



奇峰國際
Superb Summit International

**SUPERB SUMMIT INTERNATIONAL
GROUP LIMITED**
奇峰國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 01228

FORWARD TO A
PROSPEROUS
FUTURE



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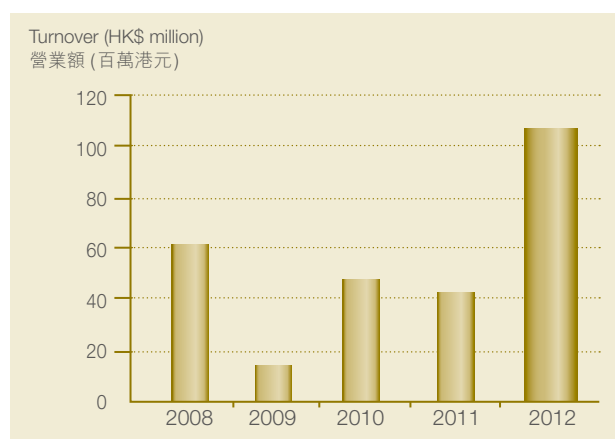
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Financial Highlights

財務摘要

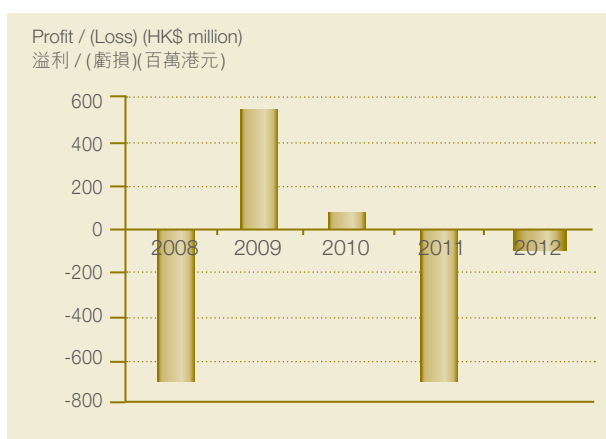
BUSINESS REVIEW

財務摘要



PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF COMPANY

公司擁有人應佔溢利/(虧損)



FINANCIAL RESULTS

財務摘要

		Year ended 31st December 截至十二月三十一日止年度	
		2012 二零一二年	2011 二零一一年
Operating Performance HK\$'000	經營業務表現 (千港元)		
Revenue	收益	120,297	49,550
(Loss) Profit for the year	本年度(虧損)溢利	(149,696)	(661,232)
(Loss)/Profit attributable to owners of the Company	公司擁有人應佔(虧損)/溢利	(132,376)	(658,285)
Net cash (used in) generated from operating activities	經營業務(所用)所得現金淨額	(62,124)	(62,498)
(Loss)/Earnings per share — basic	每股(虧損)/盈利 — 基本	(3.066) cents 港仙	(16.238) cents 港仙
Financial Position (HK\$'000)	財務狀況(千港元)		
Net cash	現金淨額	2,557	5,713
Net current assets	流動資產淨值	7,496	28,888
Shareholder's equity	股東權益	3,512,689	3,461,994
Net assets per share	每股資產淨值	81 cents 港仙	82.50 cents 港仙
Capital expenditure	資本開支	202	16,155
Key Ratios and Date	主要比率及數據		
(Loss) Profit margin	邊際(虧損)溢利	(124.4%)	(1,334.5%)
Current ratio	流動比率	1.0x 倍	1.7x 倍
Return on Equity	股本回報	(4.3%)	(19.1%)

Five Years Financial Summary

五年財務概要



RESULTS

業績

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (As restated) (重列)	2008 二零零八年 HK\$'000 千港元
Continuing operations	持續經營業務					
Revenue	收益	120,297	49,550	53,677	16,800	65,940
Profit (loss) before tax	除稅前溢利(虧損)	(149,696)	(661,232)	81,571	683,220	(792,924)
Income tax expenses	所得稅開支	—	—	(19)	—	(1,759)
Profit (loss) for the year from continuing operations	持續經營業務之本年度溢利(虧損)	(149,696)	(661,232)	81,552	683,220	(794,683)
Non-controlling interests	非控制權益	(17,320)	2,947	—	(78,132)	241,763
Profit (loss) for the year from continuing operations attributable to owners of the Company	公司擁有人應佔持續經營業務之本年度溢利(虧損)	(132,376)	(658,285)	81,552	605,088	(552,920)
Discontinued Operation	已終止經營業務					
Loss for the year from discontinued operation	已終止經營業務之本年度虧損	—	—	(7,091)	(18,639)	(86,961)

ASSETS AND LIABILITIES

資產及負債

Non-current assets	非流動資產	3,505,193	3,433,106	3,839,120	3,679,589	3,462,584
Current assets	流動資產	196,985	72,142	151,191	427,291	659,567
Total assets	資產總值	3,702,178	3,505,248	3,990,311	4,106,880	4,122,151
Current liabilities	流動負債	189,489	43,254	50,849	319,692	788,596
Non-current liabilities	非流動負債	—	—	—	—	—
Total liabilities	負債總額	189,489	43,254	50,849	319,692	788,596
Net assets	資產淨值	3,512,689	3,461,994	3,939,462	3,787,188	3,333,555

Chairman's Statement

主席報告書

I am pleased to present the annual report of Superb Summit International Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2012.

2012 REVIEW

In view of changes in the policies related to energy conservation and emission reduction and the environmental protection sector as well as changes in the supply-demand relationship in the market, during the year ended 31 December 2012, the Group's timbers business only recorded a total revenue of HK\$8,217,000, representing a significant drop of 83.4% as compared against HK\$49,550,000 in 2011. On the other hand, the Group intensified its effort to explore resource commodity other than timbers with initial obvious progress. Becoming a licensed supplier of coal, iron ore, natural gas, and fuel to China State Shipbuilding Corporation, the Group completed its sales of HK\$112,080,000 in relation to coal and related products in 2012.

PROSPECT

In the wake of domestic environmental protection as well as the increasingly tightened laws and regulations on domestic logging, the Group will reduce its proportion in the timbers business, and switch its focus on the trading of bulk resources commodity. By capitalizing on closer cooperation with China State Shipbuilding Corporation and the self-owned social resources and sales channels, the Group will integrate the resources in the upstream and downstream industry chain, aiming at the full commencement of coal, iron ore, natural gas, and fuel gas trading businesses.

Appreciation

I would like to express my gratitude to our management team and all employees for their strong commitment and contribution towards the execution of the Group's strategies and operations. I would also like to thank our shareholders, customers and business partners for their invaluable and enduring support.

LEE Chi Kong
Chairman

本人謹此欣然呈列奇峰國際集團有限公司(「公司」)及其附屬公司(統稱「集團」)截至二零一二年十二月三十一日止年度之年報。

二零一二年回顧

由於中國有關節能減排和環保等產業的政策和市場供求情況的變化，集團於截至二零一二年十二月三十一日止的年度內，林木業務僅錄得總收益8,217,000港元，較二零一一年度的49,550,000港元大幅下降83.4%。另一方面，集團加大了對林木以外的資源類產品業務的開發力度，並開始見到成效，憑著成為中國船舶工業集團公司的煤炭、鐵礦石、天然氣和燃油的特許供應商，二零一二年度完成了煤炭及相關產品的銷售金額112,080,000港元。

前景

由於國內對環保意識日趨成熟，加上境內對森林採伐之相關法律法規進一步收緊，集團將淡化林木業務的比重，並將重點轉移至資源類大宗商品的流通領域，透過加強與中國船舶工業集團公司的合作和用好自身原有的社會資源和銷售渠道，整合上、下游產業鏈，全面展開煤炭、鐵礦石、天然氣、燃油等貿易業務。

致謝

本人謹此向管理團隊及全體員工為執行集團之策略及營運而作出之不懈努力及貢獻致以衷心謝意。本人亦衷心感謝各股東、客戶及業務夥伴之寶貴且不斷之支持。

主席
李志剛

Management Discussion And Analysis

管理層討論及分析



BUSINESS REVIEW

During the year, the Company has reviewed its current businesses of planting, logging and trading of timber in accordance to various aspects including the energy conservation and emission reduction policies and policies concerning environment protection industries in the PRC, the changes of demand in both international and domestic markets and so forth. The Company has gradually reduced its operation scales in its timber related businesses, and therefore, timber business has ceased to be the key focus of the Company in 2012. Since the end of 2011, the Company has been increasingly concerned with the research and market development of business related to the resources products other than timber. Driven by the steady growth of economy in the PRC, demand in PRC market towards bulk commodity such as coal, iron ore, natural gas, fuel oil and so forth is huge and with immense potential. With its thoroughgoing preliminary preparation, the Group launched its cooperation plan with China State Shipbuilding Corporation in August 2012. Aiming to leverage on the opportunities arising from China State Shipbuilding Corporation's plan to develop diversified operations in addition to vessel-related business, the Company strived to be its designated supplier of coal, iron ore, natural gas and fuel oil. In 2012, the Company has entered into the bulk resources commodity trading sector in pace, and established trading relationship with different business partners, of which the trading amounts have reached 112 million; The Company have, on the other hand, been pro actively conducting preparation work of iron ore and natural gas trading project, and that the preset interim operational targets had also been met.

業務回顧

一年以來，本公司根據中國有關節能減排和環境保護等相關產業政策和國際、國內市場供求變化等情況，對原有林木的種植、砍伐及銷售業務進行檢討，並逐步縮減現有的各項木材業務。二零一二年，林木業務已經不再是本公司的重點發展方向。本公司自二零一一年末以來，開始關注除林木以外的資源類產品業務的研究和市場開發。隨著中國經濟相對穩定的發展，中國市場對資源類大宗商品如煤炭、鐵礦石、天然氣、燃油等有巨大的需求和相當的發展潛力。本公司經過前期充分的籌備工作，於二零一二年八月有幸與中國船舶工業集團公司合作，借助中國船舶工業集團公司發展非船類多元化經營業務的重大契機，成為其煤炭、鐵礦石、天然氣和燃油的特許供應商。二零一二年，本公司按照既定目標已經逐步進入資源類大宗商品貿易業務領域，並與多個合作夥伴開展了煤炭貿易，金額達到1.12億港幣；而鐵礦石與天然氣的貿易項目也在積極籌備中，達到了董事會預定的階段性經營目標。

Management Discussion And Analysis

管理層討論及分析

Corporate Development

Taken into account of the best interests of the Company and the shareholders, the management of the Company will continue with the implementation of development plans to diversify its operations, as well as to shift the future focus to bulk resources commodity circulations and resources control sector, which are with promising growth potential. Besides, the Company will capitalise its own social resources and sale channels, and integrate the resources in the upstream and downstream of the industrial chain, aiming at the full commencement of coal, iron ore, natural gas and fuel gas trading business. By way of identifying the investment opportunities from upstream resource supply corporations so as to increase its control over the resources, and identifying the cooperation opportunities with major downstream corporations, the Company can align which with its visionary and practical management and operation method to finalize our development blueprint on the vertical integration of operation in the near future, so as to gradually realize our strategy of becoming a influential bulk commodity trading firm in the industry.

Employees and Remuneration Package

As at 31 December 2012, the Group had 72 employees (2011: 69 employees). The remuneration package was based on their work performance, experience and the industry practice. The Group also participated in retirement benefits schemes for its staff in Hong Kong and the PRC.

Capital Expenditures

During the year, the Group spent approximately HK\$202,000 million (2011: HK\$16.2 million) on acquisition of new production machineries, which was financed by internal cash resources.

Contingent liabilities

The Group did not have any significant contingent liabilities as at 31 December 2012 (2011: Nil).

公司發展

為公司及股東之最佳利益考慮，本公司管理層將繼續推進多元化發展的計畫，把未來的工作重點轉移至資源類大宗商品的流通領域和資源控制等具備一定增長潛力的業務方面，利用自身的原有的社會資源和銷售管道，整合上、下游產業鏈資源，全面展開煤炭、鐵礦石、天然氣、燃油的貿易經營。本公司將擇機參與上游資源供應企業的投資以增強資源控制力度，同時在國內選擇更多具有代表性的下游大型企業集團開展合作，結合前瞻而務實的管理模式與運營模式，儘快完成縱向產業佈局的發展規劃，以逐步實現本公司成為行業內具有一定影響力的大宗商品交易商之戰略目標。

僱員及薪酬組合

於二零一二年十二月三十一日，集團擁有約72名僱員（二零一一年：69名僱員）。薪酬組合是根據僱員之工作表現、經驗及行業慣例釐定。此外，集團亦為中港兩地之員工參加退休福利計劃。

資本開支

本年度內，集團動用約202,000港元（二零一一年：16,200,000港元）收購新生產機器，有關資金乃以內部現金資源撥付。

或然負債

於二零一二年十二月三十一日，集團並無任何重大或然負債（二零一一年：無）。

Management Discussion And Analysis

管理層討論及分析



FINANCIAL REVIEW

For the year ended 31 December 2012, the Group recorded consolidated turnover of HK\$120,297,000, representing an increase of 143% when compared with that of HK\$49,550,000 for the year ended 31 December 2011. The substantial growth of the consolidated turnover in 2012 was mainly driven by the expansion of the Group operations to the trading of bulk resources commodity in addition to its current timber business during the period.

Cost of sales for the year under review was approximately HK\$116,386,000 (2011: HK\$41,157,000), which was the direct cost of the integrated timber business. During the year, other revenue amounted to approximately HK\$1,481,000 (2011: HK\$657,000) which comprised interest income on bank deposits of approximately HK\$1,000 (2011: HK\$113,000), loan interest income of HK\$918,000 (2011: nil), rental income of HK\$103,000 (2011: nil) and sundry income of HK\$459,000 (2011: HK\$544,000).

Selling expenses for the year under review were approximately HK\$1,793,000 (2011: HK\$1,600,000) representing the overheads on promotional activities.

Administrative expenses for the period under review were HK\$112,410,000 (2011: HK\$99,315,000), of which the employee benefit expenses were approximately HK\$11,503,000 (2011: HK\$9,116,000).

Finance costs during the year were HK\$1,591,000 (2011: HK\$450,000), which primarily consisted of the liability portion of convertible notes of HK\$227,000 (2011: HK\$433,000), and total borrowings of HK\$1,364,000 (2011: HK\$17,000).

For the year ended 31 December 2012, the Group had incurred loss of HK\$149,696,000, representing a decrease of HK\$511,536,000 or 77% over the year ended 31 December 2011, which recorded a loss of HK\$661,232,000. The reduction of loss was attributed mainly to the gain of HK\$62,073,000 (2011: loss of HK\$576,335,000) arising from the difference of changes in fair value of assets less cost of sell at the end of the period.

財務回顧

截至二零一二年十二月三十一日止年度，本集團錄得綜合收入120,297,000港元，較截至二零一一年十二月三十一日止年度49,550,000港元增長143%。二零一二年綜合收入大幅增加主要由於本集團於期內除進行林木的業務外，亦進入了資源類大宗商品的貿易業務所致。

回顧年度之銷售成本約為116,386,000港元(二零一一年：41,157,000港元)，為綜合林木業務煤炭貿易的直接成本。年內，其他收入約為1,481,000港元(二零一一年：657,000港元)，主要包括銀行存款之利息收入1,000港元(二零一一年：113,000港元)，借貸利息收入918,000港元(二零一一年：0港元)，租金收入103,000港元(二零一一年：0港元)，雜項收入459,000港元，(二零一一年：544,000港元)。

回顧年度之銷售開支約為1,793,000港元(二零一一年：1,600,000港元)，為推廣活動之經常性開支。

期內之行政開支為112,410,000港元(二零一一年：99,315,000港元)，當中僱員福利開支約為11,503,000港元(二零一一年：9,116,000港元)。

年內，財務成本為1,591,000港元(二零一一年：450,000港元)，主要為可換股票據負債部分之227,000港元(二零一一年：433,000港元)，借款1,364,000港元(二零一一年：17,000港元)。

截止二零一二年十二月三十一日止年度，本集團錄得虧損149,696,000港元，較截止(二零一一年十二月三十一日止年度的虧損：661,232,000港元)，減少511,536,000港元，或77%，虧損減少主要是因為期末之發生資產之公平值變動減銷售成本產生收益62,073,000港元，(二零一一年：虧損576,335,000港元)。

Management Discussion And Analysis

管理層討論及分析

Liquidity and Finance Resources

During the year, the Group generally financed its operations with internally generated resources. As at 31 December 2012, the Group had interest-bearing borrowing of HK\$737,000, bearing interest at 5% per annum and repayable within one year (31 December 2011: HK\$1 million, bearing interest at 5% per annum).

The Group's sales and purchases were either denominated in Renminbi or Hong Kong dollars. Accordingly, the Directors consider the Group has no significant exposure to foreign exchange fluctuations in view of the stability of the exchange rates of Renminbi, Hong Kong and US dollars. During the year, the Group did not use any financial instrument for hedging the foreign exchange risk or interest rate risk.

