



CHIHO-TIANDE GROUP LIMITED
齊合天地集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 976

中期報告
Interim Report
2010



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Corporate Information

公司資料



BOARD OF DIRECTORS

Executive Directors

Mr. Fang Ankong (Chairman and Chief Executive Officer)
Mr. Gu Liyong (Vice President)
Mr. Stephanus Maria van Ooijen

Non-Executive Director

Mr. Ralph Sytze Ybema

Independent Non-Executive Directors

Ms. Zhang Jingdong
Dr. Loke Yu
Mr. Li Xikui

AUDIT COMMITTEE

Dr. Loke Yu (Chairman)
Ms. Zhang Jingdong
Mr. Li Xikui

REMUNERATION COMMITTEE

Mr. Fang Ankong (Chairman)
Dr. Loke Yu
Ms. Zhang Jingdong
Mr. Li Xikui
Mr. Stephanus Maria van Ooijen

NOMINATION COMMITTEE

Mr. Stephanus Maria van Ooijen (Chairman)
Dr. Loke Yu
Ms. Zhang Jingdong
Mr. Li Xikui
Mr. Fang Ankong

AUTHORISED REPRESENTATIVES

Mr. Gu Liyong
Ms. Yu Miu Cheung

QUALIFIED ACCOUNTANT AND CHIEF FINANCIAL OFFICER

Mr. Chow Wan Hoi Paul

COMPANY SECRETARY

Ms. Yu Miu Cheung

JOINT AUDITORS

Deloitte Touche Tohmatsu
Morison Heng

董事會

執行董事

方安空先生(主席兼行政總裁)
顧李勇先生(副總裁)
Stephanus Maria van Ooijen先生

非執行董事

Ralph Sytze Ybema先生

獨立非執行董事

章敬東女士
陸海林博士
李錫奎先生

審核委員會

陸海林博士(主席)
章敬東女士
李錫奎先生

薪酬委員會

方安空先生(主席)
陸海林博士
章敬東女士
李錫奎先生
Stephanus Maria van Ooijen先生

提名委員會

Stephanus Maria van Ooijen先生(主席)
陸海林博士
章敬東女士
李錫奎先生
方安空先生

授權代表

顧李勇先生
余妙章女士

合資格會計師兼財務總監

周雲海先生

公司秘書

余妙章女士

聯席核數師

德勤•關黃陳方會計師行
華利信會計師事務所



LEGAL ADVISORS

Conyers Dill & Pearman (Cayman Islands)
Richards Butler (Hong Kong)
Stephenson Harwood (Hong Kong)
Van den Boomen Advocaten B.V. (Dutch)
Zhong Lun Law Firm (PRC)

PRINCIPAL BANKERS

Agriculture Bank of China
Bank of China
DBS Bank (Hong Kong) Limited
Industrial and Commercial Bank of China
Shanghai Pudong Development Bank
Standard Chartered Bank (Hong Kong) Limited
Zhejiang Tailong Commercial Bank

COMPLIANCE ADVISOR

CCB International Capital Limited

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

1410, 14/F., Shun Tak Centre West Tower
168-200 Connaught Road Central
Hong Kong

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Taizhou Industrial Zone of Metal Recycling
Fengjiang, Luqiao, Taizhou
Zhejiang
The PRC
Post Code 318054

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

法律顧問

Conyers Dill & Pearman (開曼群島)
齊伯禮律師行(香港)
羅夏信律師事務所(香港)
Van den Boomen Advocaten B.V. (荷蘭)
中倫律師事務所(中國)

主要往來銀行

中國農業銀行
中國銀行
星展銀行(香港)有限公司
中國工商銀行
上海浦東發展銀行
渣打銀行(香港)有限公司
浙江泰隆商業銀行

規章顧問

建銀國際金融有限公司

註冊辦事處

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

香港總公司及主要營業地點

香港中環
干諾道中168-200號
信德中心西座14樓1410室

中國總公司及主要營業地點

中國
浙江省
台州市路橋區峰江鎮
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郵編：318054

香港證券登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓1712-1716室



**CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR
AND TRANSFER OFFICE**

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

WEBSITE

www.chiho-tiande.com

STOCK CODE

The Hong Kong Stock Exchange: 976

開曼群島主要股份過戶登記處

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

公司網站

www.chiho-tiande.com

股份代號

香港聯交所: 976

Chairman's Statement

主席報告



On behalf of the board of directors (the “Board”) of Chiho-Tiande Group Limited (齊合天地集團有限公司) (the “Company”), I am pleased to present the audited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2010 (the “period”) following its successful listing on the Main Board of The Stock Exchange of Hong Kong Limited on 12 July 2010. With limited natural mining resources and increasing world demand, various industry reports have indicated that future supply will not be able to keep up with future demand and scrap metal recycling is regarded as a key solution to satisfying future demands and environmental concerns. To capitalize on such market opportunities, the Group continued to place strong emphasis on capturing and securing supply of raw materials from proven sources of scrap metal through its well established overseas procurement network. We believe our current strategy will allow our Group to build on its solid foundation to be a leading player in the rapidly expanding scrap metal recycling business and also establish our position as a leading scrap metal recycler in China.

BUSINESS REVIEW

With continued improvement in market conditions in China and the gradual re-establishment of a relatively stable pricing environment, the Group recorded strong growth in revenue and exceptional overall profitability for the period as compared to 2009. During the period, the Group's revenue increased from HK\$675.6 million in the same period of 2009 to HK\$2.44 billion, this represents an increase of 2.6 times over the same period last year and also exceeded the 2009 full year revenue by 4.5%. Compared to the net loss of HK\$16.3 million recorded in the first half of 2009 (without taking into account the HK\$304.3 million write back of the inventory provision made as at 31 December 2008, which provision amounted to HK\$308.6 million, as a result of our inventories being stated at net realisable value instead of at cost (the “Inventory Provision”), the Group achieved a net profit of HK\$156.9 million (after taking into account a one off charge for listing cost of HK\$21.0 million) representing a net profit margin of 6.4%. With the write back of the Inventory Provision in the first half of 2009, the profit attributable to Shareholders in that period was HK\$212.5 million representing a decrease of 26.2% when compared with HK\$156.9 million recorded in this period.

The net profit of HK\$156.9 million represents an increase of 3.2% over the forecasted consolidated profit of HK\$152.0 million as stated in our listing prospectus.

本人謹代表齊合天地集團有限公司(「本公司」)董事會(「董事會」)，欣然提呈於本公司在二零一零年七月十二日於香港聯合交易所有限公司主板成功上市後，本公司及其附屬公司(「本集團」)截至二零一零年六月三十日止六個月(「期內」)的經審核中期業績。鑑於天然礦物資源有限且全球需求持續上升，多份行業報告均指出，由於未來天然礦物資源將會出現供不應求的情況，故廢金屬再生被視為滿足未來需求及解決環境問題的主要方法。為充份把握上述市場良機，本集團透過其完善的海外採購網絡，將重點投放於從認可的廢金屬來源爭取及獲得原材料供應。我們相信，我們現有的策略可令本集團於快速擴張的廢金屬回收業務中奠下鞏固基石，以成為業內領先的營運商，同時確立我們作為中國領先廢金屬再生商的地位。

業務回顧

隨著中國的市場情況持續改善及相對穩定的定價環境逐漸恢復，相比二零零九年，本集團於期內錄得強勁的收益增長，並顯示超卓的整體盈利能力。期內，本集團的收益由二零零九年同期的675,600,000港元增至2,440,000,000港元，較去年同期增長2.6倍，亦超過二零零九年的全年收益4.5%。相比二零零九年上半年錄得的虧損淨額16,300,000港元(不計及因存貨以可變現淨值而非成本列值而於二零零八年十二月三十一日作出存貨撥備308,600,000港元(「存貨撥備」)而所撥回的存貨撥備304,300,000港元)，本集團錄得156,900,000港元的純利(已計及一次性上市費用21,000,000港元)，純利率為6.4%。由於在二零零九年上半年撥回存貨撥備，該期間的股東應佔溢利為212,500,000港元，而本期間記錄則為156,900,000港元，跌幅為26.2%。

純利為156,900,000港元，較載於我們的上市章程的152,000,000港元預測綜合溢利多出3.2%。



BUSINESS REVIEW(continued)

Since the sharp collapse in the world metal prices during the fourth quarter of 2008, the market prices of our Recycled Metal Products have remained at a lower level in the first half of 2009 resulting in overall gross loss of HK\$55.3 million (without taking into account the write back of the Inventory Provision). With the strong recovery in world metal prices since the second half of 2009, the Group achieved a strong overall gross profit and net profit of HK\$276.2 million and HK\$156.9 million in the first half of 2010, respectively.

With the volatility of world metal prices gradually easing and the gradual re-establishment of a relatively stable pricing environment, the Group had increased procurement volume to cater for its processing needs through its well established overseas procurement network since the second half of 2009. During the period, the Group sold over 230,000 tonnes of its processed products within its three business segments combined. This represents an increase of 132.3% when compared with just over 99,000 tonnes in the same period of 2009.

Despite the fact that certain major metal prices including copper scrap and steel scrap have recovered strongly in the first half of 2009, prices have not quite reached the pre financial crisis levels. Although easing gradually, price volatility remained high especially in May and June this year, the Group still managed to achieve an overall gross profit margin of 11.3% which is higher than the overall gross margin (without write back of the Inventory Provision) of 10.5% achieved in the full year of 2009. This was mainly due to the Group's ability to actively identify and separate metal scrap that can be further processed to maximise the value realisable from such materials. During the period, the Group had continued to follow its usual practices of consistently buying mixed metal scrap and selling its recycled products in accordance with its processing ability so as to mitigate the short-term impact of price volatility on the overall performance of the Group.

Basic earnings per Share amounted to HK\$0.21 representing a decrease of 25.0% when compared with HK\$0.28 in the same period of 2009. Without including the write back of the Inventory Provision, basic earnings per Share would have been increased substantially to HK\$0.21 when compared with the same period of 2009 which recorded a basic loss per Share of HK\$0.02.

業務回顧(續)

自從全球金屬價格於二零零八年第四季急速下跌後，本集團再生金屬產品的市場價格於二零零九年上半年一直維持在較低水平，導致出現整體毛損55,300,000港元(不計及存貨撥備撥回)。隨著全球金屬價格於二零零九年下半年起大幅回升，本集團於二零一零年上半年錄得強勁的整體毛利及純利，分別為276,200,000港元及156,900,000港元。

由於全球金屬價格的波動情況已見放緩及相對穩定的定價環境逐漸恢復，自二零零九年下半年起，本集團透過其完善的海外採購網絡增加採購量以應付加工所需。期內，本集團合共售出旗下三個業務分部的加工產品超過230,000噸，而二零零九年同期則僅超過99,000噸，增幅達132.3%。

儘管若干主要金屬的價格(包括廢銅及廢鋼的價格)於二零零九年上半年大幅回升，但價格仍未達到金融危機前的水平。雖然價格波動逐漸趨緩，但其依然存在，尤以本年五月及六月的情況更為嚴重，惟本集團的整體毛利率仍達11.3%，較二零零九年全年整體毛利率(不計及存貨撥備撥回)10.5%為高。此主要是由於本集團有能力積極識別及區分可進一步加工的廢金屬以盡量提升該等材料的可變現價值。於本報告期間，本集團貫徹其一貫做法，根據自身的加工能力，買入混合廢金屬並出售其再生產品，以減低價格波動對本集團整體表現的短期影響。

每股基本盈利為0.21港元，較二零零九年同期的0.28港元下跌25.0%。不計及撥回存貨撥備，每股基本盈利較二零零九年同期記錄每股基本虧損的0.02港元大幅增長至0.21港元。



OUR PROCUREMENT NETWORK

We are the largest importer of Mixed Metal Scrap used for recycling, reuse and processing in terms of the total import volume as approved by the Ministry of Environmental Protection in China. We import nearly all of our Mixed Metal Scrap and have, over the years, developed a strong international procurement network which covers Europe, North America, Oceania and Asia. Our network of suppliers was mostly established and developed by us leveraging on our experience in the industry. With our good business practices, we have enjoyed good business relationship with our suppliers over the years.

CORPORATE AND BUSINESS DEVELOPMENT

We believe the year 2010 represents an important milestone in the history of the Group. The listing of the Company on the Main Board of The Stock Exchange of Hong Kong Limited on 12 July 2010 is a major milestone for the Group to further establish itself in the scrap metal recycling industry and is also the foundation on which we will launch the next stage of our development. As indicated in the Company's prospectus, we plan to use the IPO proceeds to increase purchase of additional raw materials, to further enhance our procurement network and capabilities through joint ventures and/or mergers or acquisitions, to expand the processing and production capacity in our existing Ningbo plant as well as looking to establish new production plants in other cities in China, and for general working capital purposes. We are actively working in line with such plan.

We are actively looking at potential merger and acquisition opportunities but have not identified any targets to enter into any such transactions to date. Insofar as organic growth is concerned, the negotiations to expand our annual processing capacity for our Ningbo processing plant from our present 80,000 tonnes to 200,000 tonnes are progressing well and the final arrangement is expected to be finalised in the next few months.

SOCIAL RESPONSIBILITIES

On the environmental protection front, we place great emphasis on ensuring that all of our processing facilities are in line with local and national environmental protection standards. As announced by the Environmental Protection Department of Zhejiang Province (浙江省環境保護廳), we have obtained the highest verification result among the designated processing units for imported hardware and electrical appliance scrap, electric wire and cable scrap, as well as motor scrap in Zhejiang Province. Our production processes do not consume large volumes of electricity and water and therefore produce very small volumes of waste materials. We consider that we have adopted sufficient environmental protection measures and controls against air, water, solids and noise pollutions produced during the course of our production process.

本集團的採購網絡

按中國環境保護部批准的進口總量計算，本集團為將混合廢金屬進口作回收、循環再用及加工用途之最大進口商。本集團的絕大部分混合廢金屬均是進口所得，且於多年來已建立強大的國際採購網絡，遍及歐洲、北美、大洋洲及亞洲。憑藉本身的行業經驗，本集團大部分供應商網絡乃自行建立及發展。因著我們秉持良好的營商守則，我們與供應商有多年良好的業務關係。

企業及業務發展

我們相信，二零一零年是本集團發展史上的一個重要里程碑。本公司於二零一零年七月十二日在香港聯合交易所有限公司主板上市乃為主要里程碑，令本集團進一步建立其於廢金屬再生行業的地位，亦為我們奠下邁進下一發展階段的基石。誠如本公司的售股章程所載，我們計劃將首次公開發售所得之款項用於增購額外原材料、透過合資企業及／或併購進一步擴大採購網絡及提升能力、提升現有寧波廠房的加工及生產能力，並展望在中國其他城市建立新生產廠房，以及用作一般營運資金。我們正積極配合上述計劃行事。

我們積極尋找潛在合併及收購機會，但至今尚未發現任何目標以達成交易。就基本增長而言，有關將寧波加工工廠年加工產能由現時的80,000噸擴充至200,000噸的磋商進展理想，最終安排可望於未來數月落實。

社會責任

就環保方面而言，我們把重點放在確保旗下所有加工設施均能符合當地及國家的環保標準。根據浙江省環境保護廳的公告，本集團取得浙江省進口廢五金電器、廢電線電纜及廢電機指定加工單位中的最高考核分數。本集團的生產流程不會耗用大量水電，故產生的廢料極少。本集團認為，其已採取足夠環境保護措施及監控，以減少生產工序產生的空氣、水、固體及噪音污染。



PROSPECTS

With encouraging signs indicating the world economy is gradually recovering, and the increasing support from the PRC government to develop the recycling industry. We believe the metal recycling industry in the PRC will continue to grow and will become an important source and an integral part of the metal resource supply chain of the PRC in the foreseeable future.

We also strongly believe in the importance of building a sustainable and environmentally responsible business. The metal recycling industry is in the forefront and plays a vital role in ensuring that the future production and supply of ferrous and nonferrous metals are conducted in a sustainable and environmentally responsible manner. Metal recycling contributes significantly to the protection of the environment and to the preservation of valuable natural resources, including the use of energy, which are consumed in large quantities during primary metal production processes. On the basis of the above stated fundamental belief, we are moving towards increasing our procurement and processing volumes substantially in the coming months to cater for the rapidly increasing demand for scrap raw materials in the PRC. We strongly believe in our ability to capitalise on a rapidly growing industry and to achieve good returns to Shareholders in a sustainable and environmentally responsible manner.

APPRECIATION

The Board of Directors would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its shareholders, business associates, bankers, lawyers, sponsor and auditors for their support to the Group throughout the period.

Fang Ankong
Chairman

Hong Kong, 27 August, 2010

前景

鑑於有令人鼓舞的跡象顯示全球經濟正逐步復甦，加上中國政府不斷支持回收行業的發展，我們相信中國廢金屬再生行業將會繼續增長，並於可見未來成為中國金屬資源供應鏈的重要來源及部分。

我們亦深信建立可持續發展及對環境負責任的業務至為重要，而金屬再生行業正位處最前線，於確保未來以可持續發展及對環境負責任的方法生產及供應黑色及有色金屬方面扮演重要角色。金屬再生對環境保護及保存珍貴天然資源，包括於原生金屬生產過程中大量使用的能源方面有著重大貢獻。基於上述的重要信念，我們擬於未來數月大幅增加採購及加工量以滿足於中國對廢舊原材料的正在急速上升的需求。我們深信我們有能力立足於正快速增長的行業以可持續發展及對環境負責任的方式為股東帶來良好的回報。

致意

董事會謹此就本集團管理層及全體員工的努力及奉獻，以及就股東、業務聯繫人士、銀行、律師、保薦人及核數師於期內對本集團的支持深表謝意。

方安空
主席

香港，二零一零年八月二十七日

Management Discussion and Analysis

管理層討論與分析



BUSINESS REVIEW AND OUTLOOK

During the period, the Group recorded strong growth in revenue and encouraging overall profitability following the strong recovery in scrap metal prices in the PRC since the second half of 2009. The Group's revenue increased from HK\$675.6 million in the same period of 2009 to HK\$2.44 billion, this represents an increase of 2.6 times over the same period of 2009 and at the same time exceeded the 2009 full year revenue.

Set out below is a summary of both gross and net profit or loss with and without write back of the Inventory Provision:

業務回顧及展望

期內，隨著中國廢金屬價格於二零零九年下半年起大幅回升，本集團錄得強勁的收益增長，而整體盈利能力亦令人鼓舞。本集團的收益由二零零九年同期的675,600,000港元增至2,440,000,000港元，較二零零九年同期增長2.6倍，同時亦超過二零零九年的全年收益。

下表載列已計及和未計及撥回存貨撥備的毛利或毛損：

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Revenue	收益	2,444,432	675,569
Cost of sales	銷售成本	(2,168,186)	(426,571)
Gross profit	毛利	276,246	248,998
Write back of Inventory Provision	撥回存貨撥備	—	(304,318)
Gross profit/(loss) (without write back of the Inventory Provision)	毛利/(毛損) (未計及撥回存貨撥備)	276,246	(55,320)
Gross profit margin	毛利率	11.3%	36.9%
Gross profit/(loss) margin (without write back of the Inventory Provision)	毛利率/(毛損率) (未計及撥回存貨撥備)	11.3%	(8.2%)
Net profit	溢利淨額	156,889	212,509
Net profit/(loss) (without write back of the Inventory Provision)	溢利/(虧損)淨額 (未計及撥回存貨撥備)	156,889	(16,337)



BUSINESS REVIEW AND OUTLOOK (continued)

Since the sharp collapse in world metal prices during the fourth quarter of 2008, the market prices of our Recycled Metal Products have remained at a lower level in the first half of 2009 resulting in overall gross loss of HK\$55.3 million (without write back of the Inventory Provision). With the strong recovery in world metal prices since the second half of 2009, the Group achieved a strong overall gross profit of HK\$276.2 million in the first half of 2010. Hence, net profit of HK\$156.9 million was recorded in the period.

With the volatility of world metal prices gradually easing but not quite reaching the pre financial crisis levels, the Group managed to increase its purchase volumes to cater for its processing needs through its well established overseas procurement network since the second half of 2009. During the period, the Group sold over 230,000 tonnes of its processed products within its three business segments combined. This represents an increase of 132.3% when compared with just over 99,000 tonnes in the same period of 2009.

Despite the fact that certain major metal prices including copper scrap and steel scrap have recovered strongly in the first half of 2009 but still not quite reaching the pre financial crisis levels. Although easing gradually, price volatility remained high especially in May and June this year, the Group still managed to achieve an overall gross profit margin of 11.3%. This was mainly due to the Group's ability to maximize the value realizable from processing its raw materials. During the period, the Group had continued to follow its usual practices of consistently buying mixed metals scrap and selling its recycled products in accordance with its processing ability so as to mitigate the short-term impact of price volatility on the overall performance of the Group.

