



# 中國長遠控股有限公司 China Fortune Holdings Limited

(Incorporated in Bermuda with limited liability,  
carrying on business in Hong Kong as CFH Limited)

(於百慕達註冊成立之有限公司，以CFH Limited之名稱於香港進行業務)  
Stock Code 股份代號: 0110



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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### *Chairman and Executive Director*

Mr. Lau Siu Ying

#### *Executive Directors*

Mr. Luo Xi Zhi

Mr. Wang Yu

#### *Non-executive Director*

Mr. Fung Oi Ip, Alfonso

#### *Independent Non-executive Directors*

Mr. Chang Wing Seng, Victor

Mr. Wong Lit Chor, Alexis

Mr. Chen Yi Gang

### COMPANY SECRETARY

Mr. Lam Man Kit

### AUDIT COMMITTEE

Mr. Chang Wing Seng, Victor (*Committee Chairman*)

Mr. Wong Lit Chor, Alexis

Mr. Fung Oi Ip, Alfonso

### REGISTERED OFFICE

Clarendon House, 2 Church Street,  
Hamilton HM11, Bermuda.

### HONG KONG HEAD OFFICE

Room 1505-07, Tower A, Regent Centre,  
63 Wo Yi Hop Road, Kwai Chung,  
Hong Kong.

### CHINA HEAD OFFICE

Room 1901, 19/F.,  
BM Tower,  
218 Wu Song Road, Shanghai,  
PRC.

### 董事會

#### *主席兼執行董事*

劉小鷹先生

#### *執行董事*

羅習之先生

王愚先生

#### *非執行董事*

馮靄業先生

#### *獨立非執行董事*

鄭永勝先生

黃烈初先生

陳亦剛先生

### 公司秘書

林文傑先生

### 審核委員會

鄭永勝先生 (*委員會主席*)

黃烈初先生

馮靄業先生

### 註冊辦事處

Clarendon House, 2 Church Street,  
Hamilton HM11, Bermuda.

### 香港總辦事處

香港  
葵涌和宜合道63號  
麗晶中心A座1505-07室

### 中國總辦事處

中國  
上海吳淞路218號  
寶礦國際大廈19樓1901室

### SHANGHAI OFFICE

Room 328, Xin Mao Lou, 2 Tai Zhong Nan Lu,  
Waigaoqiao Free Trade Zone, Shanghai,  
PRC.

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Bank Bermuda Limited  
6 Front Street, Hamilton HM11,  
Bermuda.

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Abacus Limited  
26/F., Tesbury Centre,  
28 Queen's Road East, Wanchai,  
Hong Kong.

### AUDITOR

BDO Limited

### LEGAL ADVISOR

Conyers Dill & Pearman

### PRINCIPAL BANKER

China Merchants Bank

### CORPORATE WEBSITES

[www.fortunetele.com](http://www.fortunetele.com)  
[www.chinafortune.com](http://www.chinafortune.com)

### STOCK CODE

110

### 上海辦事處

中國  
上海外高橋保稅區  
台中南路2號新貿樓328室

### 主要股份登記及過戶處

HSBC Bank Bermuda Limited  
6 Front Street, Hamilton HM11,  
Bermuda.

### 股份登記及過戶處香港分處

卓佳雅柏勤有限公司  
香港  
灣仔皇后大道東28號  
金鐘匯中心26樓

### 核數師

香港立信德豪會計師事務所有限公司

### 法律顧問

Conyers Dill & Pearman

### 主要往來銀行

招商銀行

### 公司網站

[www.fortunetele.com](http://www.fortunetele.com)  
[www.chinafortune.com](http://www.chinafortune.com)

### 股份代號

110

# Corporate Profile

## 公司簡介

China Fortune Holdings Limited (“China Fortune” or the “Group”), formerly named Fortune Telecom Holdings Limited, mainly distributes mobile phones and digital products in the People’s Republic of China (the “PRC”). The Group was established in Hong Kong in 1992. It was first listed on the GEM Board of the Stock Exchange of Hong Kong Limited (Stock code: 8040) on 16th February, 2000, and then successfully shifted to the Main Board (Stock code: 110) on 26th January, 2004. The Group has a strong shareholder background and well operational and professional management team.

The Group is the sole Nokia fulfillment distributor for all Nokia Stores in the PRC. Besides, the Group owns a retail chain in Zhuhai, the PRC for selling mobile phones and telecommunication equipments.

In 2009, the Group acquired a Strontium mining site in the PRC, as its first step in entering the natural resource industry.

The corporate culture of the Group rests on the integration of the West and the East, modern and traditional management philosophy, with an aim to build up a “Continuous Learning Enterprise”. The corporate spirit of China Fortune focuses on “Human Enterprise”. Under the leadership of its aspiring and energetic management, China Fortune’s staff will team up and move towards the Group’s goal of ranking as one of the largest and best wireless communication and data products and services providers in the region.

中國長遠控股有限公司（「中國長遠」或「本集團」）（前稱長遠電信網絡集團有限公司）主要在中華人民共和國（「中國」）分銷移動電話和數碼產品。本集團於一九九二年在香港成立，首先於二零零零年二月十六日在香港聯合交易所有限公司創業板上市（股份代號：8040），及後於二零零四年一月二十六日成功轉至主板上市（股份代號：110）。本集團擁有強大之股東背景及盡職之專業管理團隊。

本集團為所有諾基亞專賣店之唯一諾基亞配送貨運分銷商。此外，本集團亦於中國珠海擁有一間零售連鎖店，銷售移動電話及電訊設備。

二零零九年，本集團收購了中國一家鋇礦場，作為其涉足天然資源行業之第一步。

揉合中西文化、兼收傳統及現代之管理哲學，乃本集團之企業文化，以達致「注重長遠，天天進步」之宗旨。「人為本，企業為家」乃中國長遠之企業精神。在有幹勁及魄力之管理層領導下，中國長遠全體員工定將團結一致，實踐本集團之目標，成為區內最大及最佳之無線通訊及數據產品服務供應商之一。

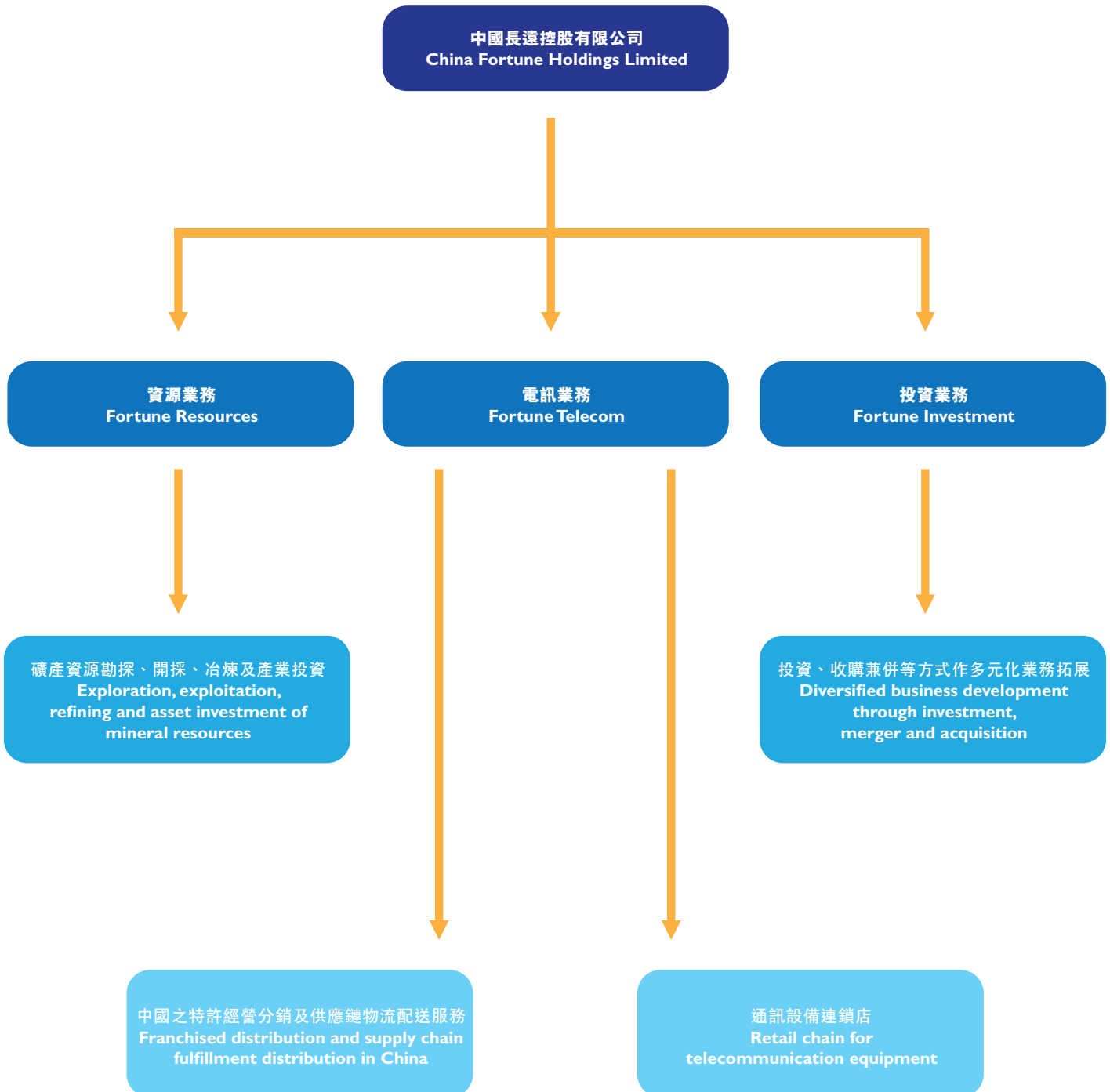
**Subsidiary:**  
**Mobile Phone Retail Chain**  
附屬公司：  
移動電話零售連鎖



**Major Business Partner:**  
主要業務夥伴：



# Business Structure 業務架構



# Corporate Milestones

## 企業里程碑

### 1992

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- 2.18** The former trading arm of the Group – Express Fortune Limited (“EFL”) was founded by Mr. Lau Siu Ying and his brothers in Hong Kong.  
劉小鷹先生及其兄弟於香港創立長遠有限公司（「長遠」）—本集團前身之貿易旗艦。

### 1992-94

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EFL became one of Nokia’s earliest authorised distributors in the PRC.  
長遠成為諾基亞最早中國指定代理商之一。

### 1997

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Commenced Fortune Telecom Group’s franchise retail business in the PRC.  
於中國開展長遠電信集團之專營權零售業務。

### 2000

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- 2.16** Listed on the GEM Board of the Hong Kong Stock Exchange (Stock code: 8040).  
於香港聯交所創業板上市（股份代號：8040）。

- 12** A US\$12 million syndicated loan was successfully arranged.  
成功安排一項12,000,000美元之銀團貸款。

### 2001

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- 7** Completed the acquisition of 51% shareholdings of Synergy Pacific (Holding) Limited (“Synergy Pacific”).  
完成收購長遠智揚（控股）有限公司（「長遠智揚」）之51%股權。

### 2002

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- 5** Fortune Shanghai was acknowledged by Shanghai Waigaoqiao Free Trade Zone Management Committee as one of the best enterprises for commodity sales.  
長遠上海獲上海外高橋保稅區管理委員會譽為商品銷售額績優企業之一。
- 9** A HK\$160 million syndicated loan was successfully arranged.  
成功安排一項160,000,000港元之銀團貸款。

### 2003

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- 3** The Group has achieved a record annual sale of 2.1 million sets of mobile phones and a record net profit over HK\$60 million.  
本集團創下年銷二百一十萬台移動電話和超過六千萬港元純利的紀錄。
- 6** For a consecutive year, Fortune Shanghai was again acknowledged by Shanghai Waigaoqiao Free Trade Zone Management Committee as one of the best enterprises for commodity sales.  
連續第二年，長遠上海再度獲上海外高橋保稅區管理委員會譽為商品銷售額績優企業之一。

## 2004

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- 1.26** Listed on the Main Board of the Hong Kong Stock Exchange (Stock code: 110).  
於香港聯交所主板上市（股份代號：110）。

## 2005

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- 9** A US\$16 million syndicated loan was successfully arranged.  
成功安排一項16,000,000美元之銀團貸款。
- 11** Fortune Shanghai increased its share capital from US\$6 million to US\$25 million.  
長遠上海將其股本由6,000,000美元增加至25,000,000美元。
- 12** Successfully completed the acquisition of 100% shareholdings of Synergy Technologies (Asia) Limited, and the disposal of 46% shareholdings of Synergy Pacific.  
成功完成收購Synergy Technologies (Asia) Limited之100%股權及出售長遠智揚之46%股權。

## 2006

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- 1** Newly obtained the nationwide distributorship of Samsung mobile phones.  
新取得三星移動電話之全國分銷權。
- 9** Successfully obtained the Fulfillment Distributorship for all Nokia Stores in the PRC.  
成功取得中國所有諾基亞專賣店之配送貨運分銷權。

## 2007

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- 2** Contracted to acquire 51% stake in Zhuhai Reminda Telecom Equipment Company Limited (珠海市雷鳴達通訊設備有限公司) and completed the acquisition in October 2007.  
訂約收購珠海市雷鳴達通訊設備有限公司之51%股權，並於二零零七年十月完成收購。
- 9** Formed a joint venture with TeleChoice International Limited for the Nokia fulfillment business.  
與TeleChoice International Limited成立一間合營公司，從事諾基亞配送貨運業務。
- 10.18** Name changed to China Fortune Holdings Limited.  
更名為中國長遠控股有限公司。

## 2009

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- 12.23** Completed the acquisition of 50.8% interest in Sifa Mining which has the right to conduct mining activities in a Celestite (Strontium), Zinc and Lead mining site situated in the Hubei Province, the PRC.  
成功收購有權於中國湖北省一個天青石（鋇）、鋅及鉛礦場進行採礦活動的鋇發礦業共50.8%股權。



# Chairman's Statement

## 主席報告書



**Lau Siu Ying**

劉小鷹

*Chairman and Chief Executive Officer*

主席兼首席執行官

Dear shareholders,

### REVIEW

After three years of consecutive losses, China Fortune has managed to achieve an improved performance in fulfillment distribution business with profit in Year 2010. The Group has acted as an exclusive fulfillment distributorship for Nokia among all Nokia Stores ("NS") in the People's Republic of China (the "PRC"), where is believed to be the country with the strength and potential in taking a lead in the future global economy.

On 11th February, 2011, Nokia and Microsoft announced their partnership plan to combine assets and develop innovative mobile products on an unprecedented scale. We believe this move of Nokia can further enhance its competitiveness in the industry.

In view of these, the Group is optimistic on the future performance of our fulfillment distribution business for NS and as our core business.

各位股東：

### 回顧

中國長遠過去連續三年錄得虧損，但隨著其配送貨運分銷業務表現得到改善，因此於二零一零年扭虧為盈。本集團是諾基亞在中華人民共和國（「中國」）所有諾基亞專賣店（「諾基亞專賣店」）的獨家配送貨運分銷商，而中國相信是最具實力及潛質成為未來全球經濟領航者的國家。

於二零一一年二月十一日，諾基亞及微軟宣佈其前所未有的大規模的合併資產與開發創新移動產品的合作計劃。我們相信諾基亞此舉可進一步提升其於行內的競爭力。

有見及此，本集團對於諾基亞專賣店所提供的配送貨運分銷業務的未來表現及以此作為我們的核心業務抱持樂觀態度。

## OPPORTUNITIES AND CHALLENGES

The world becomes even more and more challenging nowadays, so as the mobile phone industry in the PRC. The PRC is one of the strongest countries in terms of economic performance, and with its huge internal consumption and room for expansion. Though with keen competition, development potential is still enormous. The Group will continue to strengthen our existing relationship with the leading manufacturer to look for further cooperation opportunities.

With a view to diversify the business of the Group, the Group is actively looking for opportunities which will further enhance the shareholders' value.

## APPRECIATION

Finally, I wish to sincerely thank our employees and business partners for their continued dedication and commitment to the Group, and I would like to express my appreciation to our financial institutions, shareholders and investors for their continuing supports and trust towards the Group.

**Lau Siu Ying**

*Chairman and Chief Executive Officer*

Hong Kong, 30th March, 2011

## 機會與挑戰

現時，全球經濟和中國移動電話市場所面對的困難日益加劇。中國擁有龐大內部消費和增長空間，是世界經濟強國之一，即使競爭十分激烈，仍有巨大發展潛力。本集團會不斷加強與領先製造商的現有關係，爭取更多合作機會。

本集團正積極物色可進一步提升股東價值之商機，使業務更多元化發展。

## 致謝

最後，本人謹藉此機會，衷心感謝各僱員及業務夥伴一直對本集團傾力襄助，並謹此就各財務機構、股東及投資者對本集團之鼎力支持及信賴致謝。

**劉小鷹**

*主席兼首席執行官*

香港，二零一一年三月三十日

# Management Discussion and Analysis

## 管理層討論與分析

### REVIEW AND OUTLOOK

#### Financial Review

The Group made a net profit of HK\$15.6 million in this year, as compared with a net loss of HK\$172.4 million in last year, which was owing to a substantial impairment loss amount to HK\$184.3 million in respect of a goodwill arising from the acquisition of a mining company in the People's Republic of China ("PRC") ("Sifa Mining"). No such one-off impairment on goodwill was recognised in this year. If without concerning this one-off non-cash impairment loss in last year, the operational performance of the Group was slightly improved in 2010 as compared to 2009, which was mainly contributed by the fulfillment distribution business for Nokia Stores in the PRC which is the core business of the Group.

As part of the agreement to the acquisition of 50.8% interest of Sifa Mining as completed in 2009 (the "Acquisition"), Mr. Lau Siu Ying ("Mr. Lau"), the Chairman of the Company and the vendor of the Acquisition has undertaken to the Group that the audited profit before tax of Sifa Mining shall not be less than RMB72 million for the first twelve months following the completion date of the Acquisition (the "Profit Guarantee"). When Sifa Mining made a profit before tax of less than RMB72 million, the compensation for the shortfall of Profit Guarantee payable by Mr. Lau to the Group shall be equivalent to 50.8% of the shortfall amount of the audited profit before tax compared to RMB72 million, net of tax effect. This one-off compensation for shortfall payable by Mr. Lau to the Group shall be set off by the first tranche of the promissory notes issued to Mr. Lau as part of the consideration for the Acquisition.

The audited profit before tax of Sifa Mining for the period from 23rd December, 2009 to 22nd December, 2010 fell short of a sum of RMB71.7 million. Accordingly, the principal sum of the first tranche promissory notes was adjusted from HK\$40 million to HK\$8 million, which has been properly taken into account in the audited financial statement of the Group as at 31st December, 2010.

### 回顧及前景

#### 財務回顧

本集團年內純利為15,600,000港元，而上年度錄得淨虧損172,400,000港元，主要是由於完成收購一家中華人民共和國（「中國」）礦業公司（「鋸發礦業」）所產生的184,300,000港元重大商譽減值虧損所致。年內並無確認相關的一次性商譽減值。撇除去年的一次性非現金減值虧損，本集團於二零一零年之經營表現仍較二零零九年輕微改善，主要是受到本集團核心業務諾基亞專賣店在中國的配送貨運分銷業務所帶動。

根據已於二零零九年完成收購鋸發礦業50.8%權益（「收購事項」）的協議，本公司主席及收購事項的賣方劉小鷹先生（「劉先生」）向本集團承諾，於收購事項完成日期後首十二個月內鋸發礦業的除稅前經審核溢利不會少於人民幣72,000,000元（「溢利保證」）。當鋸發礦業的除稅前溢利少於人民幣72,000,000元，則劉先生應付予本集團的溢利保證不足差額補償相當於經審核除稅前溢利較人民幣72,000,000元的不足差額50.8%（已扣除稅務影響）。劉先生應付予本集團的一次性不足差額補償將以作為支付收購事項部分代價而向劉先生發行的第一批承兌票據抵銷。

鋸發礦業由二零零九年十二月二十三日至二零一零年十二月二十二日期間的除稅前經審核溢利的不足差額為人民幣71,700,000元。因此，第一批承兌票據的本金額已由40,000,000港元調整至8,000,000港元，有關金額已於本集團二零一零年十二月三十一日的經審核財務報表妥為入賬。

# Management Discussion and Analysis

## 管理層討論與分析

The Group recorded a consolidated revenue during this year of HK\$2,544.1 million when compared to the last year of HK\$2,068.0 million. This was mainly resulted from an increase in revenue from the fulfillment distribution business for Nokia Stores in this year which could offset the drop in revenue contribution to the Group from the disposed distribution business in Hong Kong in 2009.

The gross profit amounted to HK\$64.8 million, an increase when compared to the last year of HK\$37.3 million. The gross margin percentage during the year was 2.5% which was higher than the last year of 1.8% due to the improvement in the fulfillment distribution business in this year.

Included in the other gains and losses in this year was an one-off write back of HK\$7.9 million from an amount due to a minority shareholder of Sifa Mining. The post-tax net effect of this write back in the consolidated statement of comprehensive income was HK\$5.9 million.

The selling and distribution costs amounted to HK\$22.5 million when compared to the last year of HK\$20.2 million as the overall revenue achieved during the year was comparably higher than the last year in the fulfillment distribution business for Nokia Stores. The administrative expenses amounted to HK\$27.3 million, an increase when compared to the last year of HK\$20.3 million mainly due to higher depreciation charges and directors' remuneration incurred.

Owing to the amounts recovered from previous provision made for accounts and other receivables in the old business (i.e. the national distribution business in the PRC), the Group has made an one-off gain of HK\$14.9 million in 2009. No such gain has been made in the year.

本集團本年內錄得綜合收益為2,544,100,000港元，而上年度則為2,068,000,000港元，主要產生自諾基亞專賣店於年內的配送貨運分銷業務收益增加，並可抵銷於二零零九年出售香港分銷業務對本集團的收益貢獻減少。

毛利由上年度的37,300,000港元增至64,800,000港元。毛利率亦由上年度的1.8%增至年內的2.5%，是由於本年度配送貨運分銷業務改善所致。

本年度其他收益及虧損中包括一次過回撥來自應付鋸發礦業一名少數股東的款項7,900,000港元。此項回撥的稅後影響淨額於綜合全面收入表入賬為5,900,000港元。

年內，銷售及分銷成本為22,500,000港元，而上年度則為20,200,000港元，是由於諾基亞專賣店配送貨運分銷業務的整體收益較上年度增加。行政費用為27,300,000港元，較上年度的20,300,000港元增加，主要由於較高折舊費用及產生董事酬金所致。

由於過往舊業務（即中國全國分銷業務）的賬款及其他應收賬款所作撥備收回，本集團於二零零九年獲得一次性收益為14,900,000港元，而本年度則並無有關收益。

# Management Discussion and Analysis

## 管理層討論與分析

As far as the distribution business in Hong Kong is concerned, due to the weak sentiment in the Hong Kong market which was experienced by the substantial drop in revenue, the Group has disposed of this business in August 2009 with a view to focus its resources in the PRC market which offers more opportunities to the Group. For disposing this Hong Kong distribution business, the Group incurred a loss of HK\$5.1 million in 2009. The Group disposed one of the associates named Intelligence Tech Limited in 2009 which achieved an one-off gain on disposal of HK\$1.4 million.

As far as the mobile phone retail chain business in Zhuhai was concerned, the revenue achieved during the year amounted to HK\$40.9 million, increased by 33% as compared with last year of HK\$30.7 million. The Group could share a profit from it during this year. The Group shared net gains of HK\$0.4 million from the results of an associate during the year as compared to HK\$0.7 million from two associates in last year.

The finance costs increased from HK\$2.3 million in last year to HK\$11.7 million in this year due to the increase in the level of bank and other borrowings and a full year charge of imputed interest on promissory notes.

As a result of the above, the Group reported a net profit of HK\$15.6 million during the year when compared to the net loss of HK\$172.4 million in last year.

The net asset value of the Group as at 31st December, 2010 amounted to HK\$283.6 million or HK\$0.35 per share when compared to HK\$158.3 million or HK\$0.23 per share as at 31st December, 2009. The basic earnings per share was HK\$0.02 as compared to loss per share of HK\$0.45 in last year.

As at 31st December, 2010, the Group's aggregate bank and other borrowings amounted to HK\$50 million when compared to HK\$14 million as at 31st December, 2009. The gearing ratio of the Group, defined as the ratio of the total long term liabilities to the shareholder's equity, was 0.37 as compared to 1.54 as at 31st December, 2009.

香港分銷業務方面，由於收益大幅下滑，香港市場疲弱，本集團於二零零九年八月出售該業務，以集中資源於為本集團提供更多商機的中國市場。有關出售香港分銷業務方面，本集團於二零零九年招致虧損5,100,000港元。本集團於二零零九年出售一家聯營公司英騰科技有限公司，獲得一次過出售收益為1,400,000港元。

有關珠海的移動電話零售鏈業務方面，於年內錄得收益為40,900,000港元，較上年度的30,700,000港元上升33%，而本集團本年內可分享其溢利。本集團本年度分佔一家聯營公司業績的淨收益為400,000港元，而上年度來自兩家聯營公司的淨收益則為700,000港元。

本年度的融資成本由上年度的2,300,000港元增至11,700,000港元，乃由於銀行及其他借貸增加及承兌票據全年推算利息收費所致。

綜上所述，本集團年內錄得純利15,600,000港元，而上年度則錄得淨虧損172,400,000港元。

本集團於二零一零年十二月三十一日的資產淨值達283,600,000港元或每股0.35港元，而於二零零九年十二月三十一日則為158,300,000港元或每股0.23港元。年內每股基本盈利為0.02港元，而上年度的每股基本虧損則為0.45港元。

於二零一零年十二月三十一日，本集團的銀行及其他借貸總額為50,000,000港元，而於二零零九年十二月三十一日則為14,000,000港元。本集團本年度負債資產比率（長期負債總額對股東權益的比率）為0.37，而於二零零九年十二月三十一日為1.54。

# Management Discussion and Analysis

## 管理層討論與分析

The total bank deposits and cash balances amounted to HK\$45.7 million as at 31st December, 2010 without any deposit pledged to banks. The Group is financed by a combination of its equity capital, cash flow generated from its operation and bank borrowings. During the year, there was no material change in the funding and treasury policy of the Group. The Group considers there is no material potential currency exposure as the majority of its revenue and expenses are derived and incurred all in Renminbi in the PRC. It is the treasury policy of the Group to manage its foreign currency exposure whenever its financial impact is material to the Group.

The inventories of the Group as at 31st December, 2010 amounted to HK\$187.2 million, when compared to HK\$164.8 million as at 31st December, 2009, mainly since more inventories from the fulfillment distribution business for Nokia Stores as driven by a higher turnover volume in the year. The inventory turnover period was 26 days in this year when compared to 29 days of last year. The Group will continue to apply strict policy in inventory control in the future.

The amount of trade and other receivables as at 31st December, 2010 was HK\$173.2 million, when compared to HK\$85.8 million as at 31st December, 2009, mainly comprised receivables from the fulfillment distribution business for Nokia Stores. In order to minimize the credit risk for the trade receivables, the Group has implemented strict control on the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the revenue generated from the fulfillment distribution business for Nokia Stores is mainly on cash basis which further reduces the credit risk of the Group.

Upon completion of the acquisition of Sifa Mining in 2009, the Company issued convertible loan notes, promissory notes and approximately 306 million new shares as part of the consideration in the Acquisition. On 4th January, 2010, the Company issued and allotted a total of 142,857,142 ordinary shares of HK\$0.10 each in the Company upon exercise in full by the holders of the said convertible loan notes.

於二零一零年十二月三十一日的銀行存款及現金結餘總額為45,700,000港元，並無任何存款質押予銀行。本集團同時透過股本、經營業務所得現金流及銀行借貸等方式籌集資金。年內，本集團融資及庫務政策並無重大轉變。本集團認為，由於本集團收益及支出大部分來自及產生自中國並皆為人民幣，故此並無潛在重大的貨幣風險。本集團的庫務政策為管理對本集團有重大財務影響的外幣風險。

本集團於二零一零年十二月三十一日的存貨金額為187,200,000港元，而於二零零九年十二月三十一日的存貨金額則為164,800,000港元，主要由於年內營業額增加促使諾基亞專賣店配送貨運分銷業務的存貨增加。本年度的存貨周轉期為26天，而上年度則為29天。本集團日後將繼續實施嚴格存貨控制政策。

於二零一零年十二月三十一日，應收貿易賬款及其他應收賬款為173,200,000港元，而於二零零九年十二月三十一日的應收貿易賬款及其他應收賬款則為85,800,000港元，主要包括諾基亞專賣店配送貨運分銷業務的應收賬款。為降低應收貿易賬款的信貸風險，本集團一直嚴格控制信貸限額的釐定、信貸額的批核及其他監管程序，以確保能跟進追討過期債務。此外，諾基亞專賣店的配送貨運分銷業務所得收益主要以現金結算，可進一步降低本集團信貸風險。

於二零零九年完成收購錫發礦業後，本公司發行可換股貸款票據、承兌票據以及約306,000,000股新股作為收購事項的部分代價。二零一零年一月四日，於上述可換股貸款票據持有人全數行使可換股貸款票據後，本公司發行及配發合共142,857,142股每股面值0.10港元的本公司普通股。

# Management Discussion and Analysis

## 管理層討論與分析

As at 31st December, 2010, the Group had in total 234 employees as compared to 243 employees as at 31st December, 2009. Employees were remunerated according to the nature of their job duties and market trend. The Group provided staff welfare and fund contribution to its employees in accordance with the prevailing regulations in the PRC and Hong Kong. There was no material change in the remuneration policy, bonus scheme and share option scheme during the year. The Group has a share option scheme under which the Company may grant share options to the participants, including directors and employees, to subscribe for shares of the Company.

### OPERATIONAL REVIEW

#### Market Overview

According to the statistics released by the Ministry of Industry and Information Technology of the People's Republic of China ("MIIT"), there were more than 859 million subscribers to mobile phone services in the PRC as at the end of 2010, equivalent to a penetration rate of 64.4 users per 100 persons. The low penetration rate in the rural market, where more than half of the population in the PRC resides, together with the 3G services and the continued economic growth in the PRC, mean that the PRC market still has a lot of untapped potential.

While there are continuing intense competitions among the big mobile phone manufacturers in the PRC, they are trying to cut the distribution layers by directly supplying to the provincial distributors and leading retailers with a view to increase their profitability. Because of this, leading vendors have developed multi-channel distribution models which include "national distribution", "provincial distribution", "direct to retail" and "direct to operator".

As one of the integrated fulfillment distributors in the PRC, the Group provides all necessary services, which include but not limited to transaction handling, credit financing, delivery, rebate execution, stock buffering and B2B system integration, etc. In return, the Group receives a contractual margin, as well as various rebates as its service income. This business model is more transparent, allowing the buyers, the suppliers and the Group to share common information and enhances the efficiency of all the activities of the value chain.