As at 31 December 2012, the Group had current assets of approximately HK\$196,985,000 (2011: HK\$72,100,000) and current liabilities of approximately HK\$189,489,000 (2011: HK\$43,300,000). The Group's current ratio had decreased from approximately 1.7 times as at 31 December 2011 approximately 1.04 times as at 31 December 2012. The Group had total assets of approximately HK\$3,702,178,000 (2011: HK\$3,505,200,000) and total liabilities of approximately HK\$189,489,000 (2011: HK\$43,300,000), representing a gearing ratio (expressed as total liabilities to total assets) of approximately 5.12% as at 31 December 2012 as compared with approximately 1.2% as at 31 December 2011.

PROSPECT

Given the changing business environment of the timber industry, the management, which aims at safeguarding best interest to the Company and its shareholders, considers the full commencement of coal, iron ore, natural gas and fuel gas trading business, while continuing to implement its plans to diversify its operations to develop business with growth potential, so as to broaden its revenue and profit base and also to minimize risk on timber business faced by the Company.

流動資金及財務資源

本年度內，集團一般以內部產生之資源撥付其經營業務所需。於二零一二年十二月三十一日，集團有合共737,000港元計息借貸，按年利率5%計息及須於一年內償還（二零一一年十二月三十一日：1,000,000港元，年利率5%）。

集團之銷售額及購貨額則以人民幣或港元列值。由於人民幣、港元及美元之匯率頗為穩定，因此，董事認為集團並無承擔重大之外匯波動風險。本年度內，集團並無為對沖外匯風險或利率風險而使用任何金融工具。

於二零一二年十二月三十一日，集團之流動資產約為196,985,000港元（二零一一年：72,100,000港元），流動負債約為189,489,000港元（二零一一年：43,300,000港元）。集團之流動比率由二零一一年十二月三十一日約1.7倍下降至二零一二年十二月三十一日約1.04倍。集團之資產總值約為3,702,178,000港元（二零一一年：3,505,200,000港元），負債總額則約為189,489,000港元（二零一一年：43,300,000港元），即於二零一二年十二月三十一日之資本負債比率（以負債總額對資產總值呈列）約為5.12%，而於二零一一年十二月三十一日則約為1.2%。

前景

鑑於林產業經營環境不斷變化，為公司及其股東之最佳利益，管理層將全面展開煤炭、鐵礦石、天然氣、燃油的貿易經營。管理層將繼續推進多元化計劃，發展具增長潛力之業務。以拓闊其收入及利潤基礎，同時盡量減低公司在林木業方面承受的風險。

Report of the Directors

董事會報告書



The directors are pleased to present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2012 ("the Year").

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 20 to the consolidated financial statements. Most of the Group's core business remains unchanged.

RESULTS AND DIVIDEND

The Group's results for the year ended 31 December 2012 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 33 to 112.

The directors do not recommend the payment of a final dividend for the year ended 31 December 2012.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the year are set out in note 18 to the consolidated financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year, together with the reasons therefore, are set out in notes 31 and 32 to the consolidated financial statements.

CONVERTIBLE NOTES

Details of movements in the Company's convertible notes during the year and subsequent thereto are set out in note 29 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities for the year ended 31 December 2012.

董事會欣然提呈董事會報告書，連同公司及集團截至二零一二年十二月三十一日止年度（「本年度」）之經審核財務報表。

主要業務

公司之主要業務為投資控股。主要附屬公司主要業務之詳情載於綜合財務報表附註20。集團大部份核心業務維持不變。

業績及股息

集團截至二零一二年十二月三十一日止年度年度之業績，以及公司與集團於該日之財務狀況載於財務報表第33頁至第112頁。

董事並不建議派付截至二零一二年十二月三十一日止年度末期股息。

物業、廠房及設備

年內，集團物業、廠房及設備之變動詳情載於綜合財務報表附註18。

股本及購股權

公司股本及購股權於本年度之變動詳情連同有關原因載於綜合財務報表附註31及32。

可換股票據

公司可換股票據於年內及其後之變動載於財務報表附註29。

優先購買權

公司之公司組織章程或公司註冊成立之司法管轄權區開曼群島法例並無條文規定公司須就發售新股按比例給予現有股東優先購買權。

購買、出售或贖回公司之上市證券

公司或其任何附屬公司於截至二零一二年十二月三十一日止年度內並無購買、贖回或出售公司之上市證券。

Report of the Directors

董事會報告書

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in consolidated statement of changes in equity and note 33 to the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 December 2012, the Company's reserves available for distribution, calculated in accordance with the Companies Law(Revised) of the Cayman Islands, amounted to approximately HK\$1,613,903,000 (2011: HK\$1,698,413,000). This includes the Company's share premium account in the amount of approximately HK\$1,558,351,000 (2011: HK\$1,553,724,000) as at 31 December 2011, which may be distributed, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The Company's share premium account may also be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases for the year attributable to the Group's major suppliers are as follows:

the largest supplier	94%
five largest suppliers in aggregate	100%

The percentages of sales for the year attributable to the Group's major customers are as follows:

the largest customer	90%
five largest customers in aggregate	100%

None of the directors, their associates or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in these major suppliers and customers.

DIRECTORS

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

Executive directors

Mr. LEE Chi Kong (*Chairman*)
Mr. JING Bin (*Chief Executive Officer*)
Mr. WU Tao

儲備

公司及集團於本年度內之儲備變動詳情分別載於綜合權益變動表及綜合權益變動表附註33。

可供分派儲備

於二零一二年十二月三十一日，根據開曼群島公司法(經修訂)計算，公司可供分派之儲備約為1,613,903,000港元(二零一一年：1,698,413,000港元)。可供分派儲備包括於二零一一年十二月三十一日公司可供分派之股份溢價約1,558,351,000港元(二零一一年：1,553,724,000港元)，惟於緊隨擬派股息日期後，公司須有能力償付日常業務過程中到期應付之債務。公司之股份溢價亦可以繳足紅股方式分派。

主要客戶及供應商

集團主要供應商所佔年內採購的百分比如下：

最大供應商	94%
五大供應商合計	100%

集團的主要客戶佔年內銷售的百分比如下：

最大客戶	90%
五大客戶合計	100%

概無任何董事、其聯繫人或任何股東(根據董事所知、擁有本公司股東5%或以上的股本)擁有該等主要供應商及客戶的權益。

董事

本年度內及直至本報告日期，公司之董事如下：

執行董事

李志剛先生(主席)
景濱先生(行政總裁)
武濤先生

Report of the Directors 董事會報告書



Independent non-executive directors

Mr. CHEUNG Wai Tak
Mr. CHEN Xiaoming
Ms. LI Bailing

In accordance with the Company's articles of association, Mr. WU Tao, Mr. CHEN Xiaoming and Ms. LI Bailing will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 26 to 30 of the annual report.

DIRECTORS' SERVICE CONTRACTS

All executive directors have entered into service contracts with the Company for a term of two years. These service contracts continue thereafter until terminated by either party giving not less than four months' notice in writing to the other party.

All independent non-executive directors have not been appointed for a specific term but will hold office until the next following annual general meeting and will then be eligible for re-election in accordance with the articles of association of the Company. Save as disclosed above, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance to which the 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.

獨立非執行董事

張偉德先生
陳小明先生
李百靈女士

根據公司章程細則，武濤先生、陳小明先生及李百靈女士將於應屆股東週年大會上告退，惟彼等願意且符合資格膺選連任。

董事及高級管理人員簡歷

公司董事及集團高級管理人員之簡歷載於本年報第26頁至30頁。

董事之服務合約

所有執行董事與公司訂立為期兩年的服務合約，其後將會繼續，除非任何一方發出不少於四個月通知予另一方予以終止。

所有獨立非執行董事均無特定委任年期，但任期將至下屆股東週年大會為止，並將合資格根據公司章程細則膺選連任。除上文所披露者外，被提名於應屆股東週年大會上重選之董事，概無與公司訂立任何公司不能於一年內免付賠償(法定賠償除外)而予以終止之服務合約。

董事之合約權益

公司或其任何附屬公司於年終或本年度內任何時間並無訂立公司董事於其中直接或間接擁有重大權益之重大合約。

Report of the Directors

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN SHARES AND SHARE OPTIONS

As at 31 December 2012, the interests of the directors and chief executives of the Company in the shares and share options of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Long position

Ordinary shares of HK\$0.10 each of the Company

Name of directors 董事姓名	Capacity 身份	Number of issued ordinary shares held 所持已發行普通股數目	Percentage of the issued share capital 佔已發行股本百分比
Mr. LEE Chi Kong 李志剛先生	Held by controlled corporation (Note 1) 由受控制法團持有(附註1)	32,912,000	0.56%
	Beneficial owner 實益擁有人	165,000	0.003%
		33,077,000	0.563%
Mr. JING Bin 景濱先生	Beneficial owner (Note 2) 實益擁有人(附註2)	263,145,137	4.5%
		296,222,137	5.10%

董事及主要行政人員於股份及購股權之權益或淡倉

於二零一二年十二月三十一日，公司董事及主要行政人員在公司或其相聯法團(按證券及期貨條例(「證券及期貨條例」)第XV部定義)之股份及購股權中擁有須記入公司按證券及期貨條例第352條而存置之登記冊或根據上市公司董事進行證券交易的標準守則向公司及香港聯合交易所有限公司(「聯交所」)發出通知之權益如下：

好倉

公司每股面值0.10港元普通股

Report of the Directors

董事會報告書



Note:

1. These ordinary shares are owned by Huge Healthy Investment Development Limited (“Huge Healthy”), a company incorporated in the British Virgin Islands (the “BVI”). The entire issued share capital of Huge Healthy is beneficially owned by Mr. LEE Chi Kong.
2. These ordinary shares are owned by Magic Stone Fund (China), a company incorporated in the Cayman Islands, which totally owns 1,117,656,000 shares of the Company. Mr. JING Bin owns 17.7% of the issued share capital of Magic Stone Fund (China), which entitles him to 263,145,137 shares of the Company.

Save as disclosed above, none of the other directors, chief executives and their associates, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31 December 2012.

SHARE OPTION SCHEME

Particulars of the Company’s share option scheme are set out in note 32 to the consolidated financial statements.

DIRECTORS’ RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading “Directors and chief executive’s interests or short positions in shares and share options” and “Share option scheme” above, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

附註：

1. 此等普通股乃由在英屬處女群島（「英屬處女群島」）註冊成立之公司Huge HealthyInvestment Development Limited（「HugeHealthy」）擁有。Huge Healthy之全部已發行股本乃由李志剛先生實益擁有。
2. 此等普通股乃由在開曼群島註冊成立之公司Magic Stone Fund (China)擁有，其合共擁有本公司1,117,656,000股股份。景濱先生擁有Magic Stone Fund (China)之已發行股本的17.7%，使其擁有本公司263,145,137股股份的權益。

除上文所披露者外，於二零一二年十二月三十一日，概無其他董事、主要行政人員及彼等之聯繫人於公司或其任何相聯法團（按證券及期貨條例第XV部定義）之股份、相關股份或債券中擁有任何權益或淡倉。

購股權計劃

公司購股權計劃之詳情載於綜合財務報表附註32。

董事購入股份或債券之權利

除上文「董事及主要行政人員於股份及購股權之權益或淡倉」及「購股權計劃」兩節所披露者外，於年內任何時間，董事或彼等各自之配偶或未滿十八歲之子女概無獲授可藉着購入公司之股份或債券而獲益之權利，彼等亦無行使有關權利；公司或其任何附屬公司亦無訂立任何安排致使董事可收購在任何其他法人團體之上述權利。

Report of the Directors

董事會報告書

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2012, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and chief executive, the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

Long positions

Ordinary shares of HK\$0.10 each of the Company

主要股東

於二零一二年十二月三十一日，根據證券及期貨條例第336條規定公司存置之主要股東登記冊，除上文所披露有關若干董事及主要行政人員之權益外，下列股東已通知公司彼等於公司已發行股本中擁有之相關權益。

好倉

公司每股面值0.10港元普通股

Name of shareholders	Capacity	Number of issued ordinary shares held	Number of underlying shares (convertible notes or share options) held	Percentage of the issued share capital of the Company
股東名稱	身份	所持已發行普通股數目	所持相關股份(可換股票據或購股權)數目	佔公司已發行股本之百分比
Magic Stone Fund (China)	Beneficial owner 實益擁有人	1,117,656,000	—	19%
Mr. YANG Dongjun 楊東軍先生	Interest of controlled corporation (Note 1) 受控制法團權益(附註1)	1,117,656,000	—	19%
Wider Success Holdings Limited	Beneficial owner 實益擁有人	954,852,606	—	16%
Ms. HUANG Ying 黃穎女士	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	954,852,606	—	16%
Ms. Gong Diqing 鞏弟清	Beneficial Owner 實益擁有人	605,689,000	—	10%
Mr. LI Kwong Yuk 李光煜先生	Interest of controlled corporations (Note 3) 受控制法團權益(附註3)	421,765,000	—	7.2%
	Family interests (Note 4) 家族權益(附註4)	1,000,000	—	0.02%
	Beneficial owner 實益擁有人	6,568,000	—	0.11%

Report of the Directors

董事會報告書



Note:

1. Mr. YANG Dongjun owned 57.69% of Magic Stone Fund (China), a company incorporated in the Cayman Islands. Accordingly, Mr. YANG Dongjun was deemed to be interested in 1,117,656,000 shares held by Magic Stone Fund (China).
2. Ms. HUANG Ying owned 74.46% of Wider Success Holdings Limited, a company incorporated in the British Virgin Islands (the "BVI"). Accordingly, Ms. HUANG Ying was deemed to be interested in 954,852,606 underlying shares held by Wider Success Holdings Limited.
3. These shares were owned as to 201,985,000 shares by Win Master Group Limited, a company incorporated in the BVI, 15,710,000 shares by Wincon Asset Management Limited, a company incorporated in the BVI, 200,000,000 shares by Wincon Capital Investment Limited, a company incorporated in the BVI and 4,070,000 shares by Golden Season International Limited, a company incorporated in the BVI and a wholly-owned subsidiary of Dingyi Group Investment Limited (formerly Chevalier Pacific Holdings Limited), a company incorporated in Bermuda and its shares are listed on the Stock Exchange of Hong Kong Limited. Win Master Group Limited, Wincon Asset Management Limited and Wincon Capital Investment Limited were wholly-owned by Mr. LI Kwong Yuk. Dingyi Group Investment Limited was owned as to 70.01% by Mr. LI Kwong Yuk.
4. These shares were owned by Ms. LO Kwan, spouse of Mr. LI Kwong Yuk. Accordingly, Mr. LI Kwong Yuk was deemed to be interested in 1,000,000 shares held by Ms. LO Kwan.

Other than as disclosed above, the Company has not been notified of any other interests or short position in the issued share capital of the Company as at 31 December 2012.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

No director had interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"), during the Year and up to the date of this report.

附註：

1. 楊東軍先生擁有於開曼群島註冊成立的公司 Magic Stone Fund (China) 57.69%權益。因此，楊東軍先生被視作擁有 Magic Stone Fund (China)所持 1,117,656,000股股份之權益。
2. 黃穎女士擁有於英屬處女群島(「英屬處女群島」)註冊成立之公司 Wider Success Holdings Limited 74.46%權益。因此，黃穎女士被視作擁有 Wider Success Holdings Limited所持 954,852,606股相關股份之權益。
3. 此等股份中 201,985,000股股份乃由在英屬處女群島註冊成立之公司 Win Master Group Limited 擁有、15,710,000股股份乃由在英屬處女群島註冊成立之公司 Wincon Asset Management Limited 擁有、200,000,000股由英屬處女群島註冊成立之 Wincon Capital Investment Limited 擁有，以及 4,070,000股由英屬處女群島註冊成立的 Golden Season International Limited 擁有。Golden Season International Limited 為股份在香港聯合交易所有限公司上市的百慕達註冊成立的公司鼎億集團投資有限公司(前稱其士泛亞控股有限公司)的全資附屬公司。Win Master Group Limited、Wincon Asset Management Limited 及 Wincon Capital Investment Limited 均由李光煜先生全資擁有。李光煜先生擁有鼎億集團投資有限公司 70.01%權益。
4. 此等股份由 LO Kwan 女士(李光煜先生之配偶)擁有。因此，李光煜先生被視作擁有 LO Kwan 女士所持有之 1,000,000 股股份之權益。

除上文所披露者外，於二零一二年十二月三十一日，公司概無獲知會有於公司已發行股本中擁有之任何其他權益或淡倉。

董事於競爭業務之權益

本年度內及直至本報告日期，概無董事於與集團業務直接或間接構成競爭或可能構成競爭之業務內擁有權益(有關競爭之定義見香港聯合交易所有限公司證券上市規則(「上市規則」))。

Report of the Directors

董事會報告書

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required by the Listing Rules.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive directors an annual confirmation of independence pursuant to Rule 3.13 of Listing Rule and considers all the independent non-executive directors to be independent.