On 12 July 2010, the Company was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited, this major milestone signals the beginning of the Group to position itself in the next stage of its development. Net capital of approximately HK\$581.5 million was raised, of which approximately HK\$290.8 million will be used to increase purchase of additional raw materials, approximately HK\$189.0 million will be used for expanding our procurement network and increase our existing and new processing capacity, and HK\$50.0 million was used to repay shareholders' loans soon after the listing.

業務回顧及展望(續)

自從全球金屬價格於二零零八年第四季急速下跌後，本集團再生金屬產品的市場價格於二零零九年上半年一直維持在較低水平，導致出現整體毛損55,300,000港元(不計及存貨撥備撥回)。隨著全球金屬價格於二零零九年下半年起大幅回升，本集團於二零一零年上半年錄得強勁的整體毛利，達276,200,000港元，並因而於期內錄得純利156,900,000港元。

雖然全球金屬價格的波動情況已見放緩，惟金屬價格仍未重回到金融危機前的水平。自二零零九年下半年以來，本集團透過其完善的海外採購網絡，成功增加採購量以應付加工所需。期內，本集團合共售出旗下三個業務分部的加工產品超過230,000噸，而二零零九年同期則僅超過99,000噸，增幅達132.3%。

儘管若干主要金屬的價格(包括廢銅及廢鋼的價格)於二零零九年上半年時已大幅回升，但價格乃未達到金融風暴前的水平。雖然價格波動逐漸趨緩，但其依然存在，尤以本年五月及六月的情況更為嚴重。儘管如此，本集團的整體毛利率仍達11.3%，主要是由於本集團有能力透過加工原材料提升可變現價值。在本報告期間，本集團貫徹其一貫做法，根據自身的加工能力，買入混合廢金屬並出售其再生產品，以減低價格波動對本集團整體表現的短期影響。

於二零一零年七月十二日，本公司在香港聯合交易所有限公司主板成功上市，此主要里程碑標誌著本集團已準備就緒，開始進入下一發展階段。上市籌集所得的資金淨額約為581,500,000港元，其中約290,800,000港元將用於增購額外原材料、約189,000,000港元將用於擴大本公司的採購網絡及提升現有及全新加工設施的產能及50,000,000港元已於上市後用作償還股東貸款。



BUSINESS REVIEW AND OUTLOOK (continued)

Following the Company's listing on 12 July 2010, management is actively working on exploring opportunities in line with the directions as indicated in our listing prospectus.

As for our Ningbo processing plant, the negotiations to expand our annual processing capacity from our present 80,000 tonnes to 200,000 tonnes are progressing well and final arrangement is expected to be finalised in the next few months.

With signs indicating the world economy is recovering slowly, and the increasing support from the PRC government to develop the recycling industry, the Group believes the metal recycling industry in the PRC will continue to grow and will become an important source of metal resources in the future.

The management also believes that the metal recycling industry plays a vital role in the production and the supply of ferrous and nonferrous metals. It contributes significantly to the protection of the environment and to the preservation of valuable natural resources, including energy, which are consumed in large quantities during primary metal production processes. With this in mind and in accordance with our expansion strategy, the Group is aiming to procure 45,000 to 50,000 tonnes of Mixed Metal Scrap materials a month to cater for its processing needs. Such purchase volume is expected to increase as the Group continues to expand. The management will continue making efforts to capitalize on such direction in achieving satisfactory returns to the Shareholders.

業務回顧及展望(續)

隨著本公司於二零一零年七月十二日上市後，管理層一直積極開拓商機，此舉符合本公司上市章程所載的方向。

至於寧波加工工廠，有關將年加工產能自目前的80,000噸擴充至200,000噸的磋商進展理想，最終安排可望於未來數月落實。

鑑於有跡象顯示全球經濟正緩步復甦，加上中國政府不斷支持回收行業的發展，本集團相信中國金屬再生行業將會繼續增長，並於未來成為金屬資源的重要來源。

此外，管理層亦相信，金屬再生行業於黑色及有色金屬生產及供應方面擔當重要角色，對環境保護及保存珍貴天然資源有重大貢獻，包括保存原生金屬生產過程大量使用的能源。有鑑於此，並根據本公司的擴充策略，本集團的目標是每月採購45,000至50,000噸混合廢金屬原料，以應付加工所需。預期上述採購量將會隨著本公司的不斷擴充而相應增加。管理層將繼續利用上述策略，致力為股東爭取理想回報。



FINANCIAL REVIEW

Key Financial Ratios

The following table sets forth certain of our financial ratios as of the date for the periods indicated:

財務回顧

關鍵財務比率

下表載列於所示期間日期本公司的若干財務比率：

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
Liquidity Ratios	流動資金比率		
Current ratio	流動比率	1.22	1.41
Quick ratio	速動比率	0.36	0.43
Gearing ratio (%)	負債資產比率(%)	46.3	43.2
		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Unaudited) (未經審核)
Inventory turnover days	存貨周轉日數	120	329
Debtor's turnover days	應收賬周轉日數	4	11
Creditor's turnover days	應付賬周轉日數	8	22



FINANCIAL REVIEW (continued)

Liquidity and Financial Resources and Capital Structure

Included in net current assets were cash and various bank deposits totalling HK\$443.2 million (31 December 2009: HK\$316.4 million). Total bank borrowings were HK\$1.18 billion (31 December 2009: HK\$799.0 million), and these were mainly used to finance the purchases of mixed metal scrap from overseas. Such borrowings are mainly denominated in United States dollars and Renminbi.

The gearing ratio of the Group as at 30 June 2010 was 46.3% (31 December 2009: 43.2%). This was mainly due to increase in bank borrowings during the period.

With regard to debtor's turnover days and creditor's turnover days, they were both reduced from 11 days and 22 days (30 June 2009) to 4 days and 8 days in this period respectively.

Inventory turnover days had also been reduced from 329 days (30 June 2009) to 120 days in this period. With the target of 90 days, the management is working to reduce the inventory turnover days further so as to meet such target.

Following the listing on 12 July 2010, the Group's liquidity position became stronger and this will prepare the Group to expand in accordance with its business directions.

Capital Commitments and Contingent Liabilities

As at 30 June 2010, the Group had pledged certain buildings, land use rights and bank deposits with an aggregate carrying value of approximately HK\$351.8 million (31 December 2009: approximately HK\$328.6 million) to secure bank borrowings.

As at 30 June 2010, the Group had capital commitments in respect of acquisition of property, plant and equipment but not provided for in the consolidated financial statements amounted to HK\$2.4 million (30 June 2009: HK\$4.8 million).

As at the date of this report, the Board is not aware of any material contingent liabilities.

財務回顧(續)

流動資金及財務資源及資本架構

包括於流動資產淨值中的為現金及多項銀行存款共443,200,000港元(二零零九年十二月三十一日: 316,400,000港元)。銀行借貸總額為1,180,000,000港元(二零零九年十二月三十一日: 799,000,000港元), 主要用於為向海外採購混合廢金屬提供資金。該等借貸主要以美元及人民幣計值。

本集團於二零一零年六月三十日的負債資產比率為46.3%(二零零九年十二月三十一日: 43.2%), 主要由於期內銀行借貸增加。

就應收賬周轉日數及應付賬周轉日數而言, 該兩項周轉日數分別由11日及22日(二零零九年六月三十日)減少至期內的4日及8日。

存貨周轉日數亦由329日(二零零九年六月三十日)減少至本期內的120日。由於目標為90日, 管理層正努力進一步減少存貨周轉日數以達到該目標。

於二零一零年七月十二日上市後, 本集團的流動資金狀況更趨穩健, 此將為本集團根據其業務方向擴充作準備。

資本承擔及或然負債

於二零一零年六月三十日, 本集團抵押賬面總值約351,800,000港元的若干樓宇、土地使用權及銀行存款(二零零九年十二月三十一日: 約328,600,000港元), 以為銀行借貸作擔保。

於二零一零年六月三十日, 本集團有關收購物業、機器及設備但並無於綜合財務報表計提的資本承擔為2,400,000港元(二零零九年六月三十日: 4,800,000港元)。

截至本報告日期, 就董事會所知, 概無任何重大或然負債。



RISK MANAGEMENT

The Group in its ordinary course of business is exposed to market risk such as commodities price risk, foreign currencies risk, interest rate risk, credit risk and liquidity risk. The Group's risk management strategy aims to minimize the adverse effects of these risks on its financial performance.

With the establishment of the Pricing Committee, a new formal hedging policy took effect on 23 June 2010 which aimed to enhance the Group's risk management of commodity price fluctuations.

As part of its foreign currency hedging strategy, the Group bought US dollars forward contracts since the second half of 2009 primarily to mitigate our exposure to fluctuation of the exchange rate between US dollars and Renminbi whilst taking advantage of the favourable forward contract exchange rates. The Group will continue to adhere to this hedging strategy so long as the forward contracts rate justifies it.

With the current interest rates staying at relatively low levels, the Group has not entered into any interest rate hedging contracts or any other interest rate related derivative financial instrument. However, the Group continues to monitor its related interest rate exposure closely and will consider hedging significant interest rate exposure when the need arises.

As for credit risk, the Group continues to follow the trade practices of cash on collection from sales of all of its Metal Recycling Products in order to minimize the carrying amounts of the financial assets in the Group's financial statements. In addition, the Group will continue to monitor closely the trade debtors for the Foundry business to minimize potential impairment losses.

With the liquidity risk, the Group will continue maintaining a balance between continuity of funding and the flexibility through the use of bank borrowings. With the successful listing on 12 July 2010, the liquidity position would be enhanced and the Group will be in a better position to carry out its development plan at a pace relatively quicker than before.

風險管理

在日常業務過程中，本集團面對的市場風險包括商品價格風險、外匯風險、利率風險、信貸風險及流動資金風險等。本集團的風險管理策略旨在減低該等風險對本集團財務表現的不利影響。

成立定價委員會後，本集團新訂的正式對沖政策自二零一零年六月二十三日起生效，旨在提升本集團對商品價格波動的風險管理。

根據本集團的外幣對沖策略，本集團於二零零九年下半年購入美元遠期合約，主要用於減低美元與人民幣匯率波動的風險，同時受惠於有利的遠期合約匯率。在遠期合約匯率證實為有利的情況下，本集團將會繼續依循此對沖策略。

由於現行利率處於相對較低水平，故本集團並無訂立任何利率對沖合約或任何其他利率相關衍生金融工具。然而，本集團將繼續密切監察其所面對的相關利率風險，有需要時會考慮對沖重大利率風險。

信貸風險方面，本集團所有金屬再生產品的銷售交易一直奉行貨到付現的貿易慣例，旨在減低集團財務報表中的金融資產賬面值。此外，本集團亦將繼續密切監察鑄造業務的應收賬情況，以減低潛在減值虧損。

至於流動資金風險，本集團將繼續透過利用銀行借貸，在持續獲取資金與保持靈活程度之間維持平衡。隨著本集團於二零一零年七月十二日成功上市後，本集團的流動資金情況得以提升，而本集團將處於更有利位置，可以較以往更快的步伐推行業務發展計劃。



RELATED PARTY TRANSACTIONS

As from 12 July 2010, all related party transactions that existed in 2009 and before were discontinued. Pursuant to the Capitalisation Issue as indicated in the listing prospectus, the Group had subsequent to 30 June 2010 capitalised HK\$223.7 million of the amounts due to related parties. Aside from the sum of HK\$50.0 million paid out of the proceeds of the listing to settle such amounts due to related parties, the Group has settled all remaining amounts due to related parties before or upon listing.

INITIAL PUBLIC OFFERINGS (“IPO”)

On 12 July 2010, the Company was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited. Total net proceeds received by the Company from the IPO after deducting all related expenses was approximately HK\$581.5 million.

EMPLOYEES

As at 30 June 2010, the Group had a workforce of 274 employees. In addition, the Group engaged approximately 3,400 separation and selection workers through local contractors. The Group has not experienced any strikes, work stoppages or significant labor disputes which have affected its operations in the past and it has not experienced any significant difficulties in recruiting and retaining qualified staff. The Group continues to maintain good relationships with its employees.

As indicated in the listing prospectus the Company granted Pre-IPO share options to acquire Shares in the Company to 36 employees and directors of the Group. No share options have been granted under the Post-IPO share option scheme since its adoption.

關連方交易

於二零一零年七月十二日，所有二零零九年及以前的關連方交易已經終止。根據上市章程所示的資本化發行，二零一零年六月三十日後，本集團已將應付關連方款項223,700,000港元撥充資本。除以上市所得款項50,000,000港元償還該等應付關連方款項外，本集團已於上市前或上市時償還應付關連方所有餘下款項。

首次公開發售(「首次公開發售」)

於二零一零年七月十二日，本公司在香港聯合交易所有限公司主板成功上市。扣除所有相關開支後，本公司自首次公開發售所得款項淨額總額約為581,500,000港元。

僱員

於二零一零年六月三十日，本集團共有274名僱員。此外，本集團透過當地勞動服務公司僱用約3,400名拆解及選料工人。本集團過去並無經歷任何影響經營的罷工、停工或重大勞資糾紛，在招聘及挽留合資格僱員方面亦無遇到重大困難。本集團與僱員一直維持良好的關係。

如上市章程所示，本公司向36名僱員及本集團董事授出首次公開發售前購股權以認購股份。自首次公開發售後購股權計劃獲採納後，概無據此授出購股權。



INVESTOR RELATIONS

The Group considers that investor relations are important to a listed company. Maintaining good relationships with investors and keeping them up-to-date on latest corporate communications and business development in a timely fashion would enhance transparency and strengthen corporate governance of the Group. With the support of the Board of Directors, Mr. Gu Liyong, an Executive Director of the Company, has been assigned to take responsibility for all matters relating to investor relations of the Company and the Group.

Going forward, we will make special effort to keep our investors abreast of the corporate and business development, and to introduce the Group's strengths and strategies in order to gain support and recognition from them and also the market in general. During the period, an investor relations column was created to allow real-time exchange of information with our investors and other interested parties.

投資者關係

本集團認為，投資者關係對上市公司十分重要。與投資者建立良好的關係，並適時為投資者更新公司資訊及業務發展，將能提高本集團的透明度及加強企業管治。在董事會的全力支持下，本公司執行董事顧李勇先生已獲委派專責處理本公司及本集團的所有投資者關係相關事宜。

展望將來，本公司將作出更大努力，讓投資者了解公司及業務發展情況，並向投資者講解本集團的實力及策略，藉以贏取投資者及整體市場的支持及認同。期內，本公司設立了投資者關係專欄，以便與投資者及其他有興趣人士即時交流資訊。

Disclosure of Interests

權益披露



DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 June 2010, the Company had not received any notice of interests to be recorded under section 352 of the Securities and Futures Ordinance ("SFO") as the Company had not been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

As at 30 August 2010, the directors and chief executives of the Company and their associates had the following interests in the shares and underlying shares of the Company and its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, or were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO:

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於二零一零年六月三十日，由於本公司尚未於香港聯合交易所有限公司（「聯交所」）上市，因此本公司並無收到根據《證券及期貨條例》（「證券及期貨條例」）第352條所述的任何權益通知。

於二零一零年八月三十日，本公司董事及主要行政人員及彼等的聯繫人於本公司及其相聯法團（定義見《證券及期貨條例》第XV部份）的股份及相關股份須根據《證券及期貨條例》第XV部份第7及8條（包括根據《證券及期貨條例》第XV部份的該等條例當作或視為權益及淡倉）或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所；或須根據《證券及期貨條例》352條寄存於本公司股東名冊的權益：

Name of director 董事姓名	Capacity 身份	Number of issued shares 已發行 股份數目	Number of underlying shares (in respect of share options) (Note 1) 相關股份 (有關購股權) 數目(附註1)	Approximate percentage of total number of shareholding 佔全部股權的 概約百分比
Mr. Fang Ankong 方安空先生	Interest in controlled corporation (Note 2) 於受控制法團之權益(附註2)	405,000,000	–	40.50%
	Beneficial owner (Note 3) 實益擁有人(附註3)	–	3,500,000	0.35%
Mr. Stephanus Maria van Ooijen Stephanus Maria van Ooijen先生	Interest in controlled corporation (Note 4) 於受控制法團之權益(附註4)	405,000,000	–	40.50%
	Beneficial owner (Note 5) 實益擁有人(附註5)	–	1,000,000	0.10%
Mr. Gu Liyong 顧李勇先生	Beneficial owner (Note 6) 實益擁有人(附註6)	–	425,000	0.043%



DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION (continued)

Notes:

1. The share options were granted, under the pre-IPO share option scheme of the Company, with effect from 23 June 2010.
2. 345,000,000 shares are directly held by HWH Holdings Limited ("HWH") which is wholly owned by Mr. Fang Ankong ("Mr. Fang"). Green Elite Limited ("Green Elite") holds 60,000,000 shares in the Company and is equally owned by HWH and Delco Participation B.V. ("Delco"). Therefore, Mr. Fang is deemed to be interested in the 405,000,000 shares of the Company.
3. Mr. Fang was granted option under the pre-IPO share option scheme to subscribe for 3,500,000 shares of the Company.
4. 345,000,000 shares are directly held by Delco. Green Elite holds 60,000,000 shares in the Company and is equally owned by HWH and Delco. Delco is equally owned by SVO Company B.V. ("SVO") (which is wholly-owned by Mr. Stephanus Maria van Ooijen ("Mr. van Ooijen")) and H.P.L. Metals B.V. ("HPL") (which is wholly-owned by Stichting Beheer Aandelen HPL Metals), a foundation for the sole benefit of Mr. Herman Maurits de Leeuw. Therefore, Mr. van Ooijen is deemed to have interest of 405,000,000 shares in the Company.
5. Mr. van Ooijen was granted option under the pre-IPO share option scheme to subscribe for 1,000,000 shares of the Company.
6. Mr. Gu Liyong was granted option under the pre-IPO share option scheme to subscribe for 425,000 shares of the Company.

Saved as disclosed above, none of the directors and chief executives of the Company or any of their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation as at 30 August 2010.

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉(續)

附註:

1. 購股權乃根據本公司於二零一零年六月二十三日生效的首次公開招股前購股權計劃授出。
2. 345,000,000股由方安空先生(「方先生」)全資擁有之HWH Holdings Limited(「HWH」)直接持有。Green Elite Limited(「Green Elite」)持有本公司60,000,000股股份，而Green Elite由HWH及Delco Participation B.V.(「Delco」)平均擁有。因此方先生被視為擁有本公司405,000,000股股份之權益。
3. 方先生根據首次公開招股前購股權計劃獲授予購股權認購本公司3,500,000股股份。
4. 345,000,000股由Delco直接持有。Green Elite持有本公司60,000,000股股份，而Green Elite由HWH及Delco平均擁有。Delco由Stephanus Maria van Ooijen先生(「van Ooijen先生」)全資擁有之SVO Company B.V.(「SVO」)及Stichting Beheer Aandelen HPL Metals全資擁有之H.P.L. Metals B.V.(「HPL」)，(由Herman Maurits de Leeuw先生獨資擁有的基金)平均擁有。因此van Ooijen先生被視為擁有本公司405,000,000股股份之權益。
5. van Ooijen先生根據首次公開招股前購股權計劃獲授予購股權認購本公司1,000,000股股份。
6. 顧李勇先生根據首次公開招股前購股權計劃獲授予購股權認購本公司425,000股股份。

除上文所披露外，於二零一零年八月三十日，本公司董事及主要行政人員及彼等的聯繫人概無在本公司或其他相聯法團的股份、相關股份或債券中擁有權益或淡倉。



SHARE OPTION SCHEME

The Company has adopted a pre-IPO share option scheme (the "pre-IPO share option scheme") on 23 June 2010 under which the Company has conditionally granted options to certain directors, senior management and employees of the Group to purchase shares of the Company with an exercise price equal to the offer price as defined in the Prospectus.

