融資抵押品(見附註19)。

9 附屬公司投資及結餘

(a) 附屬公司投資

	Company 公司	
	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Unlisted shares, at cost	42,415	42,415



Notes to the Consolidated Financial Statements 綜合財務報表附註

9 INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (continued)

9 附屬公司投資及結餘(續)

(a) Investments in subsidiaries (continued)

(a) 附屬公司投資(續)

The following is a list of the principal subsidiaries at 31 December 2009:

於二零零九年十二月三十一日之主要附屬公司如下：

Name	Place of incorporation/ operations and kind of legal entity	Issued and fully paid capital	Percentage of equity interest/ voting capital attributable to the Group	Principal activities
名稱	註冊成立/經營地點及法定地位	已發行及已繳足股本	本集團擁有之權益/有投票權股本百分比	主要業務性質
Directly held: 直接持有：				
Burwill and Company Limited	Hong Kong limited liability company 香港有限責任公司	HK\$50,000,000 and £50,000 港幣 50,000,000元及50,000英鎊	100%	Investment holding 投資控股
Burwill HK Portfolio Limited	The British Virgin Islands limited liability company 英屬處女群島有限責任公司	US\$2 2美元	100%	Investment holding 投資控股
Burwill China Portfolio Limited	The British Virgin Islands limited liability company 英屬處女群島有限責任公司	US\$1 1美元	100%	Investment holding 投資控股
Indirectly held: 間接持有：				
Burwill Minerals Limited 寶威礦業有限公司	Hong Kong limited liability company 香港有限責任公司	HK\$1 港幣 1元	100%	Investment holding 投資控股
Burwill Resources Limited 寶威物料供應有限公司	Hong Kong limited liability company 香港有限責任公司	HK\$1,000,000 港幣 1,000,000元	100%	Steel trading 鋼鐵貿易



Notes to the Consolidated Financial Statements 綜合財務報表附註

9 INVESTMENTS IN AND BALANCES WITH
SUBSIDIARIES (continued)

9 附屬公司投資及結餘(續)

(a) Investments in subsidiaries (continued)

(a) 附屬公司投資(續)

Name	Place of incorporation/ operations and kind of legal entity	Issued and fully paid capital	Percentage of equity interest/ voting capital attributable to the Group	Principal activities
名稱	註冊成立/經營地點及法定地位	已發行及已繳足股本	本集團擁有之權益/有投票權股本百分比	主要業務性質
Indirectly held: (continued)				
間接持有：(續)				
Burwill Resources Spain, S.A.	Spain limited liability company 西班牙有限責任公司	EUR62,000 62,000歐元	90%	Steel trading 鋼鐵貿易
Burwill Steel Company Limited	The British Virgin Islands limited liability company 英屬處女群島有限責任公司	US\$13 13美元	100%	Investment holding 投資控股
Burwill Steel Pipes Limited 寶威鋼管有限公司	Hong Kong limited liability company 香港有限責任公司	HK\$30,000,000 港幣 30,000,000元	100%	Steel processing 鋼鐵加工
Burwill Times Industrial Limited 寶威時代實業有限公司	Hong Kong limited liability company 香港有限責任公司	HK\$2 港幣 2元	100%	Investment holding 投資控股
Burwill Warehousing (Shanghai) Limited (Note (i)) 寶威倉儲(上海)有限公司 (附註(i))	Mainland China 中國	US\$1,200,000 1,200,000美元	100%	Steel trading 鋼鐵貿易
東莞市創盛貿易有限公司 (附註(i))	Mainland China 中國	RMB10,000,000 人民幣 10,000,000元	100%	Steel processing 鋼鐵加工
Dongguan Hingwah Metals Factory Limited (Note (i)) 東莞謙華五金廠有限公司 (附註(i))	Mainland China 中國	HK\$72,000,000 港幣 72,000,000元	100%	Steel processing 鋼鐵加工



Notes to the Consolidated Financial Statements 綜合財務報表附註

9 INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (continued)

9 附屬公司投資及結餘(續)

(a) Investments in subsidiaries (continued)

(a) 附屬公司投資(續)

Name	Place of incorporation/ operations and kind of legal entity	Issued and fully paid capital	Percentage of equity interest/ voting capital attributable to the Group	Principal activities
名稱	註冊成立/經營地點及法定地位	已發行及已繳足股本	本集團擁有之權益/有投票權股本百分比	主要業務性質
Indirectly held: (continued)				
間接持有：(續)				
寶威鋼鐵製品(東莞)有限公司(附註(i))	Mainland China 中國	HK\$28,500,000 港幣 28,500,000元	100%	Steel processing 鋼鐵加工
Hing Wah Metals Factory Limited 謙華五金廠有限公司	Hong Kong limited liability company 香港有限責任公司	HK\$5,000,000 港幣 5,000,000元	100%	Investment holding 投資控股
Hillot Limited	Hong Kong limited liability company 香港有限責任公司	HK\$500,000 港幣 500,000元	100%	Securities investment 證券投資
Goldenbridge Services Limited 瑞僑服務有限公司	Hong Kong limited liability company 香港有限責任公司	HK\$2 港幣 2元	100%	Property holding 持有物業
揚州時代實業有限公司 (附註(ii))	Mainland China 中國	RMB60,000,000 人民幣 60,000,000元	69%	Commercial property 商業房地產
Yinmain Industrial Limited 應鳴實業有限公司	Hong Kong limited liability company 香港有限責任公司	HK\$2 港幣 2元	100%	Property holding 持有物業



9 INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (continued)

(a) Investments in subsidiaries (continued)

Notes:

- (i) Burwill Warehousing (Shanghai) Limited, 東莞市創盛貿易有限公司, Dongguan Hingwah Metals Factory Limited and 寶威鋼鐵製品(東莞)有限公司 are wholly foreign owned enterprises established in Mainland China to be operated for 50 years up to March 2050, 20 years up to December 2028, 20 years up to July 2013 and 12 years up to December 2013, respectively.
- (ii) 揚州時代實業有限公司 is a sino-foreign equity joint venture established in Mainland China to be operated for 40 years up to April 2039.

The above list includes only those subsidiaries which, in the opinion of the directors, are material to the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any loan capital in issue at any time during the year ended 31 December 2009.

(b) Balances with subsidiaries

Except for the amounts due from subsidiaries amounting to approximately HK\$131,000,000 (2008: HK\$462,474,000) which bear interest at 5% (2008: at commercial banks' lending rate of 5% to 6.75%) per annum and are not repayable within one year, all the outstanding balances with subsidiaries are unsecured, non-interest bearing and repayable on demand.

9 附屬公司投資及結餘 (續)

(a) 附屬公司投資 (續)

附註：

- (i) 寶威倉儲(上海)有限公司、東莞市創盛貿易有限公司、東莞謙華五金廠有限公司及寶威鋼鐵製品(東莞)有限公司均為於中國成立之外商獨資企業，營業期分別為五十年至二零五零年三月、二十年至二零二八年十二月、二十年至二零一三年七月及十二年至二零一三年十二月。
- (ii) 揚州時代實業有限公司是於中國成立之中外合資企業，營業期為四十年至二零三九年四月。

以上所列僅包括董事認為對本集團具重要性之附屬公司。董事認為倘載列其它附屬公司之詳情，將會令篇幅過於冗長。

於截至二零零九年十二月三十一日止年度間任何時間，附屬公司均沒有任何已發借貸資本。

(b) 附屬公司結餘

除附屬公司欠款約為港幣131,000,000元(二零零八年：港幣462,474,000元)之年息為5厘(二零零八年：為商業銀行借貸利率年息由5厘至6.75厘)及不須於一年內還款外，所有其它與附屬公司結欠均無抵押、免利息及在要求時還款。



Notes to the Consolidated Financial Statements 綜合財務報表附註

10 INVESTMENTS IN AND BALANCES WITH ASSOCIATES

10 聯營公司投資及結餘

(a) Investments in associates – Group

(a) 聯營公司投資 – 集團

		Group 集團	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Beginning of the year	年初	271,334	475,321
Share of results of associates	所佔聯營公司業績		
– loss before income tax	– 除所得稅前虧損	(17,386)	(197,384)
– income tax (credits)/expense	– 所得稅(撥回)/支出	(1,546)	518
Share of other comprehensive income/(loss) of associates	所佔聯營公司 其它全面收入/(虧損)	3,310	(185)
Dividends received	已收股息	–	(2,137)
Share of other reserves of associates	所佔聯營公司其它儲備	2,224	2,669
Loss on deemed acquisition of interest in an associate	視作購入聯營公司 權益虧損	–	(13,537)
Exchange differences	匯兌差額	(330)	6,069
End of the year	年末	257,606	271,334



Notes to the Consolidated Financial Statements 綜合財務報表附註

10 INVESTMENTS IN AND BALANCES WITH ASSOCIATES
(continued)

10 聯營公司投資及結餘(續)

(a) Investments in associates – Group (continued)

(a) 聯營公司投資－集團(續)

The Group's interests in associates were as follows:

本集團在聯營公司的權益如下：

Name	Particulars of issued capital 已發行 股本詳情	Country of incorporation 註冊成立國家	Assets 資產 HK\$'000 港幣千元	Liabilities 負債 HK\$'000 港幣千元	Revenues 收入 HK\$'000 港幣千元	Profit/ (loss) 盈利/ (虧損) HK\$'000 港幣千元	% of interest held 持有 權益%
2009							
China LotSynergy Holdings Limited 華彩控股有限公司	Ordinary shares of HK\$0.0025 each, listed in Hong Kong 普通股，每股港幣 0.0025元， 於香港上市	Bermuda 百慕達	405,991	235,953	17,619	(16,997)	20.74% (Direct) (直接) 0.09% (Indirect) (間接)
Indirectly held: 間接持有：							
Nam Wah Precision Product (BVI) Limited	Ordinary shares of US\$0.1 each, unlisted 普通股，每股 0.1美元，非上市	The British Virgin Islands 英屬處女群島	41,089	14,567	58,224	(5,604)	20%
Masteel (Yangzhou) Processing & Distribution Co. Ltd. 馬鋼(揚州)鋼材 加工有限公司	Paid up capital of US\$19,997,570 實繳資本 19,997,570美元	Mainland China 中國	234,241	174,677	470,484	3,137	29%
揚州世紀電影城 有限公司	Paid up capital of RMB5,000,000 實繳資本人民幣 5,000,000元	Mainland China 中國	3,467	1,985	4,568	532	30%
			684,788	427,182	550,895	(18,932)	