INDEPENDENT AUDITOR

The consolidated financial statements for the year ended 31 December 2012 have been audited by Parker Randall CF (H.K.) CPA Limited who retire and, being eligible, offer themselves for re-appointment. A resolution to this effect will be proposed at the forthcoming annual general meeting.

On behalf of the Board

LEE Chi Kong
Chairman

Hong Kong
28 March 2013

公眾持股量

根據公司取得之公開資料，並就董事所知，於本報告日期之公眾持股量足夠，按上市規則規定不少於公司已發行股份之25%。

確認獨立性

公司已接獲各位獨立非執行董事根據上市規則第3.13條就其獨立性發出之年度確認書，並認為全體獨立非執行董事均為獨立人士。

獨立核數師

截至二零一二年十二月三十一日止年度之綜合財務報表已由暉誼(香港)會計師事務所有限公司審核，暉誼(香港)會計師事務所有限公司將會退任，並合資格獲重新委聘。應屆股東週年大會上將就此提呈決議案。

代表董事會

主席
李志剛

香港
二零一三年三月二十八日

Corporation Information 公司資料



BOARD OF DIRECTORS

Executive Directors

LEE Chi Kong (*Chairman*)
JING Bin (*Chief Executive Officer*)
WU Tao

Independent Non-executive Directors

CHEUNG Wai Tak
CHEN Xiaoming
LI Bailing

MEMBERS OF AUDIT COMMITTEE

CHEUNG Wai Tak
CHEN Xiaoming
LI Bailing

MEMBERS OF REMUNERATION COMMITTEE

CHEUNG Wai Tak
CHEN Xiaoming
LI Bailing

MEMBERS OF NOMINATION COMMITTEE

CHEUNG Wai Tak
CHEN Xiaoming

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Rm 3103, Office Tower,
Convention Plaza,
No. 1, Harbour Road,
Wan Chai, Hong Kong

董事會

執行董事

李志剛 (*主席*)
景濱 (*行政總裁*)
武濤

獨立非執行董事

張偉德
陳小明
李百靈

審核委員會成員

張偉德
陳小明
李百靈

薪酬委員會成員

張偉德
陳小明
李百靈

提名委員會成員

張偉德
陳小明

註冊辦事處

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

總辦事處及主要營業地點

香港灣仔港灣道1號
會展廣場辦公大樓3103室

Corporation Information

公司資料

COMPANY SECRETARY

CHAN King Chung

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Industrial Bank Co. Ltd.
Bank of Beijing

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC (Cayman) Limited
P.O. Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26/F Tesbury Centre
28 Queen's Road East
Hong Kong

AUDITORS

Parker Randall CF (H.K.) CPA Limited

SOLICITOR

D.S. Cheung & Co.

WEBSITE

www.ssitimber.com.hk

STOCK CODE

01228

公司秘書

陳敬忠

主要往來銀行

中國銀行(香港)有限公司
興業銀行
北京銀行

主要股份過戶登記處

HSBC (Cayman) Limited
P.O. Box 484
HSBC House
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香港股份過戶登記分處

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金鐘匯中心26樓

核數師

暉誼(香港)會計師事務所有限公司

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01228

Corporate Governance Report

企業管治報告

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度



The board of directors (“Board”) is committed to maintaining statutory and regulatory standards and adherence to the principles of corporate governance with emphasis on transparency, independence, accountability and responsibility. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence incorporate governance.

The Code on Corporate Governance Practices (“CGP Code”) issued by The Stock Exchange of Hong Kong Limited (“Stock Exchange”) in its Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) sets out two levels of corporate governance practices, namely, mandatory code provisions that a listed company must comply with or explain its non-compliance, and recommended best practices that listed companies are encouraged to comply with but need not disclose in the case of non-compliance. The Company is in compliance with the mandatory code provisions of the CGP Code, save for the deviations discussed below.

In accordance with Rule 3.10 and 3.21 of the Listing Rules of the Stock Exchange, the Board of the Company must comprise three independent non-executive directors, and the Audit Committee must at least comprise three members. However, as a result of Mr. Li Xiangjun’s resignation as independent non-executive director with effect from 22 October 2012 as well as additional time required for identifying the appointment of a suitable candidate as independent non-executive director, with effect from 22 October 2012, the Board of the Company only has two independent non-executive directors, and the Audit Committee also only has two members, thus constituting the Company’s deviation from the relevant requirements of Rule 3.10 and 3.21 of the Listing Rules of the Stock Exchange.

BOARD OF DIRECTORS

The Board is charged with providing effective and responsible leadership for the Company. The directors, individually and collectively, must act in good faith in the best interests of the Company and its shareholders. The Board comprises three Executive Directors and three Independent Non-executive Directors. The Board has appointed several Board Committees to oversee different areas of the Company’s affairs. The composition of the Board and the Board Committees are given below and their respective responsibilities are discussed in this report. Details of Directors attendance at Board Meetings and Committee Meetings held during the year under review are set out in the following table.

董事會(「董事會」)致力維持有關法定及監管標準，並緊守企業管治之原則，強調透明、獨立、問責及負責。為了達到股東不斷提高之期望和符合日趨嚴謹之法規要求，實踐董事會對堅守優越企業管治之承諾，董事會不斷檢討集團之企業管治守則。

香港聯合交易所有限公司(「聯交所」)在聯交所證券上市規則(「上市規則」)發出之企業管治常規守則(「管治守則」)訂明兩個層次之企業管治守則，分別是強制守則規定 — 上市公司必須遵守，或對任何偏離守則規定之情況作出解釋；及建議最佳常規 — 鼓勵上市公司加以遵守但毋需披露偏離常規之情況。除了下文提及之偏離外，公司已遵守管治守則中之強制守則規定。

根據聯交所上市規則第3.10條和3.21條的規定，公司董事會必須包括三名獨立非執行董事和審核委員會至少三名成員。然而，由於一名獨立非執行董事李湘軍先生於二零一二年十月二十二日辭任，由於需要時間物色及委任合適人士擔任獨立非執行董事，本公司自二零一二年十月二十二日起，董事會只有兩名獨立非執行董事；審核委員會只有兩名成員，本公司偏離了聯交所上市規則第3.10條和3.21條的相關規定。

董事會

董事會有效率和負責任地肩負領導公司發展之責。董事會各成員，無論個別或共同行事，都必須行之以誠，以公司及股東之整體利益為前提。董事會由三名執行董事及三名獨立非執行董事組成。董事會已委任若干轄下委員會，分別監察公司不同範疇之事務。公司之董事會及各董事委員會成員之組成載於下文，而各委員會之職責於本報告內有進一步之描述。於回顧年度內，各董事出席所舉行之董事會會議及委員會會議之詳情載於下表。

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Name of Directors 董事姓名	Full Board Meetings 全體董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meetings 提名委員會會議
Executive Directors 執行董事				
LEE Chi Kong (<i>Chairman</i>) 李志剛(主席)	26/27	N/A 不適用	N/A 不適用	N/A 不適用
JING Bin (<i>CEO</i>) 景濱(行政總裁)	22/27	N/A 不適用	N/A 不適用	N/A 不適用
WU Tao (appointed on 22 October 2012) 武濤(於二零一二年十月二十二日獲委任)	14/27	2/2	1/1	N/A 不適用
Independent Non-executive Directors 獨立非執行董事				
CHEUNG Wai Tak 張偉德	11/27	2/2	1/1	1/1
LI Xiangjun (resigned on 22 October 2012) 李湘軍(於二零一二年十月二十二日辭任)	10/27	2/2	1/1	1/1
CHEN Xiaoming 陳小明	6/27	2/2	0/1	1/1

The Board members have no financial, business, family or other material/relevant relationships with each other. Each of the Independent Non-executive Directors have confirmed in writing their independence from the Company in accordance with the guidelines on director independence of the Listing Rules. On this basis, the Company considers all such Directors to be independent.

各董事會成員之間並沒有財務、業務、親屬或其他重大／相關關係。各獨立非執行董事已根據上市規則對董事獨立性之指引而致函確認其獨立性；因此，公司認為該等董事確屬獨立人士。

Biographical details of the Directors of the Company as at the date of this report are set out on pages 26 to 28 of this annual report. Given the composition of the Board and the skills, knowledge and expertise of the Director, the Board believes that it is appropriately structured to provide sufficient checks to protect the interests of the Group and the shareholders. The Board will review its composition regularly to ensure that it has the appropriate balance of expertise, skills and experience to continue to effectively oversee the business of the Company.

於本報告日期，公司董事之個人資料詳載於本年報第26頁至第28頁。基於董事會之組成及各董事之技能、學識和專業知識，董事會相信其架構已能恰當地提供足夠之監察，以保障集團和股東之利益。董事會將定期檢討其組成，以確保其在專業知識、技能及經驗方面維持合適之平衡，藉以繼續有效地監管公司之業務。

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The Directors are remunerated with reference to their respective duties and responsibility with the Company, the Company's performance and current market situation. Details of emoluments of the Directors from the Group for the year are disclosed in Note 12 to the financial statements.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The appointment of new Directors is recommended by the Nomination Committee. The Board will then take into account criteria such as expertise, experience, integrity and commitment when considering a new appointment.

In accordance with the Articles of Association of the Company ("Articles"), all Directors (except the Chairman, Deputy Chairman, Managing Director or Joint Managing Director) are subject to retirement by rotation and re-election at annual general meetings of the Company. New Directors appointed by the Board during the year are required to retire and submit themselves for re-election at the first annual general meeting immediately following their appointments. Further, at each annual general meeting, one-third of the Directors (excluding the Chairman, Deputy Chairman, Managing Director or Joint Managing Director), or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third are required to retire from office. Out of the six directors, five of them (except the Chairman) are subject to retirement by rotation.

The existing Articles governing the retirement of Directors deviate from the CGP Code provisions in the following aspects: (i) unlike the other Directors, the Chairman, Deputy Chairman, Managing Director or Joint Managing Director is not subject to retirement by rotation; (ii) new Directors appointed to fill casual vacancies are subject to election by shareholders at the first annual general meeting instead of the first general meeting after their appointments; and (iii) the Directors who are subject to retirement by rotation are not explicitly subject to retirement at least once every three years. The Board will review the above-mentioned practice from time to time and consider amending the Articles when necessary.

董事薪酬乃參考各董事於公司之職責、公司之表現及當前市況後釐定。董事於本年度向集團收取之酬金詳情載於財務報表附註12。

董事之委任及重選

新董事之委任由提名委員會建議。董事會審議新委任時會考慮候選人之專業知識、經驗、誠信及承擔等各方面。

根據公司章程細則(「細則」)，所有董事(惟主席、副主席、董事總經理或聯席董事總經理除外)須於公司之股東週年大會上輪值告退，並接受重選。於年內獲董事會委任之新董事亦須在獲委任後之首次股東週年大會上退任，並可膺選連任。再者，於每屆股東週年大會上須有三分之一或(如董事會人數不是三或三之倍數)最接近但不超過三分之一之董事(不包括主席、副主席、董事總經理或聯席董事總經理)退任。在六名董事當中，除主席以外餘下五名須受輪值告退之限制。

現行有關董事退任之細則有下列之偏離管治守則的事項：(i)主席、副主席、董事總經理或聯席董事總經理毋須輪值告退，有別於其他董事；(ii)獲委任填補臨時空缺之新董事須在其獲委任後之首次股東週年大會(而非首次股東大會)上告退並接受股東重選；及(iii)沒有明確地要求每名須輪值告退之董事最少每三年退任一次。董事會將不時檢討上述做法並於需要時考慮修訂細則。

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TERM OF OFFICE OF NON-EXECUTIVE DIRECTORS

The Company has not complied with code provision A.4.1 that requires non-executive directors should be appointed for a specific term and subject to re-election. Currently, there are no service contracts entered into between the Company and the Independent Non-executive Directors and they have no fixed term of office with the Company. In accordance with the Articles, all Independent Non-executive Directors are subject to retirement by rotation. Also, new Independent Non-executive Directors appointed by the Board during the year are required to retire and submit themselves for re-election at the first annual general meeting immediately following their appointments. As such, the Company considers that sufficient measures have been taken to serve the purpose of this code provision.

AUDIT COMMITTEE

The Audit Committee comprises all of the three Independent Non-executive Directors and is chaired by Mr. CHEUNG Wai Tak, who possesses extensive accounting experience in financial and commercial sectors. It is responsible for appointment of external auditors, review of the Group's financial information and oversight of the Group's financial reporting system and internal control procedures. The Committee is also responsible for reviewing the interim and final results of the Group prior to recommending them to the Board for approval. It meets regularly to review financial reporting and internal control matters and to this end has unrestricted access to personnel, records and external auditors and senior management.

The Committee has specific written terms of reference which are of no less exacting terms than those stipulated in code provision. In 2012, the Audit Committee held two meetings. At the meetings, it reviewed the final results for the year ended 31 December 2011 and the interim results for the six months ended 30 June 2012 respectively. It also reviewed the Company's progress in implementing the corporate governance requirements as set out in the CGP Code.

非執行董事之任期

公司並無遵守守則條文A.4.1要求，非執行董事應以指定任期委任並須重選連任。現時公司與獨立非執行董事並無訂下服務合約，且彼等並無指定任期。根據細則，全體獨立非執行董事均須輪值告退。再者，於年內獲董事會委任的新獨立非執行董事亦須在獲委任後之首次股東週年大會上退任，並可膺選連任。因此，公司認為已採取足夠措施以符合守則規定之目的。

審核委員會

審核委員會由全部共三名獨立非執行董事組成，其主席為張偉德先生。張先生擁有豐富之財務及商業會計經驗。審核委員會負責外聘核數師之委聘、審閱集團之財務資料及監督集團之財務申報制度和內部監控程序。委員會亦負責審議集團中期及末期業績後才向董事會作出建議是否批准有關業績。審核委員會定期舉行會議，審閱財務報告及內部監控等事宜，並可不受限制地接觸工作人員、取得有關記錄以及接觸公司之外聘核數師及高級管理層。

委員會以書面訂明職權範圍，其條款與守則規定所訂明者同樣嚴謹。於二零一二年，審核委員會舉行兩次會議。會上，委員會已分別審閱截至二零一一年十二月三十一日止年度末期業績及截至二零一二年六月三十日止六個月中期業績。委員會亦檢討公司根據管治守則所載之規定實行企業管治措施之進度。

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REMUNERATION COMMITTEE

The Remuneration Committee, composed of all three Independent Non-executive Directors, is responsible for reviewing and determining the compensation and benefits of the Directors and senior management. The committee members elect one of them to take the chair at the commencement of each meeting. The Committee has specific written terms of reference which are of no less exacting terms than those stipulated in code provision.

NOMINATION COMMITTEE

The Nomination Committee, composed of two Independent Non-executive Directors, is responsible for reviewing and making recommendation to the Board on matters relating to the Board structure and appointment and re-appointment of Directors. The committee members elect one of them to take the chair at the commencement of each meeting. The Committee has specific written terms of reference which are of no less exacting terms than those stipulated in code provision.

DIRECTORS RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for overseeing the preparation of financial statements for each financial period with a view to ensuring such financial statements give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. The Company's financial statements are prepared in accordance with all relevant statutory requirements and applicable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable.

薪酬委員會

薪酬委員會由全部共三名獨立非執行董事組成，負責檢討並決定董事及高級管理層之薪酬福利。委員會成員於每次會議開始前選出其中一人為會議主席。委員會以書面訂明職權範圍，其條款與守則規定所訂明者同樣嚴謹。

提名委員會

提名委員會由二名獨立非執行董事組成，負責檢討董事會架構以及董事之委任及重新委任之事宜並就此向董事會提供建議。委員會成員於每次會議開始前選出其中一人為會議主席。委員會以書面訂明職權範圍，其條款與守則規定所訂明者同樣嚴謹。

董事就財務報表所承擔之責任

董事負責監督每個財政期間財務報表的編製，以確保該等財務報表能夠真實和公平地反映該期間集團財政狀況、業績與現金流量。公司財務報表的編製均符合所有有關之法規及合適之會計準則。董事有責任確保選擇和連貫地應用合適之會計政策以及作出審慎和合理之判斷及估計。

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INTERNAL CONTROL

The Board has overall responsibilities for maintaining a sound and effective internal control system of the Group. The Group's system of internal control includes a defined management structure with limits of authority, safeguard its assets against unauthorized use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant laws and regulations. The system is designed to provide reasonable assurance against material misstatement or loss, and to oversee the Group's operational systems for the achievement of the Group's business objectives.

AUDITORS REMUNERATION

The remuneration to the external auditors in relation to their audit services provided to the Group for the financial year ended 31 December 2012 amounted to approximately HK\$660,000 (2011: HK\$660,000). There was no non-audit service incurred for the financial year ended 31 December 2012 (2011: HK\$ Nil). The responsibilities of the auditors with respect to financial reporting are set out in the section of "Independent Auditor's Report" on pages 31 to 32.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") as set out in Appendix 10 to the Listing Rules. The Company has made specific enquiry to all Directors regarding any non-compliance with the Model Code during the year and they all confirmed that they have fully complied with the required standard set out in the Model Code. The Company is considering adopting a code of conduct governing securities transactions with terms no less exacting than that required by the Listing Rules by employees who may possess or have access to price sensitive information.