As at 30 August 2010, details of the share option granted under the pre-IPO share option scheme are as follows:

購股權計劃

本公司已採納於二零一零年六月二十三日批准之首次公開招股前購股權計劃，該計劃為於招股書註明之認購價有條件地授出可認購股份的購股權予本集團的若干董事、高級行政人員及若干僱員。

於二零一零年八月三十日，根據首次公開招股前購股權計劃所授出的購股權詳情如下：

Grantees 承授人	Date of Grant (dd/mm/yyyy) 授出日期 (日/月/年)	Exercise price per share (HK\$) 每股 行使價 (港元)	Exercisable period (dd/mm/yyyy) (Note 1) 行使期 (日/月/年) (附註1)	Number of underlying shares 相關股份 數目	Approximate percentage of shareholding 概約持股 百分比
(i) Directors 董事					
Mr. Fang Ankong 方安空先生	23/06/2010 二零一零年 六月二十三日	2.43	12/07/2011 – 12/07/2012 二零一一年七月十二日至 二零一二年七月十二日	1,050,000	0.10500%
			13/07/2012 – 12/07/2013 二零一二年七月十三日至 二零一三年七月十二日	1,050,000	0.10500%
			13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	1,400,000	0.14000%
				3,500,000	0.35000%
Mr. Gu Liyong 顧李勇先生	23/06/2010 二零一零年 六月二十三日	2.43	12/07/2011 – 12/07/2012 二零一一年七月十二日至 二零一二年七月十二日	127,500	0.01275%
			13/07/2012 – 12/07/2013 二零一二年七月十三日至 二零一三年七月十二日	127,500	0.01275%
			13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	170,000	0.01700%
				425,000	0.04250%



SHARE OPTION SCHEME (continued)

購股權計劃(續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) 授出日期 (日/月/年)	Exercise price per share (HK\$) 每股 行使價 (港元)	Exercisable period (dd/mm/yyyy) (Note 1) 行使期 (日/月/年) (附註1)	Number of underlying shares 相關股份 數目	Approximate percentage of shareholding 概約持股 百分比
Mr. Stephanus Maria van Ooijen	23/06/2010 二零一零年 六月二十三日	2.43	12/07/2011 – 12/07/2012 二零一一年七月十二日至 二零一二年七月十二日	300,000	0.03000%
Stephanus Maria van Ooijen先生			13/07/2012 – 12/07/2013 二零一二年七月十三日至 二零一三年七月十二日	300,000	0.03000%
			13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	400,000	0.04000%
				1,000,000	0.1000%
				4,925,000	0.49250%
(ii) Employees 僱員	23/06/2010 二零一零年 六月二十三日	2.43	12/07/2011 – 12/07/2012 二零一一年七月十二日至 二零一二年七月十二日	2,164,500	0.21645%
			13/07/2012 – 12/07/2013 二零一二年七月十三日至 二零一三年七月十二日	2,164,500	0.21645%
			13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	2,886,000	0.28860%
				7,215,000	0.72150%
Total 合計				12,140,000	1.21400%



SHARE OPTION SCHEME (continued)

Notes:

- (1) Each of the grantees to whom options have been conditionally granted under the pre-IPO share option scheme will be entitled to exercise:
 - (i) up to 30% of the total number of options granted at any time during the period commencing from the date of the first anniversary of the Listing Date to the date of the second anniversary of the Listing Date (both days inclusive);
 - (ii) up to 30% of the total number of options granted at any time during the period commencing from the date immediately following the date of the second anniversary of the Listing Date to the date of the third anniversary of the Listing Date (both days inclusive); and
 - (iii) up to 40% of the total number of options granted, at any time during the period commencing from the date immediately following the date of the third anniversary of the Listing Date to the date of the fourth anniversary of the Listing Date (both days inclusive).

Saved as disclosed as above, no options were granted, cancelled or lapsed as at 30 August, 2010. The consideration paid by each grantee for each grant of option is HK\$1.00.

購股權計劃(續)

附註：

- (1) 根據首次公開招股前購股權計劃獲得有條件授予購股權的各承授人，可以：
 - (i) 自上市日期獲授有關購股權後一週年之日起至第二週年當日正(包括首尾兩天在內)，隨時行使所獲購股權認購相關股份不超過30%；
 - (ii) 自上市日期獲授有關購股權後第二週年之日起至第三週年當日正(包括首尾兩天在內)，隨時行使所獲購股權認購相關股份不超過30%；及
 - (iii) 自上市日期獲授有關購股權後第三週年之日起至第四週年當日正(包括首尾兩天在內)，隨時行使所獲購股權認購相關股份不超過40%。

除上文所披露者外，於二零一零年八月三十日並無購股權授出、註銷或失效。各承授人每次接納購股權時所付代價為1.00港元。



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 June 2010, the Company had not received any notice of interests to be recorded under section 336 of the SFO as the Company had not been listed on the Stock Exchange as at that date.

As at 30 August, 2010, other than the Directors and the chief executives of the Company in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, the following persons had interests or short positions in the shares of underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO or otherwise notified to the Company and the Hong Kong Stock Exchange:

主要股東於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於二零一零年六月三十日，由於本公司並未在聯交所上市，因此本公司並無收到根據《證券及期貨條例》第336條所述的任何權益通知。

於二零一零年八月三十日，除根據《證券及期貨條例》第336條須存置的登記冊中所記錄的本公司董事及最高行政人員的股份及相關股份外，以下人士於本公司股份或相關股份中擁有根據《證券及期貨條例》第XV部第2及3部分須向本公司披露或於《證券及期貨條例》第336條所存置的登記冊中記錄，或已知會本公司及香港聯交所之權益或淡倉：

Name 名稱	Capacity 身份	No. of shares of the Company held 所持本公司 股份數目	Approximate percentage of shareholding 概約持股 百分比
HWH Holdings Limited (Note 1) (附註1)	Beneficial owner, interest in controlled corporation 實益擁有人，於受控制法團之權益	405,000,000 (L)	40.50%
Delco Participation B.V. (Note 2) (附註2)	Beneficial owner, interest in controlled corporation 實益擁有人，於受控制法團之權益	405,000,000 (L)	40.50%
Herman Maurits de Leeuw (Note 2) (附註2)	Interest in controlled corporation 於受控制法團之權益	405,000,000 (L)	40.50%
H.P.L. Metals B.V. (Note 2) (附註2)	Interest in controlled corporation 於受控制法團之權益	405,000,000 (L)	40.50%
Stichting Beheer Aandelen H.P.L. Metals (Note 2) (附註2)	Interest in controlled corporation 於受控制法團之權益	405,000,000 (L)	40.50%
SVO Company B.V. (Note 2) (附註2)	Interest in controlled corporation 於受控制法團之權益	405,000,000 (L)	40.50%



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION (continued)

主要股東於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉(續)

Name 名稱	Capacity 身份	No. of shares of the Company held 所持本公司 股份數目	Approximate percentage of shareholding 概約持股 百分比
Central Huijin Investment Ltd. (Note 3) 中央滙金投資有限責任公司(附註3)	Interest in controlled corporation 於受控制法團之權益	73,872,000 (L)	7.39%
China Construction Bank Corporation (Note 3) 中國建設銀行股份有限公司(附註3)	Interest in controlled corporation 於受控制法團之權益	73,872,000 (L)	7.39%
CCB International Group Holdings Limited (Note 3) 建銀國際集團控股有限公司(附註3)	Interest in controlled corporation 於受控制法團之權益	73,872,000 (L)	7.39%
CCB Financial Holdings Limited (Note 3) 建銀金融控股有限公司(附註3)	Interest in controlled corporation 於受控制法團之權益	73,872,000 (L)	7.39%
CCB International (Holdings) Limited (Note 3) 建銀國際(控股)有限公司(附註3)	Beneficial owner 實益擁有人	73,872,000 (L)	7.39%
CCB International Assets Management (Cayman) Limited (Note 3) (附註3)	Interest in controlled corporation 於受控制法團之權益	73,872,000 (L)	7.39%
CCB International Asset Management Limited (Note 3) 建銀國際資產管理有限公司(附註3)	Investment manager 基金經理	73,872,000 (L)	7.39%
Green Elite Limited (Note 4) (附註4)	Beneficial owner 實益擁有人	60,000,000 (L)	6.00%

The Letter "L" denotes a long position.

[L]字母代表本公司之好倉。



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION (continued)

Notes:

1. 345,000,000 shares are directly held by HWH Holdings Limited ("HWH") which is wholly owned by Mr. Fang Ankong ("Mr. Fang"). Green Elite holds 60,000,000 shares in the Company and is equally owned by HWH and Delco Participation B.V. ("Delco"). Therefore, Mr. Fang is deemed to have interest in the 405,000,000 shares of the Company.
2. 345,000,000 shares are directly held by Delco. Green Elite holds 60,000,000 shares in the Company and is equally owned by HWH and Delco. Delco is equally owned by SVO Company B.V. ("SVO") (which is wholly-owned by Mr. Stephanus Maria van Ooijen ("Mr. van Ooijen")) and H.P.L. Metals B.V. ("HPL") (which is wholly-owned by Stichting Beheer Aandelen HPL Metals), a foundation for the sole benefit of Mr. Herman Maurits de Leeuw. Therefore, Mr. van Ooijen is deemed to have interest of 405,000,000 shares in the Company.
3. According to the information disclosed in the disclosure of interest form, CCB International Asset Management Limited is ultimately indirectly owned as to 57.09% by Central Huijin Investment Limited through five intermediary companies, namely, CCB International Assets Management (Cayman) Limited, CCB International (Holdings) Limited, CCB Financial Holdings Limited, CCB International Group Holdings Limited, China Construction Bank Corporation, and therefore Central Huijin Investment Limited and five intermediary companies are deemed to have interest in the 73,872,000 shares held by CCB International Assets Management Limited.
4. 60,000,000 shares are directly held by Green Elite and Green Elite is equally owned by HWH and Delco.

Save as disclosed above, the directors and chief executives of the Company are not aware that there is any party who, as at 30 August 2010, had an interest or short position in the shares and underlying shares of the Company which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

主要股東於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉(續)

附註:

1. 345,000,000股由方安空先生(「方先生」)全資擁有之HWH Holdings Limited(「HWH」)直接持有。Green Elite持有本公司60,000,000股股份，而Green Elite由HWH及Delco Participation B.V.(「Delco」)平均擁有。因此方先生被視為擁有本公司405,000,000股股份之權益。
2. 345,000,000股由Delco直接持有。Green Elite持有本公司60,000,000股股份，而Green Elite由HWH及Delco平均擁有。Delco由Stephanus Maria van Ooijen先生(「van Ooijen先生」)全資擁有之SVO Company B.V.(「SVO」)及Stichting Beheer Aandelen HPL Metals全資擁有之H.P.L. Metals B.V.(「HPL」，由Herman Maurits de Leeuw先生獨資擁有的基金)平均擁有。因此van Ooijen先生被視為擁有本公司405,000,000股股份之權益。
3. 根據權益披露表所披露之資料，中央滙金投資有限責任公司透過五間中間公司，即CCB International Assets Management (Cayman) Limited、建銀國際(控股)有限公司、建銀金融控股有限公司、建銀國際集團控股有限公司及中國建設銀行股份有限公司，最終間接擁有建銀國際資產管理有限公司之57.09%股權。因此，中央滙金投資有限責任公司及五間中間公司被視為於建銀國際資產管理有限公司持有之73,872,000股股份擁有權益。
4. Green Elite之全部已發行股份由HWH及Delco平均擁有，而Green Elite直接持有本公司60,000,000股股份。

除上文所披露外，於二零一零年八月三十日，本公司董事及主要行政人員並不知悉任何人士於本公司股份及相關股份中擁有《證券及期貨條例》第336條所存置的登記冊中記錄之權益或淡倉。

Corporate Governance and Other Information

企業管治及其他資料



DIRECTORS' COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"). Specific enquiries have been made to all directors, who have confirmed that they have complied with the required standard set out in the Model Code.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

Throughout the period, the Company had complied with all applicable provisions under the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules save as disclosed below.

Code Provision A.2.1 requires the roles of chairman and chief executive officer to be separated. Mr. Fang Ankong is the chairman and chief executive officer of the Company. The Board considered that the current structure facilitates the efficiency of execution of the Group's business strategies and maximum the effectiveness of its operation.

AUDIT COMMITTEE

The members of the audit committee comprise Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Li Xikui. The committee has reviewed with the management the accounting principles and practices adopted by the Group, internal control and financial reporting matters including a review of the audited consolidated interim results for the six months ended 30 June 2010 prior to recommending them to the Board for approval.

REMUNERATION COMMITTEE

The remuneration committee of the Company has been set up in accordance with Appendix 14 to the Listing Rules. The committee comprises Mr. Fang Ankong, Dr. Loke Yu, Ms. Zhang Jingdong, Mr. Li Xikui and Mr. Stephanus Maria van Ooijen.

NOMINATION COMMITTEE

The nomination committee of the Company has been set up in accordance with Appendix 14 to the Listing Rules. The committee comprises Mr. Stephanus Maria van Ooijen, Dr. Loke Yu, Ms. Zhang Jingdong, Mr. Li Xikui and Mr. Fang Ankong.

董事遵守標準守則

本公司已採納聯交所證券上市規則(「上市規則」)附錄10的上市發行人董事進行證券交易的標準守則(「標準守則」)。並已向全體董事作出具體查詢，彼等已確認遵守標準守則之規定。

遵守企業管治常規守則

自股份在聯交所上市以來，本公司一直遵守上市規則附錄14的企業管治守則及常規，惟以下偏離守則條文：

根據守則條文A.2.1，主席及行政總裁之職責須分開，並不應由同一人擔任。方安空先生同時擔任董事會主席兼本公司董事總經理。董事局認為目前架構既能促進本集團業務策略之運作，並且能提高有效之執行。

審核委員會

審核委員會成員包括陸海林博士、章敬東女士及李錫奎先生。該委員會與管理層已審閱本集團所採納的會計政策及慣例，並且討論有關內部監控及財務申報事宜，包括建議董事會作出批准前審閱截至二零一零年六月三十日止六個月的已經審核綜合中期業績。

薪酬委員會

本公司已根據上市規則附錄14規定成立薪酬委員會，成員包括方安空先生、陸海林博士、章敬東女士、李錫奎先生及Stephanus Maria van Ooijen先生。

提名委員會

本公司已根據上市規則附錄14規定成立提名委員會，成員包括Stephanus Maria van Ooijen先生、陸海林博士、章敬東女士、李錫奎先生及方安空先生。



PRICING COMMITTEE

The Pricing Committee of the Company has been set up on 23 June 2010 to review and determine the offer and selling prices of the Group's physical stock as well as the Group's hedging positions requirements on a daily basis; to enhance the risk management of commodity price fluctuations and to ensure an effective risk monitoring system. The committee comprises Mr. Fang Ankong, Mr. Xu Jialiang, Mr. Zhu Zhonghui, Mr. Gan Jun, Ms. Chan Tung Tung and Mr. Chow Wan Hoi Paul.

MONITORING COMMITTEE

The monitoring committee of the Company has been set up on 23 June 2010 to closely monitor the use of the net proceeds of the Global Offering; to ensure the funds are applied over the timeline specified and to ensure that the purchase of raw materials is for production usage and not for speculative purposes. The committee comprises Mr. Fang Ankong, Mr. Gu Liyong, Ms. Chan Tung Tung and Mr. Chow Wan Hoi Paul.

INTERIM DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2010. Accordingly, no closure of Register of Members of the Company is proposed.

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

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 12 July 2010 and therefore, during the six months ended 30 June 2010, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

定價委員會

本公司已於二零一零年六月二十三日成立定價委員會，負責審閱及釐定本集團每日之現貨買入及賣出價，以及每日對沖形勢之要求，以提高對金屬商品價格變動及風險管理之效用。成員包括方安空先生、許加良先生、朱忠輝先生、甘軍先生、陳彤彤女士及周雲海先生。

監督委員會

本公司已於二零一零年六月二十三日成立監督委員會，負責嚴密監控全球發售所得款項淨額用途，確保該等款項於指定時間內應用，亦確保用作採購原材料以作生產之應用而非投機買賣。成員包括方安空先生、顧李勇先生、陳彤彤女士及周雲海先生。

中期股息

董事並不建議宣派截至二零一零年六月三十日止六個月中期股息。因此，本公司並無建議暫停辦理股東名冊登記。

購買、出售或贖回本公司上市證券

本公司股份於二零一零年七月十二日在香港聯合交易所有限公司主板上市，因此截至二零一零年六月三十日止六個月，本公司及其附屬公司均無購買、出售或贖回本公司上市證券。

INDEPENDENT JOINT AUDITORS' REPORT

獨立聯席核數師報告

Deloitte.
德勤



華利信會計師事務所
執業會計師

TO THE DIRECTORS OF CHIHO-TIANDE GROUP LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Chiho-Tiande Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 29 to 95, which comprise the consolidated statement of financial position as at 30 June 2010, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED 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 the consolidated 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.

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 our agreed terms of engagement 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 consolidated financial statements are free from material misstatement.

致：齊合天地集團有限公司董事
(於開曼群島註冊成立的有限公司)

我們已審核載於第29頁至第95頁的齊合天地集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)的綜合財務報表，其中包括於二零一零年六月三十日的綜合財務狀況表及於該日止六個月期間之綜合全面收益表、綜合權益變動表及綜合現金流量表，以及重大會計政策概要連同其他解釋附註。

董事就綜合財務報表須負的責任

本公司董事須遵照香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製及真實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公平地列報綜合財務報表相關的內部監控，以使綜合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；及根據情況作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核工作對該等綜合財務報表發表意見，並根據委聘的協定條款僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。我們是按照香港會計師公會頒佈的香港核數準則進行審核工作，這些準則要求我們須遵守相關道德規範，並計劃及執行審核，以合理確定該等綜合財務報表是否不存有任何重大錯誤陳述。



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and the true and fair presentation of the consolidated 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 consolidated 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 Group as at 30 June 2010 and of the Group's profit and cash flows for the six-month period 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.

Without qualifying our opinion, we draw attention to the fact that the corresponding figures set out in the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and the related notes for the six months ended 30 June 2009 have not been audited.

審核涉及執程序以獲取有關綜合財務報表所載金額及披露事項有關的審核憑證。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綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，我們考慮與該公司編製及真實公平地列報綜合財務報表相關的內部監控，以設計適當審核程序，但並非為對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作的會計估計的合理性，以及評價綜合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充足及適當地為我們的審核意見建立基礎。

意見

我們認為，按照香港財務報告準則編製的綜合財務報表已真實公平地反映本集團於二零一零年六月三十日的狀況及本集團截至該日止六個月期間之溢利及現金流量，並已按照香港公司條例之披露規定妥善編製。

我們在沒有保留意見下，謹請留意截至二零零九年六月三十日止六個月之綜合全面收益表、綜合權益變動表、綜合現金流量表及相關附註未經審核。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
27 August 2010

Morison Heng
Certified Public Accountants
Hong Kong
27 August 2010

德勤•關黃陳方
會計師行
執業會計師
香港
二零一零年
八月二十七日

華利信會計師
事務所
執業會計師
香港
二零一零年
八月二十七日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
		NOTES 附註	
Revenue	收益	7	2,444,432
Cost of sales	銷售成本	8	(2,168,186)
Gross profit	毛利		276,246
Other income	其他收入	9	5,336
Other gains and losses	其他收益及虧損	10	6,471
Distribution costs	分銷成本		(1,711)
Administrative expenses	行政開支		(18,838)
Other expenses	其他開支		(24,471)
Finance costs	財務成本	11	(17,772)
Profit before tax	除稅前溢利	12	225,261
Income tax expense	所得稅開支	14	(68,372)
Profit for the period	期內溢利		156,889
Other comprehensive income	其他全面收益		
Exchange difference arising on translation to presentation currency	換算成呈報貨幣產生的匯兌差額		5,654
Total comprehensive income for the period	期內全面收益總額		162,543
			HK\$ 港元
Earnings per share – basic	每股盈利 – 基本	16	0.21
			HK\$ 港元
			0.28

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 30 June 2010 於二零一零年六月三十日



		NOTES 附註	At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機器及設備	17	139,946	135,284
Prepaid lease payments	預付租金	18	35,817	35,962
Deposits paid for acquisition of property, plant and equipment	收購物業、機器及設備所付定金		2,158	4,150
			177,921	175,396
CURRENT ASSETS	流動資產			
Inventories	存貨	19	1,680,355	1,167,437
Trade and other receivables	貿易及其他應收款項	20	238,214	188,826
Bills receivables	應收票據	21	4,862	1,365
Prepaid lease payments	預付租金	18	865	858
Amounts due from related parties	應收關連方款項	22	488	371
Derivative financial instruments	衍生金融工具	23	–	1,072
Pledged bank deposits	已抵押銀行存款	24	266,236	241,440
Restricted bank deposits	受限制銀行存款	24	9,524	5,535
Bank balances and cash	銀行結餘及現金	24	167,401	69,428
			2,367,945	1,676,332
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付款項	25	210,368	136,605
Bills payables	應付票據	26	130,481	114,126
Amounts due to related parties	應付關連方款項	22	376,006	93,205
Derivative financial instruments	衍生金融工具	23	2,731	1,603
Tax payable	應付稅項		37,795	44,119
Bank borrowings	銀行借貸	27	1,179,071	799,046
			1,936,452	1,188,704
NET CURRENT ASSETS	流動資產淨值		431,493	487,628
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		609,414	663,024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

綜合財務狀況表(續)