Notes to the Consolidated Financial Statements 綜合財務報表附註

10 INVESTMENTS IN AND BALANCES WITH ASSOCIATES
(continued)

10 聯營公司投資及結餘(續)

(a) Investments in associates – Group (continued)

(a) 聯營公司投資—集團(續)

Name	Particulars of issued capital 已發行 股本詳情	Country of incorporation 註冊成立國家	Assets 資產 HK\$'000 港幣千元	Liabilities 負債 HK\$'000 港幣千元	Revenues 收入 HK\$'000 港幣千元	Profit/ (loss) 盈利/ (虧損) HK\$'000 港幣千元	% of interest held 持有 權益%
2008							
China LotSynergy Holdings Limited 華彩控股有限公司	Ordinary shares of HK\$0.0025 each, listed in Hong Kong 普通股，每股港幣 0.0025元， 於香港上市	Bermuda 百慕達	377,155	195,666	24,241	(193,882)	20.74% (Direct) (直接) 0.09% (Indirect) (間接)
Indirectly held: 間接持有：							
Nam Wah Precision Product (BVI) Limited	Ordinary shares of US\$0.1 each, unlisted 普通股，每股 0.1美元，非上市	The British Virgin Islands 英屬處女群島	55,049	22,583	81,893	(6,232)	20%
Masteel (Yangzhou) Processing & Distribution Co. Ltd. 馬鋼(揚州)鋼材 加工有限公司	Paid up capital of US\$19,997,570 實繳資本 19,997,570美元	Mainland China 中國	162,817	106,390	998,077	3,114	29%
揚州世紀電影城 有限公司	Paid up capital of RMB5,000,000 實繳資本人民幣 5,000,000元	Mainland China 中國	2,901	1,949	2,924	134	30%
			597,922	326,588	1,107,135	(196,866)	



Notes to the Consolidated Financial Statements 綜合財務報表附註

10 INVESTMENTS IN AND BALANCES WITH ASSOCIATES
(continued)

10 聯營公司投資及結餘(續)

(b) Investment in an associate – Company

(b) 聯營公司投資—公司

		Company 公司	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Shares listed in Hong Kong – at cost	於香港上市股份 — 按成本	10,766	10,766
Market value of listed shares	上市股份市值	522,010	191,916

(c) Balances with associates

(c) 聯營公司結餘

The outstanding balances with associates are unsecured, non-interest bearing and repayable on demand.

與聯營公司結欠均無抵押、免利息及於要求時還款。



Notes to the Consolidated Financial Statements 綜合財務報表附註

11 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows:

Group 集團

		Loans and receivables	Financial assets at fair value through profit or loss (held for trading)	Available-for-sale financial assets	Total
		貸款及應收款	按公平值透過損益列帳的財務資產 (作買賣用途)	可供出售財務資產	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Financial assets as per consolidated balance sheet	按綜合資產負債表的財務資產				
2009	二零零九年				
Available-for-sale financial assets	可供出售財務資產	-	-	1,509	1,509
Financial assets at fair value through profit or loss	按公平值透過損益列帳的財務資產	-	12,610	-	12,610
Bills and accounts receivable	應收票據及應收帳項	1,075,523	-	-	1,075,523
Deposits and other receivables	按金及其它應收款	30,326	-	-	30,326
Due from associates	聯營公司欠款	2,262	-	-	2,262
Cash and bank balances	現金及銀行結餘	293,639	-	-	293,639
		1,401,750	12,610	1,509	1,415,869

11 按類別劃分之金融工具

於報告日期末，各類金融工具之帳面值如下：



Notes to the Consolidated Financial Statements 綜合財務報表附註

11 FINANCIAL INSTRUMENTS BY CATEGORY (continued)

11 按類別劃分之金融工具(續)

Group 集團

Financial liabilities as per consolidated balance sheet	按綜合資產負債表的財務負債	Financial liabilities at amortised costs 按攤餘成本入帳的財務負債 HK\$'000 港幣千元
2009	二零零九年	
Borrowings	貸款	959,156
Due to associates	欠聯營公司款項	24,079
Bills and accounts payable	應付票據及應付帳項	359,049
Other payables and accruals	其它應付帳項及應計費用	42,499
		1,384,783

Group 集團

Financial assets as per consolidated balance sheet	按綜合資產負債表的財務資產	Loans and receivables 貸款及應收款 HK\$'000 港幣千元	Financial assets at fair value through profit or loss (held for trading) 按公平值透過損益列帳的財務資產 (作買賣用途) HK\$'000 港幣千元	Available-for-sale financial assets 可供出售財務資產 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
2008	二零零八年				
Available-for-sale financial assets	可供出售財務資產	–	–	1,509	1,509
Financial assets at fair value through profit or loss	按公平值透過損益列帳的財務資產	–	40,195	–	40,195
Bills and accounts receivable	應收票據及應收帳項	973,906	–	–	973,906
Deposits and other receivables	按金及其它應收款	50,501	–	–	50,501
Due from associates	聯營公司欠款	2,527	–	–	2,527
Cash and bank balances	現金及銀行結餘	361,849	–	–	361,849
		1,388,783	40,195	1,509	1,430,487



Notes to the Consolidated Financial Statements 綜合財務報表附註

11 FINANCIAL INSTRUMENTS BY CATEGORY (continued)

11 按類別劃分之金融工具(續)

Group 集團

		Financial liabilities at amortised costs 按攤餘成本入帳 的財務負債 HK\$'000 港幣千元
Financial liabilities as per consolidated balance sheet	按綜合資產負債表的 財務負債	
2008	二零零八年	
Borrowings	貸款	597,272
Due to associates	欠聯營公司款項	24,301
Bills and accounts payable	應付票據及應付帳項	335,897
Other payables and accruals	其它應付帳項及應計費用	113,479
		1,070,949

12 AVAILABLE-FOR-SALE FINANCIAL ASSETS

12 可供出售財務資產

		Group 集團		Company 公司	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Club debentures	會所債券	1,509	1,509	90	90



Notes to the Consolidated Financial Statements 綜合財務報表附註

13 INVENTORIES

13 存貨

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Raw materials	原材料	67,994	85,333
Work-in-progress	在製品	1,819	2,712
Finished goods	製成品	48,994	73,284
Consumables	消耗品	1,088	1,245
		119,895	162,574

The cost of inventories recognised as expense and included in cost of sales amounted to approximately HK\$2,992,073,000 (2008: HK\$7,619,946,000).

存貨成本中確認為費用並列入銷售成本的金額共計約港幣2,992,073,000元(二零零八年：港幣7,619,946,000元)。

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

14 按公平值透過損益列帳的財務資產

		Group 集團		Company 公司	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Financial assets at fair value through profit or loss:	按公平值透過損益列帳的財務資產：				
– Listed equity securities	– 上市股本證券				
– Hong Kong	– 香港	9,098	36,920	1	1
– Overseas	– 海外	3,512	3,275	–	–
Market value of listed securities	上市證券之市值	12,610	40,195	1	1

Changes in fair values of financial assets at fair value through profit or loss are recorded in other gains in the consolidated income statement (see Note 22).

按公平值透過損益列帳的財務資產的公平值變動，在綜合損益表內其它收益中列帳(見附註22)。

At 31 December 2008, equity securities listed in Hong Kong with market value of approximately HK\$36,919,000 were pledged to secure margin facility of the Group.

於二零零八年十二月三十一日，於香港上市的股本證券市值約港幣36,919,000元已為集團孖展融資作抵押。

The fair value of all equity securities is based on their current bid prices in an active market.

所有股本證券公平值乃根據其在活躍市場之現時出價計算。



Notes to the Consolidated Financial Statements 綜合財務報表附註

15 BILLS, ACCOUNTS AND OTHER RECEIVABLES

15 應收票據、應收帳項及其它應收款

		Group 集團		Company 公司	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Bills and accounts receivable	應收票據及應收帳項	1,078,018	977,338	-	-
Less: provision for impairment of receivables	減：應收款減值撥備	(2,495)	(3,432)	-	-
Bills and accounts receivable – net (Note (a))	應收票據及應收帳項 – 淨額(附註(a))	1,075,523	973,906	-	-
Loan to a director (Note 33)	董事貸款(附註33)	586	733	-	-
Deposit paid for acquisition of subsidiaries	收購附屬公司按金	78,000	-	-	-
Deposits, prepayments and other receivables	按金、預付款及 其它應收款	465,057	127,667	484	432
		543,643	128,400	484	432
Less: non-current portion: Loan to a director and prepayments	減：非流動部份： 董事貸款及 預付款	(156,342)	(537)	-	-
Current portion	流動部份	387,301	127,863	484	432
		1,462,824	1,101,769	484	432



Notes to the Consolidated Financial Statements 綜合財務報表附註

15 BILLS, ACCOUNTS AND OTHER RECEIVABLES
(continued)

Notes:

- (a) The Group normally grants to its customers credit periods for sales of goods ranging from 30 days to 120 days. Consideration in respect of sold properties is payable by the purchasers pursuant to the terms of the sale and purchase agreements. Rentals in respect of leased properties are payable by the tenants on a monthly basis.

Ageing analysis of bills and accounts receivable as at 31 December 2009 is as follows:

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Within three months	三個月內	1,070,963	950,473
Over three months but within six months	超過三個月而不超過六個月	3,950	23,048
Over six months but within twelve months	超過六個月而不超過十二個月	7	1,151
Over twelve months	超過十二個月	3,098	2,666
		1,078,018	977,338
Less: provision for impairment of receivables	減：應收款 減值撥備	(2,495)	(3,432)
		1,075,523	973,906

There is no significant concentration of credit risk with respect to bills and accounts receivable as the Group has a large number of customers, internationally dispersed.