於二零一零年十二月三十一日，本集團共聘用234名僱員，而於二零零九年十二月三十一日則有243名僱員。僱員薪酬按彼等的職責性質及市場趨勢而定。本集團根據中國及香港的適用規例向僱員提供員工福利及退休金供款。年內，薪酬政策、花紅計劃及購股權計劃並無重大變更。本集團已制訂購股權計劃，據此，本公司可向參與者（包括董事及僱員）授出可認購本公司股份的購股權。

### 營運回顧

#### 市場概覽

根據中華人民共和國工業和信息化部（「工業和信息化部」）發佈的統計數據，於二零一零年底，中國的移動電話服務用戶人數超過859,000,000人，普及率為每100人有64.4名用戶。人口佔中國居民五成以上的郊區市場普及率較低，加上3G服務及中國經濟持續增長，反映中國市場仍有龐大發展潛力。

隨著競爭不斷加劇，中國各大移動電話製造商正試圖通過直接向省級分銷商及主要零售商供貨而減少分銷層數，以增強盈利能力。因此，大廠商已創出多渠道分銷模式，包括「全國分銷」、「省級分銷」、「直達零售」及「直達營運商」。

作為中國綜合配送貨運分銷商之一，本集團提供一切必要服務，包括但不限於交易處理、信貸融資、付運、回扣執行、庫存緩轉和B2B系統集成等。本集團會收取約定利潤及多種回扣作為服務收入。該業務模式透明度較高，讓買家、供應商與本集團可共享資訊及提高價值鏈內所有業務的效率。

# Management Discussion and Analysis

## 管理層討論與分析

### Business Review

The fulfillment distribution business for Nokia Stores, contributing to more than 90% of the Group's revenue, continued to make significant contribution to the overall performance of the Group during the year. On 11th February, 2011, Nokia and Microsoft announced their partnership plan to combine assets and develop innovative mobile products on an unprecedented scale. We believe this move of Nokia can further enhance its competitiveness in the industry. On the other hand, the businesses of the associate and the subsidiary engaging in the mobile phone retail chain in Zhuhai of the Group remained stable in the competitive market. The mining business acquired in December 2009 has contributed revenue and profit to the Group in the year. The exploitation on existing phase was completed. The mining business is now moving to a next phase in development of another mining site exploitation system and then further exploitation is expected. The management is exploring all commercially viable opportunities to maximize the return from this investment including but not limited to improvement of infrastructure and expansion into processing of the ore, subject to feasibility study and availability of funding.

### Prospect and Outlook

The continued economic growth in the PRC, supported by a high internal consumption and together with the room for expansion in the penetration rate of the mobile phone users in the PRC, creates a huge market and great opportunities for the Group to move forward. The Group will continue to strengthen our existing relationships with the leading manufacturers and to look for new cooperation opportunities with all other manufacturers and operators with a view to establish a firm foundation for our future growth, based on our successful experience in the fulfillment distributorship business with Nokia.

With a view to diversify the business of the Group, the Group is actively looking for opportunities which will further enhance the shareholders' value.

### 業務回顧

諾基亞專賣店配送貨運分銷業務對本集團年內收益貢獻超過90%，繼續為本集團本年度的整體表現作出重大貢獻。於二零一一年二月十一日，諾基亞及微軟宣佈其前所未有規模的合併資產與開發創新移動產品的合作計劃。我們相信諾基亞此舉可進一步提升其於行內的競爭力。另一方面，本集團在珠海從事移動電話零售鏈經營的聯營公司及附屬公司業務在市場競爭激烈下表現平穩。於二零零九年十二月收購的採礦業務年內已為本集團的收益及溢利作出貢獻。現有階段的開採工作經已完成，而採礦業務現正邁向下一階段，發展另一礦地開採系統，之後可預期進一步開採。管理層正開拓所有在商業層面可行的機遇以儘量提高投資回報，包括但不限於改善基建及擴充業務至礦石加工，惟須視乎可行性研究及可用資金而定。

### 前景及展望

國內消費強勁帶動中國經濟持續發展，加上中國移動電話用戶普及率仍有擴充空間，為本集團的躍進創造良機。基於本集團與諾基亞的配送貨運分銷業務的成功經驗，本集團將繼續加強與主要製造商的現有關係，並物色與所有其他製造商及營辦商進行新合作的良機，為本集團日後發展奠定堅實基礎。

為擴充本集團業務，本集團正積極物色良機以進一步提高股東價值。



# Directors and Senior Management Profile

## 董事及高級管理人員簡介

### DIRECTORS

#### Executive Directors

**Mr. LAU Siu Ying**, aged 47, is the founder, Chairman and Chief Executive Officer of the Company since 1992. Mr. Lau has extensive working experiences in the telecommunications industry for over 18 years and has established solid business contacts in both Hong Kong and the PRC. Mr. Lau is responsible for directing the Group's overall business policy and strategies as well as overseeing the Group's business development in Hong Kong and the PRC. Prior to setting up his business, Mr. Lau worked for Hutchison Whampao Group for approximately 5 years, in charge of the business development of the telecommunications in the PRC. Mr. Lau holds a bachelor degree in Business Administration from the Chinese University of Hong Kong and a Master of Science degree in Information Technology from the National University of Ireland, Dublin.

Mr. Lau is currently the trustee in New Asia College of The Chinese University of Hong Kong, the Board Councilor of China Mobile Communications Association and the executive chairman of Chinese Chamber of Information and Communication Technologies. In the aspects of social and economic activities, Mr. Lau is devoted to promoting economic and educational development. He served as the vice president of the Hong Kong Association of Jiayang, the honorary president of Shanghai Chaoshan Chamber of Commerce, the committee member of the Chinese People's Political Consultative Conference in Yunfu city, Guangdong province of the PRC, Hong Kong and Macau Director of the Dongguan City Youth Federation and the vice president of Hong Kong Island Chaoren Association Limited.

**Mr. LUO Xi Zhi**, aged 53, joined the Group in October 1995 and was appointed as an Executive Director of the Company in September 2002. Mr. Luo is also the Financial Controller of the Group's PRC operation. Mr. Luo holds a certificate in Accounting from the Finance Academy of Jiangxi Province. Mr. Luo has over 20 years of financial and accounting experience in the PRC. Prior to joining the Group in 1995, Mr. Luo was the chief accountant for Zhaoqing Sz Di Telecom Co., Ltd.

### 董事

#### 執行董事

**劉小鷹先生**，47歲，自一九九二年起為本公司創辦人、主席兼首席執行官。劉先生已從事電信行業逾18年，於行內取得豐富經驗，且於香港及中國建立穩固業務聯繫。劉先生負責制定本集團之整體業務政策及策略，並監督本集團於香港及中國之業務發展。劉先生在建立其個人事業之前，曾於香港和記黃埔集團工作約5年，主要負責於中國電信市場之業務發展。劉先生持有香港中文大學工商管理學士學位及位於都柏林的愛爾蘭國立大學資訊科技碩士學位。

劉先生現任香港中文大學新亞書院之校董，並為中國移動通訊聯合會常務理事和中華資訊科技商會執行主席。在社會和經濟活動方面，劉先生熱心推動經濟及教育發展；他歷任香港揭陽同鄉會副會長、上海潮汕商會名譽會長、中國人民政治協商會議廣東雲浮市委員、東莞市青年聯合會港澳常委及香港區潮人聯會副會長。

**羅習之先生**，53歲，於一九九五年十月加盟本集團，於二零零二年九月獲委任為本公司執行董事。羅先生亦為本集團中國業務之財務總監。羅先生持有江西省財經學院之會計學證書。羅先生於中國財務及會計方面擁有逾20年之經驗。羅先生於一九九五年加入本集團前為肇慶斯迪通訊有限公司首席會計師。

# Directors and Senior Management Profile

## 董事及高級管理人員簡介

**Mr. WANG Yu**, aged 45, joined the Group in April 2006 and was appointed as an Executive Director of the Company in November 2009. Mr. Wang is the Vice President of a major subsidiary of the Company located in the PRC, being mainly responsible for the administration and management of the operations of the Company and its subsidiaries in the PRC. Mr. Wang graduated from Xi'an Jiaotong University with a master degree and a bachelor degree in Computer Science. Mr. Wang has more than 10 years working experiences in channel and distribution management on computer products and mobile phones with local and multinational companies in the PRC. Prior to joining the Group, Mr. Wang was a General Manager of a listed company in the PRC focusing on IT business.

### *Non-executive Director*

**Mr. FUNG Oi Ip, Alfonso**, aged 54, is a Law Costs Draftsman approved by Law Society of Hong Kong. His firm, Alfonso Fung & Co., is a leading law costs draftsmen practice specializing in taxation proceedings in all levels of courts in Hong Kong. A pioneer in his profession, Mr. Fung taught himself computer programming, developed and published a specialist law costing software as early as 1986. The software was subsequently licensed to the Hong Kong Government for use in the Legal Aid Department. Mr. Fung is also a developer of mobile applications and he takes a keen interest in developing internet related business. Mr. Fung is an Accredited Mediator, having been accredited by the Hong Kong Mediation Centre since 2009. Mr. Fung was appointed Non-executive Director of the Company in October 1999.

**王愚先生**，45歲，於二零零六年四月加盟本集團，並於二零零九年十一月獲委任為本公司執行董事。王先生為本公司位於中國之主要附屬公司之副總裁，主要負責本公司及其附屬公司中國業務之行政與管理。王先生畢業於西安交通大學，持有電腦科學碩士及學士學位。王先生在中國之本地及跨國公司之電腦產品及移動電話渠道分銷管理方面積逾10年工作經驗。於加盟本集團前，王先生曾在中國一間上市公司出任總經理，主要負責資訊科技業務。

### *非執行董事*

**馮靄業先生**，54歲，為香港律師會認可的訟費員。其屬下公司Alfonso Fung & Co.，是行內首屈一指的訟費員公司，專業處理香港各級法院的訟費程序。馮先生是業內先鋒，自學編寫電腦程式，並早於一九八六年開發及出版了一套專業訟費計算軟件，該軟件其後獲香港政府法律援助署採用。馮先生亦開發手機軟件及發展互聯網相關業務。彼自二零零九年起成為香港和解中心認可和解員。馮先生於一九九九年十月獲委任為本公司之非執行董事

# Directors and Senior Management Profile

## 董事及高級管理人員簡介

### Independent Non-executive Directors

**Mr. CHANG Wing Seng, Victor**, aged 73, last held the position of Managing Director of APCG Business Pte. Limited. Prior to this, Mr. Chang was the Managing Director of Singapore Technologies Telecommunications (Beijing) Pte. Ltd. based in Beijing for 2 years. Mr. Chang had held various senior management positions over 25 years with the Singapore Technologies Group, mainly as the Director of Finance. Mr. Chang was a graduate in Accounting from the Royal Melbourne Institute of Technology, Melbourne, Australia and the Institute of Chartered Accountants in Australia. Mr. Chang had also completed the Program for Management Development at the Harvard University Graduate School of Business Administration. Mr. Chang was a certified public accountant in both Singapore and Australia. Mr. Chang was appointed as an Independent Non-executive Director of the Company in October 1999.

**Mr. WONG Lit Chor, Alexis**, aged 52, graduated from the University of Toronto, Canada in 1981 with a bachelor degree in Arts majoring in economics and commerce and has obtained a master degree in Business Administration from the Chinese University of Hong Kong in 1987. Mr. Wong has over 20 years of banking, investment, corporate finance and securities dealing experience gained from working as a senior executive in a number of listed local and PRC financial services companies. Mr. Wong is also an independent non-executive director of a company listed on the Main Board and a company listed on the GEM Board of the Stock Exchange of Hong Kong. Mr. Wong was appointed as an Independent Non-executive Director of the Company in September 2006.

**Mr. CHEN Yi Gang**, aged 58, graduated from Shaoxing Institute of Administration, majoring in Corporate Management. Mr. Chen was a senior executive in a number of PRC telecommunication companies and senior management in a number of large IT enterprises. Mr. Chen has over 30 years of experience in the field of telecommunication. Mr. Chen was appointed as an Independent Non-executive Director of the Company in February 2007.

### 獨立非執行董事

**鄭永勝先生**，73歲，上一份工作職位為APCG Business Pte. Limited董事總經理。鄭先生之前為北京Singapore Technologies Telecommunications (Beijing) Pte. Ltd.的董事總經理達2年。鄭先生於Singapore Technologies Group工作超過25年，曾擔任不少高級管理層職位（主要為財務總監）。鄭先生畢業於澳洲墨爾本Royal Melbourne Institute of Technology及澳洲Institute of Chartered Accountants會計系。鄭先生已完成哈佛大學商學院之管理發展課程。鄭先生前為新加坡及澳洲執業會計師。鄭先生於一九九九年十月獲委任為本公司之獨立非執行董事。

**黃烈初先生**，52歲，於一九八一年在加拿大多倫多大學畢業，持有經濟及商貿學學士，並於一九八七年在香港中文大學取得工商管理碩士學位。黃先生曾於數家香港及中國的上市金融服務公司出任高級行政人員，於銀行業務、投資、企業融資及證券交易等方面擁有逾20年經驗。黃先生亦為香港聯合交易所一間主板上市公司及一間創業板上市公司之獨立非執行董事。黃先生於二零零六年九月獲委任為本公司之獨立非執行董事。

**陳亦剛先生**，58歲，於紹興行政學院企業管理專科畢業。陳先生曾於多家中國電信公司出任高級行政人員，及於多家大型資訊科技企業出任高級管理人員。陳先生於電信方面擁有逾30年之經驗。陳先生於二零零七年二月獲委任為本公司之獨立非執行董事。

# Directors and Senior Management Profile

## 董事及高級管理人員簡介

### COMPANY SECRETARY

**Mr. LAM Man Kit**, aged 35, was appointed as the Company Secretary of the Company in February 2010. Mr. Lam is also the Deputy Financial Controller of the Group and the authorised representative of the Company. Mr. Lam graduated with a bachelor degree of Business Administration from the University of Hong Kong and is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group in January 2007, Mr. Lam has years of financial and audit experiences in Hong Kong and the PRC.

### SENIOR MANAGEMENT

**Mr. LO Kwok Leung, Jeff**, aged 42, is the Sales Director of the Group in charge of sales and marketing activities in the PRC and acts as the Business Unit Deputy General Manager handling Nokia Stores business in the PRC. Mr. Lo obtained his bachelor degree in Fu-Jen Catholic University in Taiwan, major in sociology. Prior to joining the Group in July 2000, Mr. Lo has had almost 10 years experience in Hong Kong and the PRC responsible for the sales and marketing of consumer electronic products in the PRC.

**Mr. KUANG Huai Bin**, aged 50, is the General Manager of Zhuhai Reminda Telecom Equipment Company Limited. Zhuhai Reminda Telecom Equipment Company Limited formally joined the Group and became a subsidiary of the Group in October 2007. Mr. Kuang was graduated from Guandong Provincial School of Electricity, and holds MBA degree from the University of Wales of UK. Mr. Kuang had been the senior technical management of China Telecom, has over 30 years experience in telecommunications, and has nearly 20 years working experience in the manufacturing and retail chains of domestic communications products in the PRC.

### 公司秘書

林文傑先生，35歲，於二零一零年二月獲委任為本公司之公司秘書。林先生並為本集團之財務副總監及本公司之授權代表。林先生於香港大學畢業，持有工商管理學士學位，並為特許公認會計師公會之資深會員及香港會計師公會會員。林先生於二零零七年一月加盟本集團前，在香港及中國擁有多多年財務及核數經驗。

### 高級管理人員

盧國樑先生，42歲，本集團之銷售總監，負責於中國銷售及市場推廣，並擔任諾基亞專賣店項目中國業務部副總監。盧先生於台灣天主教輔仁大學取得學士學位，主修社會學。於二零零零年七月加盟本集團前，盧先生有近10年在中港兩地從事消費電子產品銷售及推廣業務之經驗。

鄺槐彬先生，50歲，為珠海市雷鳴達通訊設備有限公司總經理。珠海市雷鳴達通訊設備有限公司於二零零七年十月正式加入本集團成為附屬公司。鄺先生畢業於廣東省郵電學校，持有英國威爾士大學工商管理碩士學位。鄺先生曾於中國電信公司出任高級技術管理人員，於電信方面擁有逾30年之經驗，並擁有近20年之中國本地通訊產品製造及零售連鎖方面工作經驗。

## Directors and Senior Management Profile

### 董事及高級管理人員簡介

**Mr. FONG Kin Kiu**, aged 46, is the chief technology officer of the Group. Mr. Fong holds a bachelor's degree from the University of Hong Kong and two master degrees, one in strategy marketing from University of Hull and the other in information management from National University of Ireland. He is a fellow member of the Chartered Institute of Marketing and the Hong Kong Institute of Director. He also holds international professional qualifications as Chartered Marketer and Chartered Information Technology Professional. Mr. Fong acts as the chairman of the Hong Kong Wireless Technology Industry Association, vice chairman of The Professional Validation Centre of Hong Kong Business Sector, board member of the Regulatory Affairs Advisory Committee – Office of the Telecommunications Authority, board member of the Chinese Language Interface Advisory Committee – Office of the Government Chief Information Officer and board member of the ICT Services Advisory Committee – Hong Kong Trade Development Council. Mr. Fong has been invited to be the visiting lecturer and course advisor for Hong Kong Polytechnic University since year 1999.

方健僑先生，46歲，為本集團之首席資訊總監。方先生持有香港大學之學士學位及分別持有英國赫爾大學之市場推廣策略碩士學位，及愛爾蘭國立大學之資訊科技碩士學位。方先生為英國特許市場學會及香港董事學會之資深會員。方先生持有特許市務師及特許資訊科技專業執業者的國際專業資格。方先生為香港無線科技商會主席、香港商業專業評審中心副會長、香港電訊管理局監管事務諮詢委員會委員、香港政府資訊科技總監辦公室中文界面諮詢委員會委員、香港貿易發展局資訊及通訊科技諮詢委員會委員。方先生自1999年起一直應邀出任香港理工大學課程顧問及客席講師。

# Corporate Governance Report

## 企業管治報告書

### CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining high standards of corporate governance with a view to assuring the integrity, transparency and quality of disclosure to protect the interests of all shareholders. The Company has applied the principles and complied with all the applicable code provisions of the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) for the year ended 31st December, 2010, except for the deviations as stated in paragraph headed “Chairman and Chief Executive Officer” and “Re-election of Directors”.

The Board will continuously review and improve the corporate governance practices and standards of the Company to ensure the business activities and decision making processes are regulated in a proper and prudent manner.

### DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules for securities transactions by Directors of the Company during the year under review.

Having made specific enquiry with all Directors, each of whom has confirmed that he has complied with the required standard as set out in the Model Code for the year ended 31st December, 2010. The Model Code also applies to other specified senior management of the Group.

### 企業管治常規

董事會致力維持高度企業管治，務求確保所披露資料之完整性、透明度及質素，從而保障所有股東之利益。截至二零一零年十二月三十一日止年度，本公司一直應用有關原則及遵循香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「該守則」）之所有適用守則條文，惟與「主席及首席執行官」及「重選董事」兩段有所偏離。

董事會將不斷檢討及改善本公司之企業管治常規及標準，確保業務運作及決策程序獲得適當及審慎規管。

### 董事之證券交易

回顧年內，本公司已就其董事進行之證券交易採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）。

向全體董事作出特定查詢後，各董事已確認於截至二零一零年十二月三十一日止年度內一直遵守標準守則所載之規定準則。本集團其他指定高級管理人員亦適用標準守則。

# Corporate Governance Report

## 企業管治報告書

### BOARD OF DIRECTORS

#### Composition and role

The Board of Directors of the Company comprises:

<b>Executive Directors:</b>	Mr. Lau Siu Ying ( <i>Chairman</i> ) Mr. Luo Xi Zhi Mr. Wang Yu
<b>Non-executive Directors:</b>	Mr. Fung Oi Ip, Alfonso Mr. Lo Wing Yat (resigned on 30th September, 2010)
<b>Independent Non-executive Directors:</b>	Mr. Chang Wing Seng, Victor Mr. Wong Lit Chor, Alexis Mr. Chen Yi Gang

The Board comprises three Executive Directors (including the Chairman), one Non-executive Director and three Independent Non-executive Directors of which the number of Independent Non-executive Directors represents more than one-third of the Board. The Directors are, collectively and individually, aware of their responsibilities to the shareholders, for the manner in which the affairs of the Company are managed and operated. The Directors' biographical information is set out under the heading "Directors and Senior Management Profile" in this annual report.

The Board, headed by Mr. Lau Siu Ying, is responsible for the overall strategic development of the Group, the monitoring of the financial performance and the internal controls of the Group's business operations. All Directors and Board Committees have access to external legal counsel and other professionals for independent advice at the Group's expense if necessary.

### 董事會

#### 組成及職能

本公司董事會成員包括：

<b>執行董事：</b>	劉小鷹先生 (主席) 羅習之先生 王愚先生
<b>非執行董事：</b>	馮靄業先生 盧永逸先生 (於二零一零年 九月三十日辭任)
<b>獨立非 執行董事：</b>	鄭永勝先生 黃烈初先生 陳亦剛先生

董事會成員包括三位執行董事(包括主席)、壹位非執行董事及三位獨立非執行董事，其中獨立非執行董事佔董事會三分之一以上人數。董事深明彼等須共同及個別就管理及營運本公司事務之方式而對股東負責。董事之資歷載於本年報「董事及高級管理人員簡介」一節。

董事會由劉小鷹先生領導，負責本集團之整體策略發展及監管本集團各項營運業務之財務表現及內部監控。如有需要，所有董事及董事會轄下各委員會可向外界律師及其他專業人士徵詢獨立意見，有關費用由本集團承擔。

# Corporate Governance Report

## 企業管治報告書

Two Board Committees, namely, the Audit Committee and the Remuneration Committee, have been established to oversee particular aspects of the Group's affairs. The Board has delegated the day-to-day management and operations of the Group's business to the management of the Company and its subsidiaries. Major corporate matters that are specifically delegated by the Board to the management include the preparation of the financial statements for the Board's approval, the execution of business strategies approved by the Board, the implementation of internal controls system and risk management procedures, and the compliance with relevant statutory requirements and other rules and regulations.

To the best knowledge of the Company, there is no financial, business, family or other material/relevant relationship among the members of the Board.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Provision A.2.1 of the Code stipulates that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual but Mr. Lau Siu Ying currently assumes both roles of the Chairman and the Chief Executive Officer of the Company.

Provision A.4 of the Code states that all directors should be subject to re-election at regular intervals. However, Mr. Lau Siu Ying, being the Chairman of the Board, does not need to retire by rotation.

Mr. Lau Siu Ying has been in charge of the overall management of the Company since its incorporation. As a result, although he does not need to retire by rotation and assumes both roles of the Chairman and the Chief Executive Officer of the Company, the Board considers that such arrangement at the Group's current stage of development can facilitate the execution of the Group's business strategies and maximize the effectiveness of its operations. Nevertheless, through the supervision from the Board including the Independent Non-executive Directors, the interests of the shareholders should be adequately and fairly considered.

董事會轄下兩個委員會，分別為審核委員會與薪酬委員會，其成立旨在監督本集團特定事務範疇。董事會已任命本公司及其附屬公司之管理層負責本集團業務之日常管理及營運。董事會特定任命管理層處理之主要公司事宜包括編製財務報表以待董事會批准、執行經董事會批准之業務策略、實行內部監控制度及風險管理程序，以及遵循有關法定規定及其他規則與條例。

據本公司所深知，董事會成員之間並無財務、業務、家屬或其他重大／相關關係。

### 主席及首席執行官

該守則第A.2.1條規定主席及首席執行官之職能應予區分，不應由同一人兼任，惟劉小鷹先生現時兼任本公司主席及首席執行官之職銜。

該守則第A.4條訂明所有董事須定期重選連任。然而，董事會主席劉小鷹先生不必輪流退任。

劉小鷹先生自本公司註冊成立以來一直負責本公司之整體管理。因此，儘管劉小鷹先生不需輪流退任，並兼任本公司主席及首席執行官兩職，惟董事會認為此安排於本集團現發展階段可配合本集團業務策略之執行，並可將業務發揮至最大效益。然而，在董事會（包括獨立非執行董事）之監察下，股東利益應已充分及公平地考慮。



# Corporate Governance Report

## 企業管治報告書

### RE-ELECTION OF DIRECTORS

All Non-executive Directors of the Company are not appointed for a specific term as stipulated under the provision A.4.1 of the Code but are subject to retirement by rotation in accordance with the Company's Bye-laws. In accordance with the relevant provisions in the Bye-laws of the Company, if the appointment of Directors is made by the Board, the Directors so appointed must stand for election by the shareholders at the first annual general meeting following their appointments and all Directors, except the Chairman, must stand for re-election by the shareholders by rotation.

### NON-EXECUTIVE DIRECTORS

The Non-executive Directors, including the Independent Non-executive Directors, are all seasoned individuals from diversified background and industries and at least one member has an appropriate accounting qualification or related financial management expertise as required by the Listing Rules. With their expertise, they bring independent judgement on issues of strategic direction, development, performance and risk management through their contributions at Board meetings and Committee's works.

The Independent Non-executive Directors also act as a balance between the interests of the minority shareholders and the Company as a whole. The Board considers that each Independent Non-executive Director is independent in character and judgement and that they all meet the specific independence criteria as required by the Listing Rules. The Company has received from each Independent Non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of Chapter 3 of the Listing Rules and the Company still considers such Directors to be independent. The Independent Non-executive Directors are explicitly identified in all corporate communications.

### 重選董事

本公司所有非執行董事之委任並無根據該守則第A.4.1條之規定指定任期，惟彼等須根據本公司之公司細則輪流退任。根據本公司之公司細則相關條文，倘董事由董事會委任，則獲委任之董事必須於獲委任後首屆股東週年大會上由股東推選，而除主席外，所有董事必須輪流由股東重選一次。

### 非執行董事

非執行董事（包括獨立非執行董事）為來自不同背景及行業之各界人士，而根據上市規則之規定，最少一名成員須具備適當會計資歷或相關財務管理專業知識。憑藉彼等之專業知識，彼等可透過董事會會議及委員會工作而對決策、發展、表現及風險管理之事項作出獨立判斷。

獨立非執行董事亦平衡少數股東與本公司之間的權益。董事會認為各獨立非執行董事均有獨立角色及判斷，而彼等均符合上市規則所規定之特定獨立標準。本公司已收到各獨立非執行董事根據上市規則第3章第3.13條就其獨立性所發出之年度確認書，且本公司仍然認為該等董事均具獨立地位。獨立非執行董事在所有公司通信中均明確識別。

# Corporate Governance Report

## 企業管治報告書

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledged the responsibilities for preparing the financial statements which give a true and fair view of the affairs of the Company and its subsidiaries. The auditors are responsible to form an independent opinion, based on their audits, on the Group's financial statements and express their opinions.

### BOARD MEETINGS

The Board had held two meetings this year to review the financial performance of the Group and other major issues. The views of the Independent Non-executive Directors were actively solicited by the Group if they were unable to attend the meetings of the Board.

The names of the Directors and the individual attendance of each Director during the year are as follows:

#### Executive Directors

Mr. Lau Siu Ying (*Chairman*)

Mr. Luo Xi Zhi

Mr. Wang Yu

#### 執行董事

劉小鷹先生 (主席)

羅習之先生

王愚先生

#### Non-executive Directors

Mr. Fung Oi Ip, Alfonso

Mr. Lo Wing Yat

(resigned on 30th September, 2010)

#### 非執行董事

馮靄業先生

盧永逸先生

(於二零一零年九月三十日辭任)

#### Independent Non-executive Directors

Mr. Chang Wing Seng, Victor

Mr. Wong Lit Chor, Alexis

Mr. Chen Yi Gang

#### 獨立非執行董事

鄭永勝先生

黃烈初先生

陳亦剛先生

### BOARD COMMITTEES

The Board has established Board Committees, namely Audit Committee and Remuneration Committee to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities.

### 董事對財務報表之責任

董事了解本身須負責編製真實及公平地反映本公司及其附屬公司財務狀況的財務報表。核數師負責基於彼等之審核而對本集團財務報表發表獨立意見及表達彼等之意見。

### 董事會會議

董事會本年度召開兩次會議，檢討本集團之財務表現及其他主要事項。倘獨立非執行董事不能出席會議，本集團會主動徵集彼等之意見。

年內，董事之姓名及每位董事之個別出席率載列如下：

Attendance  
出席率

2/2

2/2

2/2

2/2

1/2

2/2

2/2

2/2

### 董事會轄下之委員會

董事會已成立董事會轄下各委員會，分別為審核委員會及薪酬委員會，以監察本公司特定之業務範疇及協助董事會履行職責。

# Corporate Governance Report

## 企業管治報告書

### AUDIT COMMITTEE

The Company has formulated written terms of reference for the Audit Committee in accordance with the requirements of the Listing Rules and its current members comprise:

Mr. Chang Wing Seng, Victor – *Committee Chairman*

Mr. Wong Lit Chor, Alexis

Mr. Fung Oi Ip, Alfonso

Mr. Chang Wing Seng, Victor and Mr. Wong Lit Chor, Alexis are Independent Non-executive Directors and Mr. Fung Oi Ip, Alfonso is a Non-executive Director. The Board considers that each Audit Committee member has broad commercial experiences and there is a suitable mix of expertise in business, accounting and financial management on the Audit Committee. The composition and members of the Audit Committee comply with the requirements under Rule 3.21 of the Listing Rules.

The Audit Committee's primary responsibilities include reviewing the reporting of financial and other information to the shareholders, the system of internal controls, risk management and the effectiveness and objectivity of the audit process. The Audit Committee also provides an important link between the Board and the Company's auditors in matters coming within the scope of its terms of reference and keeps under review the independence and objectivity of the auditors.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including reviews of the half-year and full year accounts for the year ended 31st December, 2010. Each member of the Audit Committee has unrestricted access to the auditors and all senior staff of the Group.

Individual attendance of each Audit Committee member during the year is as follows:

Mr. Chang Wing Seng, Victor

Mr. Wong Lit Chor, Alexis

Mr. Fung Oi Ip, Alfonso

鄭永勝先生

黃烈初先生

馮靄業先生

Attendance

出席率

2/2

2/2

2/2

### 審核委員會

本公司已根據上市規則之規定訂明審核委員會之書面權責範圍，審核委員會現任成員包括：

鄭永勝先生—委員會主席

黃烈初先生

馮靄業先生

鄭永勝先生及黃烈初先生為獨立非執行董事，而馮靄業先生則為非執行董事。董事會認為各審核委員會成員均具備廣泛商務經驗，而審核委員會已具備所需的商業、會計及財務管理合適專才。審核委員會之組成及成員均已遵守上市規則第3.21條之規定。

審核委員會之主要職責包括審閱向股東呈報之財務及其他資料、檢討內部監控制度、風險管理及審核程序之有效性及客觀性。審核委員會亦為董事會與本公司核數師之重要聯繫，以處理其權責範圍以內之事項，並檢討核數師之獨立性及客觀性。

審核委員會已與管理層審閱本集團所採納之會計政策及慣例，並已討論內部監控及財務申報事宜，包括審閱截至二零一零年十二月三十一日止年度之半年及全年賬目。各審核委員會成員可無限制地與核數師及本集團所有高級職員接洽。

年內，各審核委員會成員之個別出席率載列如下：

### NOMINATION OF DIRECTORS

In considering the nomination of new Directors, the Board will take into account the qualification, ability, working experience, leadership and professional ethics of the candidates.

Furthermore, as the full Board is responsible for the selection and approval of candidate for appointment as Director to the Board, therefore the Company has not established a Nomination Committee for the time being.

### REMUNERATION COMMITTEE

The Company has formulated written terms of reference for the Remuneration Committee in accordance with the requirements of the Listing Rules and its current members comprise:

Mr. Chang Wing Seng, Victor – *Committee Chairman*  
Mr. Wong Lit Chor, Alexis  
Mr. Fung Oi Ip, Alfonso

Mr. Chang Wing Seng, Victor and Mr. Wong Lit Chor, Alexis are Independent Non-executive Directors and Mr. Fung Oi Ip, Alfonso is a Non-executive Director. The Remuneration Committee is responsible for ensuring that formal and transparent procedures for developing remuneration packages of directors and senior management. In determining the emolument payable to directors, it takes into consideration factors such as remuneration paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the Group and the desirability of performance-based remuneration.

On 30th March, 2011, the Remuneration Committee had held a meeting (with all its members present) to review the remuneration packages of a Director.