內部監控

董事會全權負責維持集團健全和有效之內部監控系統，包括界定管理架構及其相關之權限、保管資產以防未經授權之使用或處理、確定適當之會計紀錄得以保存並可提供可靠之財務資料供內部使用或對外發放，並確保符合相關法例與規則。上述監控系統旨在合理地保證並無重大失實陳述或損失，並監管集團之營運系統以達成集團之業務目標。

核數師酬金

截至二零一二年十二月三十一日止財政年度，集團就外聘核數師提供核數服務而支付之酬金約為660,000港元(二零一一年：660,000港元)。截至二零一二年十二月三十一日止財政年度並無產生非核數服務(二零一一年：零港元)。核數師有關財務申報之責任載於第31頁至第32頁「獨立核數師報告書」一節。

進行證券交易的標準守則

公司已採納上市規則附錄十所載之上市公司董事進行證券交易的標準守則(「標準守則」)。公司已就有否於年內違反標準守則而向全體董事作出特定查詢，彼等均確認彼等一直遵守標準守則所訂之標準。公司正考慮對管有或可接觸股價敏感資料之僱員採納一套條款與上市規則規定看齊之進行證券交易之操守守則。

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COMMUNICATION WITH SHAREHOLDERS

The Company attaches great priority to establishing effective communications with its shareholders and investors. In an effort to enhance such communications, the Company provides information relating to the Company and its business in its interim and annual reports. The Company regards its Annual General Meeting as an opportunity for direct communications between the Board and its shareholders. All Directors, senior management and external auditors make an effort to attend the Annual General Meeting to address shareholders queries. The Company also responds to requests for information and queries from the shareholders and investors and welcomes the views of shareholders on matters affecting the Group and encourages them to attend shareholders meetings to communicate any concerns they might have with the Board or management directly.

與股東之溝通

公司相當重視與股東及投資者建立有效溝通。為達到有效溝通，公司在中期報告和年報內提供有關公司及其業務之資料。公司視股東週年大會為重要事項，因其提供董事會與股東直接溝通之機會。全體董事、高級管理層及外聘核數師均盡力出席股東週年大會，以回應股東提問。公司亦回應股東與投資者索取資料之要求和提問，歡迎股東對影響集團之事宜提意見，亦鼓勵股東出席股東大會，讓股東直接向董事會或管理層表達所關注之事宜。

Directors and Senior Management Profile

董事及高級管理層簡介

DIRECTORS

Executive Director

Mr. LEE Chi Kong, aged 64, is the chairman of the Company and an executive director. Mr. Lee has over 25 years of experience in sales, marketing and management of U.S. high technology companies operating in Greater China and Asia. He was the founder and managing director of the Greater China Headquarters of Apollo Computer Inc and Silicon Graphics Inc, both were U.S. listed companies, instrumental in upgrading the design and manufacturing knowhow of various industries in China, including that of electronics, machinery, power and energy, construction and light industry. Mr. Lee has devoted 10 years in advising Chinese and global corporations in creative marketing, business development and strategic alliance. He was the president of Hong Kong Toastmasters Club, founder and president of New Experience Toastmasters Club, a communications and leadership programme to train young people, and co-founder of China Windmill Foundation, a charity programme to provide clean water to poor farming villages and the temporary shelters at the Sichuan Earthquake Zone.

Mr. JING Bin, aged 44, is an executive Director and Chief Executive Officer of the Company. Mr. Jing has over 10 years of experience in finance, investment and corporate management. He had worked in large-scale corporations such as Bank of China, and has extensive experience in strategic development, business development, reform management. Mr. Jing was invited to become a member of the topic "Assessment and Transaction of Forest Resources and Assets (森林資源資產評估與交易)" in State Forestry Administration. With his practices and experience in corporations, his opinion was valuable and directional to setting up a systematic and scientific assessment system for forest resources in Asia, an efficient forest assets transaction market and for the modern forestry corporation.

董事

執行董事

李志剛先生，64歲，公司之主席兼執行董事。李先生擁有在美國高科技企業的亞太區機構逾25年的銷售、市場和管理方面實戰經驗。他曾經擔任兩家美國上市公司阿波羅電腦(Apollo Computer Inc)和Silicon Graphics Inc在大中華區總部的創辦者和董事總經理，在中國多個工業的設計，制造技術升級方面提供了巨大的幫助，包括電子、機械、電力和能源、建設和輕工業。李先生投身十年時間幫助中國及國際企業在創意市場、商業拓展及戰略聯盟方面提供諮詢。他曾擔任香港英文演講俱樂部主席，以及新歷程英文演講俱樂部創辦人及主席。此俱樂部是培訓年輕人溝通和領導才能的項目。他也是中國愛心風車基金的合夥創辦人。此基金的宗旨在幫助貧困鄉村地區以及為四川地震災區的臨時安置點提供清潔用水。

景濱先生，44歲，公司之執行董事兼行政總裁。景先生擁有十多年金融和實業投資管理經驗，曾任職於中國銀行等大型企業，在戰略發展、業務拓展、變革管理方面具有豐富的經驗。景先生受邀擔任中國國家林業局重點課題—《森林資源資產評估與交易》課題組的成員，以自身企業的運營實踐，對在亞洲建立系統而科學的森林資源評估體系、有效的林木資產交易市場，以及現代林業企業具有積極的指導意義。

Directors and Senior Management Profile

董事及高級管理層簡介



Mr. Wu Tao, 40, a practicing lawyer as well as copartner in China, is a law graduate from Tsinghua University in 2006 with a master degree in law. He worked at Bureau of Justice of Beijing, Steering Group's Office of Ruling the City according to Law of Beijing (北京市依法治市領導小組辦公室), and Beijing Zhong Lun Law Firm. He was also the secretary-general of the profession committee for surety matters under Beijing Lawyers Association.

Mr. Wu Tao is principally engaged in legal affairs in the following areas, such as commerce, investment, merger and acquisition, finance, and securities. He participated in the reform, restructure, and listing projects for a variety of joint stock companies as well as merger and acquisition projects for listed companies. In addition, he also serves as legal counsel or provides legal services for many well-known enterprises and public entities, including China Development Bank, Industrial and Commercial Bank of China Limited, China Construction Bank, Bank of Communication, Huaxia Bank, China Cinda Asset Management Co., Ltd., China Huarong Asset Management Co., Ltd., China National Investment & Guaranty Co., Ltd., China Economic Technology Trust Investment Co., Ltd* (中國經濟技術信托投資公司), China Central Depository & Clearing Co., Ltd., China Potevio Co., Ltd, China National Bluestar (Group) Co, Ltd., China Chartered Leasing Co., Ltd.* (中包租賃公司), China Federation of Literary and Art Circles, Chinese Musicians Association, Founder Group, Beijing Capital Tourism Co., Ltd., and Beijing C&W Technology Development Co., Ltd.. He has an indepth understanding of Chinese legal matters with experience of over ten years as practicing lawyer.

Independent non-executive Directors

Mr. CHEUNG Wai Tak, aged 60, has more than twenty years of working experience in the investment banking and accounting field. He is a member of the Hong Kong Institute of Certified Public Accountants. He graduated with an MBA degree from the University of California at Berkeley, the United States of America (the "USA") in 1981. He was an executive director of China Grand Forestry Green Resources Group Limited during the period from October 2007 to September 2009, and was an independent non-executive director of Hybrid Kinetic Group Limited during the period from April 2007 to November 2007, whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited. Currently, he is the independent non-executive director of China E— Learning Group Limited, whose shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

武濤先生，40歲，中國執業律師兼合夥人，法學專業本科學歷，二零零六年獲清華大學法律碩士學位，曾先後在北京市司法局、北京市依法治市領導小組辦公室、北京市中倫律師事務所任職，並擔任過北京市律師協會擔保法律事務專業委員會秘書長。

武濤先生主要從事商務、投資、併購與重組、金融、證券等方面的法律業務，在中國參與過眾多股份有限公司的改制、重組、上市項目以及上市公司的併購重組項目，並擔任過諸多知名企事業單位(國家開發銀行、工商銀行、建設銀行、交通銀行、華夏銀行、信達資產管理公司、華融資產管理公司、中國投資擔保有限公司、中國經濟技術信托投資公司、中央國債登記結算公司、中國普天集團、中國藍星集團、中包租賃公司、中國文聯、中國音協、北大方正、首旅股份、兆維科技等)的法律顧問或為其提供過法律服務，精通中國法律事務，目前已有超過十年的律師從業經驗。

獨立非執行董事

張偉德先生，60歲，於投資銀行及會計領域擁有超過二十年之工作經驗。彼為香港會計師公會之會員，於一九八一年獲美利堅合眾國(「美國」)柏克萊加州大學頒授工商管理碩士學位。張先生過去自二零零七年十月至二零零九年九月期間曾經擔任中國林大綠色資源集團有限公司之執行董事，並於二零零七年四月至二零零七年十一月期間擔任正道集團有限公司之獨立非執行董事，這些公司之股份在香港聯合交易所有限公司主板上市。張先生現任中國網絡教育集團有限公司之獨立非執行董事，該公司之股份在香港聯合交易所有限公司創業板上市。

Directors and Senior Management Profile 董事及高級管理層簡介

Ms. LI Bailing, aged 43, graduated from Xi'an International Studies University in China in 1990. Ms. Li started her career in the Beijing office of the People's Government of Jilin Province in 1990, and subsequently served as representative of the Beijing offices for various companies. Ms. Li currently serves as manager of BONELLI Top Sourcing (北京寶耐力光電科技有限公司), and has rich managerial experiences in companies. Ms. Li was appointed as an independent non-executive director of China E-Learning Group Limited (stock code: 8055), whose shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited on 18 January, 2013.

Mr. CHEN Xiaoming, age 50, was appointed as an independent non-executive director of the Company on 26 November 2010. Mr. Chen has over eighteen years working experience in business planning and development. He holds a doctor of philosophy degree in The University of Sheffield of United Kingdom and a bachelor of science degree in Wuhan University of People's Republic of China.

SENIOR MANAGEMENT

Mr. Deng Wenyun, aged 55, vice-president of the Company, is responsible for the market development of natural resources. Mr. Deng is a EMBA program postgraduate from Peking University, and he is currently studying a part-time doctorate degree. Mr. Deng accumulated his extensive experience in the administrative work through his previous positions as the supervisor for the Urban Development Department of Pingxiang City, Jiangxi Province, and the deputy chief for the Real Estate Bureau of Pingxiang City, and the director for the Municipal Housing Reform Office, respectively. In 2000, he was appointed as the vice-president of 承泰集團 (Cheng Tai Group*) in Zhuhai Guangdong Province. During 2003 to 2006, he served as executive director and standing deputy-president of Shenzhen High-tech Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0106). In 2007, he was appointed as the president of China Resources Investments Group Limited with his significant achievements in the areas of mineral development and trading. Mr. Deng gained extensive experience and resources involving the following areas, such as the development of iron mines, trades, and the development of the natural gas market.

李百靈女士，43歲，於一九九零年畢業於中國西安外國語大學。李女士自一九九零年起在吉林省人民政府駐京辦事處工作，並先後任職多間公司之駐京辦事處代表。李女士現時為北京寶耐力光電科技有限公司之經理，擁有豐富之公司管理經驗。李女士於二零一三年一月十八日獲委任為中國網絡教育集團有限公司(股份代號：8055)之獨立非執行董事，該公司之股份在香港聯合交易所有限公司創業板上市。

陳小明先生，50歲，於二零一零年十一月二十六日獲委任為公司之獨立非執行董事。陳先生於商業規劃及發展領域擁有超過十八年之工作經驗，彼持有英國Sheffield大學之博士學位及中華人民共和國武漢大學理學士學位。

高級管理層

鄧文雲先生，55歲，公司之副總裁，主要負責天然資源的市場開發。鄧先生為北京大學研究生畢業，取得EMBA學位，現在讀在職博士生。鄧先生曾歷任江西省萍鄉市城建局城建科長、萍鄉市房產局副局長、市政府房改辦主任，有豐富的行政工作經驗。二零零零年開始出任廣東省珠海承泰集團副總裁，二零零三年至二零零六年任深圳科技有限公司(香港聯交所主機板上市公司，代號0106)執行董事、常務副總裁，二零零七年任中國資源投資集團有限公司董事長，致力於礦業開發、貿易，並取得顯著成就。鄧先生在鐵礦開發、貿易、天然氣市場開發等方面有豐富的經驗和資源。

Directors and Senior Management Profile 董事及高級管理層簡介



Mr. CHAN King Chung, aged 50, Company Secretary, obtained Bachelor degrees in business administration and in accountancy from the Chinese University of Hong Kong and City University of Hong Kong respectively. Mr. Chan also obtained Master degrees in accountancy and in business administration. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Hong Kong Institute of Company Secretaries. Mr. Chan has been the Company Secretary, Financial Controller and/or Qualified Accountant of several companies, which shares are listed on the Main Board of the Hong Kong Stock Exchange. He has more than 20 years of experience in corporate governance, management and financial controlling. Mr. Chan is currently the independent non-executive director of China Wireless Technologies Limited (the shares of which are listed on the Main Board of the Hong Kong Stock Exchange, Stock Code: 2369).

Mr. CAO Gang, aged 55, obtained a bachelor degree from Beijing College of Posts and Telecommunications. He is the president of 奇峰乾元企業管理諮詢(深圳)有限公司 and 北京奇峰乾元信息科技有限公司, responsible for the overall management and operation of the Timber Exchange transactions, warehouse monitoring business and timber trading. Mr. Cao has extensive experience and has built a strong social network in fields such as information technology, E-commerce, marketing and international trade. He was the Deputy President of 清華紫光(集團)總公司 and 清華紫光股份有限公司, a member of the Ninth and Tenth Committee of Beijing of the Chinese People's Political Consultative Conference and the Sixth Haidian District Committee of Beijing of the Chinese People's Political Consultative Conference and a standing director of China Computer Industry Association.

Mr. HE Yuan, aged 42, obtained a bachelor degree from Renmin University of China and Northern Jiaotong University. He is currently the Vice President of 北京奇峰乾元信息科技有限公司, mainly responsible for the management of transaction business, system construction and operation, and technology research and development of the Timber Exchange. Mr. He has extensive experience and social networks in fields such as system integration, network operation and bulk trading of commodities. He was a senior management member of China Aerospace Corporation, 中國華大集成電路設計有限公司, 香港中醫藥網路(中國)有限公司 and 北京國林科技發展有限公司.

陳敬忠先生，50歲，公司秘書，先後在香港中文大學及香港城市大學取得工商管理及會計學學士學位，其後亦取得會計學及工商管理碩士學位。陳先生是香港會計師公會會員及香港公司秘書公會資深會員，曾于多家香港聯交所主板上市公司擔任公司秘書、財務總監、或／及合資格會計師等職位，在公司管治、管理及財務監控方面擁有20多年經驗。陳先生現時亦為中國無線科技有限公司(其股份於聯交所主板上市，股份代號：2369)的獨立非執行董事。

曹綱先生，55歲，北京郵電學院大學本科學歷，現為奇峰乾元企業管理諮詢(深圳)有限公司和北京奇峰乾元信息科技有限公司總裁，負責木交所交易業務、監管倉業務及木材貿易業務的全面管理和運營工作。曹先生在信息科技、電子商務、市場營銷、國際貿易等方面具有豐富經驗和人脈關係，曾任清華紫光(集團)總公司副總裁、清華紫光股份有限公司副總裁、中國人民政治協商會議北京市第九屆和第十屆委員會委員、中國人民政治協商會議北京市海澱區第六屆委員會委員、中國計算機行業協會常務理事。

何源先生，42歲，中國人民大學和北方交通大學本科學歷，現為北京奇峰乾元信息科技有限公司副總裁，主要負責木交所的交易業務管理、系統建設運營及技術研發工作。何先生在系統集成、網路運營、大宗商品交易等方面具有豐富經驗和人脈關係，曾先後在中國航天工業總公司、中國華大集成電路設計有限公司、香港中醫藥網路(中國)有限公司及北京國林科技發展有限公司任高級管理人員。

Directors and Senior Management Profile

董事及高級管理層簡介

Mr. XIA Gang, aged 45, obtained a bachelor degree. He is a certified public accountant and a certified public valuer of the PRC, and currently the Chief Financial Officer of all the Company's subsidiaries in the PRC, mainly responsible for the financial and accounting management of the Company's PRC operations. Mr. Xia holds titles of senior accountant and economist and has extensive experience in financial management, financial accounting and tax processing. He held various positions related to accounting, auditing and valuation in organizations and companies such as State-owned Assets Supervision and Administration Commission of the State Council and 中興財會計師事務所有限公司.