- (b) Accounts receivable that are less than three months past due are generally not considered impaired. As of 31 December 2009, the following accounts receivable were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these accounts receivable is as follows:

		Group 集團	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Within three months	三個月內	100,784	114,020
Over three months but within six months	超過三個月而不超過六個月	3,621	23,048
Over six months but within twelve months	超過六個月而不超過十二個月	7	24
Over twelve months	超過十二個月	603	452
		105,015	137,544

15 應收票據、應收帳項及其它應收款
(續)

附註：

- (a) 本集團普遍就銷貨收入給予其客戶三十日至一百二十日之信用期。買家應付銷售物業的作價乃根據銷售合約中條款支付。租賃物業之租金收入由租戶按月支付。

於二零零九年十二月三十一日，應收票據及應收帳項帳齡分析如下：

	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Within three months	1,070,963	950,473
Over three months but within six months	3,950	23,048
Over six months but within twelve months	7	1,151
Over twelve months	3,098	2,666
	1,078,018	977,338
Less: provision for impairment of receivables	(2,495)	(3,432)
	1,075,523	973,906

應收票據及應收帳項並無重大集中的信貸風險，因為本集團有眾多客戶，遍佈世界各地。

- (b) 逾期少於三個月的應收帳項通常不被視為已經減值。於二零零九年十二月三十一日，以下應收帳項為已逾期但並無減值。此等款項涉及多個最近沒有拖欠還款記錄的獨立客戶。此等應收帳項的帳齡分析如下：

	Group 集團	
	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Within three months	100,784	114,020
Over three months but within six months	3,621	23,048
Over six months but within twelve months	7	24
Over twelve months	603	452
	105,015	137,544



Notes to the Consolidated Financial Statements 綜合財務報表附註

15 BILLS, ACCOUNTS AND OTHER RECEIVABLES

(continued)

Notes: (continued)

- (c) As of 31 December 2009, none of the accounts receivable were impaired and provided for (2008: HK\$10,000). The amount of the provision was approximately HK\$2,495,000 (2008: HK\$3,432,000) as of 31 December 2009. The individually impaired accounts receivable mainly relate to customers, which are in unexpected difficult economic situations. The ageing of these accounts receivable is as follows:

		Group 集團	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Over twelve months	超過十二個月	-	10

- (d) The carrying amounts of the Group's bills and accounts receivable are denominated in the following currencies:

		Group 集團	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
US\$	美元	978,469	873,960
RMB	人民幣	32,817	43,014
HK\$	港元	27,333	34,000
EUR	歐元	36,904	22,932
		1,075,523	973,906

- (e) Movements on the provision for impairment of accounts receivable are as follows:

		Group 集團	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
At 1 January	於一月一日	3,432	4,073
Provision for accounts receivable impairment	應收帳項減值撥備	1,210	556
Accounts receivable written off during the year as uncollectible	於年中因不能收回而撇銷的應收帳項	(2,147)	(1,197)
At 31 December	於十二月三十一日	2,495	3,432

15 應收票據、應收帳項及其它應收款

(續)

附註：(續)

- (c) 並無應收帳項於二零零九年十二月三十一日減值(二零零八年: 港幣10,000元)。於二零零九年十二月三十一日, 減值準備約為港幣2,495,000元(二零零八年: 港幣3,432,000元)。個別減值的應收帳項主要來自處於預料以外經濟困境中的客戶。此等應收帳項的帳齡如下:

- (d) 本集團的應收票據及應收帳項的帳面金額以下列貨幣為單位:

		Group 集團	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
US\$	美元	978,469	873,960
RMB	人民幣	32,817	43,014
HK\$	港元	27,333	34,000
EUR	歐元	36,904	22,932
		1,075,523	973,906

- (e) 應收帳項減值準備變動如下:

		Group 集團	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
At 1 January	於一月一日	3,432	4,073
Provision for accounts receivable impairment	應收帳項減值撥備	1,210	556
Accounts receivable written off during the year as uncollectible	於年中因不能收回而撇銷的應收帳項	(2,147)	(1,197)
At 31 December	於十二月三十一日	2,495	3,432



Notes to the Consolidated Financial Statements 綜合財務報表附註

15 BILLS, ACCOUNTS AND OTHER RECEIVABLES
(continued)

Notes: (continued)

(e) (continued)

The creation and release of provision for impaired accounts receivable have been included in general and administrative expenses in the consolidated income statement. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The other classes within bills and accounts receivable do not contain impaired assets.

The maximum exposure to credit risk at the reporting period is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

15 應收票據、應收帳項及其它應收款
(續)

附註：(續)

(e) (續)

對已減值應收帳項撥備的設立和撥回已包括在綜合損益表中一般及行政費用內。在準備帳戶中扣除的數額一般會在預期無法收回額外現金時撇銷。

應收票據及應收帳項內的其它分類內沒有包含已減值資產。

在報告日期，信貸風險的最高風險承擔為上述每類應收款的公平值。本集團不持有任何作為質押的抵押品。

16 CASH AND BANK BALANCES

16 現金及銀行結餘

		Group 集團		Company 公司	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Cash at banks and in hand	銀行及庫存現金	254,812	167,241	15,763	765
Short-term bank deposits	短期銀行存款	38,827	194,608	-	-
		293,639	361,849	15,763	765

The effective interest rate on short-term bank deposits was 1.38% (2008: 2.97%); these deposits have an average maturity of 185 days (2008: 239 days).

At 31 December 2009, cash and bank balances of approximately HK\$52,635,000 (2008: HK\$150,606,000) are denominated in RMB and placed with banks in Mainland China. The remittance of these funds out of Mainland China is subject to the exchange control restrictions imposed by the Chinese Government. Also the exchange rate is determined by the Chinese Government.

短期銀行存款的實際利率為1.38厘(二零零八年：2.97厘)；該等存款的平均到期日為185天(二零零八年：239天)。

於二零零九年十二月三十一日，現金及銀行結餘約港幣52,635,000元(二零零八年：港幣150,606,000元)是以人民幣為貨幣單位並存放於中國之銀行。從中國匯出該等資金會受限於中國政府實施之外匯管制規條。同時，匯率由中國政府釐定。



Notes to the Consolidated Financial Statements 綜合財務報表附註

17 SHARE CAPITAL

17 股本

		Number of ordinary shares 普通股數目 (thousands) (千計)	Nominal value 面值 HK\$'000 港幣千元
At 1 January 2008	於二零零八年一月一日	1,112,129	111,213
Repurchase of shares (Note (b))	購回股份(附註(b))	(600)	(60)
Issue of shares (Note (c))	發行股份(附註(c))	2,000,751	200,075
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日 及二零零九年一月一日	3,112,280	311,228
Issue of shares (Note (d))	發行股份(附註(d))	310,000	31,000
At 31 December 2009	於二零零九年十二月三十一日	3,422,280	342,228

Notes:

- (a) Pursuant to the ordinary resolution passed at the special general meeting on 14 August 2008, the authorised share capital of the Company was increased to 3,800 million shares with a nominal value of HK\$0.1 per share. All issued shares are fully paid.
- (b) The Company repurchased 600,000 of its own shares of HK\$0.1 per share on the Stock Exchange on 22 January 2008. The price paid per share was HK\$0.61. The total amount paid for the repurchase of shares was approximately HK\$366,000 and has been deducted from shareholders' equity. The shares repurchased were subsequently cancelled.
- (c) On 22 June 2008, the board of directors of the Company announced to propose to raise approximately HK\$300 million before expenses, by issuing up to 2,000,751,226 offer shares of HK\$0.10 each in the share capital of the Company (the "Offer Shares") at a subscription price of HK\$0.15 per Offer Share by way of an open offer, in the proportion of eighteen Offer Shares to ten shares held on the record date (the "Open Offer"). The ordinary resolutions in respect of the Open Offer were duly passed by the shareholders of the Company at the special general meeting of the Company held on 14 August 2008. Completion of the Open Offer took place on 9 September 2008 and accordingly, 2,000,751,226 Offer Shares were allotted and issued at a subscription price of HK\$0.15 per Offer Share. The Company raised a sum of approximately HK\$300 million before expenses through the Open Offer.
- (d) Pursuant to the placing agreement dated 21 October 2009, the Company allotted and issued a total of 310,000,000 new shares at a subscription price of HK\$0.35 each. Total net proceeds from the placing of approximately HK\$106.5 million were intended to be used as the Group's general working capital.

附註：

- (a) 於二零零八年八月十四日股東特別大會通過普通決議增加公司法定股本至38億股，每股面值為港幣0.1元。所有已發行股份均已全數繳足。
- (b) 本公司於二零零八年一月二十二日在聯交所購回600,000股每股面值港幣0.1元之股份。所付每股價格為港幣0.61元。購回股份所付總額約港幣366,000元，已自股東權益扣除。所購回股份已於其後註銷。
- (c) 於二零零八年六月二十二日，本公司董事局公佈擬通過公開發售，按於記錄日期以持有十股股份可獲配十八股發售股份的比例，以每股發售股份港幣0.15元的認購價，發行最多2,000,751,226股發售股份，每股面值港幣0.10元之本公司股本（「發售股份」），籌集約三億港元（未計開支）（「公開發售」）。於二零零八年八月十四日舉行之本公司股東特別大會上，已獲本公司股東通過普通決議案批准公開發售。公開發售已於二零零八年九月九日完成。據此，本公司以每股發售股份港幣0.15元的認購價，配發及發行2,000,751,226股發售股份。本公司透過公開發售籌集約三億港元（未計開支）。
- (d) 根據於二零零九年十月二十一日所訂立之配售協議，本公司以每股發售股份港幣0.35元的認購價向承配人發行及配發合共310,000,000股新股份。配售所得款項淨額合共約港幣1.065億元將用作本集團一般營運資金。

**17 SHARE CAPITAL** (continued)**Share options**

At the annual general meeting of the Company held on 6 June 2002, shareholders of the Company approved the termination of the share option scheme adopted by the Company on 23 July 1999 and the adoption of a new share option scheme (the "New Scheme"). Under the New Scheme, the Company may grant options to employees (including executive directors) of the Group to subscribe for shares in the Company, subject to a maximum of 30% of the issued share capital of the Company from time to time excluding for this purpose shares issued on exercise of options. The subscription price will be determined by the directors, and will not be less than the highest of the nominal value of the shares, the closing price of the shares quoted on the Stock Exchange on the trading day of granting the options and the average of the closing prices of the shares quoted on the Stock Exchange for the five trading days immediately preceding the date of granting the options.