At 30 June 2010 於二零一零年六月三十日



		NOTES	At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
		附註		
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	29	–	–
Share premium and reserves	股份溢價及儲備		580,641	418,098
TOTAL EQUITY	權益總額		580,641	418,098
NON-CURRENT LIABILITIES	非流動負債			
Deferred tax liabilities	遞延稅項負債	28	28,773	21,218
Amounts due to related parties	應付關連方款項	22	–	223,708
			28,773	244,926
			609,414	663,024

The consolidated financial statements on pages 29 to 95 were approved and authorised for issue by the Board of Directors on 27 August 2010 and are signed on its behalf by:

載於第29頁至95頁的綜合財務報表於二零一零年八月二十七日獲董事會批准及授權公佈，並由下列董事代表簽署：

Mr. Fang Ankong
DIRECTOR

Mr. Gu Liyong
DIRECTOR

方安空先生
董事

顧李勇先生
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



		Attributable to equity holders of the Company 本公司權益持有人應佔							
		Share capital	Share premium	Capital reserve	Statutory general reserve	Enterprise expansion fund	Foreign currency translation reserve	Accumulated (losses) profits	Total
		股本	股份溢價	股本儲備	法定一般儲備	企業發展基金	外幣匯兌儲備	累計(虧損)溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2009	二零零九年一月一日	-	-	6,552	14,414	14,414	39,139	(79,556)	(5,037)
Profit for the year	年度溢利	-	-	-	-	-	-	419,654	419,654
Exchange difference arising on translation to presentation currency	換算成呈報貨幣產生的匯兌差額	-	-	-	-	-	3,481	-	3,481
Total comprehensive income for the year	年度全面收益總額	-	-	-	-	-	3,481	419,654	423,135
Transfer of reserves	儲備轉換	-	-	-	17,722	17,722	-	(35,444)	-
At 31 December 2009	二零零九年十二月三十一日	-	-	6,552	32,136	32,136	42,620	304,654	418,098
Profit for the period	期內溢利	-	-	-	-	-	-	156,889	156,889
Exchange difference arising on translation to presentation currency	換算成呈報貨幣產生的匯兌差額	-	-	-	-	-	5,654	-	5,654
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	-	5,654	156,889	162,543
Transfer of reserves	儲備轉換	-	-	-	16,828	16,828	-	(33,656)	-
At 30 June 2010	二零一零年六月三十日	-	-	6,552	48,964	48,964	48,274	427,887	580,641
At 1 January 2009	二零零九年一月一日	-	-	6,552	14,414	14,414	39,139	(79,556)	(5,037)
Profit for the period (unaudited)	期內溢利(未經審核)	-	-	-	-	-	-	212,509	212,509
Exchange difference arising on translation to presentation currency (unaudited)	換算成呈報貨幣產生的匯兌差額(未經審核)	-	-	-	-	-	2,625	-	2,625
Total comprehensive income for the period (unaudited)	期內全面收益總額(未經審核)	-	-	-	-	-	2,625	212,509	215,134
Transfer of reserves (unaudited)	儲備轉換(未經審核)	-	-	-	21,920	21,920	-	(43,840)	-
At 30 June 2009 (unaudited)	二零零九年六月三十日(未經審核)	-	-	6,552	36,334	36,334	41,764	89,113	210,097

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
綜合權益變動表(續)

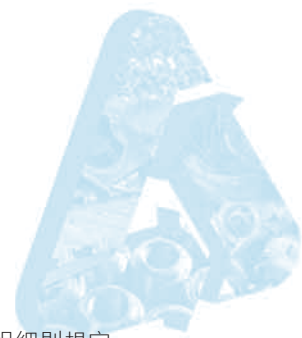
For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

Statutory general reserve and enterprise expansion fund represent the appropriation of 10% of profit after tax determined based on the relevant accounting rules and regulations of the People's Republic of China (the "PRC") as required by the Articles of Association of the Company's PRC subsidiaries. The appropriation may cease to apply if the balance of the statutory general reserve and enterprise expansion fund has reached 50% of the PRC subsidiaries' registered capital.

The capital reserve of the Group represents the difference between the nominal value of the aggregate share capital and share premium of the subsidiaries acquired by the Company upon the Group Reorganisation and the nominal value of the Company's shares issued in exchange.

本公司中國附屬公司的組織章程細則規定，須根據相關中華人民共和國(「中國」)會計規則及法規釐定將除稅後溢利10%撥入法定一般儲備及企業發展基金。倘法定一般儲備及企業發展基金餘額達中國附屬公司註冊資本的50%，則可終止撥備。

本集團的資本儲備指本公司於集團重組時所收購附屬公司股本及股份溢價總額之面值與本公司交換股權所發行股份之面值的差額。



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
	NOTE 附註		
OPERATING ACTIVITIES	經營活動		
Profit before tax	除稅前溢利	225,261	292,649
Adjustments for:	對下列各項之調整：		
Finance costs	財務成本	17,772	17,463
Depreciation of property, plant and equipment	物業、機器及設備折舊	5,590	3,777
Amortisation of prepaid lease payments	預付租金攤銷	430	429
Reversal of write down of inventories	撥回存貨撇減	-	304,460
Interest income	利息收入	(2,929)	(1,912)
Operating cash flows before movements in working capital	營運資金變動前的經營 現金流量	246,124	616,866
Increase in inventories	存貨增加	(499,957)	(698,862)
Increase in trade and other receivables	貿易及其他應收款項增加	(44,209)	(12,847)
(Increase) decrease in bills receivables	應收票據(增加)減少	(3,486)	2,198
Increase (decrease) in derivative financial instruments	衍生金融工具增加(減少)	2,196	(17,100)
Increase in trade and other payables	貿易及其他應付款項增加	67,588	47,894
Increase in bills payables	應付票據增加	15,442	128,600
Cash (used in) from operations	經營(所用)所得現金	(216,302)	66,749
Interest paid	已付利息	(13,696)	(17,463)
Tax refunded	退稅	-	42,250
Tax paid	已付稅項	(68,546)	(36,864)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	經營活動(所用)所得現金淨額	(298,544)	54,672
INVESTING ACTIVITIES	投資活動		
(Increase) decrease in pledged bank deposits	已抵押銀行存款(增加)減少	(22,865)	16,273
Purchase of and deposit paid for property, plant and equipment	購置物業、機器及設備 以及已付定金	(6,404)	(4,145)
(Increase) decrease in restricted bank deposits	受限制銀行存款(增加)減少	(3,945)	20,468
Advance to related parties	向關連方墊款	(1,973)	(16)
Acquisition of a subsidiary	收購一間附屬公司	3,982	-
Interest received	已收利息	437	1,912
NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資活動(所用)所得現金淨額	(30,768)	34,492

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

綜合現金流量表(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新增銀行借貸	1,513,880	558,364
Advance from related parties	關連方墊款	277,910	–
Repayment of bank borrowings	償還銀行借貸	(1,144,859)	(422,310)
Repayment to related parties	向關連方還款	(220,201)	(85,265)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	426,730	50,789
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目淨值增加	97,418	139,953
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	期初現金及現金等值項目	69,428	44,174
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動的影響	555	(51)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD represented by bank balances and cash	期終現金及現金等值項目 (指銀行結餘及現金)	167,401	184,076

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



1. GENERAL

The Company is incorporated and registered as an exempted company in the Cayman Islands under the Companies Law of the Cayman Islands with limited liability. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 12 July 2010. The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its place of business is located at Taizhou Industrial Zone of Metal Recycling Fengjiang, Luqiao, Taizhou, Zhejiang, the PRC.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in Note 37.

The functional currency of the Company and its subsidiaries is Renminbi ("RMB"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$") for the convenience of the shareholders as the Company is listed in Hong Kong.

The consolidated financial statements for the current period cover the six months period ended 30 June 2010. The corresponding comparative amounts shown for certain notes to the consolidated financial statements cover a twelve months period from 1 January 2009 to 31 December 2009 and therefore may not be comparable with amounts shown for the current period.

1. 一般資料

本公司根據開曼群島公司法於開曼群島註冊成立及註冊為獲豁免有限公司。本公司股份於二零一零年七月十二日於香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands及其營業地點位於中國浙江省台州市路橋區峰江鎮台州金屬再生園區。

本公司為投資控股公司。其附屬公司之主要業務載列於附註37。

本公司及其附屬公司的功能貨幣為人民幣(「人民幣」)。由於本公司在香港上市，為方便股東，綜合財務報表以港元(「港元」)呈列。

本期間綜合財務報表涵蓋截至二零一零年六月三十日止六個月期間。綜合財務報表若干附註所示的相應相對金額涵蓋自二零零九年一月一日至二零零九年十二月三十一日十二個月期間，因此，其未必能與本期間所示金額比較。



2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), which are effective for the accounting period beginning on 1 January 2010.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008	香港財務報告準則 (修訂本)	作為對二零零八年香港財務報告準則之改善之一部份對香港財務報告準則第5號作出修訂
HKFRSs (Amendments)	Improvements to HKFRSs 2009	香港財務報告準則 (修訂本)	對二零零九年香港財務報告準則之改善
HKAS 27 (Revised)	Consolidated and Separate Financial Statements	香港會計準則第27號 (經修訂)	綜合及獨立財務報表
HKAS 39 (Amendment)	Eligible Hedged Items	香港會計準則第39號 (修訂本)	合資格對沖項目
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters	香港財務報告準則第1號(修訂本)	首次採納者之額外豁免
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions	香港財務報告準則第2號(修訂本)	集團以現金結算及以股份為基礎付款之交易
HKFRS 3 (Revised)	Business Combinations	香港財務報告準則第3號(經修訂)	業務合併
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners	香港(國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產

The Group applies HKFRS 3 (Revised) *Business Combinations* prospectively to business combinations for which the acquisition date is on or after 1 January 2010. The requirements in HKAS 27 (Revised) *Consolidated and Separate Financial Statements* in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 January 2010.

As the transaction during the current interim period in which HKFRS 3 (Revised) is applicable is not significant and there is no change in ownership interest in subsidiaries in which HKAS 27 (Revised) is applicable, the directors of the Company consider that the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no material impact on the consolidated financial statements of the Group for the current or prior accounting periods.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本中期期間，本集團已首次應用以下由香港會計師公會(「香港會計師公會」)頒佈及於二零一零年一月一日起會計期間生效之新訂及經修訂準則、修訂及詮釋(「新訂及經修訂香港財務報告準則」)。

香港財務報告準則 (修訂本)	作為對二零零八年香港財務報告準則之改善之一部份對香港財務報告準則第5號作出修訂
香港財務報告準則 (修訂本)	對二零零九年香港財務報告準則之改善
香港會計準則第27號 (經修訂)	綜合及獨立財務報表
香港會計準則第39號 (修訂本)	合資格對沖項目
香港財務報告準則第1號(修訂本)	首次採納者之額外豁免
香港財務報告準則第2號(修訂本)	集團以現金結算及以股份為基礎付款之交易
香港財務報告準則第3號(經修訂)	業務合併
香港(國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產

本集團就收購日期為二零一零年一月一日或之後的業務合併提早應用香港財務報告準則第3號(經修訂)業務合併。本集團亦於二零一零年一月一日或之後提早應用香港會計準則第27號(經修訂)綜合及獨立財務報表中有關取得控制權後一間附屬公司的擁有權權益變動及喪失一間附屬公司的控制權的擁有權權益變動的會計處理方式的規定。

由於香港財務報告準則第3號(經修訂)適用的本中期期間的交易並不重大及概無發生香港會計準則第27號(經修訂)適用的附屬公司擁有權權益變動，本公司董事認為，應用香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及對其他香港財務報告準則的相應修訂不會對本集團於目前或過往會計期間的綜合財務報表造成重大影響。



2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

The application of the other new and revised HKFRSs had no effect on the consolidated financial statements of the Group for the current or prior accounting periods.

The Group has not early applied the following new or revised standards, amendments or interpretations that have been issued but are not yet effective:

HKFRSs (Amendments)	Improvements to HKFRSs 2010 ¹
HKAS 24 (Revised)	Related Party Disclosures ⁴
HKAS 32 (Amendment)	Classification of Right Issues ²
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ³
HKFRS 9	Financial Instruments ⁵
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ⁴
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments ³

¹ Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate

² Effective for annual periods beginning on or after 1 February 2010

³ Effective for annual periods beginning on or after 1 July 2010

⁴ Effective for annual periods beginning on or after 1 January 2011

⁵ Effective for annual periods beginning on or after 1 January 2013

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團於未來期間的業績可能受到香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及其他香港財務報告準則的相應修訂適用的未來交易所影響。

應用其他新訂及經修訂香港財務報告準則不會對本集團於目前或過往會計期間的綜合財務報表造成影響。

本集團並未提早應用以下已頒佈但尚未生效的新訂或經修訂準則、修訂或詮釋：

香港財務報告準則(修訂本)	對二零一零年香港財務報告準則之改善 ¹
香港會計準則第24號(經修訂)	關連方披露 ⁴
香港會計準則第32號(修訂本)	供股分類 ²
香港財務報告準則第1號(修訂本)	首次採納就香港財務報告準則第7號披露的比較資料之有限度豁免 ³
香港財務報告準則第9號	金融工具 ⁵
香港(國際財務報告詮釋委員會)–詮釋第14號(修訂本)	預付最低資金需求 ⁴
香港(國際財務報告詮釋委員會)–詮釋第19號	以權益工具清償金融負債 ³

1. 於二零一零年七月一日及二零一一年一月一日或之後開始的年度期間生效，如適用

2. 於二零一零年二月一日或之後開始的年度期間生效

3. 於二零一零年七月一日或之後開始的年度期間生效

4. 於二零一一年一月一日或之後開始的年度期間生效

5. 於二零一三年一月一日或之後開始的年度期間生效



2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 9 *Financial Instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group’s financial assets.

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

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the 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.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具引進對金融資產分類及計量之新規定，將於二零一三年一月一日起生效，並可提早採用。此準則規定所有符合香港會計準則第39號金融工具：確認及計量範疇之已確認金融資產按攤銷成本或公平值計量。尤其是(i)根據業務模式以收取合約現金流量為目的所持有與(ii)僅為支付本金額及未償還本金額之利息而產生合約現金流量的債務投資一般按攤銷成本計量。所有其他債務投資及股本投資按公平值計量。採用香港財務報告準則第9號或會影響本集團金融資產的分類及計量。

本公司董事預期採用其他新訂及經修訂準則、修訂或詮釋不會對本集團的業績及財務狀況造成任何重大影響。

3. 重大會計政策

除若干金融工具按下文會計政策所述以公平值計量外，綜合財務報表按歷史成本法編製。

綜合財務報表按下列與香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表已作出聯交所證券上市規則及香港公司條例規定的適用披露。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Business combinations on or after 1 January 2010

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 (2008) are recognised at their fair values, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's sharebased payment awards are measured in accordance with HKFRS 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Noncurrent Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

3. 重大會計政策(續) 合併基準

綜合財務報表包括本公司及本公司所控制實體(其附屬公司)的財務報表。倘本公司有權管轄一家實體的財務及營運政策，以致從該實體的業務中獲利，即視為對該實體擁有控制權。

期內所收購或出售之附屬公司的業績，自收購生效日期起或截至出售生效日期止(如適用)計入綜合全面收益表。

如有需要，會對附屬公司的財務報表作出調整，使其會計政策與本集團其他成員公司所採用者一致。

集團內公司間的一切交易、結餘及收支均於綜合賬目時對銷。

於二零一零年一月一日或其後的業務合併

業務收購乃採用收購法入帳。於業務合併轉撥的代價按公平值計量，而計算方式為本集團轉撥的資產、本集團對被收購方的前擁有人產生的負債及本集團於交換被收購方的控制權所發行的股權於收購日期的公平值總和。與收購事項有關的成本於產生時在損益賬中確認。

於收購日期，被收購方符合根據香港財務報告準則第3號(二零零八年)的確認條件的可識別資產、負債及或然負債按彼等的公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關的負債或資產分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量；
- 與本集團重置被收購方以股份支付的報酬有關的負債或股本工具根據香港財務報告準則第2號以股份支付計量；及
- 根據香港財務報告準則第5號*持作出售的非流動資產及已終止經營業務*劃分為持作出售的資產(或出售組合)根據該準則計量。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Property, plant and equipment

Property, plant and equipment including land and buildings held for use in the production or supply of goods or services, or for administrative purposes other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment other than construction in progress over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated statement of comprehensive income in the period in which the item is derecognised.

Prepaid lease payments

Payments for obtaining land use rights are accounted for as prepaid lease payments and are stated at cost and amortised on a straight-line basis over the lease terms. Prepaid lease payments which are to be amortised in the next twelve months or less are classified as current assets.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

3. 重大會計政策(續)

物業、機器及設備

物業、機器及設備(包括持作生產或提供貨品或服務或作行政用途的土地及樓宇,但不包括在建項目)以成本減其後累計折舊及累計減值虧損列賬。

折舊乃經計入估計剩餘價值,按物業、機器及設備項目(在建工程除外)的估計可使用年期以直線法撇銷成本。

在建工程包括用於生產或自用的在建物業、機器及設備。在建工程按成本減任何已確認減值虧損列賬。在建工程於完成及可用於擬定用途時分類為物業、機器及設備的適當類別。該等資產的折舊基準與其他物業資產相同,即於資產達致擬定用途時開始計提。

於出售物業、機器及設備項目或預期繼續使用有關資產不會產生未來經濟利益時,終止確認物業、機器及設備項目。終止確認資產而產生的任何損益(即出售有關項目所得款項淨額與賬面值之間的差額)於終止確認項目之年度的綜合全面收益表入賬。

預付租金

獲得土地使用權之付款列為預付租金,按成本列賬並按其租期以直線法攤銷。於未來十二個月或較短期間攤銷的預付租金分類為流動資產。

存貨

存貨按成本與可變現淨值兩者的較低者入賬。成本按加權平均法計算。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of comprehensive income.

Financial assets

The Group's financial assets are classified into one of the two categories, including loans and receivables and financial assets at fair value through profit or loss. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of reporting period subsequent to initial recognition, loans and receivables (including trade and other receivables, bills receivables, amounts due from related parties, pledged bank deposits, restricted bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

3. 重大會計政策(續) 金融工具

當集團實體成為工具合約條文的訂約方時，於綜合財務狀況表確認金融資產及金融負債。金融資產及金融負債初步按公平值計量。因收購或發行金融資產及金融負債(按公平值計入損益的金融資產或金融負債除外)而直接產生的交易成本於首次確認時於該項金融資產或金融負債的公平值中計入或扣除(如適用)。因收購按公平值計入損益的金融資產或金融負債而直接產生的交易成本會即時於綜合全面收益表中確認。

金融資產

本集團的金融資產分為貸款及應收款項與按公平值計入損益的金融資產兩類。常規買賣的所有金融資產根據買賣日期確認及終止確認。常規買賣指須於規例或市場慣例形成的時間框架內交付資產而進行的金融資產買賣。

實際利率法

實際利率法為計算金融資產於有關期間已攤銷成本以及分配利息收入之方法。實際利率指將金融資產於整個預計可用年期或(倘適用)較短期間內的估計未來現金收入(包括構成實際利率一部分的所有已付或已收費用、交易成本及其他溢價或折讓)準確折算至首次確認之賬面淨值的利率。

債務工具的利息收入按實際利率基準確認。

貸款及應收款項

貸款及應收款項指於活躍市場並無報價的定額或可釐定付款的非衍生金融資產。於首次確認後的各呈報期結算日，貸款及應收款項(包括貿易及其他應收款項、應收票據、應收關連方款項、已抵押銀行存款、受限制銀行存款及銀行結餘)減任何已識別減值虧損(請參閱下文金融資產減值的會計政策)後以實際利率法計算已攤銷成本列賬。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Financial instruments (continued)

Financial assets (continued)

Financial assets at fair value through profit or loss

The Group's financial assets classified as financial assets at fair value through profit or loss are derivatives that are not designated and effective as hedging instruments.

At the end of each reporting period subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value arising from remeasurement recognised directly in consolidated statement of comprehensive income in the period in which they arise.

Impairment of financial assets

Loans and receivables are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For loans and receivables, an objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Financial assets such as trade receivables that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the respective credit period, observable changes in national or local economic conditions that correlate with default on receivables.