Mr. SHI Zhi Rui, aged 64. He is currently the Managing Director of Leeka Wood Co., Ltd, mainly responsible for the overall management and operation of the timber resources and timber production and sales business of G&G Wood. He has been engaging in corporate management over time. He has extensive experience in the exploitation, management and operation of timber resources. Mr. Shi was a senior management member of 清華計算機公司 and 紫光資源管理諮詢有限公司.

Mr. YIN Rui Yu, aged 41, obtained a bachelor degree from Beijing University of Civil Engineering and Architecture and Capital University of Economics and Business. He is currently the President of Leeka Wood Co., Ltd., mainly responsible for the timber management, logging, processing, marketing and technology development. Mr. Yin has solid theoretical foundations and extensive practical experience in timber operation and trading, product marketing and planning, and information communication. He was a senior management member of 京西建設集團, 清華科技園石龍科技園區 and 銀科博星科技發展有限公司.

夏綱先生，45歲，大學本科學歷，中國註冊會計師、中國註冊資產評估師，現任公司於中國的所有附屬公司的財務總監，主要負責公司於中國的營運的財務及會計管理。夏先生具有高級會計師、經濟師職稱，在財務管理、會計核算、稅務處理等方面具有豐富經驗，曾先後在國務院國有資產監督管理委員會監事會及中興財會計師事務所有限公司等單位擔任會計、審計、評估等相關工作。

石志瑞先生，64歲，現為綠之嘉木業有限公司董事總經理，主要負責綠之嘉木制品林木資源和木材產銷業務的全面管理和運營工作。石先生長期從事企業管理工作，並在林木資源的開發、管理和運營方面具有豐富經驗，曾先後在清華計算機公司、紫光資源管理諮詢有限公司任高級管理人員。

殷睿宇先生，41歲，北京建築工程學院和首都經濟貿易大學本科學歷，現為綠之嘉木業有限公司總裁，主要負責林木的管護與採伐、加工、市場營銷及技術開發工作。殷先生在林木經營與貿易、產品營銷策劃、資訊傳播等方面有著扎實的理論基礎和豐富的實踐經驗，曾先後在京西建設集團、清華科技園石龍科技園區及銀科博星科技發展有限公司任高級管理人員。

Independent Auditor's Report

獨立核數師報告書

To the shareholders of
Superb Summit International Group Limited
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Superb Summit International Group Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 33 to 112, which comprise the consolidated and company statements of financial position as at 31 December 2012, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致：奇峰國際集團有限公司
(於開曼群島註冊成立之有限公司)
列位股東

本核數師(以下簡稱「我們」)已審核列載於第33頁至第112頁奇峰國際集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括二零一二年十二月三十一日的綜合及貴公司財務狀況表與截至該日止年度的綜合收益表、綜合全面收入報表、綜合權益變動表、綜合現金流量表以及主要會計政策和其他附註解釋。

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披露規定編製及真實而公平地呈列該等綜合財務報表，並負責進行董事認為必要的內部監控，以使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並僅向全體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否存有任何重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告書

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 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 31 December 2012, and of the Group's loss 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.

Parker Randall CF (H.K.) CPA Limited

Certified Public Accountants

Seto Man Fai

Practising Certificate No.: P05229

Hong Kong

28 March 2013

審核涉及執程序以獲取有關綜合財務報表所載金額和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有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與實體編製及真實而公平地呈列綜合財務報表相關的內部監控，以設計適當審核程序，但並非為對實體的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的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體呈列方式。

我們相信，我們所獲得的審核憑證充足和適當地為我們的審核意見提供基礎。

意見

我們認為，綜合財務報表均已根據香港財務報告準則真實及公平地反映 貴公司及 貴集團於二零一二年十二月三十一日的財務狀況及 貴集團截至該日止年度的虧損和現金流量，並已按照香港公司條例披露規定妥為編製。

暉誼(香港)會計師事務所有限公司

執業會計師

司徒文輝

執業證書號碼：P05229

香港

二零一三年三月二十八日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度



		Note 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Revenue	收益	7	120,297	49,550
Cost of sales	銷售成本		(116,386)	(41,157)
Gross profit	毛利		3,911	8,393
Other income	其他收入	8	1,481	657
Other gains and losses	其他收益及虧損	9	(39,294)	(568,917)
Selling and distribution expenses	銷售及分銷開支		(1,793)	(1,600)
Administrative expenses	行政開支		(112,410)	(99,315)
Finance costs	財務成本	10	(1,591)	(450)
(Loss)/Profit before tax	除稅前(虧損)/溢利	11	(149,696)	(661,232)
Income tax expense	所得稅開支	14	—	—
Loss for the year	本年度虧損		(149,696)	(661,232)
Attributable to:	以下人士應佔：			
Owners of the Company	公司擁有人		(132,376)	(658,285)
Non-controlling interests	非控制權益		(17,320)	(2,947)
			(149,696)	(661,232)
(Loss)/Earnings per share attributable to owners of the Company for the year	本年度公司擁有人應佔每股(虧損)/盈利			
Basic	基本	16	(3.066) cents 港仙	(16.238) cents 港仙
Diluted	攤薄		N/A 不適用	N/A 不適用

Consolidated Statement of Comprehensive Income

綜合全面收入報表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

	Note 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
(Loss)/Profit for the year		(149,696)	(661,232)
Other comprehensive income			
Exchange differences on translation of foreign operations		29,951	175,835
Other comprehensive income for the year (net of income tax)		29,951	175,835
Total comprehensive income for the year		(119,745)	(485,397)
Attributable to			
Owners of the Company		(102,241)	(482,515)
Non-controlling interests		(17,504)	(2,882)
		(119,745)	(485,397)

Consolidated Statement of Financial Position

綜合財務狀況報表

As at 31 December 2012 於二零一二年十二月三十一日



		Note 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Assets	資產			
Non-current assets	非流動資產			
Prepaid land lease payments	預付土地租賃款	17	72,643	73,678
Property, plant and equipment	物業、廠房及設備	18	4,194	16,028
Biological assets	生物資產	19	3,428,356	3,343,400
Total non-current assets	非流動資產總值		3,505,193	3,433,106
Current assets	流動資產			
Prepaid land lease payments	預付土地租賃款	17	1,608	1,596
Equity investments at fair value through profit or loss	按公平值計入損益之股本投資	22	8,045	10,036
Amount due from director	應收董事款項		14	—
Trade receivables	應收貿易賬項	23	834	—
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	24	183,927	54,797
Cash and cash equivalents	現金及現金等值項目	25	2,557	5,713
Total current assets	流動資產總值		196,985	72,142
Total assets	資產總值		3,702,178	3,505,248
Liabilities	負債			
Current liabilities	流動負債			
Trade payables	應付貿易賬項	26	37,331	226
Other payables, accruals and receipt in advance	其他應付款項、應計款項及預收款項	27	151,421	40,250
Convertible notes interest payable	應付可換股票據利息	29	—	1,778
Interest-bearing other borrowings	其他計息借貸	30	737	1,000
Total current liabilities	流動負債總額		189,489	43,254
Net current assets	流動資產淨值		7,496	28,888
Net assets	資產淨值		3,512,689	3,461,994

Consolidated Statement of Financial Position

綜合財務狀況報表

As at 31 December 2012 於二零一二年十二月三十一日

		Note 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Capital and reserves	股本及儲備			
Share capital	股本	31	585,451	419,616
Reserves	儲備		2,946,474	3,045,260
Equity attributable to owners of the Company	公司擁有人應佔權益		3,531,925	3,464,876
Non-controlling interests	非控股權益		(19,236)	(2,882)
Total equity	權益總額		3,512,689	3,461,994

The Consolidated financial statements on pages 33 to 112 were approved and authorised for issue by the board of directors on 28th March, 2013 and are signed on it behalf by:

載於第33頁至第112頁之綜合財務報表於二零一三年三月二十八日獲董事會核准及授權刊發，並由下列人士代表簽署：

LEE Chi Kong
李志剛

Director and Chairman
董事兼主席

JING Bin
景濱

Director and Chief Executive Officer
董事兼行政總裁

Statement of Financial Position

財務狀況報表

As at 31 December 2012 於二零一二年十二月三十一日



		Company 公司	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
	Note 附註		
Assets			
Non-current assets			
Investments in subsidiaries	20	1,455,350	1,455,350
Current assets			
Amounts due from subsidiaries		704,040	654,381
Equity investments at fair value through profit or loss		8,045	10,036
Prepayments, deposits and other receivables		42,457	22
Cash and cash equivalents		480	18
Total current assets		755,022	664,457
Total assets		2,210,372	2,119,807
Liabilities			
Current liabilities			
Other payable and accruals		10,279	—
Convertible notes interest payable	29	—	1,778
Due to subsidiaries		2	—
Other borrowings — current		737	—
Total current liabilities		11,018	1,778
Net current assets		744,004	662,679
Net assets		2,199,354	2,118,029
Capital and reserves			
Share capital	31	585,451	419,616
Reserves	33	1,613,903	1,698,413
Total equity		2,199,354	2,118,029

LEE Chi Kong
李志剛

Director and Chairman
董事兼主席

JING Bin
景濱

Director and Chief Executive Officer
董事兼行政總裁

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

		Attributable to owners of the Company 公司擁有人應佔									
		Share capital	Share premium	Foreign currency translation reserve	Share options reserve	Warrant reserve	Convertible equity reserve	Retained profits	Total	Non-Controlling Interests	Total equity
		股本	股份溢價	匯兌儲備*	購股權儲備	認股權證儲備	可換股票據權益儲備	保留溢利	總計	非控制權益	權益總額
		(Note 31)	(Note a)								
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2011	於二零一一年一月一日	362,886	1,413,710	333,904	122,142	—	174,527	1,532,293	3,939,462	—	3,939,462
Loss for the year	本年度虧損	—	—	—	—	—	—	(658,285)	(658,285)	(2,947)	(661,232)
Other comprehensive income for the year	本年度其他全面收入	—	—	175,770	—	—	—	—	175,770	65	175,835
Total comprehensive income for the year	本年度全面收入總額	—	—	175,770	—	—	—	(658,285)	(482,515)	(2,882)	(485,397)
Issue of shares upon conversion of convertible notes	因轉換可換股票據而發行股份	57,524	60,302	—	—	—	(117,826)	—	—	—	—
Equity-settled share option arrangements	權益結算之購股權安排	—	—	—	9,970	—	—	—	9,970	—	9,970
Cancellation of own shares	註銷本身股份	(794)	(1,247)	—	—	—	—	—	(2,041)	—	(2,041)
Cancellation of share options	註銷購股權	—	—	—	(132,112)	—	—	132,112	—	—	—
At 31 December 2011 and at 1 January 2012	於二零一一年十二月三十一日及於二零一二年一月一日	419,616	1,472,765	509,674	—	—	56,701	1,006,120	3,464,876	(2,882)	3,461,994
Loss for the year	本年度虧損	—	—	—	—	—	—	(132,376)	(132,376)	(17,320)	(149,696)
Other comprehensive income for the year	本年度其他全面收入	—	—	30,135	—	—	—	—	30,135	(184)	29,951
The comprehensive income for the year	本年度全面收入	—	—	30,135	—	—	—	(132,376)	(102,241)	(17,504)	(119,745)
Subscription of share	認購股份	7,000	3,150	—	—	—	—	—	10,150	—	10,150
Equity-settled share option arrangements	權益結算之購股權安排	—	—	—	71,600	—	—	—	71,600	—	71,600
Exercise of share option	行使購股權	22,250	34,581	—	(19,596)	—	—	—	37,235	—	37,235
Issue of Warrant	發行認股權證	—	—	—	—	7,200	—	—	7,200	—	7,200
Exercise of Warrant	行使認股權證	41,100	3,675	—	—	(3,675)	—	—	41,100	—	41,100
Conversion of convertible notes	轉換可換股票據	95,485	(36,779)	—	—	—	(56,701)	—	2,005	—	2,005
Acquisition of a subsidiary	收購附屬公司	—	—	—	—	—	—	—	—	1,150	1,150
At 31 December 2012	於二零一二年十二月三十一日	585,451	1,477,392	539,809	52,004	3,525	—	873,744	3,531,925	(19,236)	3,512,689

* These accounts comprise the consolidated reserves of HK\$2,946,474,000 (2011: HK\$3,045,260,000) in the consolidated statement of financial position.

* 該等金額包括綜合財務狀況報表所列之綜合儲備 2,946,474,000 港元 (二零一一年: 3,045,260,000 港元)。

Notes:

附註:

(a) The share premium of the Group includes the premium arising from the new issue of shares of the Company.

(a) 集團之股份溢價包括公司發行新股產生之溢價。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度



	Note 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Cash flows from operating activities	經營活動現金流量		
Loss before tax	除稅前虧損	(149,696)	(661,232)
		(149,696)	(661,232)
Adjustments for:	調整：		
Finance costs	財務成本	1,591	450
Interest income	利息收入	(919)	(113)
Depreciation	折舊	2,881	2,744
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	1,591	1,561
Changes in fair value less costs to sell of biological assets	生物資產公平值變動減銷售成本	(62,073)	576,335
Reversal of impairment losses on prepaid land lease payments	撥回預付土地租賃款減值虧損	—	(12,286)
Fair value loss in equity investments at fair value through profit or loss	按公平值計入損益之股本投資之公平值虧損	1,990	5,243
Gain on disposal of equity investments at fair value through profit or loss	出售按公平值計入損益之股本投資之收益	—	(375)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	31	—
Impairment losses on property, plant and equipment	物業、廠房及設備之減值虧損	11,040	—
Impairment losses on trade receivables	應收貿易賬項之減值虧損	2,597	30
Impairment losses on other receivables	其他應收款項減值虧損	86,186	9,769
Employee share option benefits	僱員購股權福利	—	9,970
Share option expenses	購股權開支	71,600	—
		(33,181)	(67,904)
Decrease/(increase) in trade receivables	應收貿易賬項減少／(增加)	(3,088)	215
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、訂金及其他應收款項(增加)／減少	(128,817)	(12,970)
Decrease/(increase) in amount due from director	應收董事款項減少／(增加)	(14)	—
Decrease in biological assets	生物資產減少	3,757	28,493
(Decrease)/increase in trade payables	應付貿易賬項(減少)／增加	4,888	—
Increase/(Decrease) in other payables and accruals	其他應付款項及應計款項增加／(減少)	94,330	(10,442)
Cash (used in)/generated from operating activities	經營活動(所用)／所得現金	(62,125)	(62,608)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2012 截至二零一二年十二月三十一日止年度

	Note 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interest received	已收利息	1	113
Overseas taxes paid	已付海外稅項	—	(3)
Net cash (used in)/from operating activities	經營活動(所用)/所得現金淨額	(62,124)	(62,498)
Cash flows from investing activities	投資活動現金流量		
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	—	96
Acquisition of property, plant and equipment	收購物業、廠房及設備	(202)	(16,155)
Purchase of equity investment at fair value through profit or loss	購買按公平值計入損益之股本投資	—	(23,981)
Proceeds from disposal of equity investment at fair value through profit or loss	出售按公平值計入損益之股本投資之所得款項	—	9,077
Acquisition of a subsidiary	收購附屬公司	240	—
Net cash used in investing activities	投資活動所用現金淨額	38	(30,963)
Cash flows from financing activities	融資活動現金流量		
Repayment of interest bearing borrowings	償還計息借貸	(1,000)	—
Exercise of share option	行使購股權	32,715	—
Issue of non-listed warrants	發行非上市認股權證	7,200	—
Exercise of warrants	行使認股權證	18,981	—
Payments for repurchase of ordinary shares	購回普通股之付款	—	(2,041)
New other loan	其他新貸款	—	1,000
Net cash used in financing activities	融資活動所用現金淨額	57,896	(1,041)
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(4,190)	(94,502)
Cash and cash equivalents at the beginning of year	年初之現金及現金等值項目	5,713	99,964
Effect of foreign exchange rate changes	匯率變動之影響	1,034	251
Cash and cash equivalents at the end of year	年終之現金及現金等值項目	2,557	5,713

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Notes to the Consolidated Financial Statements

綜合財務報表附註

1. GENERAL

Superb Summit International Group Limited (“the Company”) is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 20 to the consolidated financial statements.

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

The following amendments and interpretations to existing standards are mandatory for financial periods beginning on or after 1 January 2012:

Amendments to HKAS 12	Deferred tax: Recovery of underlying asset;
Amendments to HKFRS 7	Financial instruments: Disclosures — Transfers of financial assets;

The adoption of these new and revised HKFRSs has had no significant impact on these financial statements.