No share options were granted, forfeited, exercised or lapsed during the years ended 31 December 2008 and 2009. No share options were outstanding at 31 December 2008 and 2009.

17 股本(續)**購股權**

本公司於二零零二年六月六日舉行之股東週年大會上獲得股東批准終止公司於一九九九年七月二十三日採用之購股權計劃及採用新購股權計劃(「新計劃」)。根據新計劃，本公司可授予集團之員工(包括執行董事)購股權以認購本公司之股份，但僅限於最多當時本公司已發行股本之30%(不計入因行使購股權而發行的股份)。每股之認購價由董事決定，並將不少於股份面值、在授出購股權當日於聯交所匯報之收市價及在授出購股權前五個交易日內於聯交所匯報之平均收市價三者之較高者。

於截至二零零八年及二零零九年十二月三十一日止年度，並無購股權被授出、沒收、行使或失效。於二零零八年及二零零九年十二月三十一日並無未行使之購股權。



Notes to the Consolidated Financial Statements 綜合財務報表附註

18 OTHER RESERVES AND RETAINED PROFITS

18 其它儲備及保留盈利

		Group 集團					
		Share premium	Capital reserve	Capital redemption reserve	Translation adjustments	Retained profits	Total
		股份溢價	資本儲備	資本回贖儲備	換算調整	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2008	於二零零八年一月一日	572,861	20,475	11,977	38,987	440,237	1,084,537
Loss for the year	年度虧損	-	-	-	-	(148,808)	(148,808)
Share of other comprehensive (loss)/income of associates	所佔聯營公司其它 全面(虧損)/收入	-	(185)	-	6,069	-	5,884
Repurchase of shares	購回股份	(306)	-	60	-	(60)	(306)
Issue of shares	發行股份	100,038	-	-	-	-	100,038
Share issue expenses	股份發行開支	(10,054)	-	-	-	-	(10,054)
Share of other reserves of associates	所佔聯營公司其它 儲備	-	2,669	-	-	-	2,669
Currency translation differences	貨幣匯兌差額	-	-	-	19,340	-	19,340
At 31 December 2008	於二零零八年十二月 三十一日	662,539	22,959	12,037	64,396	291,369	1,053,300



Notes to the Consolidated Financial Statements 綜合財務報表附註

18 OTHER RESERVES AND RETAINED PROFITS (continued)

18 其它儲備及保留盈利(續)

		Group 集團					
		Share premium	Capital reserve	Capital redemption reserve	Translation adjustments	Retained profits	Total
		股份溢價	資本儲備	資本回贖儲備	換算調整	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2009	於二零零九年一月一日	662,539	22,959	12,037	64,396	291,369	1,053,300
Loss for the year	年度虧損	-	-	-	-	(4,646)	(4,646)
Share of other comprehensive income/(loss) of associates	所佔聯營公司其它 全面收入/(虧損)	-	3,310	-	(330)	-	2,980
Issue of shares	發行股份	77,500	-	-	-	-	77,500
Share issue expenses	股份發行開支	(1,757)	-	-	-	-	(1,757)
Share of other reserves of associates	所佔聯營公司其它 儲備	-	2,224	-	-	-	2,224
Currency translation differences	貨幣匯兌差額	-	-	-	(881)	-	(881)
At 31 December 2009	於二零零九年十二月 三十一日	738,282	28,493	12,037	63,185	286,723	1,128,720



Notes to the Consolidated Financial Statements 綜合財務報表附註

18 OTHER RESERVES AND RETAINED PROFITS (continued)

18 其它儲備及保留盈利(續)

		Company 公司				Total 總額
		Share premium 股份溢價 HK\$'000 港幣千元	Capital redemption reserve 資本回贖儲備 HK\$'000 港幣千元	Contributed surplus 繳入盈餘 HK\$'000 港幣千元	Retained profits 保留盈利 HK\$'000 港幣千元	
At 1 January 2008	於二零零八年一月一日	572,861	11,977	128,832	10,833	724,503
Profit for the year	年度盈利	-	-	-	2,104	2,104
Repurchase of shares	購回股份	(306)	60	-	(60)	(306)
Issue of shares	發行股份	100,038	-	-	-	100,038
Share issue expenses	股份發行開支	(10,054)	-	-	-	(10,054)
At 31 December 2008	於二零零八年十二月三十一日	662,539	12,037	128,832	12,877	816,285
At 1 January 2009	於二零零九年一月一日	662,539	12,037	128,832	12,877	816,285
Loss for the year	年度虧損	-	-	-	(8,078)	(8,078)
Issue of shares	發行股份	77,500	-	-	-	77,500
Share issue expenses	股份發行開支	(1,757)	-	-	-	(1,757)
At 31 December 2009	於二零零九年十二月三十一日	738,282	12,037	128,832	4,799	883,950

Contributed surplus represents the difference between the nominal amount of the shares issued and the book value of the underlying net assets of subsidiaries acquired. It can be utilised for issuance of bonus shares or for capital redemption upon repurchase of shares.

繳入盈餘乃股份發行之面值與購入附屬公司之淨資產帳面值之差額。繳入盈餘可供發行紅股或購回股份時作資本贖回使用。

Under the Companies Act 1981 of Bermuda, contributed surplus is distributable to shareholders subject to the condition that a company shall not declare or pay a dividend, or make a distribution out of contributed surplus if (i) it is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

根據百慕達一九八一年公司法，繳入盈餘可分派給股東，但如 (i) 於分派後，公司未能償還到期債務或 (ii) 其資產之可變現價值少於其負債、已發行股本及股份溢價帳之總和，本公司不能宣佈或支付股息或分派繳入盈餘。

The Company's reserves (excluding retained profits) as at 31 December 2009 available for distribution to shareholders were represented by the contributed surplus of approximately HK\$128,832,000 (2008: HK\$128,832,000).

於二零零九年十二月三十一日，可供分派給股東之本公司儲備(不包括保留盈利)為繳入盈餘約港幣128,832,000元(二零零八年：港幣128,832,000元)。



Notes to the Consolidated Financial Statements 綜合財務報表附註

19 BORROWINGS

19 貸款

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Non-current	非流動		
Bank borrowings	銀行貸款	386,540	146,467
Other loans from minority shareholders of subsidiaries	附屬公司少數股東的 其它貸款	4,438	4,438
Finance lease liabilities	融資租賃負債	1,054	2,518
		392,032	153,423
Current	流動		
Bank borrowings	銀行貸款	565,679	432,558
Other loans under margin facilities	孖展融資下其它貸款	-	9,790
Finance lease liabilities	融資租賃負債	1,445	1,501
		567,124	443,849
Total borrowings	總貸款	959,156	597,272

Secured borrowings are as follows:

有抵押貸款如下：

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Bank borrowings	銀行貸款	283,818	209,519
Other loans under margin facilities	孖展融資下其它貸款	-	9,790
Finance lease liabilities	融資租賃負債	2,499	4,019
		286,317	223,328

Bank borrowings of approximately HK\$283,818,000 (2008: HK\$209,519,000) were secured by certain leasehold land, land use rights, buildings and investment properties (see Notes 6, 7 and 8). Finance lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

銀行貸款約港幣283,818,000元(二零零八年：港幣209,519,000元)以部份租賃土地、土地使用權、樓宇及投資物業作抵押(見附註6、7及8)。融資租賃負債實際上有抵押，因為在不償還款項時租賃資產的權益將歸屬出租人。



Notes to the Consolidated Financial Statements 綜合財務報表附註

19 BORROWINGS (continued)

Other loans from minority shareholders of subsidiaries were unsecured, non-interest bearing and not repayable within one year.

Certain banking facilities of the Group are subject to the fulfilment of covenants relating to certain of the Group's balance sheet ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 3.1(c). As at 31 December 2009, none of the covenants relating to drawn down facilities had been breached (2008: Nil).

The maturity of the Group's borrowings is as follows:

	Bank borrowings 銀行貸款		Other loans 其它貸款	
	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Within one year 一年內	565,679	432,558	-	9,790
Between one and two years 一至二年內	126,818	24,720	-	-
Between two and five years 二至五年內	226,758	68,623	4,438	4,438
Between five and ten years 五至十年內	32,964	53,124	-	-
	952,219	579,025	4,438	14,228

The carrying amounts of borrowings approximate their fair values.