### 提名董事

在考慮提名新董事時，董事會將考慮候選人之資格、能力、工作經驗、領導能力及專業操守。

此外，由於董事會全權負責甄選及審批候選人，以委任董事加入董事會，因此本公司暫時並無設立提名委員會。

### 薪酬委員會

本公司已根據上市規則之規定，制訂薪酬委員會之書面權責範圍，現任成員包括：

鄭永勝先生 – 委員會主席  
黃烈初先生  
馮靄業先生

鄭永勝先生及黃烈初先生為獨立非執行董事，而馮靄業先生則為非執行董事。薪酬委員會負責確保制訂董事與高級管理人員之薪酬組合之程序均為正規及具有透明度。在釐定應付予董事之酬金時，該委員會所考慮的因素包括同類公司所支付之薪酬、董事所投放的時間及職責、本集團其他僱用條件，以及按表現釐定之薪酬是否可取。

二零一零年三月三十日，薪酬委員會舉行會議（全體成員均有出席）檢討壹位董事之薪酬待遇。

# Corporate Governance Report

## 企業管治報告書

### AUDITOR'S REMUNERATION

Deloitte Touche Tohmatsu was re-appointed as the Company's external auditors by the shareholders at the Annual General Meeting on 1st June, 2010, and tendered resignation on 22nd November, 2010. BDO Limited was appointed as the Company's external auditors by the shareholders at the Special General Meeting on 17th December, 2010, until the conclusion of the next Annual General Meeting.

BDO Limited is primarily responsible for providing audit services in connection with the financial statements of the Group for the year ended 31st December, 2010. During the year, the fees charged to the accounts of the Group for BDO Limited's statutory audit services amounted to HK\$780,000, while the fee charged by Deloitte Touche Tohmatsu in 2009 was HK\$1,100,000.

### INTERNAL CONTROLS

The Board has overall responsibility for the system of internal controls of the Company and for reviewing its effectiveness. The Board is committed to implementing an effective and sound internal controls system to safeguard the interest of shareholders and the Group's assets. The Board has delegated to the management the implementation of the system of internal controls and the review of all relevant financial, operational and compliance controls and risk management function within an established framework. The Board has confirmed with the management that there was no change in the internal control system of the Group.

### INVESTOR RELATIONSHIP AND COMMUNICATION

The Company endeavours to maintain a high level of transparency in the communication with the shareholders and the investors. In order to ensure effective, clear and accurate communications with the investors and analysts, all corporate communications are arranged and handled by the executive Directors and the designated section executives according to established practices and procedures of the Company.

### 核數師酬金

德勤•關黃陳方會計師行已於二零一零年六月一日舉行之股東週年大會上獲股東續聘為本公司外聘核數師，其亦於二零一零年十一月二十二日提出辭任。香港立信德豪會計師事務所有限公司已於二零一零年十二月十七日舉行之特別股東大會上獲股東聘任為本公司外聘核數師，任期至下屆股東週年大會結束為止。

香港立信德豪會計師事務所有限公司主要負責就本集團截至二零一零年十二月三十一日止年度之財務報表提供核數服務。年內，就香港立信德豪會計師事務所有限公司之法定核數服務而在本集團賬目中扣除之費用為780,000港元，而二零零九年德勤•關黃陳方會計師行之費用收費為1,100,000港元。

### 內部監控

董事會全面負責本公司之內部監控制度並檢討其效能。董事會致力實行有效及完善之內部監控制度以保障股東利益及本集團資產。董事會已任命管理層實行內部監控制度，並在既定之範圍內檢討各項有關財務、營運及合規之監控及風險管理。董事會已向管理層確認，本集團之內部監控制度概無重大變更。

### 投資者關係及溝通

本公司致力在與股東及投資者溝通方面維持高透明度。為確保有效、清楚及準確地與投資者及分析員溝通，所有公司通訊均由執行董事及指定之高級行政人員根據本公司既定慣例及程序作出安排及處理。

# Corporate Governance Report

## 企業管治報告書

The Company has announced its annual results and interim results in a timely manner during the year under review. The Company's Annual General Meeting provides a platform for shareholders to have a direct dialogue with the Board. Shareholders are encouraged to attend the Annual General Meeting and the Chairman and other members of the Board or their duly appointed delegates are available to answer questions from the shareholders.

The Company has also maintained a website at <http://www.fortunetele.com> which enables shareholders, investors and the general public to have access to the information of the Company. Financial information and all shareholder corporate communications of the Company are made available on the Company's website, which is to be updated regularly.

### CODE OF CONDUCT

The Company is committed to high standard of business ethics and integrity. A code of conduct is enforced on all employees of the Group. The employees at all levels are expected to act in an honest, diligent and responsible manner. No personal gifts or other forms of advantages from any person or organisation doing business with the Group can be accepted by any employee. Business partners and customers are reminded from time to time that our policy forbids any employee or agent of the Group from accepting any gift from them.

本公司已於回顧年度內適時公佈其全年業績及中期業績。本公司之股東週年大會為股東提供直接與董事會對話之平台。為鼓勵股東出席股東週年大會，主席及董事會其他成員或彼等正式委任之代表均會即場解答股東之提問。

本公司亦設有網頁<http://www.fortunetele.com>可讓股東、投資者及普羅大眾讀取本公司資料。本公司之財務資料及所有股東之公司通訊均可在本公司網頁中查閱，並會定期更新。

### 行為守則

本公司致力維持高度廉正之業務操守，並對本集團全體僱員實施行為守則，冀各級僱員以誠懇、勤奮及負責任之態度工作。任何僱員一概不得接受任何與本集團業務有往來之人士或機構之個人禮品或其他形式之利益。業務夥伴及客戶應不時緊記，本公司之政策禁止本集團任何僱員或代理接受彼等之任何禮品。

# Directors' Report

## 董事會報告書

The directors present their annual report and audited consolidated financial statements for the year ended 31st December, 2010.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its principal subsidiaries and principal associate are set out in notes 45 and 46 to the consolidated financial statements.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December, 2010 are set out in the consolidated statement of comprehensive income on page 45 to 46 of the annual report.

No interim dividend was declared during the year. The directors do not recommend the payment of a final dividend.

### PLANT AND EQUIPMENT

Details of movements during the year in the plant and equipment of the Group are set out in note 17 to the consolidated financial statements.

### SHARE CAPITAL

Details of the share capital of the Company are set out in note 29 to the consolidated financial statements.

董事謹提呈截至二零一零年十二月三十一日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司為投資控股公司，其主要附屬公司及主要聯營公司之主要業務載於綜合財務報表附註45及46。

### 業績及分派

本集團截至二零一零年十二月三十一日止年度之業績載於本年報第45至46頁之綜合全面收入報表。

年內概無宣派任何中期股息。董事並不建議派付末期股息。

### 廠房及設備

本集團年內廠房及設備之變動詳情載於綜合財務報表附註17。

### 股本

本公司之股本詳情載於綜合財務報表附註29。

### DISTRIBUTABLE RESERVES OF THE COMPANY

In the opinion of the directors, the Company's reserves available for distribution to shareholders as at 31st December, 2010 and 31st December, 2009 consisted of contributed surplus and accumulated profits were nil.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

### DIRECTORS

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

#### *Executive directors:*

Mr. Lau Siu Ying (*Chairman*)  
Mr. Luo Xi Zhi  
Mr. Wang Yu

#### *Non-executive directors:*

Mr. Fung Oi Ip, Alfonso  
Mr. Lo Wing Yat (resigned on 30th September, 2010)

#### *Independent non-executive directors:*

Mr. Chang Wing Seng, Victor  
Mr. Wong Lit Chor, Alexis  
Mr. Chen Yi Gang

In accordance with clause 87 of the Company's bye-laws, Messrs. Luo Xi Zhi and Chang Wing Seng, Victor shall retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

### 本公司之可供分派儲備

董事認為，本公司於二零一零年十二月三十一日及二零零九年十二月三十一日可用以分派予股東之儲備（包括實繳盈餘及累計溢利）為零。

根據百慕達一九八一年公司法（經修訂），本公司之實繳盈餘（如有）可用以分派。然而，在下列情況下，本公司不得以實繳盈餘宣派或派發股息或作出分派：

- (a) 於付款後無法或將無法支付到期之負債；或
- (b) 資產之可變現價值因而少於負債與已發行股本及股份溢價賬之總和。

### 董事

本公司於本年度及直至本報告書刊發日期止之董事如下：

#### *執行董事：*

劉小鷹先生（主席）  
羅習之先生  
王愚先生

#### *非執行董事：*

馮靄業先生  
盧永逸先生（於二零一零年九月三十日辭任）

#### *獨立非執行董事：*

鄭永勝先生  
黃烈初先生  
陳亦剛先生

根據本公司之公司細則第87條，羅習之先生及鄭永勝先生將於應屆股東週年大會上任滿告退，惟合乎資格並願重選連任。



# Directors' Report

## 董事會報告書

None of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The term of office of each of the non-executive directors and independent non-executive directors is the date up to his retirement by rotation in accordance with the Company's by-laws.

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES

At 31st December, 2010, the interests and short positions of the directors, the chief executive and their associates in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")), which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

#### (a) Ordinary shares of HK\$0.10 each of the Company

Name of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
董事姓名	身份	所持已發行普通股數目	佔本公司已發行股本百分比
Mr. Lau Siu Ying ("Mr. Lau") 劉小鷹先生(「劉先生」)	Held by a discretionary trust (Note 1)	188,300,013	22.92%
	Beneficial owner	259,996,285	31.64%
		<hr/>	
		448,296,298	54.56%

擬於應屆股東週年大會上重選連任之董事概無與本公司或其任何附屬公司訂立於一年內不可由本集團毋須補償(法定補償除外)而終止之服務合約。

各非執行董事及獨立非執行董事之任期直至根據本公司之公司細則須輪席告退之日止。

### 董事及行政總裁於股份及相關股份之權益

於二零一零年十二月三十一日，董事、行政總裁及彼等聯繫人於本公司及其相關法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份及相關股份中擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉(包括彼等根據證券及期貨條例有關條文而當作或視作擁有之權益及淡倉)；或須記入本公司根據證券及期貨條例第352條存置之登記冊的權益及淡倉；或須根據有關上市公司董事進行證券交易之標準守則(「標準守則」)知會本公司及聯交所的權益及淡倉如下：

#### (a) 本公司每股面值0.10港元之普通股

(b) Share options

Name of director 董事姓名	Capacity 身份	Number of options held 所持購股權數目	Number of underlying shares 相關股份數目
Mr. Lau 劉先生	Beneficial owner 實益擁有人	2,000,000	2,000,000
	Held by spouse (Note 2) 配偶持有 (附註2)	1,000,000	1,000,000
Mr. Luo Xi Zhi 羅習之先生	Beneficial owner 實益擁有人	100,000	100,000
Mr. Wang Yu 王愚先生	Beneficial owner 實益擁有人	300,000	300,000
Mr. Fung Oi Ip, Alfonso 馮靄業先生	Beneficial owner 實益擁有人	150,000	150,000
Mr. Chang Wing Seng, Victor 鄭永勝先生	Beneficial owner 實益擁有人	200,000	200,000
Mr. Wong Lit Chor, Alexis 黃烈初先生	Beneficial owner 實益擁有人	100,000	100,000
Mr. Chen Yi Gang 陳亦剛先生	Beneficial owner 實益擁有人	100,000	100,000
		3,950,000	3,950,000

Notes:

- These shares are held by Future 2000 Limited, a company incorporated in the British Virgin Islands which in turn is held by a discretionary trust, the beneficiaries of which include Mr. Lau, his spouse and his children.
- Mr. Lau is deemed to be interested in 1,000,000 options to acquire shares of the Company, being the interests held beneficially by his spouse.

(b) 購股權

附註：

- 該等股份由在英屬處女群島註冊成立之公司Future 2000 Limited持有，而該公司由受益人為劉先生、其配偶及其子女的全權信託持有。
- 劉先生視為持有1,000,000份可認購本公司股份之購股權的權益，即其配偶實益持有之權益。

# Directors' Report

## 董事會報告書

3. On 23rd December, 2009, the Group completed its acquisition of a 50.8% equity interest in a mining company in the People's Republic of China ("PRC"), Huangshi Sifa Mining Company Limited ("Sifa Mining"), whereby the Company issued to Mr. Lau, as part of the consideration, certain convertible loan notes which in aggregate are convertible into 142,857,142 ordinary shares of the Company, upon full conversion. On 4th January, 2010, Mr. Lau fully converted all convertible loan notes into shares of the Company.

The interest disclosed above represents long positions in the shares and underlying shares of the Company or its associated corporations.

Save as disclosed above, none of the directors, chief executives nor their associates had any interests or short positions in any shares or underlying shares of the Company or any of its associated corporations as defined in the SFO at 31st December, 2010.

3. 二零零九年十二月二十三日，本集團完成收購一間中華人民共和國（「中國」）礦業公司黃石錕發礦業有限公司（「錕發礦業」）50.8%的權益。作為部份收購代價，本公司向劉先生發行全數兌換時可轉換為142,857,142股本公司普通股的若干可換股債務票據。於二零一零年一月四日，劉先生已全數兌換所有可換股債務票據為本公司股份。

上文所披露權益指本公司或相聯法團之股份及相關股份的好倉。

除上文披露者外，董事、高級行政人員或彼等聯繫人於二零一零年十二月三十一日概無擁有本公司或其任何相聯法團（定義見證券及期貨條例）任何股份或相關股份之權益或淡倉。

### SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 30 to the consolidated financial statements. The following table discloses movements in the Company's share options during the year:

### 購股權

本公司購股權計劃之詳情載於綜合財務報表附註30。下表披露本公司購股權年內之變動：

	Date of grant 授出日期	Exercise price 行使價 HK\$ 港元	Outstanding at beginning of the year 年初尚未行使	Lapsed during the year 年內失效	Outstanding at end of the year 年終尚未行使
<b>Category I – Directors</b> 第I類 – 董事					
Mr. Lau 劉先生	7.5.2007	1.29	2,000,000	–	2,000,000
Mr. Luo Xi Zhi 羅習之先生	7.5.2007	1.29	100,000	–	100,000
Mr. Wang Yu 王愚先生	7.5.2007	1.29	300,000	–	300,000
Mr. Fung Oi Ip, Alfonso 馮靄業先生	7.5.2007	1.29	150,000	–	150,000
Mr. Lo Wing Yat* 盧永逸先生*	7.5.2007	1.29	100,000	(100,000)	–
Mr. Chang Wing Seng, Victor 鄭永勝先生	7.5.2007	1.29	200,000	–	200,000
Mr. Wong Lit Chor, Alexis 黃烈初先生	7.5.2007	1.29	100,000	–	100,000
Mr. Chen Yi Gang 陳亦剛先生	7.5.2007	1.29	100,000	–	100,000
Total for directors 董事總計			3,050,000	(100,000)	2,950,000
<b>Category II – Employees</b> 第II類 – 僱員					
Employees 僱員	7.5.2007	1.29	1,552,000	(6,000)	1,546,000
<b>Category III – Consultants</b> 第III類 – 顧問					
Consultants 顧問	7.5.2007	1.29	3,950,000	–	3,950,000
Total for all categories 所有類別總計			8,552,000	(106,000)	8,446,000

\* resigned during 2010

\* 於二零一零年辭任

# Directors' Report

## 董事會報告書

### ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

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

### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND CONNECTED TRANSACTIONS

No connected transactions nor contracts of significance to which the Company, its holding company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### 購買股份或債券之安排

除上文披露之購股權計劃外，於年內任何時間本公司、其控股公司或任何附屬公司概無參與任何安排，致使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。董事、彼等之配偶或未滿18歲之子女於年內概無擁有任何可認購本公司證券之權利，亦不曾行使任何該等權利。

### 董事於重大合約及關連交易之權益

本公司董事概無於本公司、其控股公司或任何附屬公司於年終或年內任何時間已訂立之關連交易及重大合約中擁有直接或間接重大權益。

### SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, as at 31st December, 2010, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

#### (a) Ordinary shares of HK\$0.10 each of the Company

Name of substantial shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
主要股東姓名	身份	所持已發行普通股數目	佔本公司已發行股本之百分比
Mr. Lau 劉先生	Held by a discretionary trust (Note 1)	188,300,013	22.92%
	全權信託持有(附註1)		
	Beneficial owner	259,996,285	31.64%
	實益擁有人		
		448,296,298	54.56%
Mr. Lee Wai, Timothy 李偉先生	Held by controlled entity (Note 2)	188,300,013	22.92%
	受控制實體持有(附註2)		
Ms. Lei Yuting 雷雨亭小姐	Beneficial owner	51,000,000	6.21%
	實益擁有人		

#### (b) Share options

Name of substantial shareholder	Capacity	Number of options held	Number of underlying shares
主要股東姓名	身份	所持購股權數目	相關股份數目
Mr. Lau 劉先生	Beneficial owner	2,000,000	2,000,000
	實益擁有人		
	Held by spouse (Note 3)	1,000,000	1,000,000
	配偶持有(附註3)		
Mr. Lee Wai, Timothy 李偉先生	Beneficial owner	100,000	100,000
	實益擁有人		
		3,100,000	3,100,000

### 主要股東

按照本公司根據證券及期貨條例第336條所設置之主要股東名冊列示，於二零一零年十二月三十一日，本公司獲悉下列股東在本公司已發行股本中擁有相關權益。

#### (a) 本公司每股面值0.10港元之普通股

Name of substantial shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
主要股東姓名	身份	所持已發行普通股數目	佔本公司已發行股本之百分比
Mr. Lau 劉先生	Held by a discretionary trust (Note 1)	188,300,013	22.92%
	全權信託持有(附註1)		
	Beneficial owner	259,996,285	31.64%
	實益擁有人		
		448,296,298	54.56%
Mr. Lee Wai, Timothy 李偉先生	Held by controlled entity (Note 2)	188,300,013	22.92%
	受控制實體持有(附註2)		
Ms. Lei Yuting 雷雨亭小姐	Beneficial owner	51,000,000	6.21%
	實益擁有人		

#### (b) 購股權

Name of substantial shareholder	Capacity	Number of options held	Number of underlying shares
主要股東姓名	身份	所持購股權數目	相關股份數目
Mr. Lau 劉先生	Beneficial owner	2,000,000	2,000,000
	實益擁有人		
	Held by spouse (Note 3)	1,000,000	1,000,000
	配偶持有(附註3)		
Mr. Lee Wai, Timothy 李偉先生	Beneficial owner	100,000	100,000
	實益擁有人		
		3,100,000	3,100,000

# Directors' Report

## 董事會報告書

### Notes:

1. These shares are held by Future 2000 Limited, a company incorporated in the British Virgin Islands which in turn is held by a discretionary trust. The beneficiaries of the discretionary trust include Mr. Lau, his spouse and his children.
2. Under the SFO, Mr. Lee Wai, Timothy is deemed to have interests in the shares of the Company as he is entitled to exercise more than one-third of the voting power at general meetings of Future 2000 Limited.
3. Mr. Lau is deemed to be interested in 1,000,000 options to acquire shares of the Company, being the interests held beneficially by his spouse.
4. On 23rd December, 2009, the Group completed its acquisition of a 50.8% equity interest in Sifa Mining in the PRC, whereby the Company issued to Mr. Lau, as part of the consideration, certain convertible loan notes which in aggregate are convertible into 142,857,142 ordinary shares of the Company, upon full conversion. On 4th January, 2010, Mr. Lau fully converted all convertible loan notes into shares of the Company.

### APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Company considers all of the independent non-executive directors are independent.

### 附註：

1. 該等股份由在英屬處女群島註冊成立之公司Future 2000 Limited持有，而該公司由一全權信託持有。該全權信託之受益人包括劉先生、其配偶及其子女。
2. 根據證券及期貨條例，由於李偉先生有權於Future 2000 Limited之股東大會行使三分之一以上投票權，故視為擁有本公司股份權益。
3. 劉先生視為擁有1,000,000份可認購本公司股份之購股權權益，即其配偶實益持有之權益。
4. 二零零九年十二月二十三日，本集團完成收購總發礦業50.8%的權益。作為部份收購代價，本公司向劉先生發行全數兌換時可轉換為142,857,142股本公司普通股的若干可換股債務票據。於二零一零年一月四日，劉先生已全數兌換所有可換股債務票據為本公司股份。

### 委任獨立非執行董事

本公司已收到各獨立非執行董事按照聯交所證券上市規則（「上市規則」）第3.13條就其獨立性而提交之年度確認函。本公司認為，所有獨立非執行董事均屬獨立人士。

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

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

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

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st December, 2010:

- (1) The aggregate sales attributable to the Group's five largest customers and the largest customer represent approximately 25.8% and 9.8%, respectively, of the Group's total revenue;
- (2) The aggregate purchases attributable to the Group's five largest suppliers and the largest supplier represent approximately 99.7% and 98.7%, respectively, of the Group's total purchase.

At no time during the year did a director, an associate of a director or a shareholder of the Company which to the knowledge of the directors, own more than 5% of the Company's issued share capital, had a beneficial interest in any of the Group's five largest suppliers and customers.

### 優先購買權

本公司之公司細則或百慕達法例並無有關本公司須按比例向現有股東發售新股的優先購買權條文。

### 購買、出售或贖回本公司之上市證券

於年內，本公司及其附屬公司概無購買、出售或贖回本公司任何上市證券。

### 主要客戶及供應商

截至二零一零年十二月三十一日止年度：

- (1) 本集團向五大客戶及最大客戶所作出之銷售總額分別約佔本集團收入總額之25.8%及9.8%；
- (2) 本集團向五大供應商及最大供應商所作出之採購總額分別約佔本集團採購總額之99.7%及98.7%。

於年內任何時間，董事、其聯繫人或據董事所知擁有本公司已發行股本5%以上之本公司股東，概無擁有本集團五大供應商及客戶之實益權益。



# Directors' Report

## 董事會報告書

### CORPORATE GOVERNANCE

Save as disclosed in the Corporate Governance Report on pages 21 to 29 of this annual report, the Company has complied throughout the year with the Code on Corporate Governance Practice as set out in Appendix 14 to the Listing Rules which were then in force.

Detailed information on the Company's corporate governance practices is also set out in the Corporate Governance Report.

### EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out in note 30 to the consolidated financial statements.

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31st December, 2010.

### EVENTS AFTER THE REPORTING PERIOD

No material significant events occurred after the reporting period.

### 企業管治

除本年報第21至第29頁之企業管治報告書所披露者外，本公司於年內一直遵從當時有效之上市規則附錄14所載之企業管治常規守則。

本公司企業管治守則之詳細資料亦載於企業管治報告書內。

### 酬金政策

本集團之僱員酬金政策由薪酬委員會設立，以僱員之表現、資歷及才幹為基準。

本公司董事之酬金由薪酬委員會根據本公司之經營業績、個人表現及同類市場數據釐定。

本公司已採納一項購股權計劃作為給予董事及合資格僱員之獎勵，計劃詳情載於綜合財務報表附註30。

### 足夠公眾持股量

本公司於截至二零一零年十二月三十一日止年度內一直維持足夠的公眾持股量。

### 申報期後事項

於申報期後沒有發生重大事項。

### AUDITOR

Deloitte Touche Tohmatsu was re-appointed as the Company's external auditors by the shareholders at the Annual General Meeting on 1st June, 2010, and tendered resignation on 22nd November, 2010. BDO Limited was appointed as the Company's external auditors by the shareholders at the Special General Meeting on 17th December, 2010.

A resolution will be submitted to the annual general meeting of the Company to re-appoint BDO Limited as auditor of the Company.

On behalf of the Board

**Lau Siu Ying**

*CHAIRMAN*

Hong Kong, 30th March, 2011

### 核數師

德勤•關黃陳方會計師行已於二零一零年六月一日舉行之股東週年大會上獲股東續聘為本公司外聘核數師，其亦於二零一零年十一月二十二日提出辭任。香港立信德豪會計師事務所有限公司已於二零一零年十二月十七日舉行之特別股東大會上獲股東聘任為本公司外聘核數師。

本公司將於股東週年大會上提呈續聘香港立信德豪會計師事務所有限公司為本公司核數師之決議案。

代表董事會

**劉小鷹**

*主席*

香港，二零一一年三月三十日

## Disclosure pursuant to Rule 14A.59(10)(a) of the Listing Rules 根據上市規則第14A.59(10)(a)條作出之披露

Reference is made to the circular (the “Circular”) of the Company dated 29th January, 2009 and the announcement of the Company dated 7th March, 2011, among other things, in relation to the acquisition of 50.8% effective interest in the PRC Mining Company (the “Acquisition”). Terms herein shall have the same meaning as those defined in the Circular unless the context requires otherwise.

In compliance with Rule 14A.59(10)(a) of the Listing Rules, the Independent Non-executive Directors of the Company would like to provide an opinion that:

The profit requirement under the Acquisition for the period from 23rd December, 2009 to 22nd December, 2010 falls short of a sum of RMB71.7 million as guaranteed under the Profit Guarantee (for one year only) given by Mr. Lau for which Mr. Lau, also the connected person of the Acquisition, is required to have compensated the Company for such sum by adjusting the principal sum of the first tranche Promissory Notes from HK\$40 million to HK\$8 million accordingly, which has been confirmed and accepted by Mr. Lau, and properly taken into account in the audited financial statement of the Group as at 31st December, 2010. As a result, Mr. Lau has already fulfilled his obligation under the Profit Guarantee.

謹此提述本公司日期為二零零九年一月二十九日之通函(「通函」)及本公司日期為二零一一年三月七日之公佈,內容有關(其中包括)收購中國礦業公司50.8%實際權益(「收購事項」)。除文義另有指明外,本文所用之詞彙與通函已界定者具有相同涵義。

根據上市規則第14A.59(10)(a)條,本公司獨立非執行董事謹此提供下列意見:

根據收購事項中劉先生所給予之溢利保證(僅有一年期限),有關二零零九年十二月二十三日至二零一零年十二月二十二日期間的溢利要求之不足差額為人民幣71,700,000元,就此,劉先生(亦為收購事項之關連人士)須向本公司補償該差額款項,方式為將第一批承兌票據之本金額由40,000,000港元相應調整至8,000,000港元,而劉先生已確認並接納調整,並已於本集團二零一零年十二月三十一日之經審核財務報表中反映。因此,劉先生已履行其於溢利保證下之責任。

**Chang Wing Seng, Victor**  
鄭永勝

**Wong Lit Chor, Alexis**  
黃烈初

**Chen Yi Gang**  
陳亦剛

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

# Independent Auditor's Report 獨立核數師報告



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## TO THE SHAREHOLDERS OF CHINA FORTUNE HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

致中國長遠控股有限公司列位股東

(於百慕達註冊成立之有限公司)

We have audited the consolidated financial statements of China Fortune Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 45 to 146, which comprise the consolidated and company statements of financial position as at 31st December, 2010, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

本核數師行已完成審核載列於第45頁至第146頁中國長遠控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,包括於二零一零年十二月三十一日之綜合及公司財務狀況表、截至該日止年度之綜合全面收入表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他說明資料。

## DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of these consolidated financial statements that give a true and fair view 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, and for such internal control as the directors determine is necessary to enable the preparation of these consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露要求編製及真實公允地列報該等綜合財務報表,及落實其認為編製該等綜合財務報表所必要的內部監控,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。

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## 核數師的責任

本行的責任是根據本行的審核對該等綜合財務報表發表意見,並按照百慕達《公司法》第90條僅向全體股東報告。除此以外,本行的報告書別無其他目的。本行概不就本報告的內容,對任何其他人士負上或承擔責任。

# Independent Auditor's Report

## 獨立核數師報告

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 about whether the consolidated financial statements are free from material misstatement.

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 auditor's 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 of the consolidated financial statements that give a true and fair view 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 Company and of the Group as at 31st December, 2010 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### **BDO Limited**

*Certified Public Accountants*

#### **Ng Wai Man**

Practising Certificate Number: P05309

30th March, 2011

本行乃根據香港會計師公會頒佈的香港審計準則進行審核工作。該等準則要求本行遵守道德規範，規劃及執行審核，以合理確定該等綜合財務報表是否不存在任何重大錯誤陳述。

審核工作包括執程序以獲取有關綜合財務報表所載數額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。評估該等風險時，核數師考慮與該公司編製及真實公允地列報綜合財務報表相關的內部監控，以設計適當的審核程序，但並非對該公司內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策是否合適及所作出的會計估計是否合理，以及評價綜合財務報表的整體列報方式。

本行相信，本行所獲得的審核憑證充足及適當地為本行的審核意見提供基礎。

### 意見

本行認為，該等綜合財務報表根據香港財務報告準則真實公允反映 貴公司及 貴集團於二零一零年十二月三十一日的財務狀況及截至該日止年度 貴集團的溢利及現金流量，並按照香港《公司條例》的披露要求妥善編製。

#### 香港立信德豪會計師事務所有限公司

執業會計師

#### 伍惠民

執業證書號碼：P05309

二零一一年三月三十日

# Consolidated Statement of Comprehensive Income

## 綜合全面收入表

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

		Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Continuing operations	持續經營業務			
Revenue	收益	7	2,544,120	2,067,961
Cost of sales	銷售成本		(2,479,356)	(2,030,657)
Gross profit	毛利		64,764	37,304
Other income	其他收入		4,668	6,201
Other gains and losses	其他收益及虧損	8	9,280	(170,998)
Selling and distribution costs	銷售及分銷成本		(22,450)	(20,235)
Administrative expenses	行政費用		(27,308)	(20,259)
Finance costs	融資成本	9	(11,658)	(2,282)
Loss on disposal of subsidiaries	出售附屬公司之虧損		-	(4,974)
Gain on disposal of an associate	出售一家聯營公司之收益		-	1,437
Share of results of associates	分佔聯營公司之業績	20	444	732
Profit/(loss) before income tax	除所得稅前溢利／(虧損)		17,740	(173,074)
Income tax expense	所得稅支出	10	(2,104)	(26)
Profit/(loss) for the year from continuing operations	持續經營業務年度溢利／(虧損)	12	15,636	(173,100)
Profit for the year from discontinued operations	已終止經營業務年度溢利	11	-	671
Profit/(loss) for the year	年度溢利／(虧損)		15,636	(172,429)
Other comprehensive income	其他全面收入			
Exchange differences arising on translation	因換算而產生之匯兌差異		20,931	(1,476)
Share of translation reserve of associates	分佔聯營公司之換算儲備		-	3
Translation reserve released upon disposal of an associate	於出售一家聯營公司時解除的換算儲備		-	(133)
Translation reserve released upon deregistration of a subsidiary	撤銷註冊一家附屬公司時解除的換算儲備		(3,941)	-
			16,990	(1,606)
Total comprehensive income for the year	年度全面總收入		32,626	(174,035)

# Consolidated Statement of Comprehensive Income

## 綜合全面收入表

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

		Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Profit/(loss) for the year attributable to:	應佔年度溢利／（虧損）：			
Owners of the Company	本公司擁有人		14,875	(171,983)
Non-controlling interests	非控制性權益		761	(446)
			<b>15,636</b>	<b>(172,429)</b>
Total comprehensive income attributable to:	應佔全面總收入：			
Owners of the Company	本公司擁有人		24,989	(173,542)
Non-controlling interests	非控制性權益		7,637	(493)
			<b>32,626</b>	<b>(174,035)</b>
From continuing and discontinued operations	持續及已終止經營業務所得			
Earnings/(loss) per share – basic and diluted	每股盈利／（虧損） — 基本及攤薄	16	1.82仙cents	(45.32)仙cents
From continuing operations	持續經營業務所得			
Earnings/(loss) per share – basic and diluted	每股盈利／（虧損） — 基本及攤薄	16	1.82仙cents	(45.49)仙cents

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31st December, 2010 於二零一零年十二月三十一日

		Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
<b>Non-Current Assets</b>	<b>非流動資產</b>			
Plant and equipment	廠房及設備	17	8,680	6,701
Mining right	採礦權	18	433,683	415,840
Goodwill	商譽	19	2,910	2,910
Investment in an associate	一家聯營公司之投資	20	4,463	4,919
Available-for-sale investment	可供出售投資	22	69	69
Club memberships	會所會籍	23	1,376	1,358
			<b>451,181</b>	<b>431,797</b>
<b>Current Assets</b>	<b>流動資產</b>			
Inventories	存貨	24	187,155	164,774
Trade and other receivables	應收貿易賬款及其他應收 賬款	25	173,150	85,849
Bills receivable	應收票據		7,056	–
Other assets	其他資產		–	1,469
Amounts due from related parties	應收關連人士之款項	26	3,172	5,721
Taxation recoverable	可收回稅項		–	2,063
Bank balances and cash	銀行結餘及現金	27	45,667	7,264
			<b>416,200</b>	<b>267,140</b>
<b>Current Liabilities</b>	<b>流動負債</b>			
Trade and other payables	應付貿易賬款及其他應付 賬款	28	203,873	89,797
Amounts due to related parties	應付關連人士之款項	26	8,770	25,781
Taxation payables	應付稅項		6,782	4,579
Bank and other borrowings	銀行及其他借貸	31	50,030	14,010
Promissory notes	承兌票據	33	45,796	7,549
			<b>315,251</b>	<b>141,716</b>
<b>Net Current Assets</b>	<b>流動資產淨值</b>		<b>100,949</b>	<b>125,424</b>
<b>Total Assets less Current Liabilities</b>	<b>總資產減流動負債</b>		<b>552,130</b>	<b>557,221</b>



# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31st December, 2010 於二零一零年十二月三十一日

		Notes	2010	2009
		附註	HK\$'000	HK\$'000
			千港元	千港元
<b>Capital and Reserves</b>	<b>資本及儲備</b>			
Share capital	股本	29	82,166	67,881
Reserves	儲備		201,445	90,373
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>		<b>283,611</b>	158,254
<b>Non-controlling interests</b>	<b>非控制性權益</b>		<b>162,695</b>	155,058
			<b>446,306</b>	313,312
<b>Non-current Liabilities</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	34	105,824	101,473
Convertible loan notes	可換股貸款票據	32	–	100,306
Promissory notes	承兌票據	33	–	42,130
			<b>105,824</b>	243,909
			<b>552,130</b>	557,221

On behalf of the Board

代表董事會

**Lau Siu Ying**  
劉小鷹  
CHAIRMAN  
主席

**Luo Xi Zhi**  
羅習之  
DIRECTOR  
董事

# Statement of Financial Position

## 財務狀況表

At 31st December, 2010 於二零一零年十二月三十一日

		Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
<b>Non-Current Assets</b>	<b>非流動資產</b>			
Interests in subsidiaries	附屬公司之權益	21	50,577	48,435
			<b>50,577</b>	48,435
<b>Current Assets</b>	<b>流動資產</b>			
Other receivables	其他應收賬款		273	280
Amounts due from subsidiaries	應收附屬公司款項	21	–	–
Bank balances and cash	銀行結餘及現金		5	8
			<b>278</b>	288
<b>Current Liabilities</b>	<b>流動負債</b>			
Other payables	其他應付賬款		1,148	1,677
Amounts due to subsidiaries	應付附屬公司款項	21	6,520	6,520
Amount due to a related party	應付一名關連人士之款項	26	8,037	–
Promissory notes	承兌票據	33	45,796	7,549
			<b>61,501</b>	15,746
<b>Net Current Liabilities</b>	<b>流動負債淨額</b>		<b>(61,223)</b>	(15,458)
<b>Total Assets less Current Liabilities</b>	<b>總資產減流動負債</b>		<b>(10,646)</b>	32,977
<b>Capital and Reserves</b>	<b>資本及儲備</b>			
Share capital	股本	29	82,166	67,881
Reserves	儲備	43	(92,812)	(177,340)
			<b>(10,646)</b>	(109,459)
<b>Non-current Liabilities</b>	<b>非流動負債</b>			
Convertible loan notes	可換股貸款票據	32	–	100,306
Promissory notes	承兌票據	33	–	42,130
			–	142,436
			<b>(10,646)</b>	32,977

On behalf of the Board

代表董事會

Lau Siu Ying  
劉小鷹  
CHAIRMAN  
主席

Luo Xi Zhi  
羅習之  
DIRECTOR  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests 非控制性權益		Total equity 權益總額
		Share capital 股本	Share premium 股份溢價	Special reserve 特別儲備	Translation reserve 換算儲備	Statutory funds 法定基金	Share option reserve 購股權儲備	Accumulated losses 累積虧損	Total 總額		Total equity 權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note i) (附註i)	HK\$'000 千港元	HK\$'000 千港元 (Note ii) (附註ii)	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
At 1st January, 2009	於二零零九年一月一日	37,279	195,183	2,481	50,606	30,132	5,097	(131,280)	189,498	5,282	194,780
Loss for the year	年度虧損	-	-	-	-	-	-	(171,983)	(171,983)	(446)	(172,429)
Exchange differences arising on translation	因換算而產生之匯兌差異	-	-	-	(1,429)	-	-	-	(1,429)	(47)	(1,476)
Share of translation reserve of associates	分佔聯營公司之換算儲備	-	-	-	3	-	-	-	3	-	3
Translation reserve released upon disposal of an associate	於出售一家聯營公司時解除的換算儲備	-	-	-	(133)	-	-	-	(133)	-	(133)
Total comprehensive income for the year	年度全面總收入	-	-	-	(1,559)	-	-	(171,983)	(173,542)	(493)	(174,035)
Transfer of reserve upon forfeiture of share options	於購股權失效時轉撥儲備	-	-	-	-	-	(614)	614	-	-	-
Issue of shares arising on acquisition of a subsidiary	於收購一家附屬公司時而發行股份	30,602	111,696	-	-	-	-	-	142,298	150,269	292,567
At 31st December, 2009	於二零零九年十二月三十一日	67,881	306,879	2,481	49,047	30,132	4,483	(302,649)	158,254	155,058	313,312
Profit for the year	年度溢利	-	-	-	-	-	-	14,875	14,875	761	15,636
Exchange differences arising on translation	因換算而產生之匯兌差異	-	-	-	14,055	-	-	-	14,055	6,876	20,931
Translation reserve released upon deregistration of a subsidiary	撤銷註冊一家附屬公司時解除的換算儲備	-	-	-	(3,941)	-	-	-	(3,941)	-	(3,941)
Total comprehensive income for the year	年度全面總收入	-	-	-	10,114	-	-	14,875	24,989	7,637	32,626
Transfer of reserve upon forfeiture of share options	於購股權失效時轉撥儲備	-	-	-	-	-	(55)	55	-	-	-
Issue of shares upon conversion of convertible loan notes	於變換可換股貸款票據時而發行股份	14,285	86,083	-	-	-	-	-	100,368	-	100,368
At 31st December, 2010	於二零一零年十二月三十一日	82,166	392,962	2,481	59,161	30,132	4,428	(287,719)	283,611	162,695	446,306

### Notes:

- (i) The special reserve represents the difference between the nominal value of the shares of the subsidiaries acquired and the nominal value of the Company's shares issued for their acquisition at the time of the group reorganisation in 1999.
- (ii) The statutory funds are reserves required by the relevant laws applicable to the Group's subsidiaries established in the People's Republic of China (the "PRC") and can be utilised to offset the prior years' losses of the PRC subsidiaries.

### 附註:

- (i) 特別儲備指所收購附屬公司之股份面值與本公司於一九九九年進行集團重組時就收購所發行之股份面值間之差額。
- (ii) 法定基金指適用於本集團在中華人民共和國(「中國」)成立之附屬公司之有關法例所規定之儲備，並可用於抵銷該等中國附屬公司過往年度之虧損。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

	Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Profit/(loss) before income tax	除所得稅前溢利／(虧損)		
Continuing operations	持續經營業務	17,740	(173,074)
Discontinued operations	已終止經營業務	-	772
		<b>17,740</b>	<b>(172,302)</b>
Adjustments for:	調整：		
Interest expenses	利息開支	11,658	2,330
Interest income	利息收入	(317)	(452)
Reversal of allowance for doubtful debts	呆賬撥備撥回	(397)	(14,916)
Allowance for trade and other receivables	應收貿易賬款及其他應收賬款之撥備	2,852	994
Impairment loss recognised in respect of available-for-sale investment	就可供出售投資確認之減值虧損	-	217
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	-	184,340
Impairment loss recognised in respect of investment in an associate	就一家聯營公司投資確認之減值虧損	900	-
Fair value loss on derivative financial instrument	衍生財務工具之公平值虧損	-	326
Loss on disposal of subsidiaries	出售附屬公司之虧損	-	4,974
Gain on disposal of an associate	出售一家聯營公司之收益	-	(1,437)
Adjustment to estimated compensation by the Vendors	估計賣方賠償金額之調整	(109)	-
Share of results of associates	分佔聯營公司之業績	(444)	(732)
Write down of inventories	存貨撇減	1,395	8,249
Depreciation of plant and equipment	廠房及設備之折舊	1,831	1,278
Gain on waiver of trade and other payables	豁免應付貿易賬款及其他應付賬款之收益	-	(5,695)
Write back of amount due to a minority shareholder of a subsidiary	撥回應付一家附屬公司一名少數股東之金額	(7,862)	-
Loss/(gain) on write-off/disposal of plant and equipment	撇銷／出售廠房及設備之虧損／(收益)	2	(127)
Amortisation of mining right	採礦權攤銷	533	-
Reversal of impairment loss recognised in respect of club memberships	撥回會所會籍確認之減值虧損	(11)	(82)

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

		Notes	2010	2009
		附註	HK\$'000	HK\$'000
			千港元	千港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量		27,771	6,965
Increase in inventories	存貨增加		(15,537)	(13,556)
(Increase)/decrease in trade and other receivables	應收貿易賬款及其他應收賬款(增加)/減少		(85,464)	1,048
(Increase)/decrease in bills receivable	應收票據(增加)/減少		(7,056)	673
Increase in trade and other payables	應付貿易賬款及其他應付賬款增加		106,517	7,942
Cash generated from operations	經營業務所得現金		26,231	3,072
PRC Enterprise Income Tax refunded/(paid)	獲退回/(已繳)中國企業所得稅		2,076	(1,699)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>經營活動所得現金淨額</b>		<b>28,307</b>	<b>1,373</b>
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>			
Decrease in pledged bank deposits	已抵押銀行存款減少		-	30,392
Decrease in other assets	其他資產減少		1,542	21,331
Proceeds from disposal of associate	出售聯營公司之所得款項		-	2,000
Proceeds from disposal of plant and equipment	出售廠房及設備之所得款項		-	488
Disposal of subsidiaries	出售附屬公司		-	558
Interest received	已收利息		317	452
Repayment from/(advance to) minority shareholders of subsidiaries	附屬公司少數股東之還款/(墊款)		4,571	(384)
Acquisition of subsidiaries	收購附屬公司		-	(7,665)
Purchase of plant and equipment	購買廠房及設備		(3,568)	(724)
<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>	<b>投資活動所得現金淨額</b>		<b>2,862</b>	<b>46,448</b>

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

	Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Bank and other borrowings raised (Repayment to)/advance from a director	已籌集之銀行及其他借貸 一名董事之(還款)/墊款	182,900	-
Repayment of other financial liabilities	償還其他財務負債	(18,922)	7,155
Repayment of bank and other borrowings	償還銀行及其他借貸	-	(52,630)
Interest paid	已付利息	(147,500)	(38,582)
		(4,264)	(2,038)
<b>NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES</b>	<b>融資活動所得/(所用) 現金淨額</b>	<b>12,214</b>	<b>(86,095)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物增加/ (減少)淨額</b>	<b>43,383</b>	<b>(38,274)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>年初之現金及現金等價物</b>	<b>7,264</b>	<b>45,912</b>
Effect of foreign exchange rate changes	匯率變動之影響	(4,980)	(374)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR, represented by bank balances and cash</b>	<b>年終之現金及現金等價物</b>  代表： 銀行結餘及現金	<b>45,667</b>	<b>7,264</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 1. GENERAL

The Company is an exempted company with limited liability incorporated in Bermuda under The Companies Act 1981 of Bermuda (as amended). The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its parent and ultimate holding company is Future 2000 Limited, a company incorporated in the British Virgin Islands. The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

The functional currency of the Company 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 Company is an investment holding company. The principal activities of the Group are distribution and trading of mobile phones and related accessories, development of marketing and after-sales service network and mining and processing of celestite, zinc and lead minerals. The activities of its principal subsidiaries and principal associate are set out in Notes 45 and 46, respectively.

### 1. 一般事項

本公司為根據百慕達一九八一年公司法（經修訂）在百慕達註冊成立之受豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。本公司之母公司及最終控股公司為於英屬處女群島註冊成立的公司Future 2000 Limited。本公司註冊辦事處及主要營業地點之地址在年報「公司資料」一節內披露。

本公司之功能貨幣為人民幣（「人民幣」）。由於本公司於香港上市，為方便股東，故綜合財務報表以港元（「港元」）呈列。

本公司為投資控股公司。本集團之主要業務為分銷及買賣移動電話及相關配件、發展市場推廣及售後服務網絡，以及天青石、鋅及鉛礦石的開採及加工業務。主要附屬公司及主要聯營公司之業務分別載於附註45及46。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

#### (a) Adoption of new and revised HKFRSs – effective on 1st January, 2010

HKFRSs (Amendments)	Improvements to HKFRSs
Amendments to HKAS 39	Eligible Hedged Items
Amendments to HKFRS 2	Share-based Payment – Group Cash-settled Share-based Payment Transactions
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC) – Interpretation 17	Distributions of Non-cash Assets to Owners
HK Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

Except as explained below, the adoption of these new and revised HKFRSs has no significant impact on Group’s financial statements.

### 2. 採用香港財務報告準則（「香港財務報告準則」）

#### (a) 採用新訂及經修訂香港財務報告準則 – 於二零一零年一月一日生效

香港財務報告準則（修訂本）	香港財務報告準則之改進
香港會計準則第39號之修訂本	合資格對沖項目
香港財務報告準則第2號之修訂本	以股份為基礎之支付－集團以現金結算之股份付款交易
香港會計準則第27號（經修訂）	綜合及獨立財務報表
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	向擁有人分配非現金資產
香港詮釋第5號	財務報表之呈列－借款人對包含可隨時要求償還條款之定期貸款之分類

除下文所闡釋者外，採納此等新訂及經修訂香港財務報告準則對本集團之財務報表並無重大影響。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### (a) Adoption of new and revised HKFRSs – effective on 1st January, 2010 (Continued)

##### HKFRS 3 (Revised) – Business Combinations and HKAS 27(Revised) – Consolidated and Separate Financial Statements

The revised accounting policies are described in Note 3, which are effective prospectively for business combinations effected in financial periods beginning on or after 1st July, 2009. Changes in HKFRS 3 include the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes impact the amount of goodwill and the results in the period that an acquisition occurs and future results. The adoption of revised HKFRS 3 has had no impact to the financial statements as there has been no business combination transaction during the year.

The revised HKAS 27 requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners, and accordingly, such transactions are recognised within equity. When control is lost and any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The adoption of revised HKAS 27 has had no impact in the current year.

### 2. 採用香港財務報告準則（「香港財務報告準則」）（續）

#### (a) 採用新訂及經修訂香港財務報告準則 – 於二零一零年一月一日生效（續）

##### 香港財務報告準則第3號（經修訂） – 業務合併及香港會計準則第27號（經修訂） – 綜合及獨立財務報表

經修訂會計政策概述於附註3，該等經修訂會計政策追溯應用於二零零九年七月一日或其後開始之財政期間之業務合併。香港財務報告準則第3號之變動包括非控制性權益之估值、交易成本之會計處理方法、或然代價及分多個階段達成之業務合併之初步確認及其後計量。該等變動將影響已確認商譽金額、發生收購期間之業績及未來業績。由於年內並無業務合併交易，故採納經修訂香港財務報告準則第3號對財務報表並無影響。

經修訂香港會計準則第27號要求將附屬公司之擁有權權益變動（並無失去控制權）被視為與作為擁有人身份之擁有人之交易，因此，有關交易乃於權益中確認。當失去控制權時，實體之任何餘下權益重新計量為公平值，而收益或虧損乃於損益中確認。採納經修訂香港會計準則第27號對本年度並無影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### (a) Adoption of new and revised HKFRSs – effective on 1st January, 2010 (Continued)

##### HK Interpretation 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The Interpretation is a clarification of an existing standard, HKAS 1 Presentation of Financial Statements. It sets out the conclusion reached by the HKICPA that a term loan which contains a clause which gives the lender the unconditional right to demand repayment at any time shall be classified as a current liability in accordance with paragraph 69(d) of HKAS 1 irrespective of the probability that the lender will invoke the clause without cause. The adoption of HK Interpretation 5 has had no impact on the financial statements in current and prior years.

### 2. 採用香港財務報告準則（「香港財務報告準則」）（續）

#### (a) 採用新訂及經修訂香港財務報告準則 – 於二零一零年一月一日生效（續）

##### 香港詮釋第5號 – 財務報表之呈列 – 借款人對包含可隨時要求償還條款之定期貸款之分類

詮釋乃現有香港會計準則第1號財務報表之呈列之澄清。其載有香港會計師公會之結論，貸款中包括一條給借款人無條件權利可隨時要求償還定期貸款之條款，應按照香港會計準則第1號第69(d)段，分類為流動負債，不論借款人將無故行使此條款之可能性。採納香港詮釋第5號並無對本年及過往年度之財務報表有任何影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### (b) New and revised HKFRSs that have been issued but not yet effective

The following new and revised HKFRSs, potentially relevant to the Group’s operations, have been issued, but are not yet effective and have not been early adopted by the Group:

		Effective date 生效日期
HKFRSs (Amendments) 香港財務報告準則(修訂本)	Improvements to HKFRSs 2010 二零一零年香港財務報告準則之改進	(i) & (ii)
HK(IFRIC) – Interpretation 19 香港(國際財務報告詮釋委員會)–詮釋第19號	Extinguishing Financial Liabilities with Equity Instruments 以股本工具撤減財務負債	(i)
HKAS 24 (Revised) 香港會計準則第24號(經修訂)	Related Party Disclosures 關連人士之披露	(ii)
Amendments to HKFRS 7 香港財務報告準則第7號之修訂本	Disclosure – Transfers of Financial Assets 披露–財務資產之轉撥	(iii)
HKFRS 9 香港財務報告準則第9號	Financial Instruments 財務工具	(iv)

Effective date:

- (i) Annual periods beginning on or after 1st July, 2010
- (ii) Annual periods beginning on or after 1st January, 2011
- (iii) Annual periods beginning on or after 1st July, 2011
- (iv) Annual periods beginning on or after 1st January, 2013

生效日期:

- (i) 於二零一零年七月一日或其後開始之年度期間生效
- (ii) 於二零一一年一月一日或其後開始之年度期間生效
- (iii) 於二零一一年七月一日或其後開始之年度期間生效
- (iv) 於二零一三年一月一日或其後開始之年度期間生效

### 2. 採用香港財務報告準則(「香港財務報告準則」)(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早採用下列已頒佈但尚未生效並可能與本集團營運相關之新訂及經修訂香港財務報告準則：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### (b) *New and revised HKFRSs that have been issued but not yet effective (Continued)*

HKAS 24 (Revised) clarifies and simplifies the definition of related parties. It also provides for a partial exemption of related party disclosure to government-related entities for transactions with the same government or entities that are controlled, jointly controlled or significantly influenced by the same government.

The amendments to HKFRS 7 improve the derecognition disclosure requirements for transfer transactions of financial assets and allow users of financial statements to better understand the possible effects of any risks that may remain with the entity on transferred assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period.

Under HKFRS 9, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for those non-trade equity investments, which the entity will have a choice to recognise the gains and losses in other comprehensive income. HKFRS 9 carries forward the recognition and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

### 2. 採用香港財務報告準則（「香港財務報告準則」）（續）

#### (b) *已頒佈但尚未生效之新訂及經修訂香港財務報告準則（續）*

香港會計準則第24號（經修訂）澄清及簡化了關連人士之定義。該準則亦向政府相關實體就與相同政府或受相同政府控制、共同控制或重大影響之實體之間之交易之關連人士披露提供部分豁免。

香港財務報告準則第7號之修訂本改善財務資產轉讓交易之終止確認披露規定，並令財務報表之使用者更理解已轉讓資產對實體所餘下之任何風險之可能影響。修訂本亦要求就呈報期末前後曾出現不合比例之轉讓金額須作出額外披露。

根據香港財務報告準則第9號，財務資產乃視乎實體管理財務資產之業務模式及財務資產之合約現金流性質分類為按公平值或按攤銷成本計量之財務資產。公平值之收益或虧損將於損益中確認，惟非買賣性股本投資除外，實體可選擇於其他全面收入中確認損益。香港財務報告準則第9號繼續香港會計準則第39號之財務負債確認及計量規定，惟於損益指定按公平值計量之財務負債除外，其因負債信貸風險變動而產生之公平值變動金額乃於其他全面收入中確認，除非會引致或擴大會計問題。此外，香港財務報告準則第9號保留香港會計準則第39號有關財務資產及財務負債之終止確認規定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### (b) *New and revised HKFRSs that have been issued but not yet effective (Continued)*

The Group is in the process of making an assessment of the potential impact of these new and revised HKFRSs and the directors so far concluded that the application of these new and revised HKFRSs will have no material impact on the Group’s financial statements.

### 3. SIGNIFICANT ACCOUNTING POLICIES

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

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, these financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

#### *Business combination and basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

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

### 2. 採用香港財務報告準則（「香港財務報告準則」）（續）

#### (b) *已頒佈但尚未生效之新訂及經修訂香港財務報告準則（續）*

本集團正對該等新訂及經修訂香港財務報告準則之潛在影響進行評估，而到目前為止董事總結應用該等新訂及經修訂香港財務報告準則將不會對本集團之財務報表造成重大影響。

### 3. 主要會計政策

該等財務報表根據歷史成本基準編製，惟以下會計政策所闡釋之若干財務工具按公平值計量。

該等財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，該等財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例規定之適用披露。

#### *業務合併及綜合基準*

綜合財務報表包括本公司及其附屬公司之財務報表。集團內部公司間之交易及結餘及未變現溢利於編製綜合財務報表時悉數抵銷。除非交易提供轉讓資產之減值證明，否則未變現虧損亦予以抵銷，在此情況下，虧損於損益內確認。

於年內收購或出售附屬公司之業績由收購生效日期起或計至出售生效日期止列入綜合全面收入表內（視適用情況而定）。於需要情況下，附屬公司之財務報表會作出調整，致令有關會計政策與本集團其他成員公司所採用者一致。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Business combination and basis of consolidation (Continued)*

##### **Business combination from 1st January, 2010**

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interest either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs incurred are expensed.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 3. 主要會計政策 (續)

#### *業務合併及綜合基準 (續)*

##### **始於二零一零年一月一日之業務合併**

收購附屬公司或業務採用收購法入賬。收購成本按本集團(作為收購方)所轉讓資產、所產生負債以及所發行股本權益於收購日期之公平值總額計算。收購之可識別資產及承擔負債主要按於收購日之公平值計算。本集團以往持有收購方之股本權益按收購日之公平值重新計算並將因此而產生之溢利或虧損於損益內確認。本集團可選擇以當時交易作基準按公平值或收購方可識別資產淨值所佔比例來計算非控制性權益。收購所產生之相關成本列作支出。

由收購方將予轉讓之任何或然代價於收購日期按公平值確認。其後對代價之調整僅於調整源自於計量期間(最長為收購日期起12個月)內所取得有關於收購日期之公平值之新資料時方與商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益確認。

本集團於附屬公司權益變動如不喪失控制權，入賬列為權益交易。本集團權益及非控制性權益之賬面值予以調整，反映各自附屬公司權益比例變動。經調整後非控制性權益金額與所付或所收代價公平值之任何差額，直接於權益確認，並計入本公司擁有人。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Business combination and basis of consolidation (Continued)*

##### **Business combination from 1st January, 2010 (Continued)**

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interest having a deficit balance.

##### **Business combination prior to 1st January, 2010**

On acquisition, the assets and liabilities of the relevant subsidiaries are measured at their fair values at the date of acquisition. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connected with business combinations were capitalised as part of the cost of the acquisition.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

### 3. 主要會計政策 (續)

#### *業務合併及綜合基準 (續)*

##### **始於二零一零年一月一日之業務合併 (續)**

當本集團喪失附屬公司控制權，出售溢利或虧損為以下兩者之差額：(i)已收代價公平值與任何保留權益公平值之總額；及(ii)資產（包括商譽）過往賬面值與附屬公司及任何非控制性權益負債之總額。以往於其他全面收入確認與附屬公司有關之金額，入賬方式相同，猶如相關資產或負債已經出售。

收購後，非控制性權益賬面值為按初步確認者，另加非控制性權益其後應佔權益變動。即使全面收入總額計入非控制性權益造成負結餘，全面收入總額仍然計入非控制性權益。

##### **於二零一零年一月一日前之業務合併**

於收購時，相關附屬公司之資產及負債按其於收購日之公平值計量。少數股東權益按已確認資產及負債公平值之少數權益部分呈列。

本集團就業務合併產生的交易成本（與發行債務或股本證券相關的交易成本除外）已資本化為收購成本的一部分。

倘適用於少數股東權益的虧損超過附屬公司股權中的少數股東權益，則超出數額及適用於少數股東權益的任何進一步虧損會沖減本集團的權益，惟少數股東權益有具約束力責任且有作出額外投資以彌補該等虧損則除外。倘附屬公司其後錄得溢利，則所有該等溢利將分派予本集團的權益，直至本集團收回原先錄得的少數股東權益應佔虧損為止。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Business combination and basis of consolidation* (Continued)

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group are recognised profit or loss. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary.

#### *Goodwill*

Goodwill is initially recognised at cost being the excess of the aggregate of consideration transferred and the amount recognised for non-controlling interests over the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired.

### 3. 主要會計政策 (續)

#### *業務合併及綜合基準 (續)*

本集團應用一項政策，將與少數股東權益之間的交易視作與本集團外部人士進行的交易處理。本集團因出售少數股東權益而產生的盈虧於損益內確認。收購少數股東權益將產生商譽，即任何已付代價與應佔所收購附屬公司資產淨值的賬面值之間的差額。

#### *商譽*

商譽初步按成本確認，成本即所轉移代價與就非控制性權益確認之金額總額超出所收購可識別資產、負債及或然負債之公平值之部份。

倘可識別資產、負債及或然負債之公平值高於所付代價之公平值，則超出部份於重估後於收購日期在損益確認。

商譽乃按成本減以減值虧損計量。就減值測試而言，收購產生之商譽分配予預期會受惠於收購協同效益之各相關現金產生單位。獲分配商譽之現金產生單位會每年及於有跡象顯示該單位可能出現減值時進行減值測試。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Goodwill (Continued)*

For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

#### *Investments in associates*

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate, the Group discontinues recognised its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

### 3. 主要會計政策 (續)

#### *商譽 (續)*

就於財政年度內進行收購所產生之商譽而言，獲分配商譽之現金產生單位會於該財政年度結束前進行減值測試。當現金產生單位之可收回金額少於該單位賬面值時，減值虧損會首先分配至撇減該單位獲分配之任何商譽之賬面值，繼而基於該單位內各資產之賬面值按比例分配至該單位之其他資產。商譽之任何減值虧損於損益確認，而不會於往後期間撥回。

#### *於聯營公司之投資*

聯營公司指投資者對其行使重大影響力之實體，且其並非為附屬公司亦非合營企業權益。重大影響力指參與被投資方的財務及經營決策但並非控制或共同控制該等政策的權力。

聯營公司之業績、資產及負債按權益會計法計入綜合財務報表內。根據權益法，於聯營公司之投資按成本就本集團分佔聯營公司之資產淨值於收購後之變動調整，減任何已識別減值虧損列於綜合財務狀況表。當本集團分佔聯營公司之虧損等同或超過所持該聯營公司權益時，本集團終止確認所分佔之進一步虧損。額外分佔虧損會計提撥備及確認為負債，惟僅以本集團有法定或推定責任或代表該聯營公司支付賬款為限。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Investments in associates (Continued)*

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill included within the carrying amount of the investment is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment as a single asset. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment in the associate. Any reversal of impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

#### *Revenue recognition*

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

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

Service income is recognised when services are provided.

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.

### 3. 主要會計政策 (續)

#### *於聯營公司之投資 (續)*

任何收購成本超出本集團應佔聯營公司於收購日期確認之可識別資產、負債及或然負債公平淨值之差額確認為商譽。有關商譽列入該投資的賬面值內，且不進行單獨減值測試，相反，投資的全部賬面值作為單一資產進行減值測試。於聯營公司投資賬面值的任何已確認減值虧損並不分配至任何資產（包括商譽）。任何減值虧損撥回按其後增加的投資可回收金額確認。

當集團實體與本集團聯營公司交易時，損益會互相抵銷，數額以本集團所佔有關聯營公司之權益為限。

#### *收益確認*

收益按已收或應收代價之公平值計量，指日常業務過程中就已售出貨品及已提供服務應收之款項，並已扣除折扣及銷售相關稅項。

銷售貨品之收益於貨品交付及擁有權轉移時確認入賬。

服務收入於提供服務時確認。

財務資產之利息收入根據未償還本金及適用實際利率後按時間基準累計，有關實際利率為將估計未來所收現金按財務資產估計可使用年期折現至該資產初步確認賬面淨值之利率。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Plant and equipment

Plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of plant and equipment over their estimated useful lives and after taking into account of their estimated residual values, using the straight-line method. The principal annual rates used for the current year are as follows:

Leasehold improvements	5%-33% or over the term of the relevant leases, whichever is shorter
Furniture, fixtures and equipment	20%-33%
Motor vehicles	20%-25%

An item of 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 profit or loss in the period in which the item is recognised.

#### Intangible asset – club memberships

Club memberships with indefinite life are carried at cost less any subsequent accumulated impairment losses.

Gains or losses arising from derecognition of the club membership are measured at the difference between the net disposal proceeds and the carrying amount of the club membership and are recognised in the profit or loss when the club membership is recognised.

### 3. 主要會計政策 (續)

#### 廠房及設備

廠房及設備按成本減其後累計折舊及累計減值虧損列賬。

廠房及設備項目之折舊根據其估計可使用年期及計入估計剩餘價值後，以直線法撇銷其成本。本年度所用的主要年率如下：

租賃裝修	5%-33%或有關租期內 (以較短者為準)
傢俬、裝置及設備	20%-33%
汽車	20%-25%

廠房及設備項目於出售或預期持續使用資產不會產生未來經濟利益時已被確認。終止確認資產時所產生之任何盈虧(按出售所得款項淨額與項目賬面值之間的差額計算)計入已確認項目期間的損益內。

#### 無形資產－會所會籍

永久會所會籍按成本扣任何其後累計減值虧損入賬。

因終止確認會所會籍而產生之盈虧按出售所得款項淨額與會所會籍賬面值兩者之間的差額計量，並於確認會所會籍時於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Mining right*

Mining right is stated at cost less subsequent accumulated amortisation and accumulated impairment loss. Mining right is amortised using the units of production method based on the proven and probable mineral reserves.

#### *Provision for close down and restoration costs*

Close down and restoration costs are provided in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during mine development or during the production phase, based on the net present value of estimated future costs. The cost is capitalised where it gives rise to future benefits, whether the rehabilitation activity is expected to occur over the life of the operation or at the time of close down. The capitalised cost is amortised over the life of the operation and the increase in the net present value of the provision is included in borrowing costs. Where there is a change in the expected decommissioning and restoration costs, an adjustment is recorded against the carrying value of the provision and related assets, and the effect is then recognised in the profit or loss on a prospective basis over the remaining life of the operation. Provision for close down and restoration costs does not include any additional obligations which are expected to arise from future disturbance. The cost estimates are reviewed and revised at the end of each reporting period to reflect changes in conditions.