An impairment loss is recognised in consolidated statement of comprehensive income when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

3. 重大會計政策(續) 金融工具(續)

金融資產(續)

按公平值計入損益的金融資產

本集團金融資產中分類為按公平值計入損益的金融資產乃並非指定為而實際為對沖工具的衍生工具。

於首次確認後的各呈報期結算日，按公平值計入損益的金融資產按公平值計量，重新計量產生的公平值變動直接於產生變動期間的綜合全面收益表確認。

金融資產減值

於各呈報期結算日均會評估是否有跡象顯示貸款及應收款項減值。倘有客觀證據顯示於首次確認金融資產後發生的一項或多項事件對金融資產的估計未來現金流量有影響，則金融資產已減值。

就貸款及應收款項而言，減值之客觀證據可包括：

- 發行人或交易方出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就金融資產(如貿易應收款項)而言，不會單獨作出減值之資產其後會一併評估減值。應收款項組合減值之客觀證據可包括本集團過往收款紀錄、組合拖欠付款超逾各自信貸期的次數增加，及與拖欠應收款項有關的國家或地方經濟狀況出現明顯變動。

當有客觀證據顯示資產減值時，於綜合全面收益表確認減值虧損，並按資產賬面值與按原實際利率貼現之估計日後現金流量現值之差額計算。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in consolidated statement of comprehensive income. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to consolidated statement of comprehensive income.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

3. 重大會計政策(續) 金融工具(續)

金融資產(續)

金融資產減值(續)

所有金融資產之減值虧損會直接於金融資產之賬面值中作出扣減，惟貿易應收款項除外，其賬面值會透過撥備賬作出扣減。撥備賬內賬面值變動會於綜合全面收益表確認。當貿易應收款項視為不可收回時，則於撥備賬內撇銷。其後撥回過往所撇銷的款項將計入綜合全面收益表。

如在隨後期間，減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益撥回，惟該資產於減值撥回當日之賬面值不得超過在並無確認減值下應有的已攤銷成本。

金融負債及股權

集團實體發行之金融負債及股權工具乃根據所訂立合約安排之主旨與金融負債及股權工具之定義分類。

股權工具乃證明本集團於扣減其所有負債後之資產中擁有剩餘權益之任何合約。本集團的金融負債一般分為按公平值計入損益的金融負債與其他金融負債。

實際利息法

實際利息法為計算金融負債於有關期間之攤銷成本以及分配利息支出之方法。實際利率指將金融負債於預計可用年期或(如適用)較短期間內的估計未來現金付款準確折算的利率。

利息開支按實際利率基準確認。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at fair value through profit or loss

The Group's financial liabilities classified as financial liabilities at fair value through profit or loss are derivatives that are not designated and effective as hedging instruments.

At the end of each reporting period subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Other financial liabilities

Other financial liabilities (including trade and other payables, bills payables, amounts due to related parties and bank borrowings) are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derivative financial instruments

Derivatives not designated and effective as hedging instruments are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair values at the end of each reporting period. The resulting gain or loss is recognised in consolidated statement of comprehensive income immediately.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in consolidated statement of comprehensive income.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in consolidated statement of comprehensive income.

3. 重大會計政策(續) 金融工具(續)

金融負債及股權(續)

按公平值計入損益的金融負債

本集團金融負債中分類為按公平值計入損益的金融負債乃並非指定為而實際為對沖工具的衍生工具。

於首次確認後的各呈報期結算日，按公平值計入損益的金融負債按公平值計量，公平值變動直接於產生變動期間的損益確認。

其他金融負債

其他金融負債(包括貿易及其他應付款項、應付票據、應付關連方款項及銀行借貸)隨後以攤銷成本使用實際利率法計量。

股權工具

本公司發行之股權工具按已收所得款項(扣除直接發行成本)記賬。

衍生金融工具

並非指定為而實際為對沖工具的衍生工具於訂立衍生工具合約當日首次按公平值確認，其後於各呈報期結算日按公平值重新計量。所引致之損益將即時於綜合全面收益表確認。

終止確認

若從資產收取現金流之權利到期，或金融資產已轉讓且本集團已將所持金融資產所有權之絕大部分風險及回報轉移，則金融資產將終止確認。終止確認金融資產時，資產賬面值與已收及應收對價之差額以及於其他全面收益表確認之累計損益將於綜合全面收益表確認。

金融負債於有關合約所訂明責任解除、取消或屆滿時終止確認。終止確認的金融負債之賬面值與已付及應付對價之差額於綜合全面收益表確認。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and in the normal course of business, net of discounts and sales related taxes.

Revenue from sale of goods is recognised when goods are delivered and title has passed.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Government grants

Government grants are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases and amortised over the lease term on a straight-line basis.

3. 重大會計政策(續) 收益確認

收益按已收或應收對價之公平值計量，指日常業務過程所售貨品及所提供服務的應收款項，並扣除折扣與銷售相關稅項。

貨品銷售收益於貨品付運及轉交所有權時確認。

金融資產之利息收入參照未償還本金額及適用實際利率按時間基準累計。適用實際利率指於金融資產預計可使用年期內估計日後現金收入折現至有關資產於初始確認時賬面淨值之利率。

政府補貼

政府補助金於擬補償成本的相應期間有系統地確認為收入。作為已產生開支或虧損的補償或作為給予本集團即時財務資助而無日後相關成本的應收政府補助金於可收取期間在損益確認。

租賃

凡租賃條款將擁有權的絕大部分風險及回報轉移至承租人的租賃，均列作融資租賃。所有其他租賃則列作經營租賃。

本集團作為出租人

經營租賃的租金收入於有關租賃的租期內按直線法於損益確認。

本集團作為承租人

經營租賃的租金乃於有關租賃的租期內按直線法確認為開支。作為訂立經營租約獎勵的已收及應收利益乃於租期內按直線法確認為租金開支減少。

租賃土地及樓宇

就租賃分類而言，租賃土地及樓宇之土地與樓宇部分應分開計量，除非租金無法在土地與樓宇部分之間作出可靠分配，則在此情況下，整份租賃一般會作為融資租賃處理並列作物業、機器及設備。倘能可靠分配租金，則土地租賃權益則列作經營租賃，並於租期內以直線法攤銷。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Retirement benefit costs

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other year and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 重大會計政策(續) 退休福利成本

向國家所管理的退休福利計劃及強制性公基金計劃所作的供款於僱員提供服務而可享有該等供款時作為開支扣除。

借貸成本

收購、興建或生產未完成資產(即須一段長時間方能達至其擬定用途或予以銷售的資產)所產生的直接應佔借貸成本計入該等資產的成本，直至該等資產大致上已達至擬定用途或可供銷售。當指定借貸尚未支付合資格資產開支而用作臨時投資所賺取的投資收入會從合資格撥充成本的借貸成本扣除。

所有借貸成本均於產生期間於損益確認。

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項乃根據期內的應課稅溢利計算。由於應課稅溢利不包括須於其他年內應課稅的收入或可扣稅開支項目，亦不包括毋須課稅或不可扣稅項目，故應課稅溢利與綜合全面收益表內列賬的溢利不同。本集團的即期稅項負債乃採用於呈報期結算日已實施或實際已實施的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利時採用的相應稅基之間的差額確認。所有應課稅暫時差額一般確認為遞延稅項負債。倘可能出現應課稅溢利可用作抵銷可扣減暫時差額，則所有可扣減暫時差額一般確認為遞延稅項資產。若因初步確認一項交易(業務合併除外)之其他資產與負債而產生並無影響應課稅溢利或會計溢利的暫時差額，則不會確認該等資產與負債。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in consolidated statement of comprehensive income, except when it relates to items that are recognised in other comprehensive income or directly to equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 重大會計政策(續) 稅項(續)

遞延稅項負債按於附屬公司投資的相關應課稅暫時差額確認，惟本集團可控制有關暫時差額撥回且於可見將來應不會撥回有關差額則除外。該等投資及權益的相關可扣減暫時差額產生的遞延稅項資產僅在可能產生足夠應課稅溢利可用作抵銷可動用暫時差額利益並預期在可見將來撥回時確認。

於各呈報期結算日均會檢討遞延稅項資產的賬面值，並扣減至不可能再有足夠應課稅溢利可收回全部或部分資產為止。

遞延稅項負債及資產按償還負債或變現資產期間的預期適用稅率(根據各呈報期結算日已實施或實際已實施之稅率(及稅法))計算。遞延稅項負債及資產之計算反映按照本集團所預期方式於各呈報期結算日收回或清償其資產及負債賬面值之稅務後果。遞延稅項在綜合全面收益表確認，但若涉及在其他全面收益表或直接於股權中確認的項目，則遞延稅項分別在其他全面收益表確認或直接於股權中確認。

外幣

編製個別集團實體的財務報表時，以非該實體功能貨幣(外幣)進行的交易須以各自的功能貨幣(即該實體經營所在主要經濟環境的貨幣)按交易當日的匯率列賬。於各呈報期結算日，以外幣計值的貨幣項目均按結算日當日的匯率重新換算。以外幣計值按歷史成本計量的非貨幣項目則毋須重新換算。

因結算及換算貨幣項目而產生的匯兌差額均於產生期間在損益確認。



3. SIGNIFICANT ACCOUNTING POLICIES (continued) Foreign currencies (continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of Group's entities are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below.

Provision for inventories

Management of the Group reviews the inventories listing on a category-by-category basis at the end of reporting period, and assesses whether the cost of the finished products will exceed their net realisable value. Management estimates the net realisable value for such inventories based primarily on the latest resale value and quoted prices on applicable commodity exchanges. If the market price of inventories are to decline, additional provision may be required. All the Group's inventories were stated at cost in the consolidated statement of financial position at the end of reporting period.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remained unchanged from prior years.

The capital structure of the Group consists of debt, which includes bank borrowings, amounts due to related companies, and equity attributable to owners of the Company, comprising capital and various reserves.

The directors of the Company review the capital structure periodically. The directors of the Company also balance the overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt. No changes were made in the objectives, policies or processes during the six months ended 30 June 2010.

3. 重大會計政策(續) 外幣(續)

就呈列綜合財務報表而言，本集團實體的資產及負債按各呈報期結算日的匯率換算成本集團的呈列貨幣(即港元)，而收支則按期內平均匯率換算，惟匯率於期內大幅波動則除外，在該情況下，將使用交易當日的匯率換算。所產生匯兌差額(如有)確認為其他全面收入並於股權累計(換算儲備)。

4. 估計不確定因素的主要來源

以下為有關日後的主要假設及於呈報期結算日很可能會引致下個財政期間資產及負債賬面值大幅調整的其他估計不確定因素的主要來源。

存貨撥備

本集團管理層於呈報期結算日按類別檢討存貨，並估計製成品的成本會否超逾可變現淨值。管理層主要按最新轉售價值及相關商品交易所報價估計有關存貨的可變現淨值。倘存貨市價下跌，則或須作出額外撥備。本集團於呈報期結算日的所有存貨均按成本於綜合財務狀況表列賬。

5. 資本風險管理

本集團管理資本旨在保障本集團屬下實體可持續經營，並透過維持債務與股權的最佳平衡而為股東提供最大回報。本集團的整體策略與過往年度相同。

本集團的資本架構包括債務(包括銀行借貸、應付關連公司款項)及本公司股權持有人應佔權益(包括資本及多項儲備)。

本公司董事定期審閱資本架構。本公司董事亦透過支付股息、發行新股及發行新債券或贖回現有債券平衡本集團整體資本架構。截至二零一零年六月三十日止六個月，有關目標、政策或程序並無變動。



6. FINANCIAL INSTRUMENTS

6a. Categories of financial instruments

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Financial assets	金融資產		
Derivative financial instruments	衍生金融工具	–	1,072
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等值項目)	492,349	387,925
Financial liabilities	金融負債		
Derivative financial instruments	衍生金融工具	2,731	1,603
Amortised cost	攤銷成本	1,805,934	1,345,702

6b. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bills receivables, amounts due from (to) related parties, derivative financial instruments, pledged bank deposits, restricted bank deposits, bank balances and cash, trade and other payables, bills payables and bank borrowings. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

6. 金融工具

6a. 金融工具的種類

6b. 金融風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、應收票據、應收(應付)關連方款項、衍生金融工具、已抵押銀行存款、受限制銀行存款、銀行結餘及現金、貿易及其他應付款項、應付票據及銀行借貸。該等金融工具詳情於相關附註披露。有關該等金融工具的風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。為減輕該等風險而制訂的政策載於下文。管理層管理及監控該等風險以確保及時有效地採取適當措施。



6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk

(i) Currency risk

The Group has foreign currency sales, purchases, trade and other receivables, pledged bank deposits, restricted bank deposits, bank balances and cash, trade and other payables, bills payables, amounts due to related parties, bank borrowings and derivative financial liability, which expose the Group to market risk arising from changes in foreign exchange rates. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors its foreign currency risk exposure and enters into foreign currency forward contracts should the need arise.

The carrying amounts of the Group's monetary assets, monetary liabilities and derivative financial liability denominated in United States Dollars ("USD") and Euro ("EUR") at the end of the reporting period are as follows:

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險

(i) 貨幣風險

本集團因有外幣買賣、貿易及其他應收款項、已抵押銀行存款、受限制銀行存款、銀行結餘及現金、貿易及其他應付款項、應付票據、應付關連方款項、銀行借貸及衍生金融負債而面對外匯匯率變動帶來的市場風險。本集團現時並無外幣對沖政策。然而，管理層仍密切監控外幣風險，並會於需要時訂立外幣遠期合約。

於各呈報期結算日，本集團以美元(「美元」)及歐元(「歐元」)計值的貨幣資產、貨幣負債及衍生金融負債的賬面值如下：

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Monetary assets	貨幣資產		
USD	美元	42,925	68,294
EUR	歐元	83,688	435
Monetary liabilities	貨幣負債		
USD	美元	1,134,184	945,557
EUR	歐元	41,577	1,241
Derivative financial liability	衍生金融負債		
USD	美元	99	1,603



6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis

The Group is mainly exposed to the foreign currencies of USD and EUR when such currencies are different from the functional currency of the relevant group entities.

A 5% sensitivity rate is used when reporting foreign currency risk internally to key management personnel because it represents management's assessment of the possible change in USD and EUR against RMB rate. On the basis of the above assets and liabilities denominated in USD and EUR at the end of the reporting period, and assuming all other variables remain unchanged, a 5% weakening of the USD and strengthening of EUR against RMB throughout the period would give rise to fluctuations in post-tax profit for the period in the following magnitude, and vice versa:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Increase (decrease) in profit:	溢利增加(減少) :		
Monetary assets and liabilities	貨幣資產及負債		
USD weakening against RMB	美元兌人民幣貶值	41,453	33,679
EUR strengthening against RMB	歐元兌人民幣升值	1,758	(34)
Derivative financial liability	衍生金融負債		
USD weakening against RMB	美元兌人民幣貶值	4	60

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the period end exposure does not reflect the exposure during the period.

Other than USD and EUR, the Group does not have any other major exposure to foreign currency risk.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析

本集團主要因美元及歐元並非相關集團實體的功能貨幣而面對該等貨幣的風險。

公司內部向高級管理人員呈報外幣風險時使用5%的敏感度比率，乃因該比率代表管理層所評估美元及歐元兌人民幣匯率可能出現的波動比率。基於上述於呈報期結算日以美元及歐元計值的資產及負債，假設其他變數不變，則整段期內美元兌人民幣貶值及歐元兌人民幣升值各5%所致期內產生除稅後溢利波動的幅度如下，反之亦然：

管理層認為，由於期終風險無法反映期內風險，故該敏感度分析並不代表固有外匯風險。

除美元及歐元外，本集團並無面對其他主要外幣風險。



6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank deposits, variable-rate bank borrowings, bills payables and amounts due to related parties.

The Group's fair value interest rate risk relates primarily to its fixed-rate pledged bank deposits, bank borrowings and amounts due to related parties. It is the Group's policy to maintain a majority of borrowings at fixed rate of interest so as to reduce the cash flow interest rate risk.

The Group has not entered into any interest rate hedging contracts or any other interest rate related derivative financial instrument. However, management monitors the Group's related interest rate exposure closely and will consider hedging significant interest rate exposure when the need arises.

Sensitivity analysis

The carrying amounts of the Group's monetary liabilities which carried variable interest rates at the end of the reporting period are as follows:

	At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Liabilities	248,681	314,820

The sensitivity analysis below have been determined based on the exposure to risk of interest rate changes for variable-rate bank borrowings, bills payables and amounts due to related parties at the end of the reporting period and management considers that such exposure for variable-rate bank deposits is minimal as the amount involved is not significant.

A 100 basis points increase or decrease is used when reporting interest risk internally to key management personnel because it represents management's assessment of the possible change in interest rate.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險

本集團因銀行存款、浮息銀行借貸、應付票據及應付關連方款項的當前市場利率波動而面對現金流量利率風險。

本集團的公平值利率風險主要與定息已抵押銀行存款、銀行借貸及應付關連方款項有關。本集團的政策為將大部分借貸維持為定息借貸，減低現金流量利率風險。

本集團並無訂立任何利率對沖合約或其他利率相關衍生金融工具。然而，管理層會密切監管本集團相關利率風險並於必要時考慮對沖重大利率風險。

敏感度分析

於呈報期結算日，按浮息利率計息的本集團貨幣負債賬面值如下：

	At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Liabilities	248,681	314,820

下列敏感度分析乃基於呈報期結算日浮息銀行借貸、應付票據及應付關連方款項的利率變動風險而定，由於所涉數額不大，故管理層認為浮息銀行存款的利率變動風險並不大。

以100個基點的升跌為標準向內部主要管理人員呈報利率風險，是由於此為管理層對利率可能變動的評估。



6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Interest rate risk (continued)

Sensitivity analysis (continued)

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year would be decreased/ increased by the following magnitude:

Decrease/increase in profit	溢利減少/增加
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(iii) Other price risk

The Group is exposed to price risk through its investment in copper and aluminium future contracts.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to price risk of copper and aluminium at the end of reporting period. If the quote future price of the copper and aluminium had been 5% higher/lower, the Group's post-tax profit for the period would be increased/decreased by the following magnitude:

Increase/decrease in profit	溢利增加/減少
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In management's opinion, the sensitivity analysis is unrepresentative of the inherent other price risk as the period end exposure does not reflect the exposure during the period.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析(續)

倘利率增加/減少100個基點而所有其他變數不變，則本集團期內除稅後溢利減少/增加的幅度如下：

Six months ended 30 June 2010 截至 二零一零年 六月三十日 止六個月 HK\$'000 千港元	Year ended 31 December 2009 截至 二零零九年 十二月三十一日 止年度 HK\$'000 千港元
2,077	2,492

(iii) 其他價格風險

本集團因投資銅鋁期貨合約而面對價格風險。

敏感度分析

下列敏感度分析乃基於各呈報期結算日銅鋁價波動風險而定。倘銅鋁期貨合約的報價上升/下降5%，則本集團期內除稅後溢利增加/減少的幅度如下：

Six months ended 30 June 2010 截至 二零一零年 六月三十日 止六個月 HK\$'000 千港元	Year ended 31 December 2009 截至 二零零九年 十二月三十一日 止年度 HK\$'000 千港元
1,768	1,077

管理層認為，由於期終風險無法反映期內風險，故該敏感度分析不代表固有的其他價格風險。



6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Credit risk

As at 30 June 2010, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, management of the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with good reputations.

There was no significant concentration of credit risk as the Group's financial assets spread over a number of counterparties and customers.

Liquidity risk

The objective of the Group is to maintain a balance between continuity of funding and the flexibility through the use of bank borrowings.