1. 一般資料

奇峰國際集團有限公司(「公司」)為在開曼群島註冊成立之獲豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。公司之註冊辦事處兼主要營業地點已於年報公司資料一節內披露。

綜合財務報表乃以港元列示，而除另有指明外，所有金額均四捨五入至千位。

公司作為一間投資控股公司。其主要附屬公司之主要業務載於綜合財務報表附註20。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

以下現有標準之修訂本及詮釋乃於二零一二年一月一日或之後開始財政期間起強制生效：

香港會計準則第12號(修訂本)	遞延稅項：收回相關資產；
香港財務報告準則第7號(修訂本)	金融工具：披露 — 轉讓金融資產；

採用新訂及經修訂之香港財務報告準則對此等綜合財務報表並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Company has not early adopted the following new and revised HKFRSs that have been issued but are not yet effective in this consolidated financial statements.

3. 已頒佈但尚未生效之香港財務報告準則

公司並無提早採納以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

Amendments to HKFRSs 香港財務報告準則(修訂本)	Annual Improvements to HKFRSs 2009-2011 Cycle, except for the amendments HKAS 11 香港財務報告準則二零零九年至二零一一年週期之年度改進，香港會計準則第11號除外	1/1/2013 二零一三年一月一日
Amendments to HKFRS 7 香港財務報告準則第7號(修訂本)	Disclosures — Offsetting financial assets and financial liabilities 披露 — 抵銷金融資產及金融負債	1/1/2013 二零一三年一月一日
Amendments to HKFRS 9 and HKFRS 7 香港財務報告準則第9號及香港財務報告準則第7號(修訂本)	Mandatory effective date of HKFRS 9 and transition disclosures 香港財務報告準則第9號之強制生效日期及過渡披露	1/1/2015 二零一五年一月一日
Amendments to HKFRS 10 香港財務報告準則第10號(修訂本)	Consolidated financial statements 綜合財務報表	
HKFRS 11 and HKFRS 12 香港財務報告準則第11號及香港財務報告準則第12號	Joint arrangements and disclosure of interests in other entities; Transition guidance 聯合安排及於其他實體之權益披露：過渡指引	1/1/2013 二零一三年一月一日
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(修訂本)	Investment entities 投資實體	1/1/2014 二零一四年一月一日
HKFRS 9 香港財務報告準則第9號	Financial instruments 金融工具	1/1/2015 二零一五年一月一日
HKFRS 10 香港財務報告準則第10號	Consolidated financial statements 綜合財務報表	1/1/2013 二零一三年一月一日
HKFRS 11 香港財務報告準則第11號	Joint arrangements 合營安排	1/1/2013 二零一三年一月一日
HKFRS 12 香港財務報告準則第12號	Disclosure of interests in other entities 披露於其他實體之權益	1/1/2013 二零一三年一月一日
HKFRS 13 香港財務報告準則第13號	Fair value measurement 公平值計量	1/1/2013 二零一三年一月一日
HKAS 19 (as revised in 2011) 香港會計準則第19號 (於二零一一年經修訂)	Employee benefits 僱員福利	1/1/2013 二零一三年一月一日
HKAS 27 (as revised in 2011) 香港會計準則第27號 (於二零一一年經修訂)	Separate financial statements 獨立財務報表	1/1/2013 二零一三年一月一日
HKAS 28 (as revised in 2011) 香港會計準則第28號 (於二零一一年經修訂)	Investments in associates and joint ventures 於聯營公司及合營企業的投資	1/1/2013 二零一三年一月一日
Amendments to HKAS 1 香港會計準則第1號(修訂本)	Presentation of items of other comprehensive incomes 其他全面收入之呈報項目	1/7/2012 二零一二年七月一日
Amendments to HKAS 32 香港會計準則第32號(修訂本)	Offsetting financial assets and financial liabilities 抵銷金融資產及金融負債	1/1/2014 二零一四年一月一日
HK(IFRIC)-Int 20 香港(國際財務報告詮釋委員會) — 詮釋第20號	Stripping Costs in the Production Phase of a Surface Mine 地表採礦生產階段的剝除成本	1/1/2014 二零一四年一月一日

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. ISSUED BUT NOT YET EFFECTIVE HKFRSs (Continued)

The Group is in the process of making an assessment of what the impact of these new and revised HKFRSs is to be expected in the period of initial application. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

4. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRSs. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinances.

The consolidated financial statements have been prepared under the historical cost basis, except for biological assets and equity investment at fair value through profit or loss which are measured at fair values less costs to sell, as explained in the accounting policies set out below.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2012. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

3. 已頒佈但尚未生效之香港財務報告準則(續)

集團正就此等新訂及經修訂香港財務報告準則預期於首次應用期間之影響作出評估。然而，在詳細審閱完成前提供有關影響之合理估計並不可行。

4. 主要會計政策

編製基準

綜合財務報表乃根據香港財務報告準則編製。此外，綜合財務報表包括根據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事項。

除生物資產及按公平值計入損益之股本投資分別按公平值減銷售成本(詳情見下文所載之會計政策之解釋)外，綜合財務報表乃根據歷史成本基準編製。

綜合基準

綜合財務報表包括公司及其附屬公司(統稱「集團」)截至二零一二年十二月三十一日止年度之財務報表。附屬公司編製之財務報表之報告期與公司相同，並採用貫徹一致之會計政策。附屬公司之業績由收購日期(即集團取得控制權當日)起綜合入賬，並將繼續綜合直至該控制權終止之日為止。所有集團內結餘、交易及集團內交易產生之未變現收益及虧損以及股息均於綜合時全數對銷。

附屬公司之虧損歸屬於非控制權益，即使此舉會產生虧絀結餘。

倘附屬公司之所有權權益出現變動，但並未失去控制權，則按股權交易入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Basis of consolidation *(Continued)*

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

4. 主要會計政策 *(續)*

綜合基準 *(續)*

倘集團失去對附屬公司之控制權，其會終止確認(i)該附屬公司之資產(包括商譽)及負債，(ii)任何非控制權益之賬面值及(iii)於權益內記錄之累計交易差額；並確認(i)已收代價之公平值；(ii)所保留任何投資之公平值及(iii)損益中任何因此產生之盈餘或虧絀。先前於其他全面收入內確認之集團應佔部份重新分類至損益或保留溢利(如適當)。

業務合併及商譽

業務合併採用收購法入賬。轉讓之代價乃以收購日期之公平值計算，該公平值為集團於收購日期轉讓之資產、集團向被收購方之前度擁有人承擔之負債，及集團就換取被收購方控制權所發行股本權益之公平值總額。於各業務合併中，收購方以公平值或被收購方可識別淨資產之應佔比例，計算於被收購方之非控制權益。收購成本於產生時列為開支。

當集團收購一項業務時，會根據合約條款、於收購日期之經濟環境及相關條件，評估將承接之金融資產及負債，以作出適合之分類及標示，其中包括將被收購方主合約中之嵌入式衍生工具進行分離。

倘業務合併分階段進行，收購方先前持有之被收購方股本權益於收購日期之公平值應按收購日期之公平值計入損益重新計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Business combinations and goodwill

(Continued)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability is recognised in accordance with HKAS 39 Financial Instruments: Recognition and Measurement either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the net identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets of the subsidiary acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

4. 主要會計政策 (續)

業務合併及商譽 (續)

由收購方將予轉讓之任何或然代價將於收購日期按公平值確認。或然代價(被視為一項資產或負債)公平值之其後變動,按香港會計準則第39號金融工具:確認及計量確認為損益或其他全面收入之變動。倘將或然代價分類為權益,則其最終於權益中結算前毋須重新計量。

商譽初步按成本計算,即已轉讓總代價、已就非控制權益確認的數額及集團先前持有被收購方股本權益之任何公平值總額,超逾與所收購可識別淨資產及所承擔負債之差額。如有關代價及其他項目總額低於所收購附屬公司淨資產的公平值,於重新評估後其差額將於損益內確認為議價收購收益。

於初步確認後,商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試,若有事件發生或情況變動顯示賬面值可能減值時,則會更頻密地進行測試。集團於十二月三十一日進行商譽之年度減值測試。為進行減值測試,因業務合併而購入之商譽自收購日期起被分配至預期可從合併之協同效益中獲益的集團各個現金產生單位或現金產生單位組別,而不論集團其他資產或負債是否已分配予該等單位或單位組別。

減值乃透過評估與商譽有關之現金產生單位(或現金產生單位組別)之可收回金額釐定。當現金產生單位(或現金產生單位組別)之可收回金額低於賬面值時,減值虧損則予以確認。已就商譽確認之減值虧損不會於其後期間撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Business combinations and goodwill

(Continued)

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries that are not classified as held for sale in accordance with HKFRS 5 are stated at cost less any impairment losses.

Jointly-controlled entities

A jointly-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's investments in its jointly-controlled entities are accounted for by the proportionate consolidation method, which involves recognising its share of the jointly-controlled entities' assets, liabilities, income and expenses with similar items in the consolidated financial statements on a line-by-line basis. Unrealised gains and losses resulting from transactions between the Group and its jointly-controlled entities are eliminated to the extent of the Group's investments in the jointly-controlled entities, except where unrealised losses provide evidence of an impairment of the asset transferred.

4. 主要會計政策(續)

業務合併及商譽(續)

倘商譽構成現金產生單位(或現金產生單位組別)之部份而該單位之部份業務已出售,則在釐定所出售業務之收益或虧損時,與所出售業務相關之商譽會計入該業務之賬面值。在此情況下出售之商譽,乃根據所出售業務之相關價值及現金產生單位之保留份額進行計量。

附屬公司

附屬公司為公司直接或間接控制其財務及經營之決策,以於其業務中獲取利益之實體。

附屬公司之業績計入公司之收益表,惟以已收及應收股息為限。公司並無根據香港財務報告準則第5號分類為持作出售的附屬公司投資,按成本減任何減值虧損列賬。

共同控制實體

共同控制實體指受共同控制之合資公司,而任何參與方不得單方面控制共同控制實體之經濟活動。

集團於其共同控制實體之投資以比例綜合法入賬,包括於綜合財務報表中按逐項基準確認所佔共同控制實體之類似項目的資產、負債、收入及開支。集團與其共同控制實體之交易所產生之未變現收益及虧損,均按集團於共同控制實體之投資比率對銷,除非未變現虧損顯示已轉讓資產出現減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註



4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Biological assets

Biological assets represent forest crop in the PRC.

Biological assets are living plants involved in the agricultural activities of the transformation of biological assets into agricultural produce for sale or into additional biological assets. Biological assets and agricultural produce, are measured at fair value less costs to sell at initial recognition and at the end of each reporting period. The fair value less costs to sell at the time of harvest is deemed as the cost of agricultural produce for further processing, if applicable. If an active market exists for a biological asset or agricultural produce with reference to comparable specie, growing condition and expected yield of the crops, the quote price in that market is adopted for determining the fair value of that asset.

If an active market does not exist, the Group uses the most recent market transaction price, provided that there has not been a significant change in economic circumstances between the transaction date and the end of the reporting period, or the market prices for similar assets adjusted to reflect differences to determine fair values. The gain or loss arising on initial recognition and subsequent changes in fair values less costs to sell of biological assets is recognised in the consolidated income statement in the period in which it arise. Upon the sale of the agricultural produce as forestry products, the carrying amount is transferred to cost of sales in the consolidated income statement.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than biological assets, financial assets and a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

4. 主要會計政策 (續)

生物資產

生物資產指位於中國之林木資源。

生物資產乃存活之植物，涉及將生物資產轉化為待售林業產品或轉化為其他生物資產。於各報告期終，生物資產及農產品乃初步按公平值減銷售成本計量確認。公平值減採伐時之銷售成本乃被視為作進一步加工之農產品成本(如適用)。倘活躍市場存有為生物資產或農產品提供可資比較類別、成長狀況及預期林業作物產量，則採納該市場之報價釐定該項資產之公平值。

倘並無活躍市場，則集團採用最近之市場交易價，惟自交易日起至報告期終之經濟情況並無出現重大變動，或類似資產之市價作出調整以反映釐定公平值之差額。於初步確認時產生之收益或虧損及其後公平值變動減生物資產之銷售成本乃於其產生期間內在綜合收益表確認。於農產品作為林產品銷售時，賬面值乃撥至綜合收益表內之銷售成本。

非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(生物資產、金融資產以及分類為持作出售之出售組別除外)，則會估計資產之可收回金額。資產之可收回金額按資產或現金產生單位之使用價值及其公平值減銷售成本(以較高者為準)計算，並就個別資產而釐定，除非有關資產不能在很大程度上獨立於其他資產或資產組別產生現金流入，在此情況下，可收回金額就資產所屬之現金產生單位而釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Impairment of non-financial assets *(Continued)*

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the consolidated income statement in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated income statement in the period in which it arises.

Property, plant and equipment

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

4. 主要會計政策 *(續)*

非金融資產減值 *(續)*

倘資產之賬面值高於其可收回金額，方會確認減值虧損。在評估使用價值時，估計之未來現金流量乃按稅前折現率折現至其現值，而稅前折現率乃反映現行市場就金錢時間價值及資產特定風險之評估。減值虧損將自其產生期間於綜合收益表之與減值資產相應之開支類別中扣除。

在各報告期終均會評估有否於任何過往已確認之減值虧損可能不再存在或可能減少之跡象。倘出現該等跡象，則會估計可收回金額。僅當用以釐定資產可收回金額之估計出現變動時，方會將以往確認之資產減值虧損撥回，但有關價值並不可高於在過往年度並無就該資產確認任何減值虧損的情況下該資產本來釐定之賬面值（扣除任何折舊／攤銷）。該等減值虧損撥回將於產生期間計入綜合收益表內。

物業、廠房及設備

就生產或供應貨品及服務或就行政目的而持有之物業、廠房及設備（租賃土地及樓宇以及在建工程除外）按成本減其後之累計折舊及累計減值虧損列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註



4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Leasehold land and buildings held for use in the production or supply of goods or services, or for administrative purpose, are stated in the consolidated statement of financial position at their revalue amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and any subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value. Increases in valuation are credited to the property revaluation reserve. Decreases in valuation are first offset against increases on earlier valuations in respect of the same property and are thereafter charged to the consolidated statement of comprehensive income. Any subsequent increases are credited to the consolidated statement of comprehensive income up to the amount previously charged and thereafter to property revaluation reserve.

Property, plant and equipment are depreciated at rates sufficient to write off their costs net of expected residual values over their estimated useful lives on a straight-line basis. The useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period. The principal annual rates are as follows:

Leasehold land and buildings	—	The shorter of the lease terms or 50 years
Leasehold improvements, furniture, fixtures, equipment and motor vehicles	—	5% ~ 20%

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

4. 主要會計政策 (續)

物業、廠房及設備 (續)

就生產或供應貨品或服務或就行政目的而持有之租賃土地及樓宇按其重估金額(即於估值日期之公平值減其後任何累計折舊及其後任何累計減值虧損)於綜合財務狀況報表列賬。為使賬面值不會與使用公平值釐定者有重大差別,須定期進行足夠次數之重估。估值之增加記入物業重估儲備,估值之減少則先以同一物業早前之估值增加作抵銷,之後才列入綜合全面收入報表。其後任何增值均須先記入綜合全面收入報表,直至抵銷早前列入收益表之數額後,才記入物業重估儲備。

物業、廠房及設備以直線法於估計可用年期內,按足以撇銷其成本(扣除預計剩餘價值後)之比率折舊。於各報告期終均會檢討可用年期及剩餘價值並予以調整(如適用)。主要年度折舊率如下:

租賃土地及樓宇	—	租賃期間或50年 (以較早者為準)
租賃物業裝修、傢俬、固定附着物、設備及汽車	—	5% ~ 20%

其後產生之成本,只有在有關項目未來可能帶給集團經濟效益,而項目之成本又能夠可靠計算時,方列作相關資產之賬面值或確認為另一項資產(如適用)。所有其他維修保養成本即期列入綜合收益表扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Property, plant and equipment *(Continued)*

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

All non-qualifying expenditures and expenses incurred on other non-qualifying development activities are charged as expenses to the consolidated income statement in the year in which such expenses are incurred.

Upon disposal of leasehold buildings, the relevant portion of the revaluation reserve realised in respect of previous valuations is released from the property revaluation reserve to retained profits.

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

Construction in progress

Construction in progress represents property, plant and equipment under construction and pending installation and is stated at cost less accumulated impairment losses, if any. Cost includes the costs of construction of buildings, the cost of plant and machinery and interest charges arising from borrowings used to finance these assets during the year of construction or installation and testing, if any. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and are available for intended use. When the assets concerned are brought into use, the costs are transferred to property, plant and equipment and depreciated in accordance with the policy as stated in the preceding paragraphs.