19 貸款(續)

附屬公司少數股東的其它貸款並無抵押、免利息及不須於一年內償還。

本集團部分銀行信貸須受履行與本集團若干資產負債比率有關的契約所規限。該等契約常見於與金融機構達成的借貸安排。若本集團違反契約，則已提取的貸款將須於要求時償還。本集團會定期監察該等契約的遵行情況。本集團管理流動資金風險的進一步詳情載於附註3.1(c)。於二零零九年十二月三十一日，本集團並無違反有關已提取信貸的契約(二零零八年：無)。

集團貸款的到期日如下：

貸款的帳面值與其公平值相近。



Notes to the Consolidated Financial Statements 綜合財務報表附註

19 BORROWINGS (continued)

19 貸款(續)

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Finance lease liabilities	融資租賃負債		
– minimum lease payments:	– 最低租賃付款：		
Not later than one year	不超過一年	1,521	1,629
Later than one year and not later than five years	超過一年 但不超過五年	1,100	2,727
		2,621	4,356
Future finance charges on finance leases	融資租賃之未來 財務費用	(122)	(337)
Present value of finance lease liabilities	融資租賃負債之 現值	2,499	4,019
The present value of finance lease liabilities is as follows:	融資租賃負債之 現值如下：		
Not later than one year	不超過一年	1,445	1,501
Later than one year and not later than five years	超過一年 但不超過五年	1,054	2,518
		2,499	4,019

The effective interest rates at the end of the reporting period as follows:

於報告日期末的實際利率如下：

		2009			2008			
		US\$	RMB	HK\$	US\$	RMB	HK\$	EUR
		美元	人民幣	港元	美元	人民幣	港元	歐元
Bank borrowings	銀行貸款	3.5%	5.6%	2.5%	4.7%	7.1%	2.7%	6.3%
Finance lease liabilities	融資租賃負債	-	-	2.0%	-	-	5.1%	-



Notes to the Consolidated Financial Statements 綜合財務報表附註

19 BORROWINGS (continued)

The carrying amounts of the Group's borrowings are denominated in the following currencies:

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
US\$	美元	592,187	263,370
RMB	人民幣	207,958	105,170
HK\$	港元	159,011	197,752
Other currencies	其它貨幣	-	30,980
		959,156	597,272

20 DEFERRED INCOME TAX

The gross movement on the deferred income tax account is as follows:

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
At 1 January	於一月一日	(71,068)	(31,830)
Exchange differences	匯兌差額	-	(3,649)
Income statement charge	在損益表扣除	(7,428)	(35,589)
At 31 December	於十二月三十一日	(78,496)	(71,068)

Deferred income tax assets are recognised for tax loss carry forwards to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of approximately HK\$356,996,000 (2008: HK\$333,498,000), which certain amounts are subject to approval from the Hong Kong Inland Revenue Department. These carry forwards began to expire in 2008 for Mainland China and can be carried forward indefinitely for Hong Kong. Tax losses can be carried forward to offset future taxable income.

19 貸款(續)

集團貸款的帳面金額以下列貨幣為單位：

20 遞延所得稅

遞延所得稅帳目之變動總額如下：

遞延所得稅資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅損作確認。本集團有未確認稅損約港幣356,996,000元(二零零八年：港幣333,498,000元)，其中部份需待香港稅務局批准。中國產生的此等稅損於二零零八年開始屆滿，而香港的稅損則沒有期限。稅損可結轉以抵銷未來應課稅收入。



Notes to the Consolidated Financial Statements 綜合財務報表附註

20 DEFERRED INCOME TAX (continued)

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

20 遞延所得稅(續)

年內遞延所得稅資產及負債之變動(與同一徵稅地區之結餘抵銷前)如下:

Deferred income tax liabilities 遞延所得稅負債		Accelerated tax depreciation 加速稅項折舊		Investment properties 投資物業		Others 其它		Total 總額	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
At 1 January	於一月一日	(631)	(785)	(83,620)	(35,313)	(7,149)	(9,410)	(91,400)	(45,508)
Recognised in the income statement	在損益表確認	22	160	(8,990)	(45,003)	(1,797)	2,704	(10,765)	(42,139)
Exchange differences	匯兌差額	-	(6)	-	(3,304)	-	(443)	-	(3,753)
At 31 December	於十二月三十一日	(609)	(631)	(92,610)	(83,620)	(8,946)	(7,149)	(102,165)	(91,400)

Deferred income tax assets 遞延所得稅資產		Decelerated tax depreciation 減速稅項折舊		Tax losses 稅損		Others 其它		Total 總額	
		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
At 1 January	於一月一日	1,170	423	19,057	13,156	105	99	20,332	13,678
Recognised in the income statement	在損益表確認	77	745	3,260	5,805	-	-	3,337	6,550
Exchange differences	匯兌差額	-	2	-	96	-	6	-	104
At 31 December	於十二月三十一日	1,247	1,170	22,317	19,057	105	105	23,669	20,332



Notes to the Consolidated Financial Statements 綜合財務報表附註

20 DEFERRED INCOME TAX (continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet as assets/liabilities not realisable/due within one year:

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Deferred income tax assets	遞延所得稅資產	23,136	20,054
Deferred income tax liabilities	遞延所得稅負債	(101,632)	(91,122)
		(78,496)	(71,068)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprise established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries and associates established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2009, no deferred income tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries and associates established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries and associates will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries and associates in Mainland China for which deferred income tax liabilities have not been recognised totalled approximately HK\$6,512,000 at 31 December 2009.

20 遞延所得稅(續)

當有法定權利可將現有稅項資產與現有稅務負債抵銷，而遞延所得稅涉及同一財政機關，則可將遞延所得稅資產與遞延所得稅負債互相抵銷。在計入適當抵銷後，下列金額在綜合資產負債表內以不可於一年內變現／到期之資產／負債列帳：

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
		23,136	20,054
		(101,632)	(91,122)
		(78,496)	(71,068)

根據新中國企業所得稅法，於中國內地成立之外國投資企業向外國投資者宣派之股息須徵收10%預扣稅。此規定於二零零八年一月一日生效並適用於二零零七年十二月三十一日以後之盈利。倘中國內地與外國投資者所屬司法權區訂立稅務條約，則較低之預扣稅率可能會適用。就本集團而言，適用稅率為10%。因此，本集團須就其於中國內地成立之該等附屬公司及聯營公司就於二零零八年一月一日後產生之盈利而派付之股息繳納預扣稅。

於二零零九年十二月三十一日，概無就本集團於中國內地成立之附屬公司及聯營公司就未匯出盈利而應付之預扣稅確認任何遞延所得稅。董事認為，此等附屬公司及聯營公司將不大可能於可見未來分派該等盈利。尚未確認遞延所得稅負債之中國內地附屬公司及聯營公司投資並與之相關之暫時差額於二零零九年十二月三十一日合共約為港幣6,512,000元。



Notes to the Consolidated Financial Statements 綜合財務報表附註

21 **BILLS AND ACCOUNTS PAYABLE**

Ageing analysis of bills and accounts payable is as follows:

		2009	2008
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within three months	三個月內	359,049	334,400
Over six months but within twelve months	超過六個月而 不超過十二個月	-	1,497
		359,049	335,897

The carrying amounts of the Group's bills and accounts payable are denominated in the following currencies:

		2009	2008
		HK\$'000	HK\$'000
		港幣千元	港幣千元
US\$	美元	315,567	291,418
RMB	人民幣	3,175	22,969
HK\$	港元	4,922	623
EUR	歐元	35,385	20,887
		359,049	335,897

21 **應付票據及應付帳項**

應付票據及應付帳項帳齡分析如下：

	2009	2008
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Within three months	359,049	334,400
Over six months but within twelve months	-	1,497
	359,049	335,897

本集團的應付票據及應付帳項的帳面金額以下列貨幣為單位：

	2009	2008
	HK\$'000	HK\$'000
	港幣千元	港幣千元
US\$	315,567	291,418
RMB	3,175	22,969
HK\$	4,922	623
EUR	35,385	20,887
	359,049	335,897



Notes to the Consolidated Financial Statements 綜合財務報表附註

22 OTHER GAINS, NET

22 其它收益淨額

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Fair value gains/(losses) on financial assets at fair value through profit or loss	按公平值透過損益列帳的財務資產之公平值收益／(虧損)	17,202	(56,551)
Interest income:	利息收入：		
– on bank deposits	– 銀行存款	2,248	9,547
– on other receivables	– 其它應收款	261	762
Dividend income	股息收入	106	727
Investment income/(loss)	投資收益／(虧損)	19,817	(45,515)
Fair value gains on investment properties	投資物業的公平值收益	39,085	13,775
Gain arising from transfer from properties held for sale to investment properties	待售物業轉撥至投資物業所產生之收益	–	169,139
Gains on disposal of property, plant and equipment	出售物業、機器及設備之溢利	675	402
Loss on deemed acquisition of interest in an associate (Note (a))	視作購入聯營公司權益虧損(附註(a))	–	(13,537)
Others	其它	24,866	17,457
		84,443	141,721

Note:

- (a) During the year ended 31 December 2008, the Group's equity interest in China LotSynergy Holdings Limited was increased from 20.14% to 20.83% as a result of repurchase of its own shares by China LotSynergy Holdings Limited. In this connection, the Group recognised loss on deemed acquisition of interest in an associate of approximately HK\$13,537,000.

附註：

- (a) 於截至二零零八年十二月三十一日止年度，因華彩控股有限公司回購股份，本集團持有的權益由20.14%增加至20.83%。就此，集團確認視作購入聯營公司權益虧損約港幣13,537,000元。



Notes to the Consolidated Financial Statements 綜合財務報表附註

23 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses and general and administrative expenses are analysed as follows:

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Depreciation of property, plant and equipment	物業、機器及設備折舊		
– owned assets	– 自置資產	9,959	10,042
– assets held under finance leases	– 融資租賃資產	926	1,301
Amortisation of prepaid operating lease payments	預付營運租賃款項攤銷	1,648	1,647
Amortisation of intangible assets	無形資產攤銷	20	20
Operating lease rentals	營運租賃租金	5,459	9,199
Employee benefit expense (including directors' emoluments) (Note 24)	僱員福利開支 (包括董事酬金) (附註24)	71,213	99,655
Impairment of intangible assets	無形資產減值	130	–
Write-down of inventories to net realisable value (included in cost of sales)	減低存貨至可變現淨值 (包括於銷售成本)	–	67,825
Provision for impairment of accounts receivable	應收帳項減值撥備	1,210	556
Net exchange gains	匯兌淨收益	(5,367)	(8,160)
Auditors' remuneration	核數師酬金	880	880

23 按性質分類的費用

列在銷售成本、銷售及分銷費用和一般及行政費用內的費用分析如下：

24 EMPLOYEE BENEFIT EXPENSE

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Wages and salaries	薪金工資	63,696	91,393
Pension costs – defined contribution plans (Note (a))	退休成本 – 界定供款計劃 (附註(a))	4,114	3,943
Staff welfare	員工福利	3,403	4,319
		71,213	99,655

24 僱員福利開支

**24 EMPLOYEE BENEFIT EXPENSE** (continued)**(a) Pensions – defined contribution plans**

The Group has arranged for its Hong Kong employees to participate in a defined contribution retirement scheme (the "Original Scheme"), which is managed by independently administered funds. The Group's monthly contributions are based on 5% of employees' monthly salaries. The employees are entitled to receive 100% of the Group's contribution and the accrued interest thereon upon retirement or leaving the Group after completing ten years of service or at a reduced scale of 30% to 90% after completing three to nine years of services.