The following table details the Group's remaining contractual maturity for non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instruments that settle on a net basis, and the undiscounted gross (inflows) and outflows on those derivatives that require gross settlement. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual maturities as the management considers that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

信貸風險

於二零一零年六月三十日，本集團因交易方無法履行責任而面臨蒙受財務虧損的最大信貸風險額度為綜合財務狀況表所呈列相關已確認金融資產之賬面值。

為減低信貸風險，本集團管理層逐一審查貿易債務於呈報期結算日之可收回款項，確保對不可收回款項作出充足減值虧損撥備。因此，本公司董事認為本集團之信貸風險顯著降低。

由於交易方為信譽良好之銀行，故流動資金之信貸風險有限。

由於本集團財務資產分散於眾多交易方及客戶，故並無重大集中信貸風險。

流動資金風險

本集團的目標為保持持續供資、靈活運用銀行借貸之間的平衡。

下表詳列本集團非衍生金融負債的剩餘合約年期。列表顯示本集團可能須付款的最早日期的非衍生金融負債未貼現現金流量。倘利息流量為浮息，未貼現金額則按呈報期結算日利率曲線計算。

此外，下表詳列本集團衍生金融工具的流動資金分析，顯示以淨值結算的衍生工具未貼現合約現金淨值(流入量)及流出量與以總額結算的衍生工具未貼現總額(流入量)及流出量。由於管理層認為合約年期對理解衍生工具現金流的時間至關重要，故本集團衍生金融工具的流動資金分析乃基於合約年期而編製。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表格

		Weighted average interest rate	On demand or less than 1 month	1-3 months	3 months to 1 year	Total undiscounted cash flows	Total carrying value at the end of the reporting period
		加權平均利率	按要求或一個月以內	一至三個月	三個月至一年	未貼現現金流量總額	結算日之賬面總值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		%	千港元	千港元	千港元	千港元	千港元
At 30 June 2010	二零一零年六月三十日						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付款項	-	116,926	3,207	243	120,376	120,376
Bills payable	應付票據						
- variable rate	- 浮息	2.44	8,583	14,800	15,668	39,051	38,745
- non-interest bearing	- 不計息	-	45,868	22,934	22,934	91,736	91,736
Amounts due to related parties	應付關連方款項						
- fixed rate	- 定息	2.52	127	254	61,575	61,956	61,188
- variable rate	- 浮息	1.54	138,257	-	-	138,257	138,257
- non-interest bearing	- 不計息	-	176,561	-	-	176,561	176,561
Bank borrowings	銀行借貸						
- fixed rate	- 定息	3.81	182,841	384,209	554,200	1,121,250	1,107,392
- variable rate	- 浮息	6.74	71,679	-	-	71,679	71,679
			740,842	425,404	654,620	1,820,866	1,805,934
Derivatives – net settlement	衍生工具 – 結算淨額						
Aluminium and copper future contracts	鋁及銅期貨合約	-	2,550	82	-	2,632	2,632
Derivatives – gross settlement	衍生工具 – 結算總額						
Foreign currency forward contracts	外幣遠期合約						
- inflow	- 流入	-	-	-	(142,984)	(142,984)	(142,984)
- outflow	- 流出	-	-	-	143,083	143,083	143,083
			-	-	99	99	99

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables (continued)

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表格(續)

		Weighted average interest rate	On demand or less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total undiscounted cash flows	Total carrying value at the end of the reporting period
		加權平均利率	按要求或一個月以內	一至三個月	三個月至一年	一年以上	未貼現現金流量總額	結算日之賬面總值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		%	千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2009	二零零九年十二月三十一日							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付款項	-	78,835	27,105	9,677	-	115,617	115,617
Bills payable	應付票據							
- variable rate	- 浮息	2.44	8,556	58	14,637	-	23,251	23,118
- non-interest bearing	- 不計息	-	22,752	45,504	22,752	-	91,008	91,008
Amounts due to related parties	應付關連方款項							
- variable rate interest bearing	- 計浮息	1.25	26,651	230	1,056	111,854	139,791	138,376
- non-interest bearing	- 不計息	-	66,683	-	-	111,854	178,537	178,537
Bank borrowings	銀行借貸							
- fixed rate	- 定息	3.58	180,268	123,287	324,365	-	627,920	622,602
- variable rate	- 浮息	1.69	16,014	418	161,586	-	178,018	176,444
			399,759	196,602	534,073	223,708	1,354,142	1,345,702
Derivatives – gross settlement	衍生工具 – 結算總額							
Foreign currency forward contracts	外幣遠期合約							
- inflow	- 流入	-	-	(4,725)	(152,091)	-	(156,816)	(156,816)
- outflow	- 流出	-	-	4,750	153,669	-	158,419	158,419
			-	25	1,578	-	1,603	1,603



6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value

The fair value of financial assets and financial liabilities of the Group are determined as follows:

- the fair value of derivative financial instruments traded on active markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 2 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

6. 金融工具(續)

6c. 公平值

本集團金融資產及金融負債之公平值按下列方式釐定：

- 於活躍流動市場交易的衍生金融工具公平值參考市場報價釐定；及
- 其他金融資產及金融負債之公平值乃使用現時市場可觀察交易之價格或利率根據貼現現金流量分析以公認定價模式釐定。

本公司董事認為，於綜合財務報表按攤銷成本列賬的金融資產及金融負債之賬面值與其公平值相若。

於財務狀況表確認的公平值計量

下表載列首次確認後按公平值計量的金融工具之分析，按公平值的可觀察程度分為一至二級。

- 一級公平值計量指按同類資產或負債於活躍市場的報價(未經調整)計量。
- 二級公平值計量指按資產或負債的直接(即價格)或間接(即按價格計算者)可觀察參數(一級計量所用報價除外)計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**6. FINANCIAL INSTRUMENTS (continued)****6c. Fair value (continued)**

Fair value measurements recognised in the statement of financial position (continued)

As at 30 June 2010

		Level 1 一級 HK\$'000 千港元	Level 2 二級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial liabilities at FVTPL	按公平值計入損益的金融負債			
Derivative financial liability	衍生金融負債	2,632	99	2,731

As at 31 December 2009

		Level 1 一級 HK\$'000 千港元	Level 2 二級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at FVTPL	按公平值計入損益的金融資產			
Derivative financial assets	衍生金融資產	1,072	–	1,072
Financial liabilities at FVTPL	按公平值計入損益的金融負債			
Derivative financial liability	衍生金融負債	–	1,603	1,603

There were no transfers between level 1 and level 2 during the six months ended 30 June 2010, nor during the year ended 31 December 2009.

6. 金融工具(續)**6c. 公平值(續)**

於財務狀況表確認的公平值計量(續)

於二零一零年六月三十日

		Level 1 一級 HK\$'000 千港元	Level 2 二級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial liabilities at FVTPL	按公平值計入損益的金融負債			
Derivative financial liability	衍生金融負債	2,632	99	2,731

於二零零九年十二月三十一日

		Level 1 一級 HK\$'000 千港元	Level 2 二級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at FVTPL	按公平值計入損益的金融資產			
Derivative financial assets	衍生金融資產	1,072	–	1,072
Financial liabilities at FVTPL	按公平值計入損益的金融負債			
Derivative financial liability	衍生金融負債	–	1,603	1,603

截至二零一零年六月三十日止六個月或截至二零零九年十二月三十一日止年度，一級與二級之間並無轉移。



7. REVENUE AND SEGMENT INFORMATION

The Group's revenue represents the amount received and receivable for the sales of metal scrap, net of sales related taxes, during the period.

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("CODM") in order to allocate resources to segments and to assess their performance. The executive directors of the Company are identified as the CODM and they regularly review the internal report on gross profit derived from different business activities and different products to assess performance and allocate resources of the Group.

The Group is mainly engaged in the principal business of metal recycling, involving the recycling of mixed metal scrap into copper scrap, steel scrap, aluminium scrap, iron scrap and other metal scrap. The Group is also engaged in the foundry business which involves the production and sale of aluminium-alloy ingots and copper rod and wire, and wholesales business which involves trading of other metal scrap. The operating segments are classified into three categories of business activities:

- (i) metal recycling business;
- (ii) foundry business; and
- (iii) wholesales business.

7. 收益及分部資料

本集團收益指期內銷售廢金屬之已收及應收款項，扣除銷售相關稅項。

業務分部的劃分基準與首席營運決策者(「營運總裁」)定期審閱有關本集團業務結構以分配調資及評估分部表現的內部報告的基準一致。本公司執行董事擔任營運總裁角色，定期審閱關於各種業務活動及各類產品所得毛利的內部報告，評估本集團業績並分配資源。

本集團主要從事金屬再生業務，涉及將混合廢金屬回收分成廢銅、廢鋼、廢鋁、廢鐵及其他廢金屬，亦從事涉及生產及銷售鋁錠、銅桿及銅線等鑄造業務與涉及買賣其他廢金屬等批發業務。本集團業務分部劃分為三類業務活動：

- (i) 金屬再生業務；
- (ii) 鑄造業務；及
- (iii) 批發業務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



7. REVENUE AND SEGMENT INFORMATION (continued)
Segment revenues and segment results

An analysis of the Group's reportable segment revenues and segment results by reportable segment is as below.

7. 收益及分部資料(續)
分部收益及分部業績

以下為本集團按可呈報分部劃分的可呈報分部收益及分部業績分析。

For the six months ended 30 June 2010

截至二零一零年六月三十日止六個月

		Metal recycling business 金屬再生業務					Foundry business 鑄造業務		Wholesales 批發業務		Total 總計
		Copper scrap 廢銅	Steel scrap 廢鋼	Aluminium scrap 廢鋁	Iron scrap 廢鐵	Other metal scrap 其他 廢金屬	Aluminium- alloy ingots 鋁錠	Copper rod and wire 銅桿及 銅線	Other metal scrap without processing 其他未加 工廢金屬	Elimination 對銷	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
REVENUE	收益										
External sales	外部銷售	1,526,585	449,808	20,858	114,672	12,096	152,123	119,643	48,647	-	2,444,432
Inter-segment sales	分部間銷售	5,919	8,684	133,085	-	329	22,217	-	656,411	(826,645)	-
Total segment revenue	分部收益總額	1,532,504	458,492	153,943	114,672	12,425	174,340	119,643	705,058	(826,645)	2,444,432
Segment profit	分部溢利	132,535	50,793	13,950	13,605	1,154	8,864	24,933	30,412	-	276,246
Other income	其他收入										5,336
Other gains and losses	其他收益及虧損										6,471
Distribution costs	分銷成本										(1,711)
Administrative expenses	行政開支										(18,838)
Other expenses	其他開支										(24,471)
Finance costs	財務成本										(17,772)
Profit before tax	除稅前溢利										225,261
Income tax expense	所得稅開支										(68,372)
Profit for the period	期內溢利										156,889

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



7. REVENUE AND SEGMENT INFORMATION (continued)
Segment revenues and segment results (continued)

For the six months ended 30 June 2009 (Unaudited)

7. 收益及分部資料(續)
分部收益及分部業績(續)

截至二零零九年六月三十日止六個月
 (未經審核)

		Metal recycling business 金屬再生業務				Foundry business 鑄造業務		Wholesales 批發業務		Elimination	Total
		Copper scrap	Steel scrap	Aluminium scrap	Iron scrap	Other metal scrap	Aluminium- alloy ingots	Copper rod and wire	Other metal scrap without processing		
		廢銅	廢鋼	廢鋁	廢鐵	其他 廢金屬	鋁錠	銅線	工廢金屬	對銷	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
REVENUE	收益										
External sales	外部銷售	185,878	100,871	53,496	32,462	8,043	49,917	-	244,902	-	675,569
Inter-segment sales	分部間銷售	113,147	61,402	32,563	19,760	4,896	30,385	-	149,077	(411,230)	-
Total segment revenue	分部收益總額	299,025	162,273	86,059	52,222	12,939	80,302	-	393,979	(411,230)	675,569
Segment profit	分部溢利	130,780	55,878	11,666	9,937	21,847	6,477	-	12,413	-	248,998
Other income	其他收入										3,664
Other gains and losses	其他收益及虧損										71,608
Distribution costs	分銷成本										(407)
Administrative expenses	行政開支										(12,496)
Other expenses	其他開支										(1,255)
Finance costs	財務成本										(17,463)
Profit before tax	除稅前溢利										292,649
Income tax expense	所得稅開支										(80,140)
Profit for the period	期內溢利										212,509

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the profit resulted in each segment without allocation of other income, other gains and losses, distribution costs, administrative expenses, other expenses, finance costs and income tax expense. This is the measure reporting to the executive directors of the Company for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

可呈報分部採納附註3所述本集團會計政策。分部溢利指各分部產生的溢利，未分配其他收入、其他收益及虧損、分銷成本、行政開支、其他開支、財務成本及所得稅開支，此乃向本公司執行董事報告以便分配資源及評估業績的計量。

分部間銷售以現行市場利率扣除。



7. REVENUE AND SEGMENT INFORMATION (continued) Segment assets and segment liabilities

Information on segment assets and segment liabilities of the Group are not reviewed by the CODM for the purpose of resource allocation and performance assessment nor otherwise regularly provided to the CODM. As a result, no analysis of segment assets and segment liabilities are presented.

Geographical information

Over 90% of external revenues of the Group during the six months ended 30 June 2010 and 2009 are attributable to customers established in the PRC, the place of domicile of the Group's major operating entities. Majority of the Group's non-current assets are located in the PRC.

Information about major customers

No individual customer contributed to more than 10% of the Group's revenue for the six months ended 30 June 2010 (six months ended 30 June 2009 (unaudited): Nil).

8. COST OF SALES

Included in cost of sales are the following reversal of write down of inventories:

Reversal of write down of inventories 撥回存貨撇減

Management assesses whether the cost of inventories exceed their net realisable value at the end of the reporting period. Management estimates the net realisable value for inventories with reference to the ask price of metal scrap in the relevant markets and the quoted prices of metal on applicable commodity exchanges at the end of reporting period. As at 30 June 2010, because the market prices of the commodities were higher than the respective purchase price of inventories held, no provision was recorded. During the six months ended 30 June 2009, the Group recorded a reversal of write down of inventories which was provided in 2008 because the market prices of the commodities had dropped significantly as compared with the purchase price of certain inventories held as at 31 December 2008.

All the Group's inventories were stated at cost in the consolidated statement of financial position at 30 June 2010 and 31 December 2009.

7. 收益及分部資料(續) 分部資產及分部負債

由於本集團的分部資產及分部負債資料並未由營運總裁審閱以分配資源及評核表現或以其他方式定期呈交營運總裁，故並無呈列分部資產及分部負債的分析。

地區資料

截至二零一零年及二零零九年六月三十日止六個月，本集團營業紀錄期間逾90%的外界收入來自在中國(本集團主要經營實體的註冊國)成立的客戶，而大部分非流動資產位於中國。

主要客戶的資料

截至二零一零年六月三十日止六個月，概無個別客戶貢獻超過本集團收入10%(截至二零零九年六月三十日止六個月(未經審核): 無)。

8. 銷售成本

銷售成本包括以下存貨撇減撥回：

Six months ended 30 June 截至六月三十日止六個月

2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
-	304,318

管理層於呈報期結算日評估存貨成本是否超過存貨可變現淨值。管理層參考相關市場的廢金屬買價及相關商品交易所的金屬報價估計存貨可變現淨值。於二零一零年六月三十日，由於商品市價較所持存貨的各自採購價為高，因此概無錄得撇減。截至二零零九年六月三十日止六個月，本集團錄得存貨撇減撥回，該項目乃於二零零八年因商品市場價格較於二零零八年十二月三十一日所持若干存貨的採購價大幅下跌而作出。

於二零一零年六月三十日及二零零九年十二月三十一日，本集團所有存貨均以成本於綜合財務狀況表列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**9. OTHER INCOME****9. 其他收入**

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest income	利息收入	2,929	1,911
Rental income for a temporary lease	暫時土地租金收入	1,064	-
Government subsidies (note)	政府補助(附註)	989	1,136
Others	其他	354	617
		5,336	3,664

note: The Group received unconditional government grants from a local municipal government as an encouragement for the development and advancement of business.

附註：地方市政府為鼓勵本集團業務發展與進步而給予本集團的無條件政府補助。

10. OTHER GAINS AND LOSSES**10. 其他收益及虧損**

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Gain from changes in fair value of derivative financial instruments (note)	衍生金融工具公平值變動收益(附註)	3,578	71,308
Net foreign exchange gains	匯兌收益淨額	3,096	446
Impairment loss recognised on trade and other receivables	就貿易及其他應收款項確認的減值虧損	(203)	(146)
		6,471	71,608

note: The amounts were derived from copper and aluminium future contracts and foreign currency forward contracts.

附註：該等金額乃按銅鋁期貨合約及外幣遠期合約計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



11. FINANCE COSTS

11. 財務成本

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest on:	以下各項的利息：		
– bank borrowings wholly repayable within five years	– 須於五年內償清的銀行借貸	15,927	14,515
– amounts due to related parties	– 應付關連方款項	1,565	2,545
– bills payable	– 應付票據	280	403
		17,772	17,463

12. PROFIT BEFORE TAX

12. 除稅前溢利

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Profit before tax has been arrived at after charging:	除稅前溢利，已扣除：		
Directors' emoluments (Note 13)	董事酬金(附註13)	222	117
Other staff costs	其他員工成本	45,637	25,466
Retirement benefit scheme contributions, excluding those of directors	退休福利計劃供款(不包括董事之退休福利計劃供款)	638	474
Total staff costs	員工成本總額	46,497	26,057
Cost of inventories recognised as an expense	確認為開支的存貨成本	2,168,186	426,571
Listing expenses, included in other expenses	上市開支，計入其他開支	20,980	–
Depreciation of property, plant and equipment	物業、機器及設備折舊	5,590	3,777
Amortisation of prepaid lease payments	預付租金攤銷	430	429
Auditors' remuneration	核數師酬金	3,000	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS
Directors

Details of the emoluments paid by the Group to the directors of the Company for the period are as follows:

13. 董事及僱員酬金
董事

本集團於期內支付本公司董事的酬金詳情如下：

		Fees	Salaries and allowances	Retirement benefit contributions	Total
		袍金	薪金及津貼	退休福利計劃供款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Six months ended 30 June 2010:	截至二零一零年六月三十日止六個月：				
Executive directors:	執行董事：				
Mr. Fang Ankong ("Mr. Fang")	方安空先生(「方先生」)	-	137	2	139
Mr. Stephanus Maria van Ooijen ("Mr. van Ooijen")	Stephanus Maria van Ooijen 先生(「van Ooijen先生」)	-	-	-	-
Mr. Gu Liyong	顧李勇先生	-	82	1	83
Non-executive directors:	非執行董事：				
Mr. Li Xikui (note)	李錫奎先生(附註)	-	-	-	-
Dr. Loke Yu (note)	陸海林博士(附註)	-	-	-	-
Mr. Ralph Sytze Ybema	Ralph Sytze Ybema先生	-	-	-	-
Ms. Zhang Jingdong (note)	章敬東女士(附註)	-	-	-	-
		-	219	3	222
Six months ended 30 June 2009 (unaudited):	截至二零零九年六月三十日止六個月(未經審核)：				
Executive directors:	執行董事：				
Mr. Fang	方先生	-	66	2	68
Mr. van Ooijen	van Ooijen先生	-	-	-	-
Mr. Gu Liyong	顧李勇先生	-	48	1	49
Non-executive director:	非執行董事：				
Mr. Ralph Sytze Ybema	Ralph Sytze Ybema先生	-	-	-	-
		-	114	3	117

note: The directors were independent non-executive directors and appointed on 23 June 2010.

附註：該等董事為獨立非執行董事及於二零一零年六月二十三日獲委任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)****Employees**

Of the five highest paid individuals of the Group, one (six months ended 30 June 2009 (unaudited): two) was director, whose emoluments are included in the disclosures above. The emoluments of the remaining four (six months ended 30 June 2009 (unaudited): three) individuals were as follows:

Salaries and other allowances	薪金及其他津貼
Retirement benefit scheme contributions	退休福利計劃供款

13. 董事及僱員酬金(續)**僱員**

於本集團五名最高薪酬人士當中，其中一名(截至二零零九年六月三十日止六個月(未經審核))：兩名)為董事，其酬金已載於上文的披露。餘下四名(截至二零零九年六月三十日止六個月：(未經審核))：三名)個人的酬金如下：

Six months ended 30 June
截至六月三十日止六個月

2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
1,015	409
23	20
1,038	429

The emoluments for each of the five highest paid individuals were below HK\$1,000,000.

五名最高薪人士酬金均低於1,000,000港元。

During the period, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments during the period.

期內，本集團並無向任何董事或五名最高薪人士支付酬金，作為吸引彼等加入本集團或於加入本集團時的獎勵或離職補償。期內概無董事放棄任何酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**14. INCOME TAX EXPENSE****14. 所得稅開支**

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Current tax:	即期稅項：		
Hong Kong	香港	3,941	1,199
PRC Enterprises Income Tax	中國企業所得稅	56,875	–
		60,816	1,199
Underprovision in prior periods:	於過往期間撥備不足：		
PRC Enterprises Income Tax	中國企業所得稅	1	–
Deferred tax (Note 28)	遞延稅項(附註28)	7,555	78,941
		68,372	80,140

PRC

The Group's PRC subsidiaries were subject to PRC Enterprises Income Tax at the rate of 25% for the six months ended 30 June 2010 (six months ended 30 June 2009 (unaudited): 25%).

中國

截至二零一零年六月三十日止六個月，本集團的中國附屬公司須按25%的稅率(截至二零零九年六月三十日止六個月(未經審核)：25%)繳納中國企業所得稅。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



14. INCOME TAX EXPENSE (continued)
Hong Kong

All the Hong Kong subsidiaries are subject to Hong Kong Profits Tax at the rate of 16.5% on their respective estimated assessable profits.

The income tax expense for the period can be reconciled to the profit before tax per the consolidated statement of comprehensive income as follows:

14. 所得稅開支(續)
香港

所有香港附屬公司均須就各自估計應課稅溢利按16.5%的稅率繳納香港利得稅。

期內所得稅開支可與綜合全面收益表內除稅前溢利對賬如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Profit before tax	除稅前溢利	225,261	292,649
Tax at applicable tax rates (note)	按適用稅率計算之稅項(附註)	56,652	72,657
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅項影響	4,920	1,041
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅項影響	(98)	(53)
Deferred tax provided on dividends withholding tax on PRC subsidiaries	中國附屬公司股息預扣稅之遞延稅項	6,897	6,495
Underprovision in prior periods	過往期間撥備不足	1	-
Income tax expense for the period	期內所得稅開支	68,372	80,140

note: As the Group operates in different tax jurisdictions, separate reconciliations using the domestic tax rate in each individual tax jurisdiction have been aggregated and presented.