4. 主要會計政策(續)

物業、廠房及設備(續)

若資產賬面值高於其估計可收回價值，將立即調減至可收回價值。

其他不合資格開支和不合資格發展活動所產生之開支即期悉數撥入綜合收益表中列作開支。

出售租賃樓宇時，重估儲備中因先前估值而變現之相關部分，須從物業重估儲備轉撥保留溢利。

當預期繼續使用物業、廠房及設備項目不會產生任何未來經濟利益時，便終止確認該項資產。終止確認資產所產生之任何收益或虧損(按出售所得款項淨額與該項目之賬面值間之差額計算)於終止確認項目之年度計入綜合收益表。

在建工程

在建工程指在建及未安裝之物業、廠房及設備，按成本減累計減值虧損(如有)入賬。成本包括所產生之建造開支、廠房及機器成本及建造或安裝及測試年度用於就該等資產提供資金而借貸資金所產生之利息費用(如有)。於有關資產完成並投入使用前，不會就在建工程作出折舊撥備。於有關資產投入使用時，成本轉撥至物業、廠房及設備，並根據上段所列政策計提折舊。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Convertible notes

Convertible notes issued by the Company that contain both the liability and conversion option are classified separately into respective items on initial recognition. Conversion option that will be settled 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 classified as an equity instrument. At the date of issue, the liability component is recognised at fair value.

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method.

The equity component, represented the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes equity reserve until the embedded conversion option is exercised in which case the balance stated in convertible notes equity reserve will be transferred to share premium. Where the option remains unexercised at the expiry date, the balance stated in convertible notes equity reserve will be released to the retained profits. No gain or loss is recognised in consolidated income statement upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and amortised over the period of the convertible notes using the effective interest method.

4. 主要會計政策 (續)

可換股票據

公司發行之可換股票據包含負債及購股權，於最初確認時劃分為個別單獨的項目。以定額現金或其他金融資產交換公司自身的固定數目的股本工具的方式結算的購股權，劃分為股本工具。於發行日期，負債部份按公平值確認。

於後續期間，可換股票據的負債部份將按攤銷成本用實際利息法列賬。

權益部份指可將負債部份兌換成公司普通股之購股權，將保留於可換股票據股本儲備，直至附帶內在之購股權獲行使為止（在此情況下，可換股票據股本儲備之結餘將撥至股份溢價）。倘購股權於到期日尚未獲行使，可換股票據權益儲備之結餘將撥至保留盈利。購股權兌換或到期時將不會於綜合收益表中確認任何收益或虧損。

有關發行可換股票據的交易成本將按所得款項總額的分配比例分配到負債及權益部份。有關權益部份之交易成本直接自權益中扣除。與負債部份有關的交易成本計入負債部份的賬面值，並採用實際利息法於可換股票據期間攤銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when an entity of the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value, plus transaction costs those are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss), as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated income statement.

(i) Financial assets

The Group's financial assets are loans and receivable and financial assets designated at fair value through profit or loss. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policy adopted is set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, prepayments, deposits and other receivables and cash and cash equivalents) 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).

4. 主要會計政策(續)

金融工具

當集團實體成為金融工具合約條文之訂約方時，金融資產及金融負債於綜合財務狀況報表確認。金融資產及金融負債初步乃按公平值加初步確認購入或發行金融資產及金融負債(不包括按公平值計入損益之金融資產及金融負債)直接應佔之交易成本(如適用)計量。購入按公平值計入損益之金融資產及金融負債直接應佔之交易成本即時於綜合收益表確認。

(i) 金融資產

集團之金融資產分為貸款和應收款項，以及指定作按公平值計入損益之金融資產。所有以正規途徑購買或銷售之金融資產乃按交易日期基準確認及終止確認。正規途徑購買或銷售乃要求於市場法規或慣例所確定之時間框架內交付資產之金融資產購買或銷售。所採納之會計政策載於下文。

貸款及應收款項

貸款及應收款項乃非衍生性質之金融資產，附帶固定或可計算之付款，但並不存在活躍市場之報價。於初步確認後，貸款及應收款項(包括應收貿易賬項、預付款項、訂金及其他應收款項以及現金及現金等值項目)按攤銷成本用實際利息法減任何已識別減值虧損列賬(見下文金融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



4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

(i) Financial assets (Continued)

Financial assets designated at fair value through profit or loss

Financial assets classified in this category are held for trading or are designated by management on initial recognition when the following criteria are met:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis;
- the assets and liabilities are part of a group of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- the financial instrument contains an embedded derivative, unless the embedded derivative does significantly modify the cash flows or it is clear, with little or no analysis, that it would not be separately recorded.

Financial assets and financial liabilities at fair value through profit or loss are recorded in the consolidated statement of financial position at fair value. Changes in fair value are recorded in "Net gain or loss on financial assets designated at fair value through profit or loss". Interest earned or incurred is accrued in interest income or expense, respectively, according to the terms of the contract, while dividend income is recorded in "Other operating income" when the right to the payment has been established.

4. 主要會計政策 (續)

金融工具 (續)

(i) 金融資產 (續)

指定按公平值計入損益之金融資產

在達成以下條件的情況下，管理層將於初步確認時指定列作持作買賣或本類的金融資產：

- 所作指定將抵銷或明顯減少因不同基準產生的資產或負債衡量或損益確認所導致的不一致處理；
- 該等資產及負債為金融資產、金融負債或兩者之其中部份並共同管理，且其業績根據已存檔的風險管理或投資策略以公平值衡量；或
- 該金融工具包含嵌入式衍生工具，除非該嵌入式衍生工具會大幅改變現金流量或在進行詳細分析前已十分明確兩者不會分別列賬則除外。

按公平值計入損益的金融資產及金融負債乃以公平值在綜合財務狀況表內列賬。公平值變動會於「按公平值計入損益之金融資產的淨收益或虧損」項目中確認。賺取或產生的利息會根據合約條款分別自利息收入或開支中產生，而於已確認付款權利後，股息收入會於「其他經營收入」中列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

(i) Financial assets (Continued)

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.

Impairment of financial assets

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

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

4. 主要會計政策(續)

金融工具(續)

(i) 金融資產(續)

實際利息法

實際利息法乃計算金融資產之攤銷成本及分攤相關期間之利息收入之方法。實際利率乃按金融資產之預計可用年期或適用之較短期間內就初步確認時之賬面淨值確切貼現估計未來現金收入(包括構成實際利率不可或缺部份已付或已收之一切費用、交易成本及其他溢價及貼現)之利率。

利息收入乃按債務工具之實際利息基準確認。

金融資產之減值

金融資產於報告期終進行評估作減值指標。倘有客觀證據顯示金融資產因一項或多項於初步確認後發生之事件而出現減值，投資之估計未來現金流量已受到影響。

與所有金融資產(貿易及其他應收款項除外)有關之減值虧損會直接於金融資產之賬面值中作出扣減，其賬面值會透過撥備賬作出扣減。當貿易及其他應收款項被視為不可收回時，其將於撥備賬內撇銷。於其後重新收取之先前撇銷之款項將計入撥備賬內。撥備賬內之賬面值變動會於綜合收益表中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註



4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

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

(ii) Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Other financial liabilities

Other financial liabilities including trade payables, other payables and accruals and convertible notes interest payable are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

4. 主要會計政策 (續)

金融工具 (續)

(i) 金融資產 (續)

金融資產之減值 (續)

就以攤銷成本計量之金融資產而言，倘於後續期間減值虧損之數額減少，而此項減少可客觀地與確認減值後之某一事件發生聯繫，則先前確認之減值虧損於損益中予以撥回，惟於撥回減值當日之資產賬面值不得超逾假設未確認減值時之攤銷成本。

(ii) 金融負債及股本

集團實體發行之金融負債及股本工具乃根據合同安排之性質與金融負債及股本工具之定義分類。

股本工具乃證明集團於扣減所有負債後之資產中擁有剩餘權益之任何合同。有關金融負債及股本工具所採納之會計政策詳情載於下文。

其他金融負債

包括應付貿易賬項、其他應付款項及應計款項及應付可換股票據利息之其他金融負債初步按公平值計量，其後採用實際利息法按攤銷成本計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

(ii) Financial liabilities and equity (Continued)

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Equity instruments

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

(iii) Derecognition

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

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

4. 主要會計政策(續)

金融工具(續)

(ii) 金融負債及股本(續)

實際利息法

實際利息法乃為計算金融負債之攤銷成本及按相關期間攤分利息開支之方法。實際利率乃可準確將預計年期或在較短期間(如適用)內金融負債產生之未來現金支出折算為現值之利率。

利息開支乃按實際利息基準確認。

股本工具

公司所發行股本工具於扣除直接發行成本後按已收所得款項記錄。

(iii) 終止確認

當從資產收取現金流量之權利屆滿或金融資產獲轉讓時，以及集團已轉讓金融資產擁有權之絕大部份風險及回報，則會終止確認金融資產。於終止確認金融資產時，資產賬面值與已直接於權益確認已收及應收代價以及累計收益或虧損之總和間之差額於綜合收益表確認。

當相關合約特定之責任獲解除、註銷或屆滿時，則金融負債會終止確認。已終止確認金融負債之賬面值與已付代價間之差額於綜合收益表確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註



4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the consolidated income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the consolidated income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

4. 主要會計政策 (續)

租賃

凡將資產所有權(法定所有權除外)之絕大部份回報及風險轉讓予集團之租賃，均列為融資租賃。於融資租賃訂立時，租賃資產成本按最低租金付款之現值資本化，並連同債項(不包括利息部份)列賬，以反映購買及融資事項。按資本化融資租賃持有之資產(包括融資租賃之預付土地租賃款)乃計入物業、廠房及設備，且按資產之租期及估計可用年期(以較短者為準)折舊。有關租賃之財務成本於收益表扣除，以在租期內反映一致之定期費用率。

透過融資性質之租購合約購入之資產均列為融資租賃，但按其估計可用年期折舊。

凡資產所有權之絕大部份回報及風險仍歸屬於出租人之租賃，均列為經營租賃。如集團為出租人，集團按經營租賃租用的資產計入非流動資產，而按經營租賃應收之租金按租期以直線法計入綜合收益表。如集團為承租人，按經營租賃應付之租金(扣除出租人給予之任何優惠)按租期以直線法於綜合收益表扣除。

經營租賃之預付土地租賃款初步按成本列賬，其後按租期以直線法確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Employee benefits

(i) Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries operating in the PRC are required to participate in a central pension scheme (the “Central Scheme”) operated by the local municipal government in the PRC. The respective local municipal government in the PRC undertakes to assume the retirement benefits obligations of all existing and future retired staff of these subsidiaries. The only obligation of these subsidiaries with respect to the Central Scheme is to meet the required contributions under the Central Scheme. The contributions are charged to the consolidated income statement as they become payable in accordance with the rules of the Central Scheme.

(ii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

4. 主要會計政策(續)

僱員福利

(i) 退休福利計劃

根據強制性公積金計劃條例，集團為所有合資格參與強積金計劃之僱員設立定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃按僱員基本薪金之百分比計算，並於根據強積金計劃之規定須作出供款時計入綜合收益表內。強積金計劃之資產以獨立管理基金形式持有，與集團之資產分開。集團就強積金計劃支付之僱主供款全部歸僱員所有。

集團於中國經營之附屬公司旗下僱員須參與由中國地方市政府管理之中央退休金計劃(「中央計劃」)。中國之各別地方市政府承諾會承擔該等附屬公司所有現時及日後退休員工之退休福利責任。該等附屬公司於中央計劃中之唯一責任乃根據中央計劃提供所需供款。有關供款會於根據中央計劃之規定須作出供款時自綜合收益表扣除。

(ii) 終止福利

只有當集團顯示其承諾終止僱用或透過沒有機會撤回之詳細並正式之自願離職計劃所提供之福利時，該終止福利方被確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

(iii) Employee entitlements

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

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

Share-based payments

Equity-settled-share based payment transactions

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated income statement on a straight-line basis over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at the end of each reporting period so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated income statement over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated income statement is charged with the fair value of goods and services received.

4. 主要會計政策 (續)

僱員福利 (續)

(iii) 僱員權益

僱員應享年假及長期服務金乃於應計予僱員時確認，並就截至報告期終因僱員所提供服務而產生之估計年假及長期服務金負債作出撥備。

僱員應享病假及分娩或陪產假僅於支取假期時始予確認。

以股份為基礎之付款

權益結算以股份為基礎付款之交易

倘僱員獲授購股權，則購股權之公平值乃於授出日期以直線法於歸屬期自綜合收益表扣除。倘出現非市場歸屬情況，則會考慮調整於各報告期終預期將予歸屬之股本工具數目，因此按歸屬期確認之累計金額乃根據最終歸屬之購股權數目計算。市場歸屬情況已計入所授出購股權之公平值。只要所有其他歸屬情況獲達成，則不論是否達致市場歸屬情況均會作出扣除。倘未能達致市場歸屬情況，累計開支不會作出調整。

倘購股權之條款及條件於歸屬前獲修訂，購股權之公平值於緊接修訂前及緊隨修訂後之增加亦按剩餘歸屬年期自綜合收益表扣除。

倘股本工具乃授予非僱員之人士，則按所取得貨品及服務之公平值自綜合收益表扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Revenue recognition

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

Revenue from sales of goods is recognised in the consolidated income statement when goods are delivered and title has passed or when the significant risks and rewards of ownership have been transferred to the buyer.

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

Dividend income is recognised when the shareholders' rights to receive payment is established.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

4. 主要會計政策(續)

收益確認

收益乃按已收或應收代價之公平值計量，指於日常業務過程中提供貨品及服務應收之款項(已扣除折扣及銷售相關稅項)。

銷貨收入於貨品交付及擁有權轉移後或於擁有權之絕大部份風險及回報已轉讓予買方時於綜合收益表確認。

利息收入按時間比例根據未償還本金額及適用實際利率計算入賬。實際利率乃指將金融資產預計年期之估計未來現金收入準確地折算至其賬面淨值之比率。

股息收入於股東收取付款之權利獲確立時確認。

經營租賃之租金收入於有關租期內按直線法確認。

撥備及或然負債

如集團因過往事件產生法定或推定責任而出現時間或金額未確定之負債，並可合理估計將可能導致經濟利益流出時，即會確認撥備。

如有關債務可能不會導致經濟利益流出，或未能可靠地估計金額，則有關債務會披露為或然負債，除非經濟利益流出之可能性很低。純粹視乎日後有否出現一個或多個情況而可能產生之債務，亦披露為或然負債，除非經濟利益流出之可能性很低。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Income taxes

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in consolidated income statement except to the extent that they relate to items recognised in other comprehensive income or directly in equity. In this case they are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

4. 主要會計政策 (續)

所得稅

本年度所得稅包括即期稅項及遞延稅項資產及負債之變動。即期稅項及遞延稅項資產及負債之變動均在綜合收益表內確認，惟如某部份之即期稅項及遞延稅項資產及負債之變動與直接於其他全面收入及權益中確認之項目有關，則該部份須分別於其他全面收入及權益中確認。

即期稅項是按本年度應課稅收入，以於報告期終採用或主要採用之稅率計算之預期應繳稅項，及任何有關以往年度應繳稅項之調整。

遞延稅項資產及負債分別由資產及負債按財務報表之賬面值及課稅值兩者之可予扣減及應課稅之暫時性差異所產生。遞延稅項資產亦可由未經使用之稅務虧損及未經使用之稅項優惠所產生。

除了若干有限之例外情況外，所有遞延稅項負債，及所有遞延稅項資產（僅限於將來很可能取得應課稅盈利而令該項資產得以運用之部份）均予確認。容許確認由可予扣減暫時性差異所產生之遞延稅項資產之未來應課稅盈利包括其將由目前之應課稅暫時性差異回撥之部份，而此等應課稅暫時性差異應由同一稅務當局向同一應課稅單位徵收，並預期在可予扣減暫時性差異預期回撥之同一期間內回撥或在由遞延稅項資產產生之稅務虧損能轉回或轉入之期間內回撥。在評定目前之應課稅暫時性差異是否容許確認由未經使用之稅務虧損及優惠所產生之遞延稅項資產時採用上述相同之標準，即該等暫時性差異由同一稅務當局向同一應課稅單位徵收，並預期在稅務虧損或優惠能應用之期間內回撥方計算在內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Income taxes *(Continued)*

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

4. 主要會計政策 *(續)*

所得稅 *(續)*

該等確認遞延稅項資產及負債之有限例外情況，包括不可在稅務方面獲得扣減之商譽所引致之暫時性差異、首次確認但並不影響會計盈利及應課稅盈利之資產或負債（惟其不可為業務合併之部份）、以及有關於附屬公司之投資所引致之暫時性差異，如為應課稅差異，則集團控制回撥期限及該差異於可預見未來將可能不會回撥；或如為可予扣減差異，則只限於可能在未來回撥之差異。

應確認之遞延稅項數額是按照資產及負債賬面值之預期變現或清償方式，以報告期終採用或主要採用之稅率計算。遞延稅項資產及負債均無作貼現計算。

集團會在各報告期終評估遞延稅項資產之賬面值。如果不再可能取得足夠之應課稅盈利以運用有關之稅務利益，賬面金額則予以調低。如日後可能取得足夠之應課稅盈利時，任何已扣減金額則予以撥回。

分派股息所產生之額外所得稅在支付有關股息之責任確認時予以確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Income taxes (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- In the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

Foreign currency

Transactions entered into by the Group entities in a currency other than the currency of the primary economic environment in which it operates (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of the reporting period. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are similarly recognised immediately in the consolidated statement of comprehensive income, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation.