For the Hong Kong employees employed after 1 December 2000, the Group has arranged for these employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. Both the employer's and the employees' contributions are subject to a maximum of HK\$1,000 per month per employee.

As stipulated by the rules and regulations in Mainland China, the Group contributes to state-sponsored retirement plans for its employees in Mainland China. The Group contributes to retirement plans at rates of approximately 8% to 22% of the basic salaries of its employees in Mainland China, and has no further obligations for the actual payment of pensions or post-retirement benefits. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

During the year, the aggregate amount of the Group's contributions to the aforementioned schemes was approximately HK\$4,114,000 (2008: HK\$3,943,000) without deduction of forfeited contributions of the Original Scheme.

24 僱員福利開支(續)**(a) 退休金 – 界定供款計劃**

本集團為香港僱員安排參與由獨立基金管理之界定供款退休計劃(「原計劃」)。本集團每月之供款按僱員月薪的5%計算。於退休或完成滿十年服務後離開本集團，僱員均有權收取全數集團的供款及應計利息，完成滿三至九年服務則可按30%至90%比例收取。

本集團為二零零零年十二月一日後入職香港僱員安排參與強制性公積金計劃(「強積金計劃」)，一個由獨立受託人管理的界定供款計劃。根據強積金計劃，本集團及其僱員各自須按照強制性公積金條例的規定，每月將僱員薪金的5%供款。僱主及僱員的各自供款最高為每名僱員每月港幣1,000元。

根據中國法例規定，本集團為其中國僱員參與國家資助的退休計劃。本集團按其僱員基本薪金約8%至22%供款。除年度供款外，本集團毋須承擔其它實際退休金付款或退休後福利的責任。國家資助的退休計劃負責應付退休僱員的全部養老金責任。

於年內，本集團對上述計劃作出的供款總額約港幣4,114,000元(二零零八年：港幣3,943,000元)，並無原計劃的沒收供款。



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24 EMPLOYEE BENEFIT EXPENSE (continued)

(b) Directors' and senior management's emoluments

The remuneration of every director for the year ended 31 December 2009 is set out below:

Name of director	Fees	Salaries, allowances and benefits	Discretionary bonuses	Employer's contribution to pension scheme	Total
董事姓名	袍金	薪金、津貼及福利	酌情獎金	僱主供款退休計劃的	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Executive directors					
Mr. CHAN Shing	-	4,936	480	211	5,627
Mr. SIT Hoi Tung	-	2,275	280	105	2,660
Mr. YANG Dawei	-	583	-	-	583
Ms. LAU Ting	-	4,364	-	185	4,549
Ms. TUNG Pui Shan, Virginia	-	1,607	247	74	1,928
Mr. KWOK Wai Lam	-	1,560	620	72	2,252
Mr. YIN Mark	-	1,326	-	50	1,376
Mr. SHAM Kai Man (Note (i))	-	700	-	32	732
Independent non-executive directors					
Mr. CUI Shu Ming	363	-	-	-	363
Mr. MIAO Gengshu	360	-	-	-	360
Mr. HUANG Shenglan	265	-	-	-	265
Non-executive director					
Mr. SZE Tsai Ping, Michael	120	-	-	-	120

24 僱員福利開支(續)

(b) 董事及高級管理層薪酬

截至二零零九年十二月三十一日止年度，每名董事的薪酬如下：



Notes to the Consolidated Financial Statements 綜合財務報表附註

24 EMPLOYEE BENEFIT EXPENSE (continued)

(b) Directors' and senior management's emoluments (continued)

The remuneration of every director for the year ended 31 December 2008 is set out below:

Name of director	Fees	Salaries, allowances and benefits	Discretionary bonuses	Employer's contribution to pension scheme	Total	
董事姓名	袍金	薪金、津貼及福利	酌情獎金	僱主供款退休計劃的	總額	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Executive directors	執行董事					
Mr. CHAN Shing	陳城先生	–	5,984	3,136	210	9,330
Mr. SIT Hoi Tung	薛海東先生	–	2,266	3,450	105	5,821
Mr. YANG Dawei	楊大偉先生	–	573	–	–	573
Ms. LAU Ting	劉婷女士	–	5,416	2,844	183	8,443
Ms. TUNG Pui Shan, Virginia	董佩珊女士	–	1,603	120	74	1,797
Mr. KWOK Wai Lam	郭偉霖先生	–	1,549	1,119	71	2,739
Mr. YIN Mark	尹虹先生	–	1,143	380	42	1,565
Independent non-executive directors	獨立非執行董事					
Mr. CUI Shu Ming	崔書明先生	361	–	–	–	361
Mr. MIAO Gengshu (Note (ii))	苗耕書先生(附註(ii))	23	–	–	–	23
Mr. HUANG Shenglan	黃勝藍先生	264	–	–	–	264
Mr. SONG Yufang (Note (iii))	宋玉芳先生(附註(iii))	86	–	–	–	86
Non-executive director	非執行董事					
Mr. SZE Tsai Ping, Michael	史習平先生	120	–	–	–	120

Notes:

- (i) Appointed on 20 July 2009.
(ii) Appointed on 8 December 2008.
(iii) Resigned on 18 September 2008.

附註:

- (i) 於二零零九年七月二十日委任。
(ii) 於二零零八年十二月八日委任。
(iii) 於二零零八年九月十八日辭任。

24 僱員福利開支(續)

(b) 董事及高級管理層薪酬(續)

截至二零零八年十二月三十一日止年度，每名董事的薪酬如下：



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24 EMPLOYEE BENEFIT EXPENSE (continued)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include five (2008: four) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining one non-director for the year ended 31 December 2008, highest paid individual are as follows:

		2008 HK\$'000 港幣千元
Salaries, allowances and benefits	薪金、津貼及福利	1,532
Discretionary bonuses	酌情獎金	3,200
Employer's contributions to pension scheme	退休計劃的僱主供款	70
		4,802

24 僱員福利開支(續)

(c) 五位最高薪酬人士

本年度集團最高薪酬的五位人士包括五位(二零零八年：四位)董事，他們的薪酬在上文呈報的分析中反映。截至二零零八年十二月三十一日餘下一位非董事，最高薪人士的薪酬如下：

25 FINANCE COSTS

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Interest on:	利息：		
– Bank borrowings wholly repayable within five years	– 於五年內全數償還的銀行貸款	26,558	50,881
– Bank borrowings not wholly repayable within five years	– 不需於五年內全數償還的銀行貸款	1,152	2,172
– Other loans	– 其它貸款	418	705
– Finance lease liabilities	– 融資租賃負債	102	249
		28,230	54,007

25 融資成本



Notes to the Consolidated Financial Statements 綜合財務報表附註

26 INCOME TAX EXPENSE

The Company is exempted from taxation in Bermuda until 2016. The Company's subsidiaries established in the British Virgin Islands are exempted from British Virgin Islands income taxes. Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profit for the year. Subsidiaries of the Group in Mainland China are subject to Mainland China enterprise income tax ranging from 12.5% to 25% (2008: 12.5% to 25%) on their taxable income determined according to Mainland China tax laws. Taxation on other overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation recognised in the consolidated income statement represents:

26 所得稅

本公司可免繳百慕達稅項直至二零一六年。於英屬處女群島成立之附屬公司可免繳英屬處女群島所得稅。香港利得稅按本年度預計應課稅溢利之 16.5% (二零零八年：16.5%) 撥備。本集團於中國之附屬公司須繳交中國企業所得稅，按中國稅法確定應課稅所得之 12.5% 至 25% (二零零八年：12.5% 至 25%) 計算。其它海外溢利之稅項已根據估計年度應課稅溢利按本集團經營業務國家之現行稅率計算。

於綜合損益表確認之稅金如下：

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Current tax	本年稅項		
– Hong Kong profits tax	– 香港利得稅	960	8,730
– Mainland China taxation	– 中國稅項	615	1,157
		1,575	9,887
Adjustments in respect of prior years	以前年度調整		
– Hong Kong profits tax	– 香港利得稅	3,480	23,148
– Mainland China taxation	– 中國稅項	(82)	953
		3,398	24,101
Deferred income tax relating to the origination and reversal of temporary differences	遞延所得稅暫時差異的產生及轉回	7,428	35,589
		12,401	69,577



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26 INCOME TAX EXPENSE (continued)

The tax on the Group's profit/(loss) before income tax differs from the theoretical amount that would arise using the tax rate of the home country of the Company as follows:

26 所得稅(續)

本集團有關除所得稅前盈利/(虧損)之稅項與假若採用本公司本土國家之稅率而計算之理論稅額之差額如下：

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Profit/(Loss) before income tax	除所得稅前盈利/(虧損)	20,065	(35,326)
Calculated at a tax rate of 16.5% (2008: 16.5%)	按稅率16.5% (二零零八年：16.5%)計算	3,310	(5,829)
Effect of different taxation rates in other countries	其它國家不同稅率之影響	2,840	16,784
Effect on opening deferred tax of decrease in tax rates	稅率減低對期初遞延稅項之影響	-	41
Income not subject to taxation	無須課稅之收入	(2,668)	(820)
Expenses not deductible for taxation purposes	不可扣稅之支出	3,531	35,960
Unrecognised tax loss	未確認稅損	3,493	9,937
Adjustments in respect of prior years	以前年度調整	3,398	24,101
Recognition of previously unrecognised temporary differences	確認早前未有確認之暫時差異	431	(2,157)
Utilisation of previously unrecognised tax losses	使用早前未有確認之稅損	(3,801)	(10,387)
Others	其它	1,867	1,947
Tax charge	稅項支出	12,401	69,577

27 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of a loss of approximately HK\$8,078,000 (2008: a profit of approximately HK\$2,104,000).