附註：由於本集團於不同稅務司法權區經營，按各稅務司法權區地方稅率計算的獨立對賬已合併呈列。

There was no significant unprovided deferred tax at the end of each reporting period.

於呈報期結算日，並無重大未撥備遞延稅項。

15. DIVIDENDS

No dividend was paid or proposed during the six months ended 30 June 2010 (six months ended 30 June 2009 (unaudited): Nil), nor has any dividend been proposed since the end of the reporting period (31 December 2009: Nil).

15. 股息

截至二零一零年六月三十日止六個月概無派付或建議股息(截至二零零九年六月三十日止六個月(未經審核):無)，而自呈報期結算日起亦無建議任何股息(二零零九年十二月三十一日:無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**16. EARNINGS PER SHARE**

The calculation of the basic earnings per share is based on the following data:

16. 每股盈利

每股基本盈利乃按以下數據計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Profit for the period for the purpose of basic earnings per share	計算每股基本盈利的期內溢利	156,889	212,509
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的普通股加權平均數目	750,000,000	750,000,000

The weighted average number of ordinary shares used in the calculation of basic earnings per share for the period has been adjusted for the 749,999,900 shares issued pursuant to the capitalisation issue in July 2010 (see Note 36(b)), which was assumed to occur at 1 January 2009.

計算期內每股基本盈利的普通股加權平均數目已就於二零一零年七月根據資本化發行而發行749,999,900股股份(參閱附註36(b))作出調整。資本化發行假設已於二零零九年一月一日進行。

No diluted earnings per share are presented as there were no potential ordinary shares in issue.

由於並無潛在已發行普通股，故並無呈列每股攤薄盈利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、機器及設備

		Land and buildings 土地及 樓宇	Plant and machinery 廠房及 機器	Office furniture and equipment 辦公傢俱 及設備	Motor vehicles 汽車	Leasehold improve- ments 租賃改善	Construction in progress 在建工程	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST	成本							
At 1 January 2009	二零零九年一月一日	77,353	28,777	4,828	2,371	-	47,532	160,861
Exchange realignment	匯兌調整	60	40	3	2	-	(2)	103
Additions	添置	-	1,787	478	101	-	8,361	10,727
Transfers	轉讓	18,400	21,192	-	-	-	(39,592)	-
Disposals	出售	-	(77)	(93)	-	-	-	(170)
At 31 December 2009	二零零九年十二月三十一日	95,813	51,719	5,216	2,474	-	16,299	171,521
Exchange realignment	匯兌調整	691	425	23	(97)	6	140	1,188
Additions	添置	-	1,642	3,713	175	195	2,778	8,503
Acquired on acquisition of a subsidiary (Note 35)	收購一間附屬公司(附註35)	-	-	166	687	-	-	853
Transfers	轉讓	-	204	-	-	895	(1,099)	-
At 30 June 2010	二零一零年六月三十日	96,504	53,990	9,118	3,239	1,096	18,118	182,065
DEPRECIATION	折舊							
At 1 January 2009	二零零九年一月一日	16,760	8,584	1,349	1,899	-	-	28,592
Exchange realignment	匯兌調整	13	8	2	-	-	-	23
Provided for the year	年內撥備	3,675	2,926	934	107	-	-	7,642
Disposals	出售	-	(11)	(9)	-	-	-	(20)
At 31 December 2009	二零零九年十二月三十一日	20,448	11,507	2,276	2,006	-	-	36,237
Exchange realignment	匯兌調整	157	107	18	10	-	-	292
Provided for the year	年內撥備	2,290	2,588	525	127	60	-	5,590
At 30 June 2010	二零一零年六月三十日	22,895	14,202	2,819	2,143	60	-	42,119
CARRYING VALUE	賬面值							
At 30 June 2010	二零一零年六月三十日	73,609	39,788	6,299	1,096	1,036	18,118	139,946
At 31 December 2009	二零零九年十二月三十一日	75,365	40,212	2,940	468	-	16,299	135,284



17. PROPERTY, PLANT AND EQUIPMENT (continued)

At the end of the reporting period, certain owner-occupied leasehold property interests of HK\$6,834,000 (31 December 2009: HK\$7,069,000) are included in land and buildings, as in the opinion of the directors of the Company, allocations between the land and buildings elements could not be made reliably. The building is situated in Hong Kong and held under medium-term lease.

The property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives, after taking into account their residual value, as follows:

Land and buildings	20 years or the relevant lease term, whichever is shorter
Plant and machinery	9% – 18%
Office furniture and equipment	9% – 18%
Motor vehicles	9% – 18%
Leasehold improvement	18% or the relevant lease term, whichever is shorter

As at 30 June 2010, certain buildings with carrying amount of HK\$48,863,000 (31 December 2009: HK\$50,384,000) were pledged as security for bank borrowings granted to the Group.

17. 物業、機器及設備(續)

由於本公司董事認為無法可靠地分配土地及樓宇，於呈報期結算日，6,834,000港元(二零零九年十二月三十一日：7,069,000港元)的若干擁有人佔用租賃物業權益已計入土地及樓宇。樓宇位於香港，以中期租約持有。

物業、機器及設備(在建工程除外)經計及其剩餘價值後，按估計可用年期折舊如下：

土地及樓宇	20年或有關租期 (以較短者為準)
廠房及機器	9%至18%
辦公傢俱及設備	9%至18%
汽車	9%至18%
租賃改善	18%或相關租期 (以較短者為準)

於二零一零年六月三十日，賬面值為48,863,000港元(二零零九年十二月三十一日：50,384,000港元)的若干樓宇抵押作為授予本集團銀行借貸的擔保。

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18. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise leasehold lands situated in the PRC held under medium term leases and are analysed for reporting purposes as follows:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Current asset	流動資產	865	858
Non-current asset	非流動資產	35,817	35,962
		36,682	36,820

As at 30 June 2010, prepaid lease payments with carrying amount of HK\$36,682,000 (31 December 2009: HK\$36,820,000) were pledged as security for bank borrowings granted to the Group.

18. 預付租金

本集團的預付租金涉及位於中國以中期租約持有之租賃土地，為呈報而分析如下：

於二零一零年六月三十日，賬面值為36,682,000港元(二零零九年十二月三十一日：36,820,000港元)的預付租金抵押作為授予本集團銀行借貸的擔保。

19. INVENTORIES

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Raw materials	原料	1,194,296	892,824
Finished goods	製成品	486,059	274,613
		1,680,355	1,167,437

19. 存貨



20. TRADE AND OTHER RECEIVABLES

The Group generally allows its trade customers a credit period of 30 to 90 days. A longer credit period may be granted to trade customers with good credit quality upon the approval of management. An aged analysis of the Group's trade receivables at the end of the reporting period, net of allowance for doubtful debts and based on the invoice date, are as follows:

20. 貿易及其他應收款項

本集團一般給予貿易客戶30至90日的信貸期。在獲得管理層批准後，本集團可向信貸紀錄良好的貿易客戶授出更長的信貸期。於呈報期結算日，本集團貿易應收款項扣除呆賬撥備後的賬齡分析按發票日期呈列如下：

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Trade receivables:	貿易應收款項：		
0 – 30 days	0至30日	34,689	45,805
31 – 60 days	31至60日	1,285	13,248
61 – 90 days	61至90日	64	1,161
91 – 180 days	91至180日	1,542	5,104
Over 180 days	超過180日	642	564
		38,222	65,882
Other receivables:	其他應收款項：		
Deposits and prepayments	按金及預付款項	38,675	51,852
Deposits paid for purchase of raw materials	購買原料之已付按金	117,528	51,774
Rental receivable	應收租金	–	2,123
VAT recoverable	可退回增值稅	38,058	15,413
Others	其他	5,731	1,782
		199,992	122,944
		238,214	188,826

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits to customers are reviewed regularly. With reference to the track records of these customers, the directors of the Company consider all trade receivables at the end of the reporting period are of good credit quality.

接受新客戶前，本集團會評估潛在客戶的信貸質素，釐定客戶的信貸額。客戶的信貸額會定期檢討。經參考客戶的營業紀錄，本公司董事認為呈報期結算日的所有貿易應收款項的信貸質素均良好。

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**20. TRADE AND OTHER RECEIVABLES (continued)**

Included in the trade receivable balance are the following past due debts for which no impairment loss has been provided:

Aging analysis of trade receivables which are past due but not impaired

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
31 – 60 days	31至60日	107	1,463
61 – 90 days	61至90日	64	142
91 – 180 days	91至180日	1,542	660
Over 180 days	超過180日	642	53
		2,355	2,318

The Group did not hold any collateral against the above amounts. However, management believes that these amounts are still recoverable because there has not been an adverse change in the relevant entities' credit quality.

Movement in the allowance for doubtful debts

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Balance at beginning of the period/year	期/年初結餘	554	553
Impairment losses recognised on trade and other receivables	貿易及其他應收款項確認的減值虧損	203	247
Amounts written off as uncollectible	撇銷為不可收回的款項	(758)	(247)
Foreign exchange difference	匯兌差額	1	1
Balance at end of the period/year	期/年終結餘	–	554

20. 貿易及其他應收款項(續)

貿易應收結餘包括下列並無減值虧損撥備的逾期債務：

已過期但未減值的貿易應收款項賬齡分析

本集團並無持有上述款項之任何抵押。然而，管理層認為鑑於有關實體的信貸質素並無轉壞，故該等款項仍可收回。

呆賬撥備的變動

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20. TRADE AND OTHER RECEIVABLES (continued)
Movement in the allowance for doubtful debts (continued)

Trade and other receivables that were denominated in currencies other than the functional currency of the relevant group entities are as follows:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
USD	美元	-	31,598
EUR	歐元	606	77

20. 貿易及其他應收款項(續)
呆賬撥備的變動(續)

以有關集團公司功能貨幣以外的貨幣計值的貿易及其他應收款項如下：

21. BILLS RECEIVABLES

An aged analysis of the Group's bills receivables at the end of the reporting period, based on their invoice dates, are as follows:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
0 – 30 days	0至30日	3,543	1,365
31 – 60 days	31至60日	344	-
61 – 90 days	61至90日	-	-
91 – 180 days	91至180日	860	-
Over 180 days	超過180日	115	-
		4,862	1,365

21. 應收票據

於呈報期結算日，本集團的應收票據賬齡分析按發票日期呈報如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



22. AMOUNTS DUE FROM (TO) RELATED PARTIES

22. 應收(應付)關連方款項

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Amounts due from related parties Non-trade nature (note v)	應收關連方款項 非貿易性質(附註v)		
New Asset Holdings Limited ("New Asset") (note i)	New Asset Holdings Limited (「New Asset」)(附註i)	471	371
Green Elite Limited ("Green Elite") (note iii)	Green Elite Limited(「Green Elite」) (附註iii)	17	-
		488	371
Amounts due to related parties Non-trade nature (note vi)	應付關連方款項 非貿易性質(附註vi)		
Delco Asia Company Limited ("Delco Asia") (note iv)	Delco Asia Company Limited (「Delco Asia」)(附註iv)		
- interest bearing at 3 months London Interbank Offered Rate+1% per annum	- 按3個月倫敦銀行同業拆息加1% 的年利率計算的利息	(138,257)	(138,376)
- non-interest bearing	- 免息	(32,431)	(29,156)
Mr. Fang, his close members of the family and entities controlled by him (note ii)	方先生、其近親家族成員及其所控制 的公司(附註ii)		
- interest bearing at 2.52% per annum	- 按年利率2.52%計算的利息	(61,188)	-
- non-interest bearing	- 免息	(144,130)	(149,381)
		(376,006)	(316,913)
Analysed as:	分析如下：		
Current liabilities	流動負債	(376,006)	(93,205)
Non-current liabilities	非流動負債	-	(223,708)
		(376,006)	(316,913)



22. AMOUNTS DUE FROM (TO) RELATED PARTIES (continued)

The amounts due to related parties that are denominated in currency other than the functional currency of the relevant group entities are as follows:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
USD	美元	124,948	138,455

notes:

- (i) New Asset has a non-controlling beneficial interest in the Company.
- (ii) Mr. Fang is a director and a non-controlling beneficial shareholder of the Company.
- (iii) Green Elite has a non-controlling beneficial interest in the Company.
- (iv) Mr. van Ooijen, a director of the Company, was a director and a shareholder of Delco Asia during the period/year.
- (v) The balances at the end of the reporting period were the maximum amount outstanding during the period. The balances represent expenses paid by the Company on behalf of related parties. All non-trade balances are repayable on demand.
- (vi) These represent advances to finance the Group's operations. All the balances were unsecured. Other than an aggregate amount of HK\$223,708,000 at 31 December 2009 which was repayable after one year, all non-trade balances are repayable on demand.

22. 應收(應付)關連方款項(續)

以有關集團公司功能貨幣以外的貨幣計值的應付關連方款項如下：

附註：

- (i) New Asset擁有本公司的非控股實益權益。
- (ii) 方先生為本公司的董事兼非控股實益股東。
- (iii) Green Elite擁有本公司的非控股實益權益。
- (iv) 於期/年內，本公司董事van Ooijen先生為Delco Asia的董事及股東。
- (v) 於呈報期結算日的結餘為期內最高結欠金額。結餘指本公司代表關連方支付的開支。所有非貿易結餘亦須按 requirement 償還。
- (vi) 該等金額代表為本集團營運提供資金的墊款。所有結餘均為無抵押。除於二零零九年十二月三十一日總金額為223,708,000港元的款項於一年後償還外，所有非貿易結餘均按 requirement 償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



23. DERIVATIVE FINANCIAL INSTRUMENTS

23. 衍生金融工具

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Derivative financial asset	衍生金融資產		
Aluminium future contracts (note i)	鋁期貨合約(附註i)	-	1,072
Derivative financial liabilities	衍生金融負債		
Copper and aluminium future contracts (note i)	銅鋁期貨合約(附註i)	2,632	-
Foreign currency forward contracts (note ii)	遠期外匯合約(附註ii)	99	1,603
		2,731	1,603

notes:

(i) Copper and aluminium future contracts (net settlement)

During the period, the Group entered into copper and aluminium future contracts in order to manage its inventory level and its exposure to the price risk of copper and aluminium. These contracts were actively traded in an active market and were measured at fair values based on unadjusted quoted price at the end of the reporting period, with gain or loss recognised directly in the consolidated statement of comprehensive income.

Major terms of the outstanding copper and aluminium future contracts at the end of the reporting period are set out below:

30 June 2010

Contract price	合約價格	Standard trading unit 標準買賣單位	Unit bought 已購買單位	Maturity 到期日
Aluminium future contracts: Buy at prices, ranged from RMB14,120 to RMB15,455 per tonne	鋁期貨合約： 按介乎每噸人民幣14,120元至人民幣15,455元的價格購買	5 tonnes 5噸	280	From 15 July 2010 to 16 August 2010 自二零一零年七月十五日至二零一零年八月十六日
Copper future contracts: Buy at prices, ranged from RMB52,970 to RMB55,388 per tonne	銅期貨合約： 按介乎每噸人民幣52,970元至人民幣55,388元的價格購買	5 tonnes 5噸	80	From 15 July 2010 to 15 September 2010 自二零一零年七月十五日至二零一零年九月十五日

附註：

(i) 銅鋁期貨合約(淨結算)

期內，本集團訂立銅鋁期貨合約，以管理銅鋁存貨水平及應對銅鋁價風險。於呈報期結算日，該等合約於活躍市場上成交活躍且基於未經調整報價以公平值計量，相關損益直接於綜合全面收益表確認。

於各呈報期結算日，未到期銅鋁期貨合約的主要條款如下：

二零一零年六月三十日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



23. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes:

- (i) Copper and aluminium future contracts (net settlement) (continued)

31 December 2009

Contract price	合約價格	Standard trading unit 標準買賣單位	Unit bought 已購買單位	Maturity 到期日
Aluminium future contracts: Buy at prices, ranged from RMB16,098 to RMB16,396 per tonne	鋁期貨合約： 按介乎每噸人民幣16,098元至 人民幣16,396元的價格 購買	5 tonnes 5噸	300	From 15 January 2010 to 15 March 2010 自二零一零年一月十五日至 二零一零年三月十五日

- (ii) Foreign currency forward contracts (gross settlement)

During the period, the Group entered into foreign currency forward contracts in order to minimise its exposure to the foreign currency risk. These contracts were measured at fair value using quoted forward exchange rates at the end of the reporting period, with gain or loss recognised directly in the consolidated statement of comprehensive income.

Major terms of the foreign currency forward contracts are as follows:

30 June 2010

Notional amount 名義金額	Forward contract rates 遠期合約成交率	Maturity 到期日
11 contracts to buy USD18,417,000 in total 十一份購入共18,417,000 美元的合約	USD1: RMB6.7423 to RMB6.8022 1美元：人民幣6.7423元 至人民幣6.8022元	From 21 October 2010 to 18 November 2010 自二零一零年十月二十一日 至二零一零年十一月十八日

31 December 2009

Notional amount 名義金額	Forward contract rates 遠期合約成交率	Maturity 到期日
13 contracts to buy USD20,537,000 in total 十三份購入共20,537,000 美元的合約	USD1: RMB6.7423 to RMB6.8505 1美元：人民幣6.7423元 至人民幣6.8505元	From 12 April 2010 to 18 November 2010 自二零一零年四月十二日 至二零一零年十一月十八日

23. 衍生金融工具(續)

附註：

- (i) 銅鋁期貨合約(淨結算)(續)

二零零九年十二月三十一日

- (ii) 遠期外匯合約(總結算)

於期內，本集團訂立遠期外匯合約以減低外匯風險。該等合約以呈報期結算日的遠期報價匯率按公平值計量，損益均直接於綜合全面收益表確認。

遠期外匯合約主要條款如下：

二零一零年六月三十日

二零零九年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**23. DERIVATIVE FINANCIAL INSTRUMENTS (continued)**

Derivative financial instruments that are denominated in currency other than the functional currency of the relevant group entities are as follows:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
USD	美元	99	1,603

23. 衍生金融工具(續)

以相關集團實體的功能貨幣以外的貨幣計算的衍生金融工具如下：

24. PLEDGED BANK DEPOSITS/RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH**Pledged bank deposits**

Pledged bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group. Deposits amounting to HK\$266,236,000 (31 December 2009: HK\$241,440,000) have been pledged to secure short-term bank borrowings and are therefore classified as current assets. The pledged bank deposits carry fixed interest rates as follows:

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
Interest rate per annum	年利率	1.71%至2.25%	1.98%至2.25%

Restricted bank deposits

These represent deposits placed with the financial institutions to secure the margin accounts of the Group for trading copper and aluminium futures in the relevant financial institutions. The restricted bank deposits are interest-free.

24. 已抵押銀行存款／受限制銀行存款／銀行結餘及現金**已抵押銀行存款**

已抵押銀行存款指向銀行抵押以為向本集團授出的銀行融資作出擔保的存款。266,236,000港元(二零零九年十二月三十一日：241,440,000港元)的存款已抵押作短期銀行借款的擔保，因此被分類為流動資產。已抵押銀行存款按以下定息計算：

受限制銀行存款

該等存款指本集團為取得金融機構有關買賣銅鋁期貨的保證賬戶而存於相關金融機構的存款。受限制銀行存款免息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



24. PLEDGED BANK DEPOSITS/RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH (continued)

Bank balances and cash

These represent cash and short-term bank deposits with an original maturity of three months or less. The bank balances carry interest rates as follows:

24. 已抵押銀行存款／受限制銀行存款／銀行結餘及現金(續)

銀行結餘及現金

該等款項包括現金及原到期日為三個月或以下的短期銀行存款。銀行結餘利率如下：

		At 30 June 2010 and 31 December 2009 於二零一零年 六月三十日及 二零零九年 十二月三十一日
Interest rate per annum	年利率	0.36%至1.15%

Pledged bank deposits, restricted bank deposits and bank balances and cash held in the PRC with an aggregate amount of HK\$308,721,000 (31 December 2009: HK\$279,184,000), were denominated in RMB and were subject to foreign exchange control.

在中國持有的已抵押銀行存款、受限制銀行存款與銀行結餘及現金總額為308,721,000港元(二零零九年十二月三十一日：279,184,000港元)，全部以人民幣計值並受外匯管制。

Pledged bank deposits, restricted bank deposits and bank balances and cash that are denominated in currencies other than the functional currency of the relevant group entities are as follows:

以有關集團公司功能貨幣以外貨幣計值的已抵押銀行存款、受限制銀行存款與銀行結餘及現金如下：

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
USD	美元	42,925	36,696
EUR	歐元	83,082	358

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**25. TRADE AND OTHER PAYABLES**

The average credit period for trade purchases is 30 to 60 days.