### 3. 主要會計政策 (續)

#### *採礦權*

採礦權按成本減其後累計攤銷及累計減值虧損列賬。採礦權使用生產單位法按探明及推定礦產儲量攤銷。

#### *關閉及復墾成本撥備*

關閉及復墾成本於有關干擾引起之責任產生會計期間，按估計未來成本之淨現值計提撥備，而不論該責任是否在煤礦開發期間或在生產階段產生。有關成本於其可產生未來利益時予以資本化，不論復墾活動預計會在經營期限內或是在關閉時產生。資本化成本按經營期限攤銷及撥備淨現值增加則計入借貸成本。如預計拆除及復墾成本出現變動，撥備及相關資產賬面值將作出調整，屆時所產生影響將於剩餘經營期限內按預測基準於損益確認。關閉及復墾成本撥備不包括未來干擾事件預期會引起之任何額外責任。成本估計於各呈報期結算日審閱及修正，以反映情況變化。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Impairment losses on tangible and intangible assets other than goodwill*

At the end of reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have reduced. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. In addition, intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

#### *Inventories*

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, cost of conversion and other costs that have been incurred in bringing the materials and supplies to their present location and condition, is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 3. 主要會計政策 (續)

#### *有形及無形資產(商譽除外)減值虧損*

於呈報期結算日，本集團審閱有形及無形資產之賬面值，釐定有否任何跡象顯示該等資產出現減值虧損，或之前已確認的減值虧損是否經已消除或有所減少。倘存在任何該等跡象，則估計資產之可收回金額以釐定減值虧損(如有)的程度。此外，具有無限使用年期的無形資產每年及於有跡象顯示資產可能減值時進行減值測試。倘資產之可收回金額估計低於其賬面值，則該項資產之賬面值須削減至可收回金額。減值虧損即時確認為開支。

倘日後撥回減值虧損，則有關資產之賬面值須增至經修訂之估計可收回金額，惟增加後的賬面值不得超過假設有關資產於以往年度並無確認任何減值虧損而應有之賬面值。撥回之減值虧損即時確認為收入。

#### *存貨*

存貨按成本及可變現淨值之較低者列賬。成本包括所有購買成本及(如適用)將物資及補給品安置在目前位置及環境所產生的轉換成本及其他成本，成本按先入先出法計算。可變現淨值指以正常業務過程中的估計售價減去完成生產及銷售所需的估計成本後所得之金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 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 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.

#### 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 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.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's entities are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of reporting period, and their income and expenses are translated at the average exchange rates for the year, 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).

### 3. 主要會計政策 (續)

#### 租賃

當租約條款將擁有權之絕大部分風險及回報轉予承租人時，該租約分類為融資租約。所有其他租約均分類為經營租約。

#### 本集團作為承租人

經營租約付款於有關租期內按直線基準確認為開支。作為吸引訂立經營租約之已收及應收的利益亦按租期以直線基準確認為租金支出之扣減。

#### 外幣

據編製各個別集團實體之財務報表時，以該實體之功能貨幣以外的貨幣（外幣）進行之交易按交易日期之匯率以各功能貨幣（即該實體經營業務所在主要經濟環境之貨幣）列賬。於呈報期結算日，以外幣結算之貨幣項目按該結算日之匯率重新換算。按過往成本以外幣計算之非貨幣項目不會重新換算。

結算貨幣項目及換算貨幣項目產生之匯兌差額於產生期間在損益確認。

就呈列綜合財務報表而言，本集團實體之資產及負債均按呈報期結算日之匯率換算為本集團之呈列貨幣（即港元），而收入及開支項目按年度平均匯率換算，除非期內匯率大幅波動，則採用交易日之匯率。所產生之匯兌差額（如有）於其他全面收入中確認及累計至權益（匯兌儲備）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies (Continued)

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1st January, 2005 are treated as assets and liabilities of that foreign operation and retranslated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the translation reserve.

#### 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 for which the commencement date for capitalisation is on or after 1st January, 2009 (note: this modification is applicable to entities that previously expensed all borrowing cost relating to qualifying assets for which the commencement date for recognised is prior to 1st January, 2009), 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 profit or loss in the period in which they are incurred.

#### Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognised as expenses the related costs for which the grants are intended to compensate. Government grants related to depreciable assets are recognised as deferred income in the statement of financial position and transferred to profit or loss over the useful lives of the related assets. Other 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 receivables 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.

### 3. 主要會計政策 (續)

#### 外幣 (續)

於二零零五年一月一日或之後收購海外業務所產生的商譽及所收購之可識別資產公平值調整視為該海外業務的資產及負債，並按呈報期結算日的現行匯率重新換算。產生之匯兌差額於匯兌儲備確認。

#### 借貸成本

收購、建設或生產合資格資產（即需要長時間準備方可作擬定用途或銷售之資產）直接應佔之借貸成本，會自二零零九年一月一日或之後開始資本化（註：此修改適用於已支銷與二零零九年一月一日前確認之合資格資產有關之借貸成本的實體），並加入該等資產之成本，直至該等資產已大致完成可作擬定用途或銷售。特定借貸有待用作合資格資產開支前暫時投資所賺得之投資收入會自可撥作成本的合資格資產的借貸成本扣除。

所有其他借貸成本均於產生期間在損益確認。

#### 政府補助

政府補助於本集團確認補助擬補償之相關成本為開支的期間有系統地於損益確認。與可折舊資產相關的政府補助於財務狀況表確認為遞延收入，並於相關資產可使用年限內轉撥至損益。其他政府補助會有系統地在擬補償成本的相應期間確認為收入。作為補償已產生開支或虧損或旨在為本集團提供即時資助（而無未來相關成本）的相關政府補助於成為應收的期間在損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme and other PRC state-managed retirement benefit schemes are charged as expenses when employees have rendered services entitling them to the contributions.

#### 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 year. 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 years 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 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 recognised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or 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. 主要會計政策 (續)

#### 退休福利成本

強制性公積金計劃及其他中國國家管理之退休福利計劃之付款於僱員提供服務而可享有供款時列作開支。

#### 稅項

所得稅支出指現時應付稅項及遞延稅項之總額。

現時應付稅項按本年度應課稅溢利計算。應課稅溢利與綜合全面收入表中所報之溢利不同，因其不包括在其他年度應課稅收入或可扣稅支出，並且不包括毋須課稅或扣稅之項目。本集團之現時稅項負債採用呈報期結算日已頒行或實際已頒行之稅率計算。

遞延稅項乃就綜合財務報表資產及負債賬面值與計算應課稅溢利所採用的相應稅基之差額而確認。通常會就所有應課稅暫時差額確認遞延稅項負債，而遞延稅項資產僅在可能有應課稅溢利用以抵銷該等可確認暫時差額時方會確認。若於一項交易（業務合併除外）中，因商譽或首次確認其他資產及負債而引致之暫時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, 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 reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is recognised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of 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 reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

### 3. 主要會計政策 (續)

#### 稅項 (續)

於附屬公司及聯營公司之投資引致之應課稅暫時差額確認遞延稅項負債，惟倘本集團可控制暫時差額撥回且暫時差額未必會於可見將來撥回則除外。與該等投資及權益相關之可扣稅暫時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差額之益處且預計於可見將來可以撥回時確認。

遞延稅項資產之賬面值於呈報期結算日檢討，並扣減至再無足夠應課稅溢利可供收回全部或部分資產為止。

遞延稅項資產及負債基於呈報期結算日已頒佈或實質頒佈的稅率（及稅法）按清償負債或確認資產期間的預期適用稅率計量。遞延稅項負債及資產的計量反映本集團預期於呈報期結算日收回或結算資產及負債賬面值的方式所產生的稅務影響。遞延稅項於損益確認，惟倘遞延稅項與於其他全面收入或直接於權益確認的項目有關，則遞延稅項亦分別於其他全面收入或直接於權益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 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 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 profit or loss.

#### Financial assets

The Group's financial assets are classified into loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and recognised 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.

### 3. 主要會計政策 (續)

#### 財務工具

當集團實體成為工具合約條文之訂約方時，財務資產及財務負債於綜合財務狀況表內確認。財務資產及財務負債初步按公平值計量。因購置或發行財務資產及財務負債直接應佔之交易成本乃於初步確認時加入或扣自財務資產或財務負債之公平值（如適用）。購置透過損益按公平值入賬之財務資產或財務負債直接應佔之交易成本即時於損益確認。

#### 財務資產

本集團之財務資產分為貸款、應收賬款及可供出售財務資產。所有按正常途徑買賣之財務資產均按交易日基準確認。按正常途徑買賣指買賣該等財務資產須按市場規則或慣例於既定時限內交付資產。

#### 實際利率法

實際利率法乃計算財務資產之攤銷成本及攤分有關期間利息收入的方法。實際利率指財務資產於整個估計可用年期或（倘適用）較短期間的估計未來現金收入（包括已付或已收取屬實際利息主要部分之全部費用、交易成本及其他溢價或折讓）準確折現至初步確認之賬面淨值的利率。

債務工具利息收入按實際利率法確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Financial instruments (Continued)*

#### **Financial assets (Continued)**

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, bills receivable, amounts due from related parties, pledged 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 loss on financial assets below).

#### **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of other reporting period subsequent to initial recognition (see accounting policy on impairment loss on financial assets below).

### 3. 主要會計政策 (續)

#### *財務工具 (續)*

#### **財務資產 (續)**

#### **貸款及應收賬款**

貸款及應收賬款為在活躍市場上並無報價而具有固定或可釐定付款之非衍生財務資產。於初步確認後，貸款及應收賬款（包括應收貿易賬款及其他應收賬款、應收票據、應收關連人士之款項、已抵押銀行存款及銀行結餘及現金）以實際利率法按攤銷成本減任何已識別減值虧損列賬（見下文有關財務資產減值虧損之會計政策）。

#### **可供出售財務資產**

可供出售財務資產屬非衍生工具，不論是否指定或劃分為透過損益按公平值計量之財務資產、貸款及應收賬款或持至到期之投資。

就在活躍市場並無市場報價且不能可靠計量公平值之可供出售股本投資而言，於首次確認後的其他呈報期結算日，按成本減任何已識別減值虧損計算（見下文有關財務資產減值虧損之會計政策）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of 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 affected.

For all other financial assets, 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.

For certain categories of financial asset, such as trade receivables, assets 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 average credit period ranged from 30 days to 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

### 3. 主要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值

於呈報期結算日評定財務資產有否減值跡象。倘有客觀證據顯示財務資產之估計未來現金流量因於初步確認該財務資產後發生之一項或多項事件而受到影響，則該財務資產已減值。

對於所有其他財務資產，減值之客觀證據可包括：

- 發行人或對手方出現重大財政困難；或
- 未能繳付或拖欠償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就若干類別之財務資產（如應收貿易賬款）而言，評估為不會單獨減值的資產會於其後一併評估減值。應收賬款組合的減值客觀證據包括本集團過往收款紀錄、超出30日至90日平均信貸期的逾期付款數目增加及國家或地區經濟狀況出現明顯變動導致未能償還應收賬款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Financial instruments (Continued)*

#### **Financial assets (Continued)**

#### **Impairment of financial assets (Continued)**

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss 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.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other 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 profit or loss. When a trade and other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, 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.

### 3. 主要會計政策 (續)

#### *財務工具 (續)*

#### **財務資產 (續)**

#### **財務資產減值 (續)**

對於按攤銷成本列賬之財務資產，倘有客觀證據證明資產已減值，則減值虧損於損益內確認，並按資產賬面值與按原實際利率折現估計未來現金流量之現值的差額計量。

對於按成本列賬之財務資產，減值虧損金額按資產賬面值與按同類財務資產現行市場回報率折現估計未來現金流量之現值間的差額計量。減值虧損不會於其後期間撥回。

所有財務資產的減值虧損會直接自其賬面值扣減，惟應收貿易賬款及其他應收賬款之賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益確認。應收貿易賬款及其他應收賬款視為不可收回時，會於撥備賬內撇銷。先前已撇銷之賬款如其後收回，會歸於損益。

對於按攤銷成本計量之財務資產，倘減值虧損額於隨後期間減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益撥回，惟該資產於撥回減值當日之賬面值不得超過假設未確認減值時之已攤銷成本。

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For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### 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.

##### 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.

##### Convertible loan notes

Convertible loan notes issued by the Company that contain liability, conversion option component and early redemption option (which is not closely related to the host liability component) are classified separately as liability and derivative components on initial recognition. Conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is a conversion option derivative. At the date of issue, the liability, and the derivative (including conversion option and early redemption option) components are measured at fair value.

In subsequent periods, the liability component of the convertible loan notes is carried at amortised cost using the effective interest method. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 財務工具 (續)

##### 財務負債及權益

集團實體發行之財務負債及權益工具按所訂立之合約安排內容與財務負債及權益工具之定義分類。

權益工具指證明本集團扣除所有負債後資產剩餘權益之任何合約。

##### 實際利率法

實際利率法乃計算財務負債之攤銷成本及攤分有關期間利息開支的方法。實際利率指準確折現財務負債於整個估計可用年期或(倘適用)較短期間的估計未來現金支出的利率。

##### 可換股貸款票據

本公司發行之可換股貸款票據包括負債、兌換權及提早贖回權(並非與主負債部分密切相關),於初步確認時分別為負債及衍生部分。將以固定金額現金或另一項財務資產交換本公司固定數目之權益工具方式之外的方式結清之兌換權是一項兌換權衍生工具。於發行當日,負債及衍生工具(包括兌換權及提早贖回權)部分均按公平值計量。

於往後期間,可換股貸款票據之負債部分以實際利率法按已攤銷成本列賬。衍生部分已按公平值計量,其公平值變動於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Financial instruments (Continued)*

##### **Convertible loan notes (Continued)**

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and derivative components in proportion to their fair values. Transaction costs relating to the derivative component are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible loan notes using the effective interest method.

##### **Other financial liabilities**

Financial liabilities including trade and other payables, amounts due to related parties, bank and other borrowings, convertible loan notes (liability component) and put option obligation (host debt liability) 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 (including embedded derivatives which are not closely related to non-derivative host contracts) are deemed as held for trading financial instruments.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of reporting period. The resulting gain or loss is recognised in profit or loss immediately.

### 3. 主要會計政策 (續)

#### *財務工具 (續)*

##### **可換股貸款票據 (續)**

與發行可換股貸款票據相關之交易成本按彼等的公平值比例分配至負債及衍生部分。與衍生部分相關之交易成本即時自損益扣除。與負債部分相關之交易成本乃計入負債部分之賬面值，並按可換股貸款票據之年期採用實際利率法攤銷。

##### **其他財務負債**

財務負債包括應付貿易賬款及其他應付賬款、應付關連人士款項、銀行及其他借貸、可換股貸款票據（負債部分）及認沽期權承擔（主債務部分），其後採用實際利率法按攤銷成本計量。

##### **權益工具**

本公司所發行之權益工具按已收所得款項減直接發行成本入賬。

##### **衍生財務工具**

衍生工具（包括並非與非衍生主合約密切相關之嵌入式衍生工具）視為持作買賣財務工具。

衍生工具按訂立衍生合約當日的公平值初步確認，其後於呈報期結算日再重新計量公平值，所產生收益或虧損即時於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Financial instruments (Continued)*

##### **Embedded derivatives**

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss.

##### **Derecognition**

Financial assets are recognised 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 is recognised in profit or loss.

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

### 3. 主要會計政策 (續)

#### *財務工具 (續)*

##### **嵌入式衍生工具**

嵌入非衍生主合約之衍生工具在本身風險及特徵與主合約之風險及特徵並非密切相關，且主合約並非透過損益確認公平值變動而按公平值計量時，作為獨立衍生工具處理。

##### **終止確認**

財務資產於自有關資產獲取現金流之權利屆滿時，或有關財務資產被轉讓且本集團已轉出有關財務資產所有權之絕大部分風險及回報時確認。於終止確認財務資產時，該項資產之賬面值與已收及應收代價於損益確認。

財務負債則於有關合約規定之承擔解除、撤銷或到期時確認。確認財務負債之賬面值與已付及應付代價之差額於損益確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Share-based payment transactions*

##### **Equity-settled share-based payment transactions**

##### ***Share options granted to employees***

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share option reserve).

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

##### ***Share options granted to consultants***

Share options issued in exchange for goods or services are measured at the fair values of the services received, unless that fair value cannot be reliably measured, in which case the services received are measured by reference to the fair value of the share options granted. The fair values of the services received are recognised as expenses immediately, with a corresponding increase in equity (share option reserve) when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

### 3. 主要會計政策 (續)

#### *以股份為基礎付款之交易*

##### **以股權結算以股份為基礎付款之交易**

##### ***授予僱員之購股權***

參考所授出購股權於授出日期之公平值而釐定之所獲服務的公平價值，於所授購股權歸屬的授出日期即時全面確認為開支，並於權益作相應增加（購股權儲備）。

購股權獲行使時，過往於購股權儲備中確認之數額會轉撥至股份溢價。倘購股權失效或於屆滿日仍未獲行使，則過往於購股權儲備中確認之數額會轉撥至累計虧損。

##### ***授予顧問之購股權***

為換取貨品或服務而發行之購股權按所獲服務之公平值計量，惟倘公平值不能可靠計量，則所獲服務參考所授購股權之公平值計量。當本集團取得貨品或交易對手提供服務時，所獲服務之公平值即時確認為開支，權益（購股權儲備）亦相應增加，惟貨品或服務符合資格確認為資產則除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are 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 within the next financial year.

#### 4. 估計不確定因素之主要來源

於應用附註3所載之本集團會計政策時，本公司董事須對無法依循其他途徑即時得知之資產及負債賬面值作出估計及假設。該等估計及相關假設乃根據過往經驗及認為相關之其他因素而作出。實際結果或會與該等估計不同。

估計及相關假設會持續檢討。會計估計之修訂於修訂估計之期間（倘修訂僅影響該期間），或修訂期間及未來期間（倘修訂影響本期間及未來期間）確認。

下文載列有關未來主要假設以及於呈報期結算日估計之不確定因素其他主要來源，該等假設及估計很可能導致下一個財政年度之資產賬面值須作出重大調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

*(Continued)*

##### *Mining right*

The mining right represents the right of Sifa Mining to conduct mining activities in the location of Huangshi in Hubei in the PRC. The mining right is amortised using the units of production method based on the proven and probable mineral reserves. However, the mining operating permit issued to the Group by the Department of Land and Resources of Hubei Province (湖北省國土資源廳) is only for a term of 5 years from 25th September, 2007 to 25th September, 2012, though it is eligible for renewal thereafter. In the opinion of the directors, the application for renewal is procedural and the Group should be able to renew its mining operation permit without significant costs, until all the proven and probable minerals have been mined. In case the mining operating permit cannot be renewed, the Group may suffer a loss on its remaining investment in the mining right.

##### *Reserves estimates*

Reserves are estimates of the amount of products that can be economically and legally extracted from the Group's properties. In order to calculate reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand and commodity prices.

Estimating the quantity and/or grade of reserves requires the size, shape and depth of ore bodies or fields to be determined by analysing geological data such as drilling samples. This process may require complex and difficult geological judgments and calculations to interpret the data.

#### 4. 估計不確定因素之主要來源 (續)

##### *採礦權*

採礦權指錫發礦業於中國湖北省黃石的採礦權，乃基於已探明及推定礦產儲量的生產方法作為單位攤銷。然而，儘管湖北省國土資源廳所發出的採礦許可證為期5年，自二零零七年九月二十五日至二零一二年九月二十五日止，惟其後可續期。董事認為，申請續期僅須完成相關程序，故本集團可以續期採礦許可證而毋須重大成本，直至所有探明及推定的礦藏已全被開採為止。倘採礦許可證不獲續期，本集團於採礦權的餘下投資或會有虧損。

##### *儲量估計*

儲量乃可按經濟原則合法自本集團財產取得之估計產品數量。為計算儲量，須就地質、技術及經濟因素範疇作出估計及假設，其中包括數量、品位、生產技術、採收率、生產成本、運輸成本、商品需求及商品價格。

估計儲量之數量及／或品位時，須按鑽探採樣等地質數據分析，釐定礦體或礦場之規模、形狀及深度。此工序或涉及繁複艱鉅之地質判斷及計算以分析有關數據。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

*(Continued)*

##### *Reserves estimates (Continued)*

Because the economic assumptions used to estimate reserves change from period to period, and because additional geological data is generated during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the Group's financial results and financial position in a number of ways, including the following:

- (i) Asset carrying values may be affected due to changes in estimated future cash flows.
- (ii) Depreciation, depletion and amortisation charged to profit or loss may change where such charges are determined by the units of production basis, or where the useful economic lives of assets change.
- (iii) Decommissioning, site restoration and environmental provisions may change where changes in estimated reserves affect expectations about the timing or cost of these activities.
- (iv) The carrying value of deferred tax may change as a result of changes in the asset carrying values as discussed above.

##### *Provision for close down and restoration costs*

The provision for close down and restoration costs is determined by management based on their past experience and best estimation of future expenditures, after taking into account the existing relevant regulations in the PRC. However, in so far as the effect on the land and the environment from current mining activities becomes apparent in future years, the estimate of the associated costs may be subject to revision from time to time. The aggregate carrying value of provision was approximately HK\$562,000 (2009: Nil).

#### 4. 估計不確定因素之主要來源 (續)

##### *儲量估計 (續)*

由於估計儲量所用經濟假設會隨著不同的期間而改變，而營運過程中會額外產生地質數據，故儲量估算或會隨不同期間而有所變動。呈報儲量的變動可循不同方法影響本集團的財務業績及財務狀況，其中包括下列各項：

- (i) 因估計未來現金流量的變動可影響資產賬面值。
- (ii) 倘折舊、耗減及攤銷支出按生產單位為基準予以釐定，或資產的可使用經濟年限有所變動，於損益內扣除的折舊、耗減及攤銷可能有所變動。
- (iii) 倘估計儲量的變動影響拆撤、礦場復墾及環保工作預期的時間表或成本，拆撤、礦場復墾及環保撥備或有改變。
- (iv) 遞延稅項之賬面值或因上文所討論的資產賬面值變動而有所改變。

##### *關閉及復墾成本撥備*

關閉及復墾成本撥備由管理層考慮現有有關中國的法規後，根據過往經驗和對未來支出的最佳估計而釐定。然而，在目前的採礦活動於未來數年對土地及環境的影響變得明顯的情況下，有關成本的估計可能須不時修訂。有關撥備的賬面總值約為562,000港元（二零零九年：無）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### *Estimated impairment of trade and other receivables*

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31st December, 2010, the carrying amount of trade and other receivables was approximately HK\$173,150,000 net of allowance for doubtful debts of approximately HK\$17,718,000 (2009: HK\$85,849,000 net of allowance for doubtful debts of approximately HK\$28,127,000).

##### *Estimated allowance for inventories*

Management reviews the inventories listing at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified. Allowance was made by reference to the latest market value for those inventories identified. Where the net recognised value is less than the cost, a material write down may arise. As at 31st December, 2010, the carrying amount of inventories (net of allowances) was approximately HK\$187,155,000 (2009: approximately HK\$164,774,000).

#### 4. 估計不確定因素之主要來源 (續)

##### *估計應收貿易賬款及其他應收賬款減值*

倘存在減值虧損之客觀證據，則本集團考慮估計未來現金流量。減值虧損之金額按資產賬面值與以財務資產原實際利率（即首次確認時計算之實際利率）貼現估計未來現金流量（不包括未引致之未來信貸虧損）之現值的差額計算。倘實際未來現金流量少於預期金額，則可能產生重大減值虧損。於二零一零年十二月三十一日，應收貿易賬款及其他應收賬款之賬面值約為173,150,000港元（已扣除呆賬撥備約為17,718,000港元）（二零零九年：85,849,000港元（已扣除呆賬撥備約為28,127,000港元））。

##### *估計存貨撥備*

管理層檢討各呈報期結算日所列之存貨，並對已識別之陳舊及滯銷存貨進行撥備。撥備乃參考該等已識別存貨的最近期市值釐定。倘確認淨值低於成本，則會作出重大撇減。於二零一零年十二月三十一日，存貨賬面值（已扣除撥備）約為187,155,000港元（二零零九年：約164,774,000港元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 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 recognised the return to shareholders through the recognised of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of debt, which includes bank and other borrowings, convertible loan notes and promissory notes as disclosed in Notes 31, 32 and 33 respectively, cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and various reserves.

The directors of the Company review the capital structure periodically. As part of this review, the directors consider the cost of capital and the risks associates thereto. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as issue of new debt or the redemption of existing debt.

### 6. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

Financial assets	財務資產
Loans and receivables (including bank balances and cash)	貸款及應收賬款(包括銀行結餘及現金)
Available-for-sale investment	可供出售投資
Financial liabilities	財務負債
Derivative financial instruments	衍生財務工具
Amortised cost	攤銷成本

### 5. 資本風險管理

本集團管理資本以確保本集團各實體之持續經營能力，同時確認債務及權益平衡，確認股東回報。本集團整體策略與往年相比並無變動。

本集團資本架構包括債務(包括附註31、32及33分別披露之銀行及其他借貸、可換股貸款票據以及承兌票據)、現金及現金等價物及本公司擁有人應佔權益(包括已發行股本及各項儲備)。

本公司董事定期檢討資本架構。檢討時，董事考慮資本成本及相關風險。根據董事之推薦建議，本集團將透過派發股息、發行新股及發行新債務或償還現有債務平衡整體資本架構。

### 6. 財務工具

#### (a) 財務工具類別

2010 HK\$'000 千港元	2009 HK\$'000 千港元
83,783	39,827
69	69
-	15,494
126,477	186,365

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies

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

#### Market risk

##### (i) Foreign currency risk

Several subsidiaries of the Group are exposed to foreign currency risk primarily arising from foreign currency bank deposits, other receivables and trade and other payables.

### 6. 財務工具 (續)

#### (b) 財務風險管理目標及政策

本集團主要財務工具包括可供出售投資、應收貿易賬款及其他應收賬款、應收票據、應收關連人士之款項、衍生財務工具、銀行結餘及現金、應付貿易賬款及其他應付賬款、銀行及其他借貸、應付關連人士款項、可換股貸款票據及承兌票據。此等財務工具詳情於相關附註披露。有關該等財務工具之風險包括市場風險（外幣風險及利率風險）、信貸風險及流動資金風險。下文載列減低此等風險之政策。管理層會管理及監控該等風險，確保及時與有效採取適當措施。

#### 市場風險

##### (i) 外幣風險

本集團多間附屬公司面對外幣風險，主要源自外幣銀行存款、其他應收賬款及應付貿易賬款及其他應付賬款。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### (i) Foreign currency risk (Continued)

Improvement in results for the year	年度業績上升
– HK\$	– 港元

In the management's opinion, the above sensitivity analysis is not necessarily representative of the inherent foreign currency risk as the exposure at year end does not reflect the exposure during the year.

##### (ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to its fixed-rate borrowings (see Note 31 for details), promissory notes and convertible loan notes. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group is exposed to cash flow interest rate risk in relation to its variable-rate bank balances and variable-rate borrowings (see Notes 27 and 31 respectively for details). It is the Group's policy to keep certain of its borrowings at floating rate of interests so as to minimise the fair value interest rate risk.

### 6. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### (i) 外幣風險 (續)

2010 HK\$'000 千港元	2009 HK\$'000 千港元
2,411	10,611

管理層認為，由於年末所面對之風險並不反映本年度所面對之風險，故上述敏感度分析並不代表固有外幣風險。

##### (ii) 利率風險

本集團面對之公平值利率風險與定息借貸（詳情見附註31）、承兌票據及可換股貸款票據有關。本集團現時並無利率對沖政策。然而，管理層監控利率風險並會在需要時考慮對沖重大利率風險。

本集團面對有關浮息銀行存款及浮息借貸之現金流量利率風險（詳情見附註27及31）。本集團之政策是維持若干借貸以浮動利率計息，以減低公平值利率風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### (ii) Interest rate risk (Continued)

###### Sensitivity analysis

At 31st December, 2010, it is estimated that a general increase/decrease of 50 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's profit for the year and decrease/increase the Group's accumulated losses by approximately HK\$110,000 (2009: HK\$36,000).

The sensitivity analysis above has been determined based on the exposure to interest rates for the Group's variable-rate bank balances and variable-rate borrowings at the end of reporting period. The analysis is prepared assuming these financial instruments outstanding at the end of reporting period were outstanding for the whole year. The 50 basis point increase/decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date. The analysis is performed on the same basis for 2009.

### 6. 財務工具 (續)

#### (b) 財務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

於二零一零年十二月三十一日，倘利率整體上調／下調50點子，而所有其他變數維持不變，估計本集團年內溢利將會增加／減少及集團累計虧損將會減少／增加約110,000港元（二零零九年：36,000港元）。

上述敏感度分析已按本集團於呈報期結算日之浮息銀行結餘及浮息借貸而釐定。編製該分析時假設該等於呈報期結算日尚未行使之財務工具於整個年度均尚未行使。50點子的上調／下調乃管理層對直至下一年報日期止期間的合理可能利率變動評估。二零零九年之分析乃採用相同基準進行。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk

As at 31st December, 2010, the Group had no significant concentrations of credit risk.

As at 31st December, 2009, the Group's five largest customers and the largest customers accounted for 85% and 53% respectively of the Group's total trade receivable. In order to recognise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of 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.

In addition to credit risk on trade debts, the Group is also exposed to concentration of credit risk through advances to related parties of HK\$3,172,000 (2009: HK\$5,721,000). Because of its significance, management has regular liaison with the counterparty to understand its financial position and to identify any early sign of potential problems. Should any potential default risk arise, the Group's management will take prompt actions to safeguard the Group's assets.

### 6. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險

於二零一零年十二月三十一日，本集團並無重大信貸集中風險。

於二零零九年十二月三十一日，應收本集團五大客戶及最大客戶款項分別佔本集團應收貿易賬款總額85%及53%。為確認信貸風險，本集團管理層已委派小組負責釐定信貸限額、批准信貸額及其他監管程序，確保採取跟進措施收回逾期債務。此外，本集團於各呈報期結算日檢討各項貿易債務之可收回款項，確保就不可收回款項作出足夠減值虧損。就此而言，本公司董事認為本集團信貸風險已大幅降低。

除應收貿易賬款之信貸風險外，本集團亦因向關連人士墊款3,172,000港元（二零零九年：5,721,000港元）而面對集中信貸風險。由於事關重大，故管理層定期與交易對手聯繫以了解其財務狀況及識別有否潛在問題的預兆。倘發生任何潛在拖欠情況，則本集團管理層會即時採取行動保障本集團資產。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk (Continued)

Also, at 31st December, 2010, the Group had outstanding purchase rebates receivable from its largest supplier in the amount of HK\$66,126,000 (2009: HK\$50,020,000). Because of the significance of the balance, senior management of the Group keeps very frequent contact with the supplier to ensure that settlement of the rebates receivable are in accordance with agreed schedule.

In addition, the Group had concentration of credit risk on its liquid funds as 99% (2009: 74%) of bank balances were placed with five (2009: five) banks. However, the credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the recognition of borrowings as well as the cash flows from operating activities.