27 本公司權益持有人應佔盈利

已於本公司財務報表反映之本公司權益持有人應佔盈利達虧損約港幣8,078,000元(二零零八年：盈利約港幣2,104,000元)。



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28 LOSS PER SHARE**Basic and diluted**

Basic and diluted loss per share are calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

		2009	2008
Loss attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔虧損(港幣千元)	(4,646)	(148,808)
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均數(千計)	3,164,937	1,750,769
Basic and diluted loss per share (HK cents per share)	每股基本及攤薄虧損(每股港仙)	(0.15)	(8.50)

The Company has no dilutive potential ordinary shares for the years ended 31 December 2008 and 2009.

29 DIVIDENDS

The directors do not recommend the payment of a final dividend for the year ended 31 December 2009 (2008: Nil).

28 每股虧損**基本及攤薄**

每股基本及攤薄虧損根據本公司權益持有人應佔虧損，除以年內已發行普通股的加權平均數目計算。

本公司於截至二零零八年及二零零九年十二月三十一日止年度並無可攤薄的潛在普通股。

29 股息

董事局不擬就截至二零零九年十二月三十一日止年度派付末期股息(二零零八年：無)。



Notes to the Consolidated Financial Statements 綜合財務報表附註

30 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

30 綜合現金流量表附註

(a) Cash used in operations

(a) 營運所用的現金

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Profit/(Loss) for the year	年度盈利/(虧損)	7,664	(104,903)
Adjustments for:	調整：		
– Tax	– 稅項	12,401	69,577
– Depreciation	– 折舊	10,885	11,343
– Amortisation	– 攤銷	1,668	1,667
– Gains on disposal of property, plant and equipment	– 出售物業、機器及設備之溢利	(675)	(402)
– Fair value gains on investment properties	– 投資物業的公平值收益	(39,085)	(13,775)
– Gain arising from transfer from properties held for sale to investment properties	– 待售物業轉撥至投資物業所產生之收益	–	(169,139)
– Fair value (gains)/losses on financial assets at fair value through profit or loss	– 按公平值透過損益列帳的財務資產之公平值(盈利)/虧損	(17,202)	56,551
– Loss on deemed acquisition of interest in an associate	– 視作購入聯營公司權益虧損	–	13,537
– Impairment of intangible assets	– 無形資產減值	130	–
– Dividends received from financial assets at fair value through profit or loss	– 收取按公平值透過損益列帳的財務資產股息	(106)	(727)
– Interest income	– 利息收入	(2,509)	(10,309)
– Finance costs	– 融資成本	28,230	54,007
– Share of losses of associates	– 所佔聯營公司虧損	18,932	196,866
– Effect of foreign exchange rate changes	– 外幣匯率變動之影響	(786)	(740)
		19,547	103,553
Changes in working capital:	營運資金變更：		
– Inventories	– 存貨	42,768	4,766
– Bills and accounts receivable	– 應收票據及應收帳項	(101,617)	(79,199)
– Deposits, prepayments and other receivables	– 按金、預付款及 其它應收款	(303,792)	(105)
– Bills and accounts payable	– 應付票據及應付帳項	23,152	(193,181)
– Other payables and accruals	– 其它應付帳項及應計費用	(57,114)	8,986
Cash used in operations	營運所用的現金	(377,056)	(155,180)



Notes to the Consolidated Financial Statements 綜合財務報表附註

30 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Analysis of the balances of cash and cash equivalents

	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Cash at bank and in hands	254,812	167,241
Non-pledged short-term bank deposits with original maturity of less than three months	11,124	144,312
	265,936	311,553

30 綜合現金流量表附註(續)

(b) 現金及現金等價物結餘分析

31 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Contracted but not provided – Machinery	–	16

(b) Operating lease commitments – where the Group is the lessee

At 31 December 2009, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

	2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元
Not later than one year	990	5,129
Later than one year and not later than five years	144	257
	1,134	5,386

31 承擔及或然負債

(a) 資本承擔

(b) 營運租賃承擔 – 本集團為承租人

於二零零九年十二月三十一日，集團根據不可撤銷之營運租賃而於未來支付之最低租賃付款總額如下：



Notes to the Consolidated Financial Statements 綜合財務報表附註

31 COMMITMENTS AND CONTINGENT LIABILITIES
(continued)

(c) Operating leases – where the Group is the lessor

At 31 December 2009, the Group had future minimum lease payments receivable under non-cancellable operating leases as follows:

		2009	2008
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Not later than one year	不超過一年	14,317	13,500
Later than one year and not later than five years	超過一年但不超過五年	12,879	17,758
		27,196	31,258

Contingent-based rents recognised in the consolidated income statement were approximately HK\$2,421,000 (2008: Nil).

(d) Corporate guarantees

		2009	2008
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Guarantee for general banking facilities granted to an associate	為聯營公司銀行融資作出之擔保	21,730	21,730
Guarantee for general banking facilities granted to a supplier	為供應商銀行融資作出之擔保	-	23,400
Guarantees given to banks for mortgage facilities granted to the buyers of the Group's properties	為集團物業購買者按揭貸款而向銀行作出之擔保	86	2,107
		21,816	47,237

In the opinion of the directors, no material liabilities will arise from the above guarantees which arose in the ordinary course of business and the fair value of the corporate guarantees granted by the Group is immaterial.

31 承擔及或然負債(續)

(c) 營運租賃 – 本集團為出租人

於二零零九年十二月三十一日，本集團根據不可撤銷的營運租賃而於未來收取之最低租賃款項總額如下：

	2009	2008
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Not later than one year	14,317	13,500
Later than one year and not later than five years	12,879	17,758
	27,196	31,258

於綜合損益表確認的或然租金約為港幣2,421,000元(二零零八年：無)。

(d) 公司擔保

	2009	2008
	HK\$'000	HK\$'000
	港幣千元	港幣千元
Guarantee for general banking facilities granted to an associate	21,730	21,730
Guarantee for general banking facilities granted to a supplier	-	23,400
Guarantees given to banks for mortgage facilities granted to the buyers of the Group's properties	86	2,107
	21,816	47,237

董事認為，上述擔保於一般業務過程中不會產生重大負債，而本集團所提供公司擔保之公平值極微。



Notes to the Consolidated Financial Statements 綜合財務報表附註

31 COMMITMENTS AND CONTINGENT LIABILITIES*(continued)***(e) Forward foreign currency exchange contracts**

At 31 December 2009, the Group had commitment in respect of outstanding forward foreign currency exchange contracts to buy a maximum amount of US dollar of 39,234,000 (2008: buy a maximum amount of US\$60,000,000 and sell a maximum amount of US\$7,000,000) against Hong Kong dollar and a maximum amount of US dollar of 13,000,000 against Renminbi.

(f) Contingent liabilities

At 31 December 2009, the Group's contingent liabilities relating to Mainland China land appreciation tax amounted to approximately HK\$30,009,000 (2008: HK\$30,009,000).

32 CHARGE OF ASSETS

At 31 December 2009, the following assets were pledged:

- (a) Certain leasehold land, land use rights and buildings with a net book amount of approximately HK\$141,338,000 (2008: HK\$113,982,000);
- (b) Certain motor vehicles and machinery with a net book amount of approximately HK\$4,577,000 (2008: HK\$5,905,000);
- (c) Certain investment properties of approximately HK\$550,613,000 (2008: HK\$449,942,000); and
- (d) At 31 December 2008, certain financial assets at fair value through profit or loss of equity securities listed in Hong Kong with market value of approximately HK\$36,919,000.

31 承擔及或然負債(續)**(e) 遠期外匯合約**

於二零零九年十二月三十一日，本集團未履行的遠期外匯合約承擔為最多須購入39,234,000美元(二零零八年：最多購入60,000,000美元及最多賣出7,000,000美元)對港元及最多須購入13,000,000美元對人民幣。

(f) 或然負債

於二零零九年十二月三十一日，集團有關中國土地增值稅的或然負債約為港幣30,009,000元(二零零八年：港幣30,009,000元)。

32 資產抵押

於二零零九年十二月三十一日，以下資產已予抵押：

- (a) 部份租賃土地、土地使用權及樓宇帳面淨值約港幣141,338,000元(二零零八年：港幣113,982,000元)；
- (b) 部份車輛及機器帳面淨值約港幣4,577,000元(二零零八年：港幣5,905,000元)；
- (c) 部份投資物業約港幣550,613,000元(二零零八年：港幣449,942,000元)；及
- (d) 於二零零八年十二月三十一日，部份按公平值透過損益列帳的財務資產的香港上市證券市值約港幣36,919,000元。



Notes to the Consolidated Financial Statements 綜合財務報表附註

33 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

(a) Related party transactions which were carried out in the normal course of the Group's business are as follows:

		2009	2008
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Rental income received from associates	已收聯營公司租金收入	2,137	1,072
Service income received from an associate	已收聯營公司服務收入	375	365
Sales to associates	銷售予聯營公司	2,188	1,733
Sale of motor vehicles to an associate	銷售汽車予聯營公司	600	-
Purchase from an associate	向聯營公司購貨	22,925	97,889
Rental expense paid to an associate	已付聯營公司租金開支	672	960

(b) Compensation to key management personnel

		2009	2008
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Wages and salaries	薪金工資	17,870	26,650
Pension costs – defined contribution plans	退休成本—界定供款計劃	729	685
Staff welfare	員工福利	1,108	2,933
		19,707	30,268

33 關聯方交易

所謂有關連人士乃指有能力直接或間接控制另一方，或有能力就另一方之財務及經營決策行使重大影響力之人士。同時，倘該等人士受到共同控制或重大影響之人士亦被視作關連人士。

(a) 按集團一般商業條款下進行之關聯方交易如下：

	2009	2008
	HK\$'000	HK\$'000
	港幣千元	港幣千元
已收聯營公司租金收入	2,137	1,072
已收聯營公司服務收入	375	365
銷售予聯營公司	2,188	1,733
銷售汽車予聯營公司	600	-
向聯營公司購貨	22,925	97,889
已付聯營公司租金開支	672	960