4. 主要會計政策 (續)

所得稅 (續)

即期稅項及遞延稅項結餘及其變動，乃各自分開列示及並無相互抵銷。若公司或集團在法律上擁有抵銷即期稅項資產及即期稅項負債之行使權利及符合下列額外條件，則即期稅項資產可抵銷即期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 若為即期稅項資產及負債：公司或集團計劃以淨額清償，或計劃同時變現資產和清償負債；或
- 若為遞延稅項資產及負債：如其與同一稅務當局向下述者徵收之所得稅有關：
 - 同一應課稅單位；或
 - 如為不同之應課稅單位，預期在未來每一個期間將清償或追償顯著數目之遞延稅項負債或資產及計劃以淨額基準清償即期稅項資產及即期稅項負債或計劃同時變現即期稅項資產及清償即期稅項負債。

外幣

集團實體以所經營之主要經濟環境之貨幣（「功能貨幣」）以外之其他貨幣訂立之交易，則按進行交易時之匯率記錄。外幣貨幣資產及負債於報告期終按匯率換算。因重新換算未償付貨幣資產及負債所產生之匯兌差額一般會即時於綜合全面收入報表確認，除非外幣借貸合資格被列作對沖海外業務投資淨額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency (Continued)

Change in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences are recognised in the consolidated statement of comprehensive income.

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

On consolidation, the results of overseas operations are translated into Hong Kong dollars at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the rate ruling at the end of the reporting period. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised directly in consolidated statement of comprehensive income and accumulated in equity. Exchange differences recognised in the consolidated statement of comprehensive income of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the overseas operation concerned are reclassified to the foreign currency translation reserve if the item is denominated in the functional currency of the Group or the overseas operation concerned.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign currency translation reserve relating to that operation up to the date of disposal are transferred to the consolidated statement of comprehensive income as part of the profit or loss on disposal.

4. 主要會計政策(續)

所得稅(續)

以外幣為單位及被分類為可供出售證券之貨幣證券公平值轉變將在其證券攤銷成本轉變衍生之匯兌差額及其他證券賬面值轉變之間分配。匯兌差額會在綜合全面收入報表中確認。

非貨幣金融資產及負債之匯兌差額呈報為公平值收益或虧損之一部份。非貨幣金融資產及負債(例如按公平值計入損益之權益)之匯兌差額將於綜合收益表中確認為公平值收益或虧損一部份。非貨幣金融資產(例如分類為可供出售之權益)之匯兌差額在權益之公平值儲備內列賬。

於綜合賬目時，海外業務之業績乃按交易進行之概約匯率換算為港元。海外業務之所有資產及負債(包括因收購該等業務而產生之商譽)按報告期終之匯率換算。按開盤匯價換算之期初資產淨值與按實際匯率計算海外業務之業績之匯兌差額乃直接於綜合全面收入報表中確認，並於權益中累計。倘項目乃以集團或海外業務之功能貨幣計值，則於集團實體之獨立財務報表中就換算組成集團海外業務投資淨額部份之長期貨幣項目而於綜合全面收入報表確認之匯兌差額重新分類為匯兌儲備。

於出售海外業務時，有關該業務於匯兌儲備中直至出售日期為止所確認之累計匯兌差額乃轉撥至綜合全面收入報表列作出售之損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註



4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred.

Related parties

A party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group; or
- (vii) close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

4. 主要會計政策 (續)

借貸成本

所有借貸成本均在產生之期間支銷。

關連人士

倘任何人士符合以下條件，則視為集團之關連人士：

- (i) 該名人士能直接或間接透過一間或多間中介機構控制集團，或於集團作出財務及經營決策時能對集團行使重大影響力，或能與他人共同控制集團；
- (ii) 集團及該名人士受到共同控制；
- (iii) 該名人士為集團之聯營公司或該名人士為合資公司而集團為合資方；
- (iv) 該名人士為集團或集團母公司之主要管理人員或該人員之近親，或受該等人士控制、共同控制或重大影響之實體；
- (v) 該名人士為第(i)項所指的人士的近親，或該個人所控制、共同控制或受其重大影響之實體；
- (vi) 該名人士乃為集團或屬集團關連人士之任何實體之僱員福利而設之離職後福利計劃；或
- (vii) 任何個別人士之近親為與該實體交易時預期可能影響該個別人士或受該個別人士影響之家庭成員。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

In the process of applying the Group's accounting policies which are described in note 4, management has made the following judgments that have significant effect on the amounts recognised in the consolidated financial statements. The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also discussed below.

4. 主要會計政策(續)

分類呈報

於財務報表中呈報之經營分類及各分類項目之金額乃自財務資料中確認，該財務資料定期向集團最高行政管理層提供，以向集團各業務及地區分配資源及作出業績評估。

就財務呈報目的而言，除非分類具備相似的經濟特徵及在產品及服務性質、生產工序性質、客戶類型或類別、用作分配產品或提供服務之方法及監管環境之性質相似，否則個別重大經營分類不會合併計算。若個別非重大經營分類符合上述大部份標準，則可合併計算。

5. 主要會計判斷及估計

於應用集團之會計政策(如附註4所述)時，管理層作出下列對於綜合財務報表中已確認之數額產生重大影響之判斷。涉及日後之主要假設及於報告期終估計不確定性之其他主要來源(彼等均擁有導致下個財政年度之資產及負債之賬面值出現大幅調整之重大風險)亦討論如下。

Notes to the Consolidated Financial Statements

綜合財務報表附註



5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

(Continued)

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual value. The company assesses annually the residual value and the useful lives of the property, plant and equipment and if the expectation differs from the original estimates, such differences from the original estimates will affect the depreciation charges in the year in which the estimates change.

Impairment loss recognised in respect of trade and other receivables

The policy for impairment loss recognised in respect of trade and other receivables of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in impairment of their ability to make payments, additional impairment loss may be required.

5. 主要會計判斷及估計 (續)

非金融資產減值

集團於各報告期評估是否有任何跡象顯示所有非金融資產已減值。非金融資產則於有跡象顯示可能無法收回賬面值時進行減值測試。當資產或現金產生單位之賬面值高於其可收回金額(即資產公平值減出售成本與其使用價值兩者之較高者)時便存在減值。公平值減出售成本根據類似資產之公平且具約束力之銷售交易之可得數據或可觀察市價減出售資產之遞增成本計算。計算使用價值時，管理層必須估計該資產或現金產生單位之預計未來現金流量，並選擇適合之折現率以計算該等現金流量之現值。

物業、廠房及設備之折舊

物業、廠房及設備於考慮估計剩餘價值後按直線法於其估計可用年期內計提折舊。公司每年評估物業、廠房及設備之剩餘價值及可用年期，倘預期偏離原先估計，則與原先估計之差異將影響估計改變年度之折舊費用。

就貿易及其他應收款項確認之減值虧損

集團就貿易及其他應收款項確認之減值虧損之政策以評估可收回性及賬目之賬齡分析及管理層之判斷為基準。評估此等應收款項之最終變現需要使用一定程度之判斷，包括各客戶之目前信譽及過往收回款項之記錄。倘集團客戶之財務狀況變差，導致其支付能力出現減弱，則可能須作出額外之減值虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

(Continued)

Impairment loss recognised in respect of trade and other receivables (Continued)

During the year ended 31 December 2012, the Group has made an impairment loss of HK\$88,783 on trade and other receivables.

Valuation of share options granted

The fair value of share options granted was calculated using the Black-Scholes valuation model which requires the management's estimates and assumptions on significant calculation inputs, including the estimated life of share options granted, the volatility of share price and expected dividend yield. Change in the subjective input assumptions could materially affect the fair value estimate.

Fair values of biological assets

Management estimates at the end of the reporting period fair values less costs to sell of biological assets of paper mulberry trees and pine trees with reference to market prices and professional valuations. Management considers that there are presently an absence of effective financial instruments for hedging against the pricing risks with the underlying agricultural produce. Un-anticipated volatile changes in market prices of the underlying agricultural produce could significantly affect the fair values of these biological assets and result in fair value remeasurement losses in future accounting periods.

6. SEGMENT INFORMATION

(a) Operating segment information

From the perspective of the Group's senior management, it is considered that assessment of operating performance is focused on the Group as a whole for the purposes of resource allocation and performance assessment. Therefore management considers the Group has one reporting segment i.e. the integrated timber business.

5. 主要會計判斷及估計 (續)

就貿易及其他應收款項確認之減值虧損 (續)

截至二零一二年十二月三十一日止年度，集團之應收貿易賬項及其他應收款項錄得減值虧損88,783港元。

已授出購股權之估值

已授出購股權之公平值乃採用「柏力克－舒爾斯」估值模式計算，該模式要求管理層對重大計算輸入數值作出估計及假設，包括已授出購股權之估計年期、股價波幅及預計股息率。倘主觀輸入數值假設有任何改變，可能對公平值估計造成重大影響。

生物資產之公平值

管理層乃參考市價及專業估值於報告期終估計紙桑樹及松樹之生物資產之公平值減銷售成本。管理層認為，現時缺乏有效之金融工具對沖有關農產品之價格風險。有關農產品市價之未能預測波動對該等生物資產之公平值造成重大影響，致使於日後會計期間出現公平值重新計量虧損。

6. 分類資料

(a) 經營分類資料

集團高級管理層認為，就分配資源及評估表現而言，評估經營表現時應著重於集團作為一個整體。因此，管理層認為集團擁有一個呈報分類，即綜合林木業務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. SEGMENT INFORMATION (Continued)

(a) Operating segment information

(Continued)

Reconciliation of segment information to the information presented in the consolidated financial statements is as follows:

		Logging and trading of timbers 木材採伐及買賣		Sale of coal and related products 銷售煤炭及相關產品		Consolidated 綜合	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Revenue from external customers	來自外部客戶之收益	8,217	49,550	112,080	—	120,297	49,550
Reportable segment results	可呈報分類業績	(98,111)	(660,782)	(61,951)	—	(160,062)	(660,782)
Unallocated operating income and expenses	未分配經營收入及開支					11,957	—
Loss from operations	經營虧損					(148,105)	(660,782)
Finance costs	財務成本	(1,591)	(450)	—	—	(1,591)	(450)
Loss before taxation	除稅前虧損					(149,696)	(661,232)
Income tax	所得稅					—	—
Loss for the year	本年度虧損					(149,696)	(661,232)
Depreciation	折舊	2,879	2,744	2	—	2,881	2,744
Impairment loss on trade receivables	應收貿易賬項之減值虧損	—	30	2,597	—	2,597	30
Impairment loss on other receivables	其他應收款項之減值虧損	27,609	9,769	58,577	—	86,186	9,769
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	11,040	—	—	—	11,040	—
Fair value loss on equity investments at fair value through profit or loss	按公平值計入損益之股本投資公平值虧損	(1,990)	(5,243)	—	—	(1,990)	(5,243)
Gain/(Loss) arising from changes in fair value less costs to sell of biological asset	公平值變動產生之收益/(虧損)減出售生物資產之成本	62,073	(576,335)	—	—	62,073	(576,335)
Total assets	資產總值	3,633,590	3,505,248	68,588	—	3,702,178	3,505,248
Total liabilities	負債總額	62,857	43,254	126,632	—	189,489	43,254
Capital expenditure	資本開支	199	16,155	3	—	202	16,155

6. 分類資料(續)

(a) 經營分類資料(續)

分類資料與綜合財務報表所載資料之對賬呈列如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. SEGMENT INFORMATION (Continued)

(b) Geographical information

No geographical information is shown as the revenue from external customers and non-current assets from continuing operations of the Group are substantially derived from activities or located in the PRC.

(c) Information about major customers

Included in revenues arising from trading of coal and related products are revenues of approximately HK\$112,080,000 (2011: HK\$46,858,000 — derived from the revenue of the integrated timber business) which arose from sales to the Group's largest customer.

7. REVENUE

An analysis of revenue is as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Income from logging and trading of timber and related products	木材採伐及買賣以及銷售相關產品之收入	8,217	49,550
Income from trading of coal and related products	買賣煤炭及相關產品之收入	112,080	—
		120,297	49,550

8. OTHER INCOME

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interest on bank deposits	銀行存款之利息	1	113
Loan interest	貸款之利息	918	—
Rental income	租金收入	103	—
Sundry income	雜項收入	459	544
		1,481	657

6. 分類資料 (續)

(b) 地區資料

由於集團來自外部客戶之收益及來自持續經營業務之非流動資產大部份來自中國或位於中國之業務，故並無呈列地區資料。

(c) 主要客戶資料

來自買賣煤炭及相關產品之收益包括向集團最大客戶銷售產生之收益約112,080,000港元(二零一一年：46,858,000港元 — 來自綜合林木業務之收益)。

7. 收益

收益分析載列如下：

8. 其他收入

Notes to the Consolidated Financial Statements

綜合財務報表附註



9. OTHER GAINS AND LOSSES

9. 其他收益及虧損

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
(Loss)/Gain arising from changes in fair value less costs to sell of biological assets	生物資產之公平值變動減銷售成本產生之(虧損)/收益	62,073	(576,335)
Reversal of impairment losses on prepaid land lease payments	撥回預付土地租賃款減值虧損	—	12,286
Fair value loss in equity investments at fair value through profit or loss, net	按公平值計入損益之股本投資公平值虧損，淨額	(1,990)	(5,243)
Impairment on trade receivables	應收貿易賬項減值	(2,597)	—
Impairment on other receivables	其他應收款項減值	(86,186)	—
Impairment on construction in progress	在建工程減值	(11,040)	—
Gain on disposal of equity investments at fair value through profit or loss, net	出售按公平值計入損益之股本投資收益，淨額	—	375
others	其他	446	—
		(39,294)	(568,917)

10. FINANCE COSTS

10. 財務成本

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Interest on:	以下項目之利息：		
Convertible notes	可換股票據	227	433
Other borrowing	其他借貸	1,364	17
		1,591	450

Notes to the Consolidated Financial Statements

綜合財務報表附註

11. (LOSS)/PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

11. 除稅前(虧損)/溢利

集團之除稅前溢利已扣除/(計入):

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Cost of inventories sold	已售存貨之成本	116,386	41,157
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	2,881	2,744
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	1,591	1,561
Lease payments under operating leases for	經營租賃之租金付款		
— Leasehold land and buildings	— 租賃土地及樓宇	7,086	10,490
— Motor Vehicles	— 汽車	97	92
Auditors' remuneration	核數師酬金		
Current year	本年度	660	660
Employee benefit expense (excluding directors' remuneration — note 12)	僱員福利開支(不包括 董事酬金 — 附註 12)		
— Wages and salaries and other benefits	— 工資及薪金及其他福利	10,325	8,728
— Retirement benefits scheme contributions	— 退休福利計劃供款	1,178	388
— Share-based payments	— 以股份為基礎之付款	—	—
		11,503	9,116
Other share-based payments	其他以股份為基礎之付款	71,600	9,970
Impairment loss on other receivables	其他應付款項減值虧損	2,597	30
Impairment loss on trade receivables	應收貿易賬項之減值虧損	86,186	9,769
Impairment loss on construction in progress	在建工程減值虧損	11,040	—
Exchange losses/(gains), net	匯兌虧損/(收益), 淨額	(42)	898

Notes to the Consolidated Financial Statements

綜合財務報表附註



12. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and section 161 of the Hong Kong Companies Ordinance, is as follows:

12. 董事酬金

根據上市規則及香港公司條例第 161 條披露之本年度董事酬金如下：

		Group	
		集團	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
Fees	袍金	—	—
Other emoluments	其他酬金		
— Salaries and other benefits	— 薪金及其他福利	3,265	3,496
— Retirement benefits scheme contributions	— 退休福利計劃供款	39	36
— Share-based payments	— 以股份為基礎之付款	—	—
		3,304	3,532
		3,304	3,532

Notes to the Consolidated Financial Statements

綜合財務報表附註

12. DIRECTORS' REMUNERATION

(Continued)

Details of directors' remuneration for the year ended 31 December 2012 are as follows:

12. 董事酬金 (續)

截至二零一二年十二月三十一日止年度之董事酬金詳情如下：

		Fees	Salaries and other benefits	Retirement benefits scheme contributions	Performance related bonuses	Share-based payments	Total
		袍金	薪金及其他福利	退休福利計劃供款	與表現掛鈎之花紅	以股份為基礎之付款	總計
		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
Executive Directors	執行董事						
Mr. Lee Chi Kong	李志剛先生	—	1,030	14	—	—	1,044
Mr. Jing Bin	景濱先生	—	1,030	14	—	—	1,044
Mr. Wu Tao**	武濤先生**	—	117	—	—	—	117
Mr. Cheng Man For*	鄭文科先生*	—	807	11	—	—	818
		—	2,984	39	—	—	3,023
Independent Non-Executive Directors	獨立非執行董事						
Mr. Cheung Wai Tak	張偉德先生	—	100	—	—	—	100
Mr. Li Xiangjun	李湘軍先