The following is an aged analysis of the Group's trade payables, presented based on the invoice date at the end of the reporting period:

25. 貿易及其他應付款項

貿易購買的平均信貸期為30至60日。

以下為本集團貿易應付款項於呈報期結算日的賬齡分析按發票日期呈列如下：

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Trade payables:	貿易應付款項：		
0 – 30 days	0至30日	69,618	64,630
31 – 60 days	31至60日	3,830	18,519
61 – 90 days	61至90日	1,245	8,780
91 – 180 days	91至180日	1,539	8,020
Over 180 days	超過180日	179	1,679
		76,411	101,628
Other payables:	其他應付款項：		
Other payables and accruals	其他應付款項及應計費用	55,047	23,512
Interest payable	應付利息	4,957	918
Receipts in advance from customers	預收客戶款項	73,953	10,547
		133,957	34,977
		210,368	136,605

Trade and other payables that are denominated in currencies other than the functional currency of the relevant group entities are as follows:

以有關集團公司功能貨幣以外貨幣計值的貿易及其他應付款項如下：

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
USD	美元	–	90,613
EUR	歐元	41,577	1,241

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綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**26. BILLS PAYABLES**

An aged analysis of the Group's bills payables at the end of the reporting period is as follows:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
0 – 30 days	0至30日	54,382	8,510
31 – 60 days	31至60日	–	–
61 – 90 days	61至90日	37,642	22,752
91 – 180 days	91至180日	38,457	82,864
		130,481	114,126

Bills payables that are denominated in currency other than the functional currency of the relevant group entities are as follows:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
USD	美元	38,745	23,118

26. 應付票據

本集團應付票據於各呈報期結算日的賬齡分析如下：

以有關集團公司功能貨幣以外貨幣計值的應付票據如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**27. BANK BORROWINGS****27. 銀行借貸**

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Fixed-rate borrowings:	定息借貸：		
Secured bank loans	有抵押銀行貸款	566,056	497,012
Unsecured bank loans	無抵押銀行貸款	541,336	125,590
Variable-rate borrowings:	浮息借貸：		
Secured bank loans	有抵押銀行貸款	-	160,639
Unsecured bank overdrafts	無抵押銀行透支	71,679	15,805
		1,179,071	799,046

The Group's variable-rate borrowings are mainly subject to interest at London Interbank Offered Rate plus a spread of 3.45%.

本集團的浮息借貸主要按倫敦銀行同業拆息加3.45%計息。

The effective interest rates of the borrowings are as follows:

借貸的實際利率如下：

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Effective interest rate per annum:	實際年利率：		
Fixed-rate borrowings	定息借貸	1.36%至8.75%	1.29%至5.31%
Variable-rate borrowings	浮息借貸	3.81%	1.62%至1.82%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**27. BANK BORROWINGS (continued)**

The Group's borrowings that are denominated in currency other than the functional currency of the relevant group entities are as follows:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
USD	美元	1,009,236	693,371

27. 銀行借貸(續)

以有關集團公司功能貨幣以外貨幣計值的本集團借貸如下：

28. DEFERRED TAX

The deferred tax (assets) liabilities recognised by the Group and movements thereon during the year/period are as follows:

		Inventories provision 存貨撥備 千港元 HK\$'000	Change in fair value of derivative instruments 衍生工具 公平值變動 千港元 HK\$'000	Undistributed profits of subsidiaries 附屬公司的 未分配溢利 千港元 HK\$'000	Total 總計 千港元 HK\$'000
At 1 January 2009	二零零九年一月一日	(76,545)	(5,000)	-	(81,545)
Charge to profit or loss for the year	年內計入損益	76,545	5,000	21,218	102,763
At 31 December 2009	二零零九年十二月三十一日	-	-	21,218	21,218
Charge to profit or loss for the period	期內計入損益	-	658	6,897	7,555
At 30 June 2010	二零一零年六月三十日	-	658	28,115	28,773

28. 遞延稅項

本集團確認的遞延稅項(資產)負債及其於年/期內的變動如下：

Under the Enterprise Income Tax Law of the PRC, 5% withholding income tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards for investors incorporated in Hong Kong. The aggregate amount of temporary differences associated with undistributed earnings of PRC subsidiaries for which deferred tax liabilities have been recognised in the consolidated financial statements was HK\$562,304,000 (31 December 2009: HK\$424,360,000).

根據中國企業所得稅法，就於香港註冊成立的投資者而言，須就以自二零零八年一月一日起由中國附屬公司賺取的溢利宣派的股息繳納5%的預扣所得稅。就其於綜合財務報表確認遞延稅項負債的與中國附屬公司的未分派盈利相關的暫時性差額總額為562,304,000港元(二零零九年十二月三十一日：424,360,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**29. SHARE CAPITAL****29. 股本**

		Number of shares 股份數目	Amounts 金額 HK\$ 港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 each at 1 January 2009 and 31 December 2009	於二零零九年一月一日及 二零零九年十二月三十一日 每股面值0.01港元的普通股	5,000,000	50,000
Increase on 23 June 2010	於二零一零年六月二十三日增加	4,995,000,000	49,950,000
At 30 June 2010	於二零一零年六月三十日	5,000,000,000	50,000,000
Issued and fully paid:	已發行並繳足：		
Ordinary shares of HK\$0.01 each at 1 January 2009, 31 December 2009 and 30 June 2010	於二零零九年一月一日、 二零零九年十二月三十一日及 二零一零年六月三十日 每股面值0.01港元的普通股	100	1
			HK\$'000 千港元
Shown in the consolidated financial statements at 30 June 2010 and 31 December 2009	於二零一零年六月三十日及 二零零九年十二月三十一日 綜合財務報表所示		-

30. PLEDGE OF ASSETS

At the end of the reporting period, the Group had pledged the following assets to banks to secure the general banking facilities granted to the Group:

30. 資產抵押

於呈報期結算日，本集團已向銀行抵押以下資產，以擔保授予本集團之一般銀行信貸：

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Buildings (Note 17)	樓宇(附註17)	48,863	50,384
Prepaid lease payments (Note 18)	預付租金(附註18)	36,682	36,820
Bank deposits (Note 24)	銀行存款(附註24)	266,236	241,440
		351,781	328,644



31. CAPITAL COMMITMENTS

31. 資本承擔

	At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Capital expenditure contracted for but not provided in the consolidated financial statement in respect of acquisition of property, plant and equipment	2,386	4,776

就收購物業、機器及設備已訂約但未於綜合財務報表中撥備的資本開支

32. RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all its qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect of MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of their basic payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

32. 退休福利計劃

本集團根據強制性公積金計劃(「強積金計劃」)條例為香港所有合資格僱員設立強制性公積金。強積金計劃之資產透過一名獨立受託人控制之基金與本集團所持資產分開持有。根據強積金計劃的規定，僱主及其僱員分別須按規定訂明的比率向計劃供款。本集團對強積金計劃之唯一責任為根據該計劃作出所需供款。並無已沒收供款可用作扣減日後應付供款。

於中國受僱之僱員須參與中國政府所運作之國家管理退休福利計劃。中國附屬公司須按僱員基本薪酬的若干百分比向該退休福利計劃供款，為該等福利提供資金。本集團對退休福利計劃之唯一責任為根據計劃作出所需供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月

**33. RELATED PARTY DISCLOSURES****(l) Transactions**

During the reporting period, the Group had the following transactions with related parties:

33. 關連方披露**(l) 交易**

於呈報期，本集團與關連方有以下交易：

Name of related party 關連方名稱	Nature of transaction 交易性質	Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Delco Asia Delco Asia	Interest expense 利息開支	951	1,528
Mr. Fang and/or his close members of the family and entities controlled by him 方先生及／或其近親家族成員及 其控制的公司	Interest expense 利息開支	614	1,017
Delco Europe B.V. ("Delco Europe") (note i) Delco Europe B.V. (「Delco Europe」) (附註i)	Purchasing support service fee expense 採購支援服務費用開支	—	2,086
H.P.L. Metals B.V. ("HPL") and SVO Company B.V. ("SVO") H.P.L. Metals B.V. (「HPL」)及 SVO Company B.V. (「SVO」)	Acquisition of Delco Europe (note ii) 收購Delco Europe (附註ii)	1	—

notes:

- (i) Delco Europe became a subsidiary of the Company on 1 January 2010. Further details are set out in Note 35.
- (ii) On 1 January 2010, the Group acquired 100% equity interest in Delco Europe from HPL and SVO, the holding companies of a shareholder of the Company, for a consideration of EUR100 in cash which was equivalent to its net asset value at that date.

附註：

- (i) Delco Europe於二零一零年一月一日成為本公司的附屬公司，詳情載於附註35。
- (ii) 於二零一零年一月一日，本集團向本公司一名股東的控股公司HPL及SVO收購Delco Europe全部股權，代價為100歐元現金(相當於Delco Europe於該日的資產淨值)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



33. RELATED PARTY DISCLOSURES (continued)

(II) Balances

Details of balances with related parties are set out in Note 22.

(III) Compensation of key management personnel

The directors of the Company and the five highest paid employees are identified as key management members of the Group, details of their compensation during the period are set out in Note 13.

(IV) Other disclosure

33. 關連方披露(續)

(II) 結餘

與關連方之結餘詳情載於附註22。

(III) 主要管理人員酬金

本公司董事及五名最高薪僱員視為本集團主要管理人員，彼等於期內的酬金詳情載於附註13。

(IV) 其他披露

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Personal guarantees provided by Mr. Fang and his close members of the family to the Group regarding banking facilities	方先生及其近親家族成員就銀行信貸向本集團提供的個人擔保	-	449,921
Amount of the above facilities utilised by the Group	本集團所用上述信貸額	-	259,285

34. OPERATING LEASES

The Group as lessee

34. 經營租賃

本集團作為承租人

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Unaudited) (未經審核)
Minimum lease payments paid under operating leases during the period:	期內根據經營租約支付的最低租金：		
Plant and machinery	廠房及機器	91	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
綜合財務報表附註(續)

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月



34. OPERATING LEASES (continued)

The Group as lessee (continued)

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

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Within one year	一年內	321	227
In the second to fifth years inclusive	二至五年(包括首尾兩年)	1,191	1,364
		1,512	1,591

Operating lease payments represent rentals payable by the Group for certain of its plant and machinery. Leases are negotiated for an average term of five years with fixed rentals.

The Group as lessor

Rental income of subleasing a leasehold land in the PRC on a temporary basis during the six months ended 30 June 2010 was HK\$1,064,000 (six months ended 30 June 2009 (unaudited): HK\$530,000). The sublease was negotiated for one year.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		At 30 June 2010 於二零一零年 六月三十日 HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 HK\$'000 千港元
Within one year	一年內	-	1,062

34. 經營租賃(續)

本集團作為承租人(續)

於各呈報期結算日，本集團根據不可撤銷經營租約將於下列時間到期的未來最低租金承擔如下：

經營租金指本集團應就若干廠房及機器支付的租金，租約經協商定為平均五年，租金固定。

本集團作為出租人

截至二零一零年六月三十日止六個月本集團於中國暫時分租租賃土地的租金收入為1,064,000港元(截至二零零九年六月三十日止六個月(未經審核)：530,000港元)，分租協定為一年。

於呈報期結算日，本集團與租戶約定以下未來最低租金：



35. ACQUISITION OF A SUBSIDIARY

On 1 January 2010 (the "Acquisition Date"), the Group acquired 100% equity interest in Delco Europe from HPL and SVO for consideration of EUR100 (equivalent to approximately HK\$1,000) in cash, which was Delco Europe's net asset value at the Acquisition Date. HPL and SVO are the holding companies of Delco Participation B.V., a shareholder of the Company. Since the Group obtained control over Delco Europe on the Acquisition Date, the Group accounted for the acquisition on that date using the purchase method of accounting.

The net assets acquired in the transaction are as follows:

35. 收購一間附屬公司

於二零一零年一月一日(「收購日期」)，本集團以現金代價100歐元(相等於約1,000港元)(相當於Delco Europe於收購日期的資產淨值)向HPL及SVO收購Delco Europe全部股權。HPL及SVO為本公司股東Delco Participation B.V.的控股股東。由於本集團於收購日期取得Delco Europe的控制權，本集團以購買會計法將該日的收購入賬。

於交易中收購的淨資產如下：

		Acquiree's carrying amount before combination and fair value 於合併前被收購方 的賬面值及公平值 HK\$'000 千港元
Net assets acquired:	已收購淨資產：	
Property, plant and equipment	物業、機器及設備	853
Other receivables	其他應收款項	1,177
Bank balances and cash	銀行結餘及現金	3,982
Other payables	其他應付款項	(1,006)
Amounts due to related parties	應付關連方金額	(707)
Bank borrowings	銀行借款	(3,416)
Tax payable	應付稅項	(882)
		1
Total consideration recognised as other payable	確認為其他應付款項的總代價	1
Net cash inflow arising on acquisition	收購產生的淨現金流入	
Cash consideration paid	已付現金代價	-
Bank balances and cash acquired	已收購銀行結餘及現金	3,982
		3,982

Delco Europe contributed approximately HK\$898,000 to the Group's profit for the period between the date of acquisition and the end of the reporting period.

自收購日期至呈報期結算日期間，Delco Europe為本集團的溢利貢獻約898,000港元。



36. EVENTS AFTER THE REPORTING PERIOD

- (a) On 12 July 2010, an amount of HK\$111,854,000 due to each of Mr. Fang and Delco Asia by subsidiaries of the Company was assigned to the Company. Upon the completion of the assignment, the Company capitalised the same amount as reserve.
- (b) Pursuant to the written resolution of the shareholders of the Company on 23 June 2010, 344,999,954, 344,999,954 and 59,999,992 shares were issued and allotted to HWH Holding Limited, Delco Participation B.V. and Green Elite, respectively (being a total of 749,999,900 shares) with effective from 12 July 2010, credited as fully paid up at par out of the reserve, such shares ranking pari passu in all respects with the then existing shares.
- (c) Pursuant to the written resolution of the shareholders of the Company on 23 June 2010, the Company has adopted a Pre-IPO Share Option Scheme, details of which have been set out in the paragraph headed "Pre-IPO Share Option Scheme" in the section headed "Statutory and General Information" in Appendix VI to the Prospectus. Subsequent to 30 June 2010, 12,140,000 options were granted under the Pre-IPO Share Option Scheme to subscribe shares in the Company. These options are exercisable over a period of three years commencing one year after the date of listing of the shares of the Company on the Stock Exchange. During the vesting period, the maximum percentages of options exercisable are 30%, 30% and 40% for the first, second and third year respectively. The directors of the Company are in the process of considering and quantifying the potential impact of the grant of share options.
- (d) On 12 July 2010, 250,000,000 shares of HK\$0.01 each of the Company were issued at HK\$2.43 by way of global offering. On the same date, the shares of the Company were listed on the Stock Exchange. The gross proceeds received from the global offering was approximately HK\$607,500,000.

36. 報告期後事項

- (a) 於二零一零年七月十二日，本公司附屬公司分別結欠方先生及Delco Asia的111,854,000港元已轉撥至本公司。於完成轉撥後，本公司將相同金額資本化為儲備。
- (b) 根據本公司股東於二零一零年六月二十三日通過的書面決議案，自該儲備分別向HWH Holding Limited、Delco Participation B.V.及Green Elite發行及配發344,999,954股、344,999,954股及59,999,992股按面值入賬列為繳足的股份(合共749,999,900股)，自二零一零年七月十二日生效，該等股份獲批准在各方面與當時現有股份享有同等權利。
- (c) 根據本公司股東於二零一零年六月二十三日通過的書面決議案，本公司採納首次公開發售前購股權計劃，詳情載列於招股章程附錄六「法定及一般資料」一節「首次公開發售前購股權計劃」一段。於二零一零年六月三十日後，根據首次公開發售前購股權計劃授出12,140,000份購股權以認購本公司的股份。該等購股權可於自本公司股份於聯交所上市日期後一年起計的三年期間行使。於歸屬期間，可行使購股權的最高百分比於第一、第二及第三年分別為30%、30%及40%。本公司董事正考慮及量化授出購股權的潛在影響。
- (d) 於二零一零年七月十二日透過全球發售方式按2.43港元的價格發行250,000,000股本公司每股面值0.01港元的股份。於同日，本公司的股份於聯交所上市。全球發售所得款項總額約為607,500,000港元。

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37. PARTICULARS OF SUBSIDIARIES OF THE COMPANY **37. 本公司附屬公司詳情**

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest held by the Group 本集團所持應佔股本權益		Principal activities 主要業務
			At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日	
Chiho-Tiande International Limited ("CT International") (note (i)) 齊合天地國際有限公司 (「齊合國際」)(附註(i))	British Virgin Islands 2 April 2008 英屬處女群島 二零零八年四月二日	US\$2 2美元	100%	100%	Investment holding 投資控股
Hefast Holding Corporation Limited	Hong Kong 20 December 2002 香港 二零零二年十二月二十日	HK\$100,000 100,000港元	100%	100%	Investment holding and purchasing agent of the Group 投資控股及本集團的採購 代理
Chiho-Tiande (HK) Limited 齊合天地(香港)有限公司	Hong Kong 12 May 2004 香港 二零零四年五月十二日	HK\$1 1港元	100%	100%	Purchasing agent of the Group and wholesales of metal scrap without processing 本集團的採購代理及未經 加工廢金屬批發
Chiho-Tiande Investments Limited 齊合天地投資有限公司	Hong Kong 16 July 2008 香港 二零零八年七月十六日	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
Chiho-Tiande (Hong Kong) Copper Industry Company Limited ("CT HK (Copper)") 齊合天地(香港)銅業有限公司 (「齊合香港銅業」)	Hong Kong 15 June 2009 香港 二零零九年六月十五日	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
Taizhou Chiho-Tiande Metals Company Limited (note (iii)) 台州齊合天地金屬有限公司 (附註(iii))	The PRC 24 December 1999 中國 一九九九年十二月二十四日	US\$22,682,000 22,682,000美元	100%	100%	Processing and sales of metal scrap, production and sales of metal products 加工及銷售廢鐵、生產及 銷售金屬產品

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
綜合財務報表附註(續)

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37. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued) **37. 本公司附屬公司詳情(續)**

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest held by the Group 本集團所持應佔股本權益		Principal activities 主要業務
			At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日	
Taizhou Chiho-Tiande Foundry Company Limited (note (iii)) 台州齊合天地鑄造有限公司 (附註(iii))	The PRC 8 December 2003 中國 二零零三年十二月八日	US\$7,500,000 7,500,000美元	100%	100%	Processing and sales of metal scrap, production and sales of metal products 加工及銷售廢鐵、生產及 銷售金屬產品
Chiho-Tiande (Ningbo) Metals Recycling Company Limited (note (iii)) 齊合天地(寧波)再生金屬 有限公司(附註(iii))	The PRC 28 September 2008 中國 二零零八年九月二十八日	US\$3,000,000 3,000,000美元	100%	100%	Processing and sales of metal scrap 加工及銷售廢鐵
Chiho-Tiande (Ningbo) Copper Industry Co., Limited ("CT Copper (Ningbo)") (notes (ii) and (iii)) 齊合天地(寧波)銅業有限公司 (「齊合銅業(寧波)」)(附註(ii)及(iii))	The PRC 5 August 2009 中國 二零零九年八月五日	Nil 零	N/A 不適用	100%	Trading of metal scrap 買賣廢鐵
Delco Europe (note (iv)) Delco Europe(附註(iv))	The Netherlands 18 January 1985 荷蘭 一九八五年一月十八日	EUR18,151 18,151歐元	100%	N/A 不適用	Purchasing agent of the Group 本集團的採購代理

notes:

- (i) The Company holds CT International directly and all other subsidiaries indirectly.
- (ii) CT Copper (Ningbo) was established on 5 August 2009 in the PRC as a wholly owned subsidiary of CT HK (Copper). CT Copper (Ningbo) was deregistered on 9 June 2010.
- (iii) These entities are wholly-foreign owned enterprise established in the PRC.
- (iv) On 1 January 2010, the Group acquired 100% equity interest in Delco Europe from HPL and SVO, the holding companies of a shareholder of the Company, for a consideration of EUR100 in cash which was equivalent to its net asset value at that date.

附註：

- (i) 本公司直接持有齊合國際及間接持有所有其他附屬公司。
- (ii) 齊合銅業(寧波)於二零零九年八月五日於中國成立為齊合香港銅業的全資附屬公司。齊合銅業(寧波)於二零一零年六月九日取消註冊。
- (iii) 該等實體為於中國成立的外商獨資企業。
- (iv) 於二零一零年一月一日，本集團以100歐元(相當於其於該日的資產淨值)現金代價向本公司控股公司HPL及SVO收購Delco Europe的全部股權。

This report is published in both English and Chinese languages. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.

本報告以中英文兩種語言印製，在兩種文體的說明上存在歧義時，以英文為準。