### 6. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險 (續)

另外，於二零一零年十二月三十一日，本集團應收最大供應商的未結清採購回扣款項66,126,000港元（二零零九年：50,020,000港元）。由於結餘較多，故本集團高級管理層與供應商密切聯繫，確保按協定時間結清應收回扣款項。

此外，由於本集團99%（二零零九年：74%）銀行存款存放於五間（二零零九年：五間）銀行，故本集團面對集中流動資金信貸風險。然而，由於交易對手為國際信貸評級機構評為良好信貸評級之銀行，故流動資金之信貸風險有限。

##### 流動資金風險

管理流動資金風險時，本集團監控並維持管理層視為足夠為本集團營運提供資金之現金及現金等價物，並減輕現金流量波動的影響。管理層監控借貸之確認情況以及經營業務之現金流量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities and derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

#### THE GROUP

##### Liquidity table

2010	二零一零年
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>
Trade and other payables	應付貿易賬款及其他應付賬款
Amounts due to related parties	應付關連人士款項
– Amount due to an associate	– 應付一家聯營公司款項
– Amount due to a director	– 應付一名董事款項
Secured other borrowing	有抵押其他借貸
– fixed rate	– 定息
Unsecured bank borrowings	無抵押銀行借貸
– variable rate	– 浮息
Unsecured other borrowing	無抵押其他借貸
– fixed rate	– 定息
Promissory notes	承兌票據
– current	– 即期

### 6. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

下表載列本集團非衍生財務負債及衍生財務負債之剩餘合約的到期詳情。該表根據本集團可能須償還之最早日期的財務負債之未貼現現金流量編製，包括利息及本金之現金流量。

#### 本集團

##### 流動資金表

Weighted average effective interest rate	Less than 1 month	1 – 3 months	3 months to 1 year	More than 1 year	Total undiscounted cash flows	Carrying amount at 31.12.2010
加權平均實際利率 %	少於 1個月 HK\$'000 千港元	1至3個月 HK\$'000 千港元	3個月至 1年 HK\$'000 千港元	1年以上 HK\$'000 千港元	未貼現現金流量總額 HK\$'000 千港元	於 二零一零年 十二月 三十一日 之賬面值 HK\$'000 千港元
–	14,841	159	3,704	–	18,704	18,704
–	500	–	–	–	500	500
–	8,270	–	–	–	8,270	8,270
8.47	–	–	15,869	–	15,869	14,630
7.79	11,824	–	12,427	–	24,251	23,600
15.6	–	–	12,360	–	12,360	11,800
8.72	–	–	49,691	–	49,691	45,796
	35,435	159	94,051	–	129,645	123,300

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

##### THE GROUP (Continued)

##### Liquidity table (Continued)

	Weighted average effective interest rate	Less than 1 month	1 – 3 months	3 months to 1 year	More than 1 year	Total undiscounted cash flows	Carrying amount at
							31.12.2009
	加權平均實際利率	少於1個月	1至3個月	3個月至1年	1年以上	未貼現現金流量總額	於二零零九年十二月三十一日之賬面值
	%	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
2009							
<b>Derivative financial liabilities</b>							
Derivative financial instrument	衍生財務工具	-	-	-	-	-	15,494
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>						
Trade and other payables	應付貿易賬款及其他應付賬款	-	8,444	99	3,540	-	12,083
Amounts due to related parties	應付關連人士款項						
- Amount due to an associate	- 應付一家聯營公司款項	-	500	-	-	-	500
- Amount due to a director	- 應付一名董事款項	-	13,155	-	-	-	13,155
- Amount due to a minority shareholder of a subsidiary	- 應付一家附屬公司少數股東款項	-	6,126	-	-	-	6,126
- Amount due to a director's affiliate	- 應付一名董事聯屬人士款項	3.59	6,025	-	-	-	6,025
Secured borrowing	有抵押借貸	8.47	-	-	15,197	-	15,197
Convertible loan notes	可換股貸款票據	8.70	-	-	-	100,000	100,000
Promissory notes	承兌票據						
- current	- 即期	8.13	-	-	8,162	-	8,162
- non-current	- 非即期	8.72	-	-	-	49,579	49,579
			34,250	99	26,899	149,579	210,827
							201,859

### 6. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

##### 本集團 (續)

##### 流動資金表 (續)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

##### THE COMPANY

##### Liquidity table

2010	二零一零年
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>
Other payables	其他應付賬款
Amounts due to subsidiaries	應付附屬公司款項
Amount due to a director	應付一名董事款項
Promissory notes	承兌票據
- current	- 即期
Finance guarantees issued	已發出財務擔保
- maximum amount guaranteed	- 最高擔保額

### 6. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

##### 本公司

##### 流動資金表

Weighted average effective interest rate	Less than 1 month	1 - 3 months	3 months to 1 year	More than 1 year	Total undiscounted cash flows	Carrying amount at 31.12.2010
加權平均實際利率 %	少於 1個月 HK\$'000 千港元	1至3個月 HK\$'000 千港元	3個月至 1年 HK\$'000 千港元	1年以上 HK\$'000 千港元	未貼現現金流量總額 HK\$'000 千港元	於二零一零年十二月三十一日之賬面值 HK\$'000 千港元
-	1,148	-	-	-	1,148	1,148
-	-	-	6,520	-	6,520	6,520
-	-	-	8,037	-	8,037	8,037
8.72	-	-	49,691	-	49,691	45,796
	1,148	-	64,248	-	65,396	61,501
	11,824	-	12,427	-	24,251	-

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

##### THE COMPANY (Continued)

##### Liquidity table (Continued)

	Weighted average effective interest rate	Less than 1 month	1 – 3 months	3 months to 1 year	More than 1 year	Total undiscounted cash flows	Carrying amount at 31.12.2009 於 二零零九年 十二月 三十一日 之賬面值
							加權平均 實際利率 %
2009							
<b>Derivative financial liabilities</b>							
Derivative financial instrument							15,494
<b>Non-derivative financial liabilities</b>							
Other payables		1,677				1,677	1,677
Amounts due to subsidiaries				6,520		6,520	6,520
Convertible loan notes	8.70				100,000	100,000	84,812
Promissory notes							
– current	8.13			8,162		8,162	7,549
– non-current	8.72				49,579	49,579	42,130
		1,677		14,682	149,579	165,938	158,182

### 6. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

##### 本公司 (續)

##### 流動資金表 (續)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 6. FINANCIAL INSTRUMENTS (Continued)

#### (c) Fair values

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.

### 7. SEGMENT INFORMATION

#### (a) Reportable segments and reconciliation of reportable segment revenue, profit or loss, assets and liabilities

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers (the "CODM") that are used to make strategic decisions.

During the year ended 31st December, 2010, the Group has two reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- Mobile phone business
- Mining business

Inter-segment transactions are priced with reference to prices charged to external parties for similar order. Corporate expenses, corporate assets and corporate liabilities are not allocated to the reportable segments as they are not included in the measure of the segments' profit, segments' assets and segments' liabilities that are used by the CODM for assessment of segment performance.

### 6. 財務工具 (續)

#### (c) 公平值

本公司董事認為，財務資產及財務負債於綜合財務報表內按攤銷成本列賬之該等賬面值與其公平值相若。

### 7. 分部資料

#### (a) 可呈報分部及可呈報分部收益、損益、資產及負債之調節

本集團基於由作出策略決定之主要營運決策者（「主要營運決策者」）審閱報告釐定其營運分部。

截至二零一零年十二月三十一日止年度，本集團擁有兩個可呈報分部。由於各業務提供不同產品以及服務，並且需要採取不同的業務策略分部，故此各分部乃分開管理。以下概要描述本集團各個可呈報分部之營運：

- 移動電話業務
- 採礦業務

分部間交易之價格乃參考就類似訂單向外部人士收取之價格釐定。由於企業支出、企業資產及企業負債並沒有包括計入主要營運決策者評估分部表現時使用之分部溢利、分部資產及分部負債內，故並沒有被分配至各可呈報分部。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

(a) Reportable segments and reconciliation of reportable segment revenue, profit or loss, assets and liabilities (Continued)

For the year ended 31st December, 2010

### 7. 分部資料 (續)

(a) 可呈報分部及可呈報分部收益、損益、資產及負債之調節 (續)

截至二零一零年十二月三十一日止年度

		Mobile phone business 移動電話業務 HK\$'000 千港元	Mining business 採礦業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reportable segment revenue from external customers	來自外界客戶可呈報分部收益	2,528,868	15,252	2,544,120
Reportable segment profit	可呈報分部溢利	27,710	6,150	33,860
Loss on write-off of plant and equipment	撇銷廠房及設備之虧損	2	-	2
Depreciation and amortisation	折舊及攤銷	1,058	1,156	2,214
Allowance for trade and other receivables	應收貿易賬款及其他應收賬款之撥備	-	2,852	2,852
Write down of inventories	存貨撇減	1,395	-	1,395
Income tax expense	所得稅支出	251	1,986	2,237
Reportable segment assets	可呈報分部資產	407,642	452,394	860,036
Additions to non-current assets	非流動資產添置	3,429	139	3,568
Reportable segment liabilities	可呈報分部負債	(225,115)	(133,752)	(358,867)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

### 7. 分部資料 (續)

(a) Reportable segments and reconciliation of reportable segment revenue, profit or loss, assets and liabilities (Continued)

(a) 可呈報分部及可呈報分部收益·損益·資產及負債之調節 (續)

		2010 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>	
Reportable segment revenue and consolidated revenue	可呈報分部收益及綜合收益	<u>2,544,120</u>
<b>Profit/(loss) before income tax (include continuing and discontinued operations)</b>	<b>除所得稅前溢利/(虧損) (包括持續及已終止經營業務)</b>	
Reportable segment profit	可呈報分部溢利	33,860
Interest income	利息收入	317
Miscellaneous income	雜項收入	4,462
Corporate expenses	企業支出	(9,685)
Share of results of associates	分佔聯營公司之業績	444
Finance costs	融資成本	<u>(11,658)</u>
Consolidated profit/(loss) before income tax	除所得稅前綜合溢利/(虧損)	<u>17,740</u>
<b>Assets</b>	<b>資產</b>	
Reportable segment assets	可呈報分部資產	860,036
Unallocated corporate assets	未分配企業資產	
– Investment in an associate	– 一家聯營公司之投資	4,463
– Others	– 其他	<u>2,882</u>
Consolidated total assets	綜合資產總值	<u>867,381</u>
<b>Liabilities</b>	<b>負債</b>	
Reportable segment liabilities	可呈報分部負債	358,867
Unallocated corporate liabilities	未分配企業負債	
– Promissory notes	– 承兌票據	45,796
– Others	– 其他	<u>16,412</u>
Consolidated total liabilities	綜合負債總額	<u>421,075</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

#### (a) Reportable segments and reconciliation of reportable segment revenue, profit or loss, assets and liabilities (Continued)

During the year ended 31st December, 2009, the Group was engaged in the distribution and trading of mobile phones and related accessories in both the PRC (excluding Hong Kong) and Hong Kong, which is known as “Mobile phone business” segment. The CODM used to measure and assess the Group’s performance and allocate resources based on the contribution by these two geographical markets. In August 2009, the Group discontinued its operations in Hong Kong upon disposal of its subsidiary, the Synergy sub-group.

On 23rd December, 2009, the Group completed its acquisition of a 50.8% equity interest in a mining company established in the PRC and henceforth became engaged in the mining business. However, no active operation took place between the date of acquisition and the end of the prior reporting period. Therefore, no segment information relevant to the mining segment is presented in 2009.

### 7. 分部資料 (續)

#### (a) 可呈報分部及可呈報分部收益、損益、資產及負債之調節 (續)

截至二零零九年十二月三十一日止年度，本集團在中國（不包括香港）以及香港從事移動電話及相關配件之分銷及貿易，列為「移動電話業務」分部。主要營運決策者過往基於該兩個地域市場之貢獻衡量及評估本集團之表現及分配資源。本集團於二零零九年八月出售附屬公司Synergy集團後終止於香港之營運。

於二零零九年十二月二十三日，本集團完成收購一家於中國成立的採礦公司50.8%股權，此後開始從事採礦業務。然而，於收購日期與之前呈報期結算日之間並無進行活躍營運。因此，並無有關採礦分部之分部資料於二零零九年呈列。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

(a) Reportable segments and reconciliation of reportable segment revenue, profit or loss, assets and liabilities (Continued)

For the year ended 31st December, 2009

### 7. 分部資料 (續)

(a) 可呈報分部及可呈報分部收益、損益、資產及負債之調節 (續)

截至二零零九年十二月三十一日止年度

		Mobile phone business 移動電話業務			
		Continuing 持續	Discontinued 已終止		Total 總計
		The PRC 中國	Hong Kong 香港	Elimination 抵銷	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue from external customers	來自外界客戶之收益	2,067,961	56,276	-	2,124,237
Inter-segment revenue	分部間收益	32,916	491	(33,407)	-
Reportable segment revenue	可呈報分部收益	2,100,877	56,767	(33,407)	2,124,237
Reportable segment profit	可呈報分部溢利	27,068	820	-	27,888
Allowance for trade and other receivables	應收貿易賬款及其他應收賬款之撥備	994	-	-	994
Write down of inventories	存貨撇減	8,249	-	-	8,249
Depreciation of plant and equipment	廠房及設備之折舊	1,253	25	-	1,278
Gain/(loss) on disposal of plant and equipment	出售廠房及設備之收益/(虧損)	136	(9)	-	127

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

### 7. 分部資料 (續)

(a) Reportable segments and reconciliation of reportable segment revenue, profit or loss, assets and liabilities (Continued)

(a) 可呈報分部及可呈報分部收益、損益、資產及負債之調節 (續)

		2009 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>	
Reportable segment revenue and consolidated revenue	可呈報分部收益及綜合收益	<u>2,124,237</u>
<b>Profit/(loss) before income tax (include continuing and discontinued operations)</b>	<b>除所得稅前溢利／(虧損) (包括持續及已終止經營業務)</b>	
Reportable segment profit	可呈報分部溢利	27,888
Segment profit from discontinued operations	已終止經營業務之分部溢利	(772)
Interest income	利息收入	452
Miscellaneous income	雜項收入	972
Impairment loss recognised in respect of available-for-sale investment	就可供出售投資確認之減值虧損	(217)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	(184,340)
Fair value loss on derivative financial instrument	衍生財務工具之公平值虧損	(326)
Corporate expenses	企業支出	(11,596)
Loss on disposal of subsidiaries	出售附屬公司之虧損	(4,974)
Gain on disposal of an associate	出售一家聯營公司之收益	1,437
Share of results of associates	分佔聯營公司之業績	732
Finance costs	融資成本	<u>(2,330)</u>
Consolidated profit/(loss) before income tax	除所得稅前綜合溢利／(虧損)	<u>(173,074)</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 7. SEGMENT INFORMATION (Continued)

#### (b) Geographical information

The Group's operations are located in the PRC and Hong Kong. The operation in Hong Kong was discontinued during 2009 as set out in Note 11.

The Group's revenue from external customers and information about its non-current assets by geographical location of the assets are detailed below:

PRC (continuing operations)	中國(持續經營業務)
Hong Kong (discontinued operations)	香港(已終止經營業務)

### 7. 分部資料(續)

#### (b) 地域資料

本集團之業務乃位於中國及香港。如同附註11所載，香港之業務已於二零零九年內終止。

本集團按資產所在地域劃分來自外界客戶之收益以及有關其非流動資產之資料詳列如下：

Revenue from external customers 來自外界客戶之收益		Non-current assets 非流動資產	
2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元
2,544,120	2,067,961	451,112	431,728
-	56,276	-	-
<b>2,544,120</b>	<b>2,124,237</b>	<b>451,112</b>	<b>431,728</b>

Note: Non-current assets excluded those relating to available-for-sale investment.

附註：非流動資產不包括有關可供出售投資之資產。

#### (c) Information about major customer

During the year ended 31st December, 2010, there was no customer with whom transactions have exceeded 10% of the Group's revenue.

During the year ended 31st December, 2009, there was one single customer with whom transactions have exceeded 10% of the Group's revenue, amounted to approximately HK\$330,507,000.

#### (c) 有關主要客戶之資料

截至二零一零年十二月三十一日止年度，並無客戶之交易佔本集團收益超過10%。

截至二零零九年十二月三十一日止年度，有單一客戶之交易佔本集團收益超過10%，金額約為330,507,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 8. OTHER GAINS AND LOSSES

### 8. 其他收益及虧損

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Continuing operations	持續經營業務		
Write back of amount due to a minority shareholder of a subsidiary (Note)	撥回應付一家附屬公司少數股東款項(附註)	7,862	-
Translation reserve released upon deregistration of a subsidiary	撤銷註冊一家附屬公司時解除的換算儲備	3,941	-
Exchange loss	匯兌虧損	(77)	(255)
Reversal of impairment loss recognised in respect of trade and other receivables	就應收貿易賬款及其他應收賬款確認之減值虧損撥回	397	14,916
Reversal of impairment loss recognised in respect of club memberships	就會所會籍確認之減值虧損撥回	11	82
Allowance for trade and other receivables	應收貿易賬款及其他應收賬款之撥備	(2,852)	(994)
Loss on write-off of plant and equipment	撤銷廠房及設備之虧損	(2)	-
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	-	(184,340)
Impairment loss recognised in respect of available-for-sale investment	就可供出售投資確認之減值虧損	-	(217)
Fair value loss on derivative financial instrument	衍生財務工具之公平值虧損	-	(326)
Gain on disposal of plant and equipment	出售廠房及設備之收益	-	136
		<b>9,280</b>	<b>(170,998)</b>

Note: The amount due to the minority shareholder of 黃石錫發礦業有限公司 ("Sifa Mining") arising from acquisition of Sifa Mining was written back by the Group during the year.

附註：應付黃石錫發礦業有限公司(「錫發礦業」)少數股東之款項因收購錫發礦業而產生，於年內已被本集團撥回。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 9. FINANCE COSTS

Continuing operations	持續經營業務
Interests on:	利息有關：
Bank and other borrowings wholly repayable within five years	須於五年內悉數償還之銀行及其他借貸
Promissory notes	承兌票據
Bills discounting	票據貼現
Convertible loan notes	可換股貸款票據
Earnest money received	已收保證金

### 9. 融資成本

2010 HK\$'000 千港元	2009 HK\$'000 千港元
6,141	1,107
4,263	105
1,192	382
62	187
-	501
<b>11,658</b>	<b>2,282</b>

### 10. INCOME TAX EXPENSE

Continuing operations	持續經營業務
The amount of income tax charge in the consolidated statement of comprehensive income represents:	綜合全面收入表之所得稅支出金額指：
Current tax:	即期稅項：
PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)
Deferred tax (Note 34)	遞延稅項(附註34)
Income tax charge	所得稅支出

### 10. 所得稅支出

2010 HK\$'000 千港元	2009 HK\$'000 千港元
2,237	26
(133)	-
<b>2,104</b>	<b>26</b>

Fortune (Shanghai) International Trading Co., Ltd ("Fortune Shanghai"), 上海長遠忻科貿易有限公司 ("Shanghai Telefortune") and 上海遠嘉國際貿易有限公司 ("Shanghai Yuanjia") were established in Shanghai Waigaoqiao Free Trade Zone, the PRC; and 珠海市雷鳴達通訊設備有限公司 ("Zhuhai Reminda") was established in Zhuhai Special Economic Zone, the PRC. Accordingly, for the year ended 31st December, 2010, these PRC subsidiaries were entitled to a preferential EIT rate of 22% (2009: 20%). Sifa Mining was established in the PRC and subject to the EIT rate of 25% (2009: 25%).

長遠(上海)國際貿易有限公司(「長遠上海」)、上海長遠忻科貿易有限公司(「上海忻科」)及上海遠嘉國際貿易有限公司(「上海遠嘉」)於中國上海外高橋保稅區成立，珠海市雷鳴達通訊設備有限公司(「珠海雷鳴達」)則於中國珠海經濟特區成立。因此，截至二零一零年十二月三十一日止年度，該等中國附屬公司可享有優惠企業所得稅稅率22%(二零零九年：20%)。鋸發礦業於中國成立，須按25%(二零零九年：25%)之企業所得稅稅率納稅。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 10. INCOME TAX EXPENSE (Continued)

PRC EIT represents tax charge on the assessable profits of Zhuhai Reminda and Sifa Mining.

The income tax charge for the year can be reconciled to the profit/(loss) before income tax per the consolidated statement of comprehensive income as follows:

### 10. 所得稅支出 (續)

中國企業所得稅指珠海雷鳴達及鋸發礦業應課稅溢利之稅項支出。

本年度之所得稅支出與綜合全面收入表之除所得稅前溢利／(虧損)對賬如下：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Profit/(loss) before income tax from continuing operations	持續經營業務之除所得稅前溢利／(虧損)	17,740	(173,074)
Tax charge/(credit) at the domestic income tax rate of 22% (2009: 20%) (Note)	按本地所得稅稅率22% (二零零九年: 20%) 計算之稅項支出／(抵免) (附註)	3,903	(34,615)
Tax effect of share of results of associates	分佔聯營公司業績之稅務影響	(98)	(147)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	4,428	39,912
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(1,757)	(1,164)
Reversal of tax effect of deductible temporary differences previously recognised	撥回過往確認可扣稅暫時差額之稅務影響	-	(2,983)
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差額之稅務影響	-	199
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	1,539	1,572
Utilisation of tax loss previously not recognised	動用過往未確認之稅項虧損	(6,016)	(2,748)
Effect of different tax rates of group entities operating in other jurisdictions	其他司法權區營運之集團實體不同稅率之影響	238	-
Tax expense for the year	年度稅項開支	2,237	26

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 10. INCOME TAX EXPENSE (Continued)

At the end of reporting period, the Group had unused tax losses of approximately HK\$231,727,000 (2009: HK\$260,852,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately HK\$132,262,000 (2009: HK\$168,098,000) that may be carried forward for a period of five years from their respective year of origination. Other losses may be carried forward indefinitely.

At the end of reporting period, the Group also had deductible temporary differences of approximately HK\$69,612,000 (2009: HK\$69,811,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Note: The domestic income tax rate represents the preferential PRC EIT rate where the Group's operations are substantially based.

### 11. DISCONTINUED OPERATIONS

On 24th August, 2009, the Group disposed of a subsidiary, Synergy Technologies (Asia) Limited and its subsidiary (collectively referred to as the "Synergy sub-group"), which carried out all of the Group's business in Hong Kong. Following this disposal, the Group discontinued its mobile phone business in Hong Kong. The disposal was effected in order to generate cash flows for the expansion of the Group's PRC operation.

The profit for the year ended 31st December, 2009 from the discontinued operations was analysed as follows:

Profit of Hong Kong operations for the year  
Loss on disposal of Hong Kong operations

### 10. 所得稅支出 (續)

於呈報期結算日，本集團可用作抵消未來溢利之尚未動用稅項虧損約為231,727,000港元（二零零九年：260,852,000港元）。由於無法確定未來溢利來源，故並無就尚未動用之稅項虧損確認遞延稅項資產。計入未確認稅項虧損之虧損約為132,262,000港元（二零零九年：168,098,000港元），可自產生各年度起結轉五年。其他虧損可無限期結轉。

於呈報期結算日，本集團亦有可扣稅暫時差額約69,612,000港元（二零零九年：69,811,000港元）。由於不大可能產生可扣稅暫時差額用以抵銷應課稅溢利，故並無就該等可扣稅暫時差額確認遞延稅項資產。

附註：本地所得稅稅率指本集團大部分業務適用之優惠中國企業所得稅稅率。

### 11. 終止經營業務

本集團於二零零九年八月二十四日出售經營本集團所有香港業務的附屬公司Synergy Technologies (Asia) Limited及其附屬公司（統稱「Synergy集團」）。出售後，本集團已終止香港的移動電話業務。該出售乃為擴展本集團中國業務而提供現金流量。

截至二零零九年十二月三十一日止年度已終止經營業務之溢利分析如下：

Year ended  
截至該日止年度  
31/12/2009  
HK\$'000  
千港元

本年度香港業務之溢利	671
出售香港業務之虧損	(5,081)
	<hr/>
	(4,410)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 11. DISCONTINUED OPERATIONS (Continued)

The results of the Hong Kong operations for the period from 1st January, 2009 to 24th August, 2009, which have been included in the consolidated statement of comprehensive income, were as follows:

### 11. 終止經營業務 (續)

二零零九年一月一日至二零零九年八月二十四日，計入綜合全面收入表之香港業務業績如下：

		HK\$'000 千港元
Revenue	收益	56,276
Cost of sales	銷售成本	(53,373)
Other income	其他收入	5,725
Selling and distribution costs	銷售及分銷成本	(3,829)
Administrative expenses	行政費用	(3,979)
Finance costs	融資成本	(48)
Profit before income tax	除所得稅前溢利	772
Income tax expense	所得稅支出	(101)
Profit for the period	期內溢利	671
Profit for the year from the discontinued operations include the following:	已終止經營業務之年度溢利包括以下各項:	
Auditor's remuneration	核數師酬金	29
Depreciation on plant and equipment	廠房及設備折舊	25
Employee benefit expenses	僱員福利開支	3,376
Loss on disposal of plant and equipment	出售廠房及設備之虧損	9
Waiver of trade and other payables	應付貿易賬款及其他應付賬款之豁免	5,695

During the year ended 31st December, 2009, the Synergy sub-group contributed HK\$11,892,000 to the Group's net operating cash flows, received HK\$9,000 in respect of investing activities and paid HK\$10,184,000 in respect of financing activities.

截至二零零九年十二月三十一日止年度，Synergy集團對本集團營運現金流量淨額貢獻11,892,000港元，自投資活動收取9,000港元及就融資活動支付10,184,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 11. DISCONTINUED OPERATIONS (Continued)

The carrying amounts of the assets and liabilities of the Synergy sub-group at the date of disposal are disclosed as below:

Total assets	資產總值	15,427
Total liabilities	負債總額	12,376

### 11. 終止經營業務 (續)

Synergy集團於出售當日之資產及負債賬面值披露如下：

HK\$'000  
千港元

### 12. PROFIT/(LOSS) FOR THE YEAR

### 12. 年度溢利 / (虧損)

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Continuing operations	持續經營業務		
Profit/(loss) for the year has been arrived at after charging:	年度溢利 / (虧損) 已扣除：		
Auditor's remuneration	核數師酬金	821	1,357
Cost of inventories recognised as expense (including write down of inventories of HK\$1,395,000 (2009: HK\$8,249,000))	已確認為開支之存貨成本 (包括存貨撇減 1,395,000港元 (二零零九年：8,249,000港元))	2,479,356	2,030,657
Depreciation of plant and equipment	廠房及設備之折舊	1,831	1,253
Amortisation of mining right	採礦權攤銷	533	–
Staff costs	員工成本		
– directors' emoluments (Note 13)	– 董事酬金 (附註13)	3,658	2,385
– other staff costs	– 其他員工成本	11,606	11,205
– retirement benefit scheme contribution (excluding directors)	– 退休福利計劃供款 (不包括董事)	2,390	580
		17,654	14,170
and after crediting:	及已加入：		
Service income from provision of logistics and promotion services	提供物流及宣傳服務之服務收入	3,118	2,458
Interest income	利息收入	317	452
Government grants	政府補助	–	664

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## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 13. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the eight (2009: eight) directors were as follows:

### 13. 董事酬金

已付或應付予八位(二零零九年: 八位)董事各自之酬金如下:

		Lau Siu Ying ("Mr. Lau") 劉小鷹 (「劉先生」)	Luo Xi Zhi 羅習之	Fung Oi Ip, Alfonso 馮靄業	Lo Wing Yat 盧永逸 (Note i) (附註i)	Chang Wing Seng, Victor 鄭永勝	Wong Lit Chor, Alexis 黃烈初	Chen Yi Gang 陳亦剛	Wang Yu 王愚 (Note ii) (附註ii)	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	HK\$'000 千港元	HK\$'000 千港元
<b>2010</b>	<b>二零一零年</b>									
Fees	袍金	-	-	100	37	100	100	80	-	417
Other emoluments:	其他酬金:									
Salaries and allowances	薪金及津貼	1,698	143	-	-	-	-	-	725	2,566
Performance related incentive bonuses (Note iii)	表現相關獎勵花紅 (附註iii)	600	64	-	-	-	-	-	-	664
Retirement benefit scheme contribution	退休福利計劃供款	2	9	-	-	-	-	-	-	11
<b>Total emoluments</b>	<b>酬金總額</b>	<b>2,300</b>	<b>216</b>	<b>100</b>	<b>37</b>	<b>100</b>	<b>100</b>	<b>80</b>	<b>725</b>	<b>3,658</b>
<b>2009</b>	<b>二零零九年</b>									
Fees	袍金	-	-	100	50	100	100	80	-	430
Other emoluments:	其他酬金:									
Salaries and allowances	薪金及津貼	1,752	159	-	-	-	-	-	18	1,929
Retirement benefit scheme contribution	退休福利計劃供款	2	24	-	-	-	-	-	-	26
<b>Total emoluments</b>	<b>酬金總額</b>	<b>1,754</b>	<b>183</b>	<b>100</b>	<b>50</b>	<b>100</b>	<b>100</b>	<b>80</b>	<b>18</b>	<b>2,385</b>

Notes:

- (i) Lo Wing Yat was resigned on 30th September, 2010.
- (ii) Wang Yu was appointed on 12th November, 2009.
- (iii) The performance related incentive bonuses for 2010 was determined with reference to performance of the Group.

附註:

- (i) 盧永逸於二零一零年九月三十日辭任。
- (ii) 王愚於二零零九年十一月十二日獲委任。
- (iii) 二零一零年年度之表現相關獎勵花紅經參考本集團業績釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 14. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2009: one) were directors of the Company whose emoluments are included in the disclosures in Note 13 above. The emoluments of the remaining three (2009: four) individuals were as follows:

Salaries and allowances	薪金及津貼
Retirement benefit scheme contribution	退休福利計劃供款

Their emoluments were within the following band:

Up to HK\$1,000,000	1,000,000港元以內
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None of the five highest paid individuals waived any emoluments in current and prior years.

During the year ended 31st December, 2010 and 2009, no emoluments were paid by the Group to the five highest paid individuals, including directors, as an inducement to join or upon joining the Group or as compensation for loss of office.

### 15. DIVIDEND

No dividend was paid or proposed during current and prior years, nor has any dividend been proposed since the end of reporting period (2009: Nil).

### 14. 僱員酬金

本集團五位最高薪人士中，其中兩位（二零零九年：一位）為本公司董事，其酬金載於上文附註13所披露之資料內。餘下三位（二零零九年：四位）人士之酬金如下：

2010 HK\$'000 千港元	2009 HK\$'000 千港元
1,737	2,314
165	38
<b>1,902</b>	<b>2,352</b>

該等僱員之酬金介乎下列範圍：

2010 Number of employees 僱員數目	2009 Number of employees 僱員數目
3	4

於本年度及往年內，五位最高薪人士概無放棄收取任何酬金。

截至二零一零年及二零零九年十二月三十一日止年度，本集團概無向五位最高薪人士（包括董事）支付任何酬金，作為招攬彼等加入或在加入本集團時之酬金或作為離職補償。

### 15. 股息

於本年度及往年內，概無派付或擬派股息，自呈報期結算日以來亦無擬派任何股息（二零零九年：無）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 16. EARNINGS/(LOSS) PER SHARE

#### *For continuing and discontinued operations*

The calculation of earnings/(loss) per share for the year is based on the profit for the year attributable to owners of the Company of HK\$14,875,000 (2009: loss for the year of HK\$171,983,000) and the weighted average number of 820,489,274 shares in issue during the year (2009: 379,497,000 shares in issue).

The computation of diluted earnings/(loss) per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares for both 2010 and 2009.

The convertible loan notes had an anti-dilutive effect on the basic earnings/(loss) per share of the Group from continuing and discontinued operations for the years ended 31st December, 2010 and 2009. Accordingly, the effect of the convertible loan notes was not included in the calculation of diluted earnings/(loss) per share from continuing and discontinued operations for the years ended 31st December, 2010 and 2009.

#### *For continuing operations*

The calculation of earnings/(loss) per share for the year is based on the profit for the year from contributing operations attributable to owners of the Company of HK\$14,875,000 (2009: loss for the year of HK\$172,654,000) and the weighted average number of 820,489,274 shares in issue during the year (2009: 379,497,000 shares in issue).

The computation of diluted earnings/(loss) per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares for both 2010 and 2009.

The convertible loan notes had an anti-dilutive effect on the basic earnings/(loss) per share of the Group from continuing operations for the years ended 31st December, 2010 and 2009. Accordingly, the effect of the convertible loan notes was not included in the calculation of diluted earnings/(loss) per share from continuing operations for the years ended 31st December, 2010 and 2009.

### 16. 每股盈利／（虧損）

#### *持續及已終止經營業務*

年內每股盈利／（虧損）乃根據年內本公司擁有人應佔溢利14,875,000港元（二零零九年：年度虧損171,983,000港元）及年內已發行股份之加權平均數820,489,274股（二零零九年：379,497,000股已發行股份）計算。

由於二零一零年及二零零九年購股權之行使價高於股份平均市價，故計算每股攤薄盈利／（虧損）時並無假設行使本公司未行使之購股權。

截至二零一零年及二零零九年十二月三十一日止年度，可換股貸款票據對來自持續及已終止經營業務之每股基本盈利／（虧損）產生反攤薄效應。因此，計算截至二零一零年及二零零九年十二月三十一日止年度來自持續及已終止經營業務之每股攤薄盈利／（虧損）時並無計入可換股貸款票據之影響。

#### *持續經營業務*

年內每股盈利／（虧損）乃根據年內本公司擁有人投入經營之應佔溢利14,875,000港元（二零零九年：年度虧損172,654,000港元）及年內已發行股份之加權平均數820,489,274股（二零零九年：379,497,000股已發行股份）計算。

由於二零一零年及二零零九年購股權之行使價高於股份平均市價，故計算每股攤薄盈利／（虧損）時並無假設行使本公司未行使之購股權。

截至二零一零年及二零零九年十二月三十一日止年度，可換股貸款票據對來自持續經營業務之每股基本盈利／（虧損）產生反攤薄效應。因此，計算截至二零一零年及二零零九年十二月三十一日止年度來自持續經營業務之每股攤薄盈利／（虧損）時並無計入可換股貸款票據之影響。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 17. PLANT AND EQUIPMENT

### 17. 廠房及設備

		Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Total
		租賃裝修	傢俬· 裝置及設備	汽車	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>COST</b>	<b>成本</b>				
At 1st January, 2009	於二零零九年一月一日	3,978	2,478	2,525	8,981
Exchange adjustments	匯兌調整	(26)	(8)	(3)	(37)
Acquired on acquisition of a subsidiary	收購一家附屬公司時購入	3,651	1,027	–	4,678
Additions	增加	350	374	–	724
Disposals	出售	(548)	(496)	(838)	(1,882)
At 31st December, 2009	於二零零九年十二月三十一日	7,405	3,375	1,684	12,464
Exchange adjustments	匯兌調整	291	97	–	388
Additions	增加	745	285	2,538	3,568
Write-off	報廢	(298)	(9)	–	(307)
At 31st December, 2010	於二零一零年十二月三十一日	8,143	3,748	4,222	16,113
<b>ACCUMULATED DEPRECIATION</b>	<b>累計折舊</b>				
At 1st January, 2009	於二零零九年一月一日	1,993	1,715	2,274	5,982
Exchange adjustments	匯兌調整	(9)	(3)	(3)	(15)
Provided for the year	年度撥備	766	403	109	1,278
Eliminated on disposals	出售時撇銷	(240)	(437)	(805)	(1,482)
At 31st December, 2009	於二零零九年十二月三十一日	2,510	1,678	1,575	5,763
Exchange adjustments	匯兌調整	99	40	5	144
Provided for the year	年度撥備	892	660	279	1,831
Eliminated on write-off	撇銷時報廢	(298)	(7)	–	(305)
At 31st December, 2010	於二零一零年十二月三十一日	3,203	2,371	1,859	7,433
<b>CARRYING VALUE</b>	<b>賬面值</b>				
At 31st December, 2010	於二零一零年十二月三十一日	4,940	1,377	2,363	8,680
At 31st December, 2009	於二零零九年十二月三十一日	4,895	1,697	109	6,701

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 18. MINING RIGHT

### 18. 採礦權

		HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
Addition through an acquisition of a subsidiary on 23rd December, 2009 and balance at 31st December, 2009	於二零零九年十二月二十三日收購一家附屬公司時增加及於二零零九年十二月三十一日的結餘	415,840
Exchange adjustments	匯兌調整	<u>18,400</u>
At 31st December, 2010	於二零一零年十二月三十一日	<u>434,240</u>
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>	<b>累計攤銷及減值</b>	
At 31st December, 2009	於二零零九年十二月三十一日	–
Exchange adjustments	匯兌調整	24
Amortisation provided for the year	年內計提攤銷	<u>533</u>
At 31st December, 2010	於二零一零年十二月三十一日	<u>557</u>
<b>CARRYING VALUE</b>	<b>賬面值</b>	
At 31st December, 2010	於二零一零年十二月三十一日	<u>433,683</u>
At 31st December, 2009	於二零零九年十二月三十一日	<u>415,840</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 18. MINING RIGHT (Continued)

On 23rd December, 2009 (the “Completion Date”), the Group completed the acquisition of a total of 50.8% effective equity interest in Sifa Mining from Mr. Lau, a director of the Company, and his affiliates (collectively referred to as the “Vendors”).

The mining right represents the right of Sifa Mining to conduct mining activities in the location of Huangshi in Hubei in the PRC. The mining right is amortised using the units of production method based on the proven and probable mineral reserves. However, the mining operating permit issued to the Group by Department of Land and Resources of Hubei Province (湖北省國土資源廳) is only for a term of 5 years from 25th September, 2007 to 25th September, 2012, though it is eligible for renewal thereafter. In the opinion of the directors, the application for renewal is procedural and the Group should be able to renew its mining operation permit without significant costs, until all the proven and probable minerals have been mined.

As part of the agreement to the acquisition, the Vendors have undertaken to the Group that the audited profit before income tax of Sifa Mining, prepared in accordance with generally accepted accounting principles in the PRC, will not be less than RMB72 million for the first 12 months following the Completion Date (the “Profit Guarantee”). When Sifa Mining makes profit before income tax of less than RMB72 million, the compensation for the shortfall of Profit Guarantee payable by the Vendors to the Group is equivalent to 50.8% of the shortfall amount of the audited profit before income tax compared to RMB72 million, net of tax effect.

Based on the financial statements of Sifa Mining for the first 12 months following the Completion Date (the “Guarantee Period”) prepared in accordance with the generally accepted accounting principles in the PRC and audited by a certified public accountant registered in the PRC, the audited profit before income tax of Sifa Mining for the Guarantee Period was RMB319,377, and accordingly, the Group should be compensated by the Vendors at approximately HK\$31,962,000.

### 18. 採礦權 (續)

於二零零九年十二月二十三日(「完成日期」)，本集團完成自本公司董事劉先生及其聯繫人(統稱「賣方」)收購錫發礦業共50.8%實際股權。

採礦權指錫發礦業於中國湖北省黃石的採礦權，乃基於已探明及推定礦產儲量的生產方法作為單位攤銷。然而，儘管湖北省國土資源廳所發出的採礦許可證為期5年，由二零零七年九月二十五日起至二零一二年九月二十五日止，惟其後可續期。董事認為，申請續期僅須完成相關程序，故本集團可以續期採礦許可證而毋須重大成本，直至所有已探明及推定礦藏已全被開採為止。

根據收購事項協議，賣方向本集團承諾，根據中國公認會計原則編製之錫發礦業經審核除所得稅前溢利於完成日期後首12個月不會少於人民幣72,000,000元(「溢利保證」)。當錫發礦業除所得稅前溢利少於人民幣72,000,000元，則賣方應付予本集團的溢利保證不足差額補償相當於經審核除所得稅前溢利較人民幣72,000,000元的不足差額的50.8%(已扣除稅務影響)。

根據錫發礦業於完成日期後首12個月(「保證期」)按中國公認會計原則編製並經中國註冊執業會計師審核的財務報表，錫發礦業於保證期的除所得稅前經審核溢利為人民幣319,377元，因此，本集團應獲賣方補償約31,962,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 18. MINING RIGHT (Continued)

The compensation payable by the Vendors to the Group was set off by the first tranche of the promissory notes as detailed in Note 33.

The exploitation on existing phase was completed. Sifa Mining is now moving to a next phase in development of another mining site exploitation system and then further exploitation is expected. The management is exploring all commercially viable opportunities to maximise the return from this investment including but not limited to improvement of infrastructure and expansion into processing of the ore, subject to feasibility study and availability of funding.

As at 31st December, 2010, the directors have carefully reviewed the recoverable amount of the mining right by reference to the professional valuation as at 31st December, 2010, performed by LCH (Asia-Pacific) Surveyors Limited ("LCH"). The recoverable amount of the mining right was determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period, and a discount rate of 15%. The cash flows beyond the 5-year period are extrapolated using a steady 2.9% growth rate. The key assumptions used in the value in use calculation relate to the renewal of mining operating permit, estimated reserves and the estimated prices of mineral resources.

Based on the above review, the directors of the Company are of the opinion that the recoverable amount of the mining right is higher than the carrying value of the mining right as at 31st December, 2010.

### 18. 採礦權 (續)

賣方應付予本集團的補償將按附註33所述以第一批承兌票據抵銷。

現有階段的開採工作經已完成，而錳發礦業現正邁向下一階段，發展另一礦地開採系統，之後可預期進一步開採。管理層正開拓所有在商業層面可行的機遇以儘量提高投資回報，包括但不限於改善基建及擴充業務至礦石加工，惟須視乎可行性研究及可用資金而定。

於二零一零年十二月三十一日，董事已根據利駿行測量師有限公司（「利駿行」）於二零一零年十二月三十一日進行的專業估值對採礦權的可收回金額作仔細審查。採礦權的可收回金額乃根據使用價值計算。有關計算使用經管理層批准之五年期財政預算及按15%之貼現率所計出之現金流量預測。五年期後之現金流量按2.9%之穩定增長率推算。計算使用價值時採用之主要假設乃關於重續採礦許可證以及礦物資源估計儲量及估計價格。

基於上述審查，本公司董事認為，採礦權於二零一零年十二月三十一日的可收回金額高於其賬面值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 19. GOODWILL

### 19. 商譽

		HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At 1st January, 2009	於二零零九年一月一日	12,925
Addition	增加	184,340
Release upon disposal of subsidiaries	出售附屬公司時解除	<u>(4,910)</u>
At 31st December, 2009 and 31st December, 2010	於二零零九年十二月三十一日及 二零一零年十二月三十一日	<u>192,355</u>
<b>IMPAIRMENT</b>	<b>減值</b>	
At 1st January, 2009	於二零零九年一月一日	5,105
Impairment loss recognised	已確認減值虧損	<u>184,340</u>
At 31st December, 2009 and 31st December, 2010	於二零零九年十二月三十一日及 二零一零年十二月三十一日	<u>189,445</u>
<b>CARRYING AMOUNT</b>	<b>賬面值</b>	
At 31st December, 2009 and 31st December, 2010	於二零零九年十二月三十一日及 二零一零年十二月三十一日	<u>2,910</u>

In January, 2009, the Group entered into a revised agreement for the acquisition of Sifa Mining, subject to fulfillment of certain conditions precedents. The consideration payable for the acquisition comprised cash, promissory notes, convertible loan notes and the Company's shares. Completion of the acquisition finally took place on 23rd December, 2009. Because of the elapse of time between January and December, 2009, market conditions changed and as a result, the fair value of the consideration payable has increased while the fair value of Sifa Mining's major asset, a mining right, has decreased. Accordingly, the acquisition gave rise to goodwill of approximately HK\$184,340,000 which represents the excess of the fair value of the consideration payable, as adjusted by the Profit Guarantee, over the fair value of the net assets acquired.

二零零九年一月，本集團就收購錫發礦業訂立經修訂協議，惟須達成若干先決條件方可作實。收購應付代價包括現金、承兌票據、可換股貸款票據及本公司股份。收購最終於二零零九年十二月二十三日完成。隨著時間過去及市況改變，由二零零九年一月過渡至十二月時應付代價的公平值因而增加，而錫發礦業主要資產採礦權的公平值則減少。因此，收購產生商譽約184,340,000港元，相當於應付代價公平值（已按溢利保證調整）超逾所收購資產淨值公平值的差額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 19. GOODWILL (Continued)

In last year, the directors had carefully reviewed Sifa Mining as a cash generating unit ("CGU") based on a value in use calculation. That calculation used cash flow projections based on financial budgets approved by management covering a 5-year period, and a discount rate of 14.67%. The cash flows beyond the 5-year period was extrapolated using a steady 2.79% growth rate. The growth rate was based on the relevant industry growth forecast and did not exceed the average long-term growth rate for the relevant industry. The key assumptions used in the value in use calculation related to the estimated reserve and the estimated prices of mineral resources.

Based on the above review, the directors of the Company were of the opinion that the goodwill arising from the acquisition of Sifa Mining was not recoverable. Accordingly, the goodwill was fully impaired and charged to the profit or loss during the year ended 31st December, 2009.

At 31st December, 2010 and 2009, the carrying amount of the Group's goodwill was attributable to the Group's mobile phones business in the PRC. The recoverable amount of this CGU has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and a discount rate of 10% (2009: 10%). The key assumption for the value in use calculation relates to the forecast mobile phones sales. Management of the Group has determined that no impairment needs to be recognised in respect of the CGU containing the mobile phone retailing goodwill.

### 19. 商譽 (續)

上年，董事視錫發礦業為現金產生單位（「現金產生單位」），已根據使用價值計算法作仔細審查。有關計算使用經管理層批准之五年期財政預算及按14.67%之貼現率所計出之現金流量預測。五年期後之現金流量按2.79%之穩定增長率推算。有關增長率乃根據相關行業增長預測計算，不會超過有關行業長期增長率之平均數。計算使用價值時採用之主要假設乃關於礦物資源估計儲量及估計價格。

基於上述審查，本公司董事認為，收購錫發礦業產生的商譽不可收回。因此，商譽視為已全數減值，並於截至二零零九年十二月三十一日止年度的損益中扣除。

於二零一零年及二零零九年十二月三十一日，本集團商譽之賬面值來自本集團在中國的移動電話業務。該現金產生單位之可收回金額按使用價值計算法釐定。該計算使用經管理層批准之五年期財政預算及按10%（二零零九年：10%）之貼現率所計出之現金流量預測。計算使用價值之主要假設關於移動電話銷量預測。本集團管理層已確定毋須就現金產生單位（包括移動電話零售商譽）確認減值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 20. INVESTMENT IN AN ASSOCIATE

Cost of investment in an unlisted associate less impairment loss	於非上市聯營公司之投資 成本扣除減值虧損
Share of post-acquisition reserves	應佔收購後儲備

Particulars of the associate as at 31st December, 2010 and 2009 are set out in Note 46.

Included in the cost of investment in an associate is goodwill of HK\$2,735,000 (2009: HK\$3,635,000) arising on acquisition of the associate in prior years, which is net of impairment and adjustment on profit guarantee.

During the year, the Group received a compensation of HK\$900,000 in cash from the vendor in an acquisition of an associate, Artchief Industries Limited ("Artchief"), carried out in 2007. The compensation represents the shortfall of the profit guarantee of Artchief for the year ended 31st December, 2009. The compensation was set off with the corresponding goodwill arising on the acquisition.

### 20. 一家聯營公司之投資

2010 HK\$'000 千港元	2009 HK\$'000 千港元
4,009	4,909
454	10
4,463	4,919

於二零一零年及二零零九年十二月三十一日之聯營公司詳情載於附註46。

過往年度收購一家聯營公司所產生之商譽為2,735,000港元(已扣除減值及按溢利保證調整)(二零零九年:3,635,000港元),已計入於聯營公司之投資成本。

年內,本集團就二零零七年收購一家聯營公司藝捷實業有限公司(「藝捷」)一事向賣方收取900,000港元現金補償。有關補償指藝捷截至二零零九年十二月三十一日止年度溢利保證的不足差額,已經與收購所產生的相應商譽抵銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 20. INVESTMENT IN AN ASSOCIATE (Continued)

The summarised financial information in respect of the associate held by the Group at the end of reporting period is set out below:

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Total assets	資產總值	5,018	3,129
Total liabilities	負債總額	(1,562)	(560)
Net assets	資產淨值	3,456	2,569
Group's share of net assets of associate	本集團應佔聯營公司 資產淨值	1,728	1,284
Revenue	收益	37,611	176,475
Profit for the year	年度溢利	887	2,850
Group's share of results of associates for the year	本集團應佔聯營公司 年度業績	444	732

### 20. 一家聯營公司之投資 (續)

於呈報期結算日，本集團所持聯營公司之財務資料概要如下：

### 21. INTERESTS IN SUBSIDIARIES

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	50,577	48,435
Amounts due from subsidiaries	應收附屬公司款項	640,337	642,957
Amounts due to subsidiaries	應付附屬公司款項	(6,520)	(6,520)
		684,394	684,872
Less: Allowance of impairment	減：減值撥備	(640,337)	(642,957)
		44,057	41,915

### 21. 附屬公司權益



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 21. INTERESTS IN SUBSIDIARIES (Continued)

The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment. Accumulated allowance of impairment for amounts due from subsidiaries of HK\$640,337,000 (2009: HK\$642,957,000) had been recognised up to 31st December, 2010 because the related recoverable amounts were estimated to be less than their respective carrying amounts.

The amounts due to subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

Details of principal subsidiaries are set out in Note 45.

### 22. AVAILABLE-FOR-SALE INVESTMENT

Available-for-sale investment comprises:

Unlisted securities:	非上市證券：
Equity securities	股本證券

This represents a 1.21% (2009: 1.21%) interest in unlisted equity securities issued by a private entity incorporated in Hong Kong, which is engaged in provision of computer technology services in Hong Kong. This investment is measured at cost less impairment at the end of reporting period because the range of reasonable fair values estimates is so significant that the directors of the Company are of the opinion that its fair value cannot be measured reliably.

### 21. 附屬公司權益 (續)

應收附屬公司款項為無抵押、不計息及無固定還款期。由於相關可收回金額估計為少於其各自的賬面值，應收附屬公司款項的累計減值撥備640,337,000(港元)二零零九年：642,957,000(港元)已於二零一零年十二月三十一日確認。

應付附屬公司款項為無抵押、不計息及無固定還款期。

主要附屬公司詳情載於附註45。

### 22. 可供出售投資

可供出售投資包括：

The Group 本集團	
2010 HK\$'000 千港元	2009 HK\$'000 千港元
69	69

此乃一家於香港註冊成立之私人實體所發行非上市股本證券之1.21% (二零零九年：1.21%) 權益。該實體在香港提供電腦技術服務。該等投資於呈報期結算日按成本扣除減值計算，原因是估計合理公平值之幅度頗大，本公司董事認為公平值不能可靠計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 23. CLUB MEMBERSHIPS

### 23. 會所會籍

		The Group 本集團 HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At 1st January, 2009 and 31st 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	1,371
Exchange adjustments	匯兌調整	<u>9</u>
At 31st December, 2010	於二零一零年十二月三十一日	<u>1,380</u>
<b>IMPAIRMENT</b>	<b>減值</b>	
At 1st January, 2009	於二零零九年一月一日	95
Reversal of impairment loss recognised	已確認減值虧損撥回	<u>(82)</u>
At 31st December, 2009 and 1st January, 2010	於二零零九年十二月三十一日及二零一零年一月一日	13
Reversal of impairment loss recognised	已確認減值虧損撥回	(11)
Exchange adjustments	匯兌調整	<u>2</u>
At 31st December, 2010	於二零一零年十二月三十一日	<u>4</u>
<b>CARRYING AMOUNT</b>	<b>賬面值</b>	
At 31st December, 2010	於二零一零年十二月三十一日	<u>1,376</u>
At 31st December, 2009	於二零零九年十二月三十一日	<u>1,358</u>

Club memberships are stated at cost less any identified impairment loss. For the purpose of impairment testing on club memberships, the recoverable amount has been determined based on fair value less costs to sell. The fair value less costs to sell is the second-hand market price less cost of disposal. Management of the Group reversed part of the impairment loss recognised in prior years due to the increase of the recoverable amount.

會所會籍按成本減任何已識別減值虧損列賬。檢測會所會籍有否減值時，可收回金額按公平值減銷售成本釐定。公平值減銷售成本為二手市場價減出售成本。由於可收回金額增加，故本集團管理層決定撥回過往年度確認之部份減值虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 24. INVENTORIES

Inventories comprise finished goods in:

Mobile phones business 移動電話業務  
Mining business 採礦業務

Inventories in mining business of approximately HK\$1,751,000 (2009: HK\$5,157,000) have been pledged as collateral for a borrowing (Note 31).

### 25. TRADE AND OTHER RECEIVABLES

Trade receivables 應收貿易賬款  
Less: accumulated allowance 減：累計撥備

Value-added-tax receivables 應收增值稅  
Rebates receivable 應收回扣款項  
Prepayments to suppliers 預付供應商款項  
Other receivables and deposits 其他應收賬款及按金  
Less: accumulated allowance 減：累計撥備

Trade and other receivables 應收貿易賬款及其他應收賬款

### 24. 存貨

存貨包括製成品：

		The Group 本集團	
		2010 HK\$'000 千港元	2009 HK\$'000 千港元
		185,404	159,617
		1,751	5,157
		<b>187,155</b>	<b>164,774</b>

採礦業務的存貨約1,751,000港元(二零零九年：5,157,000港元)已抵押作為一項借貸抵押品(附註31)。

### 25. 應收貿易賬款及其他應收賬款

		The Group 本集團	
		2010 HK\$'000 千港元	2009 HK\$'000 千港元
		19,583	24,922
		(14,713)	(15,501)
		4,870	9,421
		6,238	10,620
		66,126	50,020
		71,332	2,982
		27,589	25,432
		(3,005)	(12,626)
		<b>173,150</b>	<b>85,849</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 25. TRADE AND OTHER RECEIVABLES (Continued)

The Group allows its trade customers a credit period of 30 to 90 days. The following is an aged analysis of trade receivables (net of allowance) presented based on the invoice date at the end of reporting period:

0 to 30 days	零至三十日
31 to 90 days	三十一至九十日
Over 90 days	超過九十日

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines its credit limits. Limits attributed to customers are reviewed periodically. Majority of the trade receivables that are neither past due nor impaired have no default payment history and good credit rating under the Group's internal credit assessment.

### 25. 應收貿易賬款及其他應收賬款 (續)

本集團給予貿易客戶三十至九十日之信貸期。於呈報期結算日之應收貿易賬款(已扣除撥備)按發票日期作出之賬齡分析如下:

The Group 本集團	
2010 HK\$'000 千港元	2009 HK\$'000 千港元
3,320	8,555
1,423	486
127	380
4,870	9,421

接納任何新客戶前，本集團會評估潛在客戶之信貸質量，然後界定信貸限額，定期檢討授予客戶之限額。根據本集團內部信貸評估，大部分既未過期亦未減值之應收貿易賬款並無拖欠紀錄且信用等級良好。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 25. TRADE AND OTHER RECEIVABLES (Continued)

The Group does not hold any collateral over its trade debts. It is the Group's policy that trade debts over 180 days are fully provided for because historical experience is such that debts that are past due beyond 180 days are generally not recoverable. The following is an aged analysis of the carrying amounts of trade debts that were past due at the end of reporting period but for which the Group has not provided for impairment loss because management are of the opinion that the fundamental credit quality of the customers has not deteriorated:

Over 90 days but less than 180 days past due	逾期九十日但未超過 一百八十日
---	--------------------

#### Movement in the allowance for doubtful debts in respect of trade and other receivables

Balance at the beginning of the year	年初結餘	28,127	71,759
Exchange adjustments	匯兌調整	336	(485)
Impairment losses recognised for the year	年度確認之減值虧損	2,852	994
Amounts written off as uncollectible	撇銷為無法收回賬款	(13,200)	(29,225)
Amounts recovered during the year	年內收回之賬款	(397)	(14,916)
Balance at the end of the year	年終結餘	17,718	28,127

Included in the allowance for doubtful debts are individually impaired trade and other receivables with an aggregate balance of HK\$2,852,000 (2009: HK\$994,000) which were either placed under liquidation or in severe financial difficulties and therefore the amounts were considered as irrecoverable. The Group does not hold any collateral over these balances.

### 25. 應收貿易賬款及其他應收賬款 (續)

本集團並無就貿易債款持有任何抵押品。本集團的政策為就超過180日之貿易債款作出足額撥備，原因是過往經驗證明過期180日以上之債務通常無法收回。以下為於呈報期結算日已過期但因管理層認為客戶之基本信貸質素並未惡化而本集團並無作出減值虧損撥備的貿易借款之賬面值賬齡分析：

The Group 本集團	
2010 HK\$'000 千港元	2009 HK\$'000 千港元
127	380

#### 有關應收貿易賬款及其他應收賬款呆賬撥備之變動

The Group 本集團	
2010 HK\$'000 千港元	2009 HK\$'000 千港元
28,127	71,759
336	(485)
2,852	994
(13,200)	(29,225)
(397)	(14,916)
17,718	28,127

呆賬撥備包括個別減值應收貿易賬款及其他應收賬款之結餘總額2,852,000港元(二零零九年：994,000港元)。該等應收貿易賬款及其他應收賬款因交易方清盤或出現嚴重財務困難而視為不可收回。本集團並無就該等結餘持有任何抵押品。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 26. AMOUNTS DUE FROM/(TO) RELATED PARTIES

Amounts due from:	應收之款項：
– minority shareholders of subsidiaries	– 附屬公司少數股東
Amounts due to:	應付之款項：
– Mr. Lau and his affiliate	– 劉先生及其聯繫人
– an associate	– 一家聯營公司
– a minority shareholder of a subsidiary	– 一家附屬公司少數股東

Other than an amount of HK\$6,000,000 due to Mr. Lau and his affiliate as at 31st December, 2009 that carries interest at Hong Kong Interbank Offered Rate (“HIBOR”) plus 3.5%, all the above balances are unsecured, interest-free and repayable on demand.

### 27. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group with short-term bank deposits that are interest-bearing at market interest rates ranging from 0.01% to 0.36% (2009: 0.01% to 0.36%) per annum and have original maturity of three months or less.

The bank balances and cash of the Group are mainly denominated in RMB and HK\$, which are the functional currency of the relevant entities of the Group. Included in bank balances and cash at 31st December, 2010 was an amount in RMB of approximately RMB37,701,000 (2009: RMB6,065,000). RMB is not freely convertible into other currencies.

### 26. 應收／（應付）關連人士款項

The Group 本集團		The Company 本公司	
2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元
3,172	5,721	-	-
8,270	19,155	8,037	-
500	500	-	-
-	6,126	-	-
8,770	25,781	8,037	-

上文所有結餘為無抵押、不計息及須按要求償還，惟於二零零九年十二月三十一日應付劉先生及其聯繫人款項6,000,000港元按香港銀行同業拆息加3.5%計息除外。

### 27. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金及按介乎0.01厘至0.36厘（二零零九年：0.01厘至0.36厘）之市場年利率計息及原到期日為三個月內之短期銀行存款。

本集團之銀行結餘及現金主要以本集團有關實體之功能貨幣人民幣及港元計值。於二零一零年十二月三十一日，銀行結餘及現金包括人民幣金額約人民幣37,701,000元（二零零九年：人民幣6,065,000元）。人民幣不得自由兌換為其他貨幣。

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## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 28. TRADE AND OTHER PAYABLES

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

Trade payables:	應付貿易賬款：
0 to 30 days	零至三十日
31 to 90 days	三十一至九十日
Over 90 days	超過九十日
Rebates payable	應付回扣款項
Prepayments from customers	客戶預付款項
Other payables and accruals	其他應付賬款及應計費用

### 28. 應付貿易賬款及其他應付賬款

於呈報期結算日之應付貿易賬款按發票日期呈列之賬齡分析如下：

The Group 本集團	
2010 HK\$'000 千港元	2009 HK\$'000 千港元
3,704	3,539
159	99
599	2,163
4,462	5,801
116,190	47,983
62,379	26,152
20,842	9,861
<b>203,873</b>	<b>89,797</b>

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## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 29. SHARE CAPITAL

### 29. 股本

		Number of ordinary shares 普通股數目		Share capital 股本	
		2010 '000 千股	2009 '000 千股	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股				
Authorised	法定股本	1,000,000	1,000,000	100,000	100,000
Issued and fully paid	已發行及繳足股款股本				
At beginning of year	年初	678,806	372,790	67,881	37,279
Issue of shares in consideration for the acquisition of a subsidiary (Note i)	發行股份作為收購一家附屬公司之代價(附註i)	-	306,016	-	30,602
Issue of shares upon conversion of convertible loan notes (Note ii)	於變換可換股貸款票據時發行股份(附註ii)	142,857	-	14,285	-
At end of year	年末	821,663	678,806	82,166	67,881

Notes:

- (i) On 23rd December, 2009, the Group completed the acquisition of Sifa Mining by allotment and issue of 306,016,300 ordinary shares of HK\$0.10 each per share as part of the consideration of the acquisition. The fair value of the shares on the date of exchange, represented by their closing market price on that date was HK\$0.465 per share.

The shares issued as mentioned above ranked pari passu with the then existing shares in issue in all respects.

- (ii) On 4th January, 2010, convertible loan notes with principal amounts of HK\$100,000,000 and carrying value of HK\$100,368,000 were converted into 142,857,142 ordinary shares at a conversion price of HK\$0.70 per share.

附註:

- (i) 於二零零九年十二月二十三日，本集團完成收購錫發礦業，通過配發及發行306,016,300股每股面值0.10港元之普通股支付部分收購代價。股份於交換日期之公平值為該等股份當日之收市價每股0.465港元。

所有上述已發行股份在各方面均與當時已發行股份享有同等權益。

- (ii) 於二零一零年一月四日，本金額為100,000,000港元及賬面值為100,368,000港元的可換股貸款票據按換股價每股0.70港元轉換為142,857,142股普通股。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 30. SHARE-BASED PAYMENT TRANSACTIONS

The Company adopted a share option scheme on 14th January, 2004 (the "Scheme") which was effective on 26th January, 2004 and will expire on 26th January, 2014. The primary purpose of the Scheme is to provide incentives to directors, eligible employees and other qualified persons who in the opinion of the board of directors has made or will make contributions which are or may be beneficial to the Group as a whole.

Under the Scheme, the directors of the Company may, subject to certain conditions, grant to any directors, employees, suppliers, agents, customers, distributors, business associates or partners, professionals or other advisors of, or consultants or contractors to, any members of the Group or any associated companies who in the opinion of the board of directors has made or will make contributions which are or may be beneficial to the Group as a whole, options to subscribe for shares in the Company at any price but not less than the higher of (i) nominal value of a share, (ii) the closing price of the shares on the Stock Exchange on the day of grant, and (iii) the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options, subject to a maximum of 10% of the issued share capital of the Company from time to time.

Without prior approval from the Company's shareholders, (i) the total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, and (ii) the number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time.

Options granted must be taken up within the time period set out in the offer letter and upon payment of HK\$1 for each lot of share option granted.

### 30. 以股份為基礎付款之交易

本公司於二零零四年一月十四日採納一項購股權計劃（「計劃」），該計劃於二零零四年一月二十六日生效並將於二零一四年一月二十六日屆滿。計劃之主要目的為向董事會認為對本集團整體利益曾作出或將作出屬於或可能屬於貢獻之董事、合資格僱員及其他合資格人士給予獎勵。

根據計劃，在若干條件之限制下，本公司董事可向董事會認為對本集團整體利益曾作出或將作出屬於或可能屬於貢獻之本集團任何成員公司或任何聯營公司之董事、僱員、供應商、代理、客戶、分銷商、業務夥伴、專業顧問或其他顧問、諮詢人或承辦商授予可按任何價格認購本公司股份之購股權，惟認購價格不得少於(i)股份面值、(ii)股份於授出日期在聯交所之收市價及(iii)股份於緊接購股權授出日期前五個交易日在聯交所之平均收市價之較高者，而授出之購股權可認購之股份數目最多以本公司不時已發行股本之10%為限。

未經本公司股東事先批准前，(i)根據計劃可能授出購股權之相關股份總數，不得超出本公司任何時間已發行股份之10%，及(ii)向任何個人於十二個月期間內已授出及將授出購股權之相關已發行及將發行股份數目，不得超出本公司任何時間已發行股份之1%。

購股權須於要約函件內所列之期間內予以接納，並須於接納時就授出之購股權每手支付1港元之費用。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 30. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

At 31st December, 2010, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 8,446,000 (2009: 8,552,000), representing 1% (2009: 1.3%) of the shares of the Company in issue at that date.

The following table discloses movement of the Company's share options held by employees and consultants (including directors) during the years ended 31st December, 2010 and 2009:

Name	Date of grant	Exercisable period	Exercise price per share	Outstanding at 1.1.2009	Transfer upon appointment as director	Forfeited during the year	Outstanding at 31.12.2009	Forfeited during the year	Outstanding at 31.12.2010
名稱	授出日期	行使期	每股行使價 HK\$ 港元	於二零零九年一月一日尚未行使	委任為董事時轉撥	於年內失效	於二零零九年十二月三十一日尚未行使	於年內失效	於二零一零年十二月三十一日尚未行使
Category I: 第一類:									
- Directors - 董事	7.5.2007 二零零七年五月七日	7.5.2007 to 6.5.2012 二零零七年五月七日至二零一二年五月六日	1.29	2,750,000	-	-	2,750,000	(100,000)	2,650,000
- Director appointed during 2009 - 於二零零九年內委任的董事	7.5.2007 二零零七年五月七日	7.5.2007 to 6.5.2012 二零零七年五月七日至二零一二年五月六日	1.29	-	300,000	-	300,000	-	300,000
Category II: 第二類:									
- Employees - 僱員	7.5.2007 二零零七年五月七日	7.5.2007 to 6.5.2012 二零零七年五月七日至二零一二年五月六日	1.29	3,022,000	(300,000)	(1,170,000)	1,552,000	(6,000)	1,546,000
Category III: 第三類:									
- Consultants (Note) - 顧問(附註)	7.5.2007 二零零七年五月七日	7.5.2007 to 6.5.2012 二零零七年五月七日至二零一二年五月六日	1.29	3,950,000	-	-	3,950,000	-	3,950,000
Total for all categories 所有類別總計				9,722,000	-	(1,170,000)	8,552,000	(106,000)	8,446,000
Exercisable at the end of the year 於年末可行使							8,552,000		8,446,000
Weighted average exercise price 加權平均行使價			HK\$1.29 1.29港元		HK\$1.29 1.29港元	HK\$1.29 1.29港元	HK\$1.29 1.29港元	HK\$1.29 1.29港元	HK\$1.29 1.29港元

### 30. 以股份為基礎付款之交易(續)

於二零一零年十二月三十一日，根據計劃已授出但仍然尚未行使購股權之相關股份數目為8,446,000股(二零零九年: 8,552,000股)，佔本公司於該日已發行股份之1%(二零零九年: 1.3%)。

下表披露截至二零一零年及二零零九年十二月三十一日止年度僱員及顧問(包括董事)所持本公司購股權之變動:

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 30. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Note:

The Group granted share options to the consultants in return for their provision of management consultancy services to the Group.

No option was granted during each of the two years ended 31st December, 2009 and 2010.

### 31. BANK AND OTHER BORROWINGS

Bank loans 銀行貸款  
Other borrowings 其他借貸

Secured 有抵押  
Unsecured 無抵押

At the end of reporting period, all the Group's borrowings were repayable within one year. All bank loans are guaranteed by the Company.

Fixed-rate borrowings 定息借貸  
Variable-rate borrowings 浮息借貸

Effective interest rate (per annum) 實際年利率  
– fixed-rate borrowings 一定息借貸  
– variable-rate borrowings 一浮息借貸

### 30. 以股份為基礎付款之交易 (續)

附註：

本集團授予顧問之購股權，作為彼等向本集團提供管理諮詢服務的回報。

截至二零零九年及二零一零年十二月三十一日止兩年度各年並無授出購股權。

### 31. 銀行及其他借貸

		The Group 本集團	
		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Bank loans	銀行貸款	23,600	–
Other borrowings	其他借貸	26,430	14,010
		<b>50,030</b>	14,010
Secured	有抵押	14,630	14,010
Unsecured	無抵押	35,400	–
		<b>50,030</b>	14,010

於呈報期結算日，本集團所有借貸須於一年內償還。全部銀行貸款由本公司擔保。

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Fixed-rate borrowings	定息借貸	26,430	14,010
Variable-rate borrowings	浮息借貸	23,600	–
		<b>50,030</b>	14,010
Effective interest rate (per annum)	實際年利率		
– fixed-rate borrowings	一定息借貸	11.65%	8.47%
– variable-rate borrowings	一浮息借貸	5.58% – 10%	n/a 不適用

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 32. CONVERTIBLE LOAN NOTES

On 23rd December, 2009, the Company issued convertible loan notes with a principal amount of HK\$100 million as part of the consideration to acquire Sifa Mining (the “CL Notes”). The CL Notes were denominated in Hong Kong dollars, unsecured and did not carry interest. The CL Notes entitled the holders thereof to convert the CL Notes, in whole or in part, into ordinary shares of the Company at a conversion price of HK\$0.7 per share during the period from the date of issue to 22nd December, 2011 (the “Maturity Date”). The Company also had the option to redeem all or any of the outstanding CL Notes at any time prior to the Maturity Date, at 105% of the nominal value. Unless previously converted or redeemed, the CL Notes were to be redeemed by the Company on 22nd December, 2011 at par.

The CL Notes contained 2 components, namely liability component and derivative component. The derivative component comprises of conversion option and early redemption option. The derivative was measured at fair value, changes of which were recognised in profit or loss. The effective interest rate for the liability component is 8.7% per annum.

### 32. 可換股貸款票據

二零零九年十二月二十三日，本公司發行本金額100,000,000港元的可換股貸款票據（「可換股貸款票據」），作為收購錳發礦業的部分代價。可換股貸款票據以港元計值，無抵押且不計息。可換股貸款票據的相關持有人可於發行日期起至二零一一年十二月二十二日（「到期日」）期間按每股0.7港元的轉換價將全部或部分可換股貸款票據轉換為本公司普通股。本公司亦有權於到期日前隨時以相當於面值105%的價格贖回所有或任何尚未轉換的可換股貸款票據。除非過往已轉換或贖回，否則本公司將於二零一一年十二月二十二日按面值贖回可換股貸款票據。

可換股貸款票據包括兩個組成部分，即負債部分及衍生部分。衍生部分包括兌換權及提早贖回權。衍生部分按公平值計量，其公平值變動於損益確認。負債部分的實際年利率為8.7厘。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 32. CONVERTIBLE LOAN NOTES (Continued)

The movement of the above components are set out as below:

At initial recognition	首次確認
Interest charge	利息費用
Loss on changes in fair value	公平值變動之虧損
As at 31st December, 2009	於二零零九年 十二月三十一日
Interest charge	利息費用
Conversion	轉換
As at 31st December, 2010	於二零一零年 十二月三十一日

On 4th January, 2010, all the CL Notes were converted into 142,857,142 ordinary shares at a conversion price of HK\$0.70 per share.

### 33. PROMISSORY NOTES

As part of the consideration for the acquisition of Sifa Mining, on 23rd December, 2009, the Company issued 2 tranches of the promissory notes in the principal sum of approximately HK\$89.7 million in aggregate, all of which are interest-free. Other particulars of the promissory notes are as follows:

#### 1. First tranche promissory note

This carries a principal sum of HK\$40,000,000 and it is non-transferrable and will mature at the end of the twelve months after issue.

Any shortfall arising from the Profit Guarantee as set out in Note 18 is to be set off against this tranche.

### 32. 可換股貸款票據 (續)

上述組成部分的變動載列如下：

Derivative component	Liability component	Total
衍生部分	負債部分	總計
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
15,168	84,625	99,793
–	187	187
326	–	326
15,494	84,812	100,306
–	62	62
(15,494)	(84,874)	(100,368)
–	–	–

二零一零年一月四日，所有可換股貸款票據已按每股0.70港元的轉換價轉換為142,857,142股普通股。

### 33. 承兌票據

二零零九年十二月二十三日，本公司發行兩批本金總額合共約89,700,000港元的承兌票據，作為收購錳發礦業的部分代價。該等承兌票據免息，有關其他詳情如下：

#### 1. 第一批承兌票據

該批承兌票據的本金總額為40,000,000港元及為不可轉讓及有效期至發行後十二個月結束時到期。

倘未能達致附註18所載溢利保證，所有不足差額將以本批承兌票據抵銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 33. PROMISSORY NOTES (Continued)

#### 2. Second tranche promissory note

This carries a principal sum of HK\$49,691,000. It is transferrable and will mature at the end of the twenty-fourth month after issue. This tranche is not subject to adjustment on any shortfall arising from the Profit Guarantee.

The movement of the 2 tranches of promissory notes and the respective effective interest rate are set out as below:

### 33. 承兌票據 (續)

#### 2. 第二批承兌票據

該批承兌票據的本金總額為49,691,000港元，為可轉讓，將於發行後第二十四個月結束時到期。該批承兌票據毋須就溢利保證所產生的任何不足差額作任何調整。

兩批承兌票據及各自實際利率的變動載列如下：

		First tranche 第一批 HK\$'000 千港元	Second tranche 第二批 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Principal sum on date of issue	於發行日期的本金總額	40,000	49,691	89,691
Estimated compensation by the Vendors (Note i)	估計賣方的補償 (附註i)	(31,853)	-	(31,853)
Fair value adjustments	公平值調整	(613)	(7,651)	(8,264)
At initial recognition	首次確認	7,534	42,040	49,574
Interest charge	利息費用	15	90	105
As at 31st December, 2009	於二零零九年十二月三十一日	7,549	42,130	49,679
Interest charge	利息費用	597	3,666	4,263
Adjustment to estimated compensation by the Vendors (Note ii)	估計賣方賠償金額之調整 (附註ii)	(109)	-	(109)
Transfer to amount due to note holder, Mr. Lau (Note ii)	轉撥至應付票據持有人劉先生的金額 (附註ii)	(8,037)	-	(8,037)
		-	45,796	45,796
Effective interest rate	實際利率	8.13%	8.72%	

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 33. PROMISSORY NOTES (Continued)

Notes:

- (i) During the year ended 31st December, 2009, the directors were of the opinion that the Profit Guarantee was not probable to meet and therefore had provisionally reduced the promissory notes by the amount of the estimated shortfall in accordance with the terms of the first tranche promissory note.
- (ii) As mentioned in Note 18, during the year ended 31st December, 2010, the actual compensation payable by the Vendor was approximately HK\$31,962,000 in which HK\$31,853,000 had been provided to reduce the first tranche of promissory note in prior year. The adjustment of HK\$109,000 on estimated compensation was recognised in profit or loss.

On 22nd December, 2010, the maturity date of the first tranche of promissory notes, the note holder, Mr. Lau, agreed to transfer the outstanding balance of approximately HK\$8,037,000 to the amount due to him in the terms of unsecured, interest-free and repayable on demand.

### 33. 承兌票據 (續)

附註:

- (i) 截至二零零九年十二月三十一日止年度，董事認為不大可能實現溢利保證，因此已根據第一批承兌票據的條款臨時地自承兌票據減去估計不足金額。
- (ii) 誠如附註18所述，截至二零一零年十二月三十一日止年度，賣方實際應付的補償金額約為31,962,000港元，其中31,853,000港元已於去年撥備削減首批承兌票據。109,000港元估計賠償金額之調整已在損益確認。

於二零一零年十二月二十二日，首批承兌票據的到期日，票據持有人劉先生同意按無抵押、免息及按要求償還條款將未清賬款餘額約8,037,000港元轉撥至應付劉先生的款項。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 34. DEFERRED TAX LIABILITIES

The following are the deferred tax liabilities recognised and movements thereon during the current and prior years:

		Revaluation of mining right arising from acquisition 因收購引致的 採礦權重估 HK\$'000 千港元
At 1st January, 2009	於二零零九年一月一日	–
Acquisition of subsidiaries	收購附屬公司	<u>101,473</u>
At 31st December, 2009	於二零零九年十二月三十一日	101,473
Exchange adjustments	匯兌調整	4,484
Credit to profit or loss	計入損益	<u>(133)</u>
At 31st December, 2010	於二零一零年十二月三十一日	<u>105,824</u>

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1st January, 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to approximately HK\$56,635,000 (2009: HK\$31,551,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

下表為於本年度及上年度已確認之遞延稅項負債及其變動：

根據中國企業所得稅法，自二零零八年一月一日起，以中國附屬公司所賺取溢利宣派的股息須繳交預扣稅。由於本集團無法控制中國附屬公司累計溢利的相關暫時差額約56,635,000港元（二零零九年：31,551,000港元）的撥回時間，且不大可能於可見未來撥回暫時差額，故並無於綜合財務報表就該等暫時差額計提遞延稅項撥備。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 35. ACQUISITION OF SUBSIDIARIES

On 23rd December, 2009, the Group completed the acquisition of a 50.8% effective interest of Sifa Mining. Total consideration including directly attributable cost for the acquisition is approximately HK\$339,846,000. This acquisition has been accounted for using the purchase method.

The net assets acquired in the transaction, and the goodwill arising, are as follows:

### 35. 收購附屬公司

於二零零九年十二月二十三日，本集團完成收購錫發礦業的50.8%實際權益。包括收購直接產生成本的總代價約為339,846,000港元。是項收購已使用收購會計法列賬。

交易所得之淨資產及產生之商譽如下：

		Acquiree's carrying amount before combination 合併前的 被收購方之 賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Carrying amount and fair value 賬面值及 公平值 HK\$'000 千港元
Net assets acquired:	所收購淨資產：			
Plant and equipment	廠房及設備	4,678	–	4,678
Mining right	採礦權	9,947	405,893	415,840
Inventories	存貨	5,128	–	5,128
Trade and other receivables	應收貿易賬款及 其他應收賬款	4,158	–	4,158
Bank balances and cash	銀行結餘及現金	516	–	516
Trade and other payables	應付貿易賬款及 其他應付賬款	(23,137)	–	(23,137)
Taxation	稅項	65	–	65
Deferred tax liability	遞延稅項負債	–	(101,473)	(101,473)
		1,355	304,420	305,775
Non-controlling interests	非控制性權益			(150,269)
Goodwill (Note 19)	商譽 (附註19)			184,340
Total consideration	總代價			339,846

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 35. ACQUISITION OF SUBSIDIARIES (Continued)

### 35. 收購附屬公司 (續)

		HK\$'000 千港元
Total consideration satisfied by:	以下列方式支付總代價：	
Deposit paid in prior year	過往年度已付之按金	25,000
Consideration payable	應付代價	15,000
Issue of shares (Note 29)	發行股份 (附註29)	142,298
CL Notes issued (Note 32)	已發行可換股貸款票據 (附註32)	99,793
Promissory notes issued (Note 33)	已發行承兌票據 (附註33)	49,574
Transaction costs directly attributable to the acquisition	收購直接產生之交易成本	8,181
		<u>339,846</u>
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash and cash equivalents acquired	所得現金及現金等價物	516
Transaction costs directly attributable to the acquisition	收購直接產生之交易成本	(8,181)
		<u>(7,665)</u>

As the acquisition of Sifa Mining was completed on 23rd December, 2009, Sifa Mining did not contribute any turnover or results to the Group for the prior year. Had the acquisition been completed on 1st January, 2009, the Group's turnover and loss for the prior year would be increased by HK\$3,523,000 and HK\$2,884,000 respectively.

由於收購錫發礦業僅於二零零九年十二月二十三日完成，故錫發礦業於去年並無為本集團貢獻任何營業額或業績。倘收購於二零零九年一月一日完成，本集團於去年的營業額及虧損會分別增加3,523,000港元及2,884,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 36. DISPOSAL OF SUBSIDIARIES

On 23rd July, 2009, the Group disposed of a subsidiary, Fortune Realty Development Company Limited, which was engaged in investment holding, at a profit of HK\$107,000.

On 24th August, 2009, the Group disposed of the Synergy sub-group which was engaged in the mobile phone business in Hong Kong, at a loss of HK\$5,081,000.

The net assets of Fortune Realty Development Company Limited and the Synergy sub-group at the dates of disposal were as follows:

### 36. 出售附屬公司

二零零九年七月二十三日，本集團出售一家從事投資控股的附屬公司長遠地產發展有限公司，獲利107,000港元。

二零零九年八月二十四日，本集團出售 Synergy 集團，該集團於香港從事移動電話業務，錄得5,081,000港元虧損。

長遠地產發展有限公司與Synergy集團於出售當日的資產淨值如下：

		HK\$'000 千港元
Net assets disposed of:	所出售淨資產：	
Plant and equipment	廠房及設備	39
Inventories	存貨	5,165
Trade and other receivables	應收貿易賬款及其他應收賬款	7,770
Tax recoverable	可收回稅項	131
Bank balances and cash	銀行結餘及現金	2,322
Trade and other payables	應付貿易賬款及其他應付賬款	(12,381)
Tax payables	應付稅項	(102)
		<hr/>
		2,944
Attributable goodwill	相關商譽	4,910
Loss on disposal	出售虧損	(4,974)
		<hr/>
Total consideration	總代價	2,880
		<hr/>
Satisfied by:	以下列方式支付：	
Cash	現金	2,880
		<hr/>
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration	現金代價	2,880
Bank balances and cash disposed of	出售之銀行結餘及現金	(2,322)
		<hr/>
		558
		<hr/>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 37. OPERATING LEASES

#### *The Group as lessee*

During the year, the Group made minimum lease payments of approximately HK\$5,834,000 (2009: HK\$5,505,000) under operating leases.

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

Within one year	一年內
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)
Over five years	五年以上

Operating lease payments represent rentals payable by the Group for certain of its office properties and retail shops. Leases are negotiated and rentals are fixed for terms ranging from one to ten years.

### 38. PLEDGE OF ASSETS

At the end of reporting period, the following assets were pledged to secure bank and other borrowings of the Group.

Inventories – mining business	存貨 – 採礦業務
-------------------------------	-----------

### 37. 經營租約

#### *本集團作為承租人*

年內，本集團根據經營租約須支付之最低租賃款項約為5,834,000港元（二零零九年：5,505,000港元）。

於呈報期結算日，本集團根據不可撤回租約而就於下列期間到期之租賃物業須支付的未來最低租金承擔如下：

2010 HK\$'000 千港元	2009 HK\$'000 千港元
4,420	3,514
5,452	5,422
1,553	1,269
<b>11,425</b>	<b>10,205</b>

經營租約租金指本集團就若干辦公室物業及零售店應付之租金。租約及租金均按一至十年之年期磋商及釐定。

### 38. 資產抵押

於呈報期結算日，以下資產已抵押作為本集團所獲銀行及其他借貸的擔保。

2010 HK\$'000 千港元	2009 HK\$'000 千港元
1,751	5,157
<b>1,751</b>	<b>5,157</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 39. CONTINGENT LIABILITIES

At 31st December, 2010, the Company had provided guarantees to banks in respect of credit facilities granted to its subsidiaries amounting to HK\$23,600,000.

At 31st December, 2010 and 2009, the Group had no contingent liabilities.

### 40. CAPITAL COMMITMENTS

At 31st December, 2010 and 2009, the Group and the Company did not have any significant capital commitments.

### 41. RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme (the "Scheme") for all its qualifying employees in Hong Kong. The assets of the Scheme are held separately from those of the Group, in funds under the control of trustees. Under the rules of the Scheme, the employer and its employees are required to make contributions to the Scheme at rates specified in the rules. The only obligation of the Group with respect to the Scheme is to make the required contributions under the Scheme.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit scheme operated by the government of the PRC. The subsidiaries are required to contribute a fixed rate of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

### 39. 或然負債

於二零一零年十二月三十一日，本公司就其附屬公司的23,600,000港元信貸融資向銀行提供擔保。

於二零一零年及二零零九年十二月三十一日，本集團並無任何或然負債。

### 40. 資本承擔

於二零一零年及二零零九年十二月三十一日，本集團及本公司並無任何重大資本承擔。

### 41. 退休福利計劃

本集團為所有香港合資格僱員管理強制性公積金計劃（「計劃」）。有關計劃的資產由受託人控制之基金與本集團資產分開持有。根據計劃之規則，僱主及其僱員須按規則指定之比率向計劃供款。本集團對計劃之唯一責任為根據計劃作出規定供款。

本集團在中國之附屬公司僱員均為中國政府管理之國家管理退休福利計劃成員。該等附屬公司須按薪金成本之固定比例向該退休福利計劃供款，為各項福利提供資金。本集團對該退休福利計劃之唯一責任為作出指定供款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 42. RELATED PARTY DISCLOSURES

- (a) Details of the Group's outstanding balances with related parties at the end of reporting period are set out in the consolidated statement of financial position and Note 26.
- (b) Details of agreements entered into with Mr. Lau in relation to the acquisition of Sifa Mining are set out in Note 18.
- (c) Compensation of key management personnel

The remuneration of directors and other members of the Group's key management during the year was as follows:

Short-term benefits	短期福利
Post-employment benefits	退休後福利

The remuneration of directors and other members of key management was determined by the remuneration committee having regard to the performance of individuals and market trends.

- (d) During the year, the Group received management fee income amounting to HK\$480,000 (2009: HK\$90,000) from Synergy Technologies (Asia) Limited of which Mr. Lau is the common director.

### 42. 關連人士之披露

- (a) 於呈報期結算日，本集團與關連人士之未清償結餘詳情載於綜合財務狀況表及附註26。
- (b) 與劉先生就收購錫發礦業訂立之協議詳情載於附註18。
- (c) 主要管理人員之薪酬

年內董事及本集團其他主要管理人員之酬金如下：

2010 HK\$'000 千港元	2009 HK\$'000 千港元
5,385	3,264
176	50
<b>5,561</b>	<b>3,314</b>

董事及其他主要管理人員之酬金由薪酬委員會考慮個別人士表現及市場趨勢後釐定。

- (d) 年內，本集團向Synergy Technologies (Asia) Limited (劉先生亦為該公司董事)收取480,000港元(二零零九年：90,000港元)管理費收入。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 43. RESERVES OF THE COMPANY

### 43. 本公司儲備

		Share premium	Contributed surplus	Translation reserve	Share option reserve	Accumulated losses	Total
		股份溢價	實繳盈餘	換算儲備	購股權儲備	累積虧損	總額
		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
			(Note)				
			(附註)				
At 1st January, 2009	於二零零九年一月一日	195,183	40,948	42,304	5,097	(67,594)	215,938
Loss for the year	年度虧損	-	-	-	-	(503,366)	(503,366)
Exchange differences arising on translation	因換算而產生之匯兌差異	-	-	(1,608)	-	-	(1,608)
Transfer of reserve upon forfeiture of share options	於購股權失效時轉換儲備	-	-	-	(614)	614	-
Issue of shares arising on acquisition of a subsidiary	因收購一家附屬公司而發行股份	111,696	-	-	-	-	111,696
At 31st December, 2009	於二零零九年十二月三十一日	306,879	40,948	40,696	4,483	(570,346)	(177,340)
Profit for the year	年度溢利	-	-	-	-	594	594
Exchange differences arising on translation	因換算而產生之匯兌差異	-	-	(2,149)	-	-	(2,149)
Transfer of reserve upon forfeiture of share options	於購股權失效時轉換儲備	-	-	-	(55)	55	-
Issue of shares upon conversion of convertible loan notes	於變換可換股貸款票據時發行股份	86,083	-	-	-	-	86,083
At 31st December, 2010	於二零一零年十二月三十一日	392,962	40,948	38,547	4,428	(569,697)	(92,812)

Note: The contributed surplus represents the difference between the consolidated shareholder's funds of the subsidiaries at the date on which they were acquired by the Company, and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation less the amount applied to pay up the 1,000,000 nil paid shares at the time of the group reorganisation.

附註：實繳盈餘為有關附屬公司被本公司收購當日之綜合股東資金與本公司於集團重組時就上述收購而發行股份之面值減用以繳足於集團重組時以未繳股款方式發行1,000,000股股份股款之款項兩者之差額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 44. RECLASSIFICATION OF COMPARATIVES

Certain comparative amounts of sales and purchases rebates have been reclassified among revenue, cost of sales and selling and distribution costs presented in the consolidated statement of comprehensive income in order to conform with current year's presentation.

### 44. 可比較數字重新分類

若干可比較銷售金額及購貨回扣款項已於綜合全面收入表中呈列之收益、銷售成本與銷售及分銷成本重新分類，以符合本年度之呈報方式。

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31st December, 2010 and 31st December, 2009 are as follows:

### 45. 主要附屬公司資料

於二零一零年十二月三十一日及二零零九年十二月三十一日之本公司主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值之比例		Principal activity 主要業務
			2010	2009	
Express Fortune Holdings Limited	British Virgin Islands 英屬處女群島	Ordinary US\$100 普通股100美元	100%	100%	Investment holding 投資控股
Express Fortune Limited	Hong Kong	Ordinary HK\$10 Non-voting deferred HK\$5,000,000 (Note i) 普通股10港元 無投票權 遞延股份 5,000,000港元 (附註i)	100%	100%	Maintaining the corporate office 保修企業辦公室
Fortune Shanghai	Wholly foreign owned enterprise established in the PRC 在中國成立之外商獨資企業	US\$28,100,000 28,100,000美元	100%	100%	Trading in mobile phones 買賣移動電話



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES

(Continued)

### 45. 主要附屬公司資料 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值之比例		Principal activity 主要業務
			2010	2009	
Fortune Telecom International Company Limited 長遠電信國際有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元	100%	100%	Investment holding 投資控股
Sifa Mining 鋇發礦業	Established in the PRC 在中國成立	RMB1,000,000 人民幣1,000,000元	50.8%	50.8%	Exploration and extraction of mining resources 勘探及開採礦產資源
Shanghai Telefortune 上海忻科	Wholly foreign owned enterprise established in the PRC 在中國成立之 外商獨資企業	US\$6,000,000 (Note ii) 6,000,000美元 (附註ii)	-	100%	Trading in mobile phones 買賣移動電話
Telefortune (China) Investments Limited ("Telefortune") 長遠新科(中國)投資 有限公司(「長遠新科」)	Hong Kong 香港	Ordinary HK\$40,000,000 普通股 40,000,000港元	100%	100%	Investment holding 投資控股
Top Emperor Investments Limited 凱皇投資有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元	100%	100%	Property holding 持有物業
Zhuhai Reminda 珠海雷鳴達	Sino-foreign equity joint ventures established in the PRC 在中國成立之 中外合資企業	RMB10,000,000 人民幣 10,000,000元	51%	51%	Trading in mobile phones 買賣移動電話

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES

*(Continued)*

Notes:

- (i) The deferred shares carry practically no rights to dividends or to receive notice of or to attend or vote at any general meeting of the respective company or to participate in any distribution on winding up.
- (ii) Shanghai Telefortune was deregistered on 29th November, 2010.

The Company directly holds the interest in Express Fortune Holdings Limited. All other interests shown above are indirectly held by the Company.

The principal activities are carried out in the place of incorporation/establishment except for Express Fortune Holdings Limited and Telefortune which mainly carry out their businesses in the PRC.

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

### 45. 主要附屬公司資料 (續)

附註:

- (i) 遞延股份並無權收取股息、各公司任何股東大會通告或出席或於會上投票或於清盤時獲得任何分派。
- (ii) 上海忻科於二零一零年十一月二十九日取消註冊。

本公司直接持有 Express Fortune Holdings Limited 權益，而上文所示所有其他權益均由本公司間接持有。

除 Express Fortune Holdings Limited 及長遠新科主要在中國經營業務外，上述主要業務均於註冊成立／成立地點經營。

各附屬公司於年終或年內任何時間均無任何債務證券。

上表所列者乃董事認為會影響本集團業績或資產淨值的本公司主要附屬公司。董事認為，載列其他附屬公司之詳情會令有關資料過於冗長。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31st December, 2010 截至二零一零年十二月三十一日止年度

### 46. PARTICULARS OF ASSOCIATE

Details of the Company's associate at 31st December, 2010 and 31st December, 2009 are as follows:

Name of associate	Form of business structure	Place of incorporation/ operation	Nominal value of issued capital/ registered capital held indirectly by the Company		Principal activity
			2010	2009	
聯營公司名稱	業務結構形式	註冊成立/ 經營地點	本公司間接持有 已發行股本/ 註冊資本之面值		主要業務
Artchief	Incorporated	Hong Kong	50%	50%	Trading in electronic products
藝捷	註冊成立	香港			買賣電子產品

The Company has less than 50% of representation in the board of Artchief and thus classified it as an associate.

### 47. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 30th March, 2011.

### 46. 聯營公司資料

於二零一零年十二月三十一日及二零零九年十二月三十一日之本公司聯營公司詳情如下：

Principal activity	Nominal value of issued capital/ registered capital held indirectly by the Company	
	2010	2009
主要業務	本公司間接持有 已發行股本/ 註冊資本之面值	
Trading in electronic products	50%	50%
買賣電子產品		

由於本公司於藝捷董事會之代表權少於50%，故分類為聯營公司。

### 47. 批准財務報表

財務報表已於二零一一年三月三十日獲董事會批准及授權刊發。

### RESULTS

### 業績

		Year ended 31st December, 截至十二月三十一日止年度				
		2006	2007	2008	2009	2010
		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
		(Note)	(Note)	(Note)	(Note)	
		(附註)	(附註)	(附註)	(附註)	
Revenue	收益	3,046,805	2,744,597	2,097,593	2,124,237	2,544,120
Cost of sales	銷售成本	(2,933,472)	(2,838,162)	(2,063,001)	(2,084,030)	(2,479,356)
Gross profit/(loss)	毛利／(損)	113,333	(93,565)	34,592	40,207	64,764
Other income	其他收入	17,904	17,791	11,262	12,144	16,403
Selling and distribution costs	銷售及分銷成本	(36,716)	(50,623)	(23,092)	(24,064)	(22,450)
Administrative expenses	行政費用					
– share-based payment expenses	– 以股份為基礎支付之費用	–	(14,816)	–	–	–
– other administrative expenses	– 其他行政費用	(24,122)	(31,490)	(29,090)	(24,493)	(27,308)
Loss on disposal of subsidiaries	出售附屬公司之虧損	–	–	–	(4,974)	–
Allowance for trade and other receivables	應收貿易賬款及其他應收賬款之撥備	(5,380)	(46,379)	(47,364)	(994)	(2,852)
Impairment loss recognised in respect of available-for-sale investment	就可供出售投資確認之減值虧損	–	–	(632)	(217)	–
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	–	–	(5,105)	(184,340)	–
Impairment loss recognised in respect of interests in associates	就聯營公司權益確認之減值虧損	–	(18,193)	(5,725)	–	–
Fair value gain on an investment property	一項投資物業之公平值收益	60	2,240	–	–	–
Fair value gain on an embedded non-option derivative	嵌入式非期權衍生工具之公平值收益	–	–	5,538	–	–
Fair value loss on convertible loan notes	可換股貸款票據之公平值虧損	–	–	–	(326)	–
Gain on disposal of an associate	出售一家聯營公司之收益	–	–	104	1,437	–
Reversal of impairment loss of trade and other receivables	應收貿易賬款及其他應收賬款之減值虧損撥回	–	–	–	14,916	397
Share of results of associates	分佔聯營公司之業績	–	(2,125)	(4,036)	732	444
Finance costs	融資成本	(27,535)	(26,350)	(11,837)	(2,330)	(11,658)
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	37,544	(263,510)	(75,385)	(172,302)	17,740
Income tax expense	所得稅支出	(6,205)	(3,337)	(3,459)	(127)	(2,104)
Profit/(loss) for the year	年度溢利／(虧損)	31,339	(266,847)	(78,844)	(172,429)	15,636
Attributable to:	應佔:					
Owners of the Company	本公司擁有人	31,339	(266,679)	(78,719)	(171,983)	14,875
Non-controlling interests	非控制性權益	–	(168)	(125)	(446)	761
		31,339	(266,847)	(78,844)	(172,429)	15,636

# Financial Summary

## 財務概要

### ASSETS AND LIABILITIES

### 資產及負債

		At 31st December, 於十二月三十一日				
		2006	2007	2008	2009	2010
		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
Total assets	資產總值	1,183,024	520,982	385,332	698,937	867,381
Total liabilities	負債總額	(786,856)	(260,843)	(190,552)	(385,625)	(421,075)
		396,168	260,139	194,780	313,312	446,306
Equity attributable to owners of the Company	本公司擁有人應佔權益	395,410	255,063	189,498	158,254	283,611
Share option reserve of a subsidiary	一家附屬公司之購股權儲備	758	-	-	-	-
Non-controlling interests	非控制性權益	-	5,076	5,282	155,058	162,695
		396,168	260,139	194,780	313,312	446,306

Note: Certain comparative amounts of sales and purchases rebates have been reclassified among revenue, cost of sales and selling and distribution costs for the year ended 31st December, 2009. There was no reclassification for the years ended 31st December, 2008, 2007 and 2006 as the directors are of the opinion that the amounts for reclassification were insignificant for these years.

附註：截至二零零九年十二月三十一日止年度之若干可比較銷售金額及購買回扣款項已重新分類為收益、銷售成本與銷售及分銷成本。由於董事認為截至二零零八年、二零零七年及二零零六年十二月三十一日止年度的重新分類金額微不足道，因此該等年度的金額並無重新分類。



中國長遠控股有限公司  
**China Fortune Holdings Limited**