(b) 主要管理人員酬金

	2009	2008
	HK\$'000	HK\$'000
	港幣千元	港幣千元
薪金工資	17,870	26,650
退休成本—界定供款計劃	729	685
員工福利	1,108	2,933
	19,707	30,268



Notes to the Consolidated Financial Statements 綜合財務報表附註

33 RELATED PARTY TRANSACTIONS (continued)

- (c) Details of loan to a director of the Company, disclosed pursuant to Section 161B of the Hong Kong Companies Ordinance, are as follows:

Name of borrower 借款人姓名	YIN Mark 尹虹
Position 職位	Executive Director 執行董事
Terms of the loan 貸款詳情	
– interest rate – 利率	4% per annum 年息四厘
– security – 抵押	unsecured 無抵押
– repayment term – 還款年期	4 years 四年
– borrowing date – 借款日	26 March 2008 二零零八年三月二十六日
Balance of loan in respect of principal and interest 貸款本金及利息結餘	
– at 31 December 2008 – 於二零零八年十二月三十一日	HK\$733,000 港幣733,000元
– at 31 December 2009 – 於二零零九年十二月三十一日	HK\$586,000 港幣586,000元
Maximum balance outstanding during the year 年內最高欠款額	HK\$733,000 港幣733,000元

33 關聯方交易(續)

- (c) 根據公司條例第 161B 條而須披露公司董事貸款之詳情如下：



34 EVENTS AFTER THE END OF THE REPORTING PERIOD

- (a) On 15 December 2009, the Company's board of directors (the "Board") resolved to put forward to shareholders a proposal involving (i) the proposed reduction of the entire amount standing to the credit of the share premium account of the Company to nil; (ii) the proposed amendments to the bye-laws of the Company which would allow either the shareholders or the Board to approve distributions to shareholders out of the contributed surplus of the Company to be satisfied by distribution of specific assets and allow the Board to approve any interim dividend payment (the "Bye-laws Amendments"); and (iii) the proposed distribution out of the contributed surplus of the Company to shareholders which would be satisfied by the distribution (the "Distribution") of a maximum of 1,540,025,856 shares of China LotSynergy Holdings Limited ("CLS"), on the basis of 9 CLS shares for every 20 shares of the Company held. The special resolutions in relation to the Bye-Laws Amendments and share premium reduction and the ordinary resolution in relation to the Distribution were duly passed by the shareholders at the special general meeting held on 21 January 2010.

Pursuant to the special resolution, the entire amount standing to the credit of the share premium account of the Company was approximately HK\$738,200,000 as at 21 January 2010 was reduced to nil and the credit arising from the reduction of share premium was transferred to the contributed surplus of the Company.

At 31 December 2009, the Company held, directly and indirectly, 1,541,956,296 CLS shares, representing approximately 20.83% of the then existing issued share capital of CLS. Upon the passing of the resolution approving the Distribution, the Group's investment in CLS was classified as a non-current asset held for distribution to owners and the consolidated financial statements of CLS would no longer be equity accounted for in the consolidated financial statements of the Group. Based on the market price of HK\$0.415 per CLS share upon transfer of CLS share under the Distribution, the total fair value of the CLS shares distributed to shareholders under the Distribution was approximately HK\$639,111,000 and was distributed out of the contributed surplus of the Company.

34 報告日期末後事項

- (a) 於二零零九年十二月十五日，董事局通過提呈若干建議予股東表決，包括(i)削減本公司股份溢價帳全部進帳金額削減至零；(ii)就本公司細則作出之公司細則修訂建議，將准許本公司可經董事局或經股東批准自本公司繳入盈餘帳作出特定實物分派致使分派實行及促使本公司可以董事局議案批准通過派付中期股息(公司細則修訂)；及(iii)按每20股股份可獲9股華彩控股有限公司(「華彩」)股份之基準，自本公司繳入盈餘帳，分派最多共1,540,025,856股華彩股份(「分派」)。有關公司細則修訂及削減股份溢價帳的特別決議案及有關分派的普通決議案，已於二零一零年一月二十一日舉行的股東特別大會獲正式通過。

根據特別決議案，本公司於二零一零年一月二十一日約為港幣738,200,000元之股份溢價帳之全部進帳金額將削減至零，並將產生之進帳金額計入本公司繳入盈餘帳。

於二零零九年十二月三十一日，本公司現直接並間接持有1,541,956,296股華彩股份，佔當時華彩已發行股本約20.83%。分派的決議案批准通過後，本集團於華彩之投資將分類為待分派予持有人的非流動資產及華彩之綜合帳目亦將無須以權益會計法計入本集團之綜合財務報表內。根據華彩股份按分派轉讓時每股華彩股份港幣0.415元之市場價，分派股份之總市值約為港幣639,111,000元，並將由本公司的繳入盈餘帳中分派。



Notes to the Consolidated Financial Statements 綜合財務報表附註

34 EVENTS AFTER THE END OF THE REPORTING PERIOD
(continued)

- (b) Pursuant to the ordinary resolution passed by the shareholders at the special general meeting held on 12 February 2010, the authorised share capital of the Company was increased from HK\$380,000,000 divided into 3,800,000,000 shares to HK\$680,000,000 divided into 6,800,000,000 shares by the creation of 3,000,000,000 new shares.
- (c) On 16 March 2010, the Company announced that it had completed, through the placing manager, the placing of an aggregate of 307,380,000 new shares of HK\$0.1 each in the capital of the Company at a placing price of HK\$0.605 each to at least six independent investors. The Company raised net proceeds of approximately HK\$184,000,000 which would be used to replenish the general working capital requirements of the Company.
- (d) On 5 November 2009, Burwill Minerals Limited, a wholly-owned subsidiary of the Company, entered into a share purchase agreement with Tai Xin Investment Limited as supplemented by the supplemental share purchase agreement dated 24 December 2009 with Tai Xin Investment Limited and Tai Xin Holdings Limited (the "Vendor") in relation to the acquisition of 51% of the issued share capital of Tai Xin Minerals Limited for a total consideration of HK\$500,000,000. The consideration shall be satisfied by the payment of HK\$260,000,000 in cash and the issue of 685,700,000 new shares at the issue price of HK\$0.35 by the Company to the Vendor. Further details of the acquisition are set out in the Company's circular dated 27 January 2010. Completion of the acquisition took place on 31 March 2010. As of the date of approval of these financial statements, management of the Group is still in the midst of determining the financial effect of the acquisition.

34 報告日期末後事項(續)

- (b) 根據本公司股東在二零一零年二月十二日舉行之股東特別大會通過之普通決議案，本公司之法定股本透過增設額外3,000,000,000股之普通股由港幣380,000,000元分成3,800,000,000股增加至港幣680,000,000元分成6,800,000,000股。
- (c) 於二零一零年三月十六日，本公司宣佈其已透過配售代理完成按每股港幣0.605元之配售價向最少六名獨立投資者配售本公司股本中合共307,380,000股每股港幣0.1元之新股。本公司籌得約港幣184,000,000元之所得款項淨額，用作補充本公司之一般營運資金的需要。
- (d) 於二零零九年十一月五日，本公司全資附屬公司寶威礦業有限公司與 Tai Xin Investment Limited 訂立股份買賣協議，經二零零九年十二月二十四日與 Tai Xin Investment Limited 和 Tai Xin Holdings Limited (「賣方」)訂立之補充股份買賣協議進一步修訂，收購 Tai Xin Minerals Limited 已發行股本51%，總代價為港幣500,000,000元，藉現金港幣260,000,000元以及按發行價港幣0.35元發行685,700,000股本公司新股予賣方支付。收購詳情載於本公司二零一零年一月二十七日的通告。收購於二零一零年三月三十一日完成。於財務報表批准之日，本集團管理層仍在釐定有關收購之財務影響。



Schedule of Properties held for Investment 投資物業一覽表

Address 地址	Lease 租約種類	Existing use 現行用途	Group's interest 集團權益
Unit 8, 26/F, Units 1 and 12, 28/F, North Tower, Hong Kong Plaza, No. 282 Huaihaizhong Road, Luwan District, Shanghai, China 中國上海盧灣區 淮海中路282號 香港廣場北座26樓 8室、28樓1室及12室	Medium lease 中期租約	Residential 住宅	100%
Block No. 0521, Elegant Garden, No. 189, Longxi Road, Changning District, Shanghai, China 中國上海長寧區 龍溪路189號 明苑別墅0521號	Long lease 長期租約	Residential 住宅	100%
537 Wenchang Road Central, Yangzhou, Jiangsu Province, China 中國江蘇省 揚州市 文昌中路537號	Medium lease 中期租約	Commercial 商業	69%



Five Years' Financial Summary 五年財務概要

The results, assets and liabilities of the Group for the last five financial years are as follows:

本集團過去五個財務年度之業績、資產及負債如下：

		2009 HK\$'000 港幣千元	2008 HK\$'000 港幣千元	2007 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Results	業績					
Sales	銷售	3,256,714	8,334,596	5,452,012	4,793,364	3,696,566
Gross profit	毛利	97,754	223,221	143,233	82,072	74,645
Operating profit	經營盈利	67,227	215,547	120,539	223,680	158,266
Profit/(Loss) attributable to:	盈利/(虧損)歸屬於：					
Equity holders of the Company	本公司權益持有人	(4,646)	(148,808)	86,307	149,380	72,745
Minority interests	少數股東權益	12,310	43,905	8,964	2,295	6,040
		7,664	(104,903)	95,271	151,675	78,785
Assets and liabilities	資產及負債					
Non-current assets	非流動資產	1,206,860	994,984	960,434	800,609	595,725
Current assets	流動資產	1,891,420	1,669,053	1,675,757	1,653,449	1,538,323
Total assets	總資產	3,098,280	2,664,037	2,636,191	2,454,058	2,134,048
Non-current liabilities	非流動負債	493,664	244,545	86,928	170,160	324,198
Current liabilities	流動負債	1,016,565	950,171	1,297,295	1,279,679	934,612
Total liabilities	總負債	1,510,229	1,194,716	1,384,223	1,449,839	1,258,810
Total equity	總權益	1,588,051	1,469,321	1,251,968	1,004,219	875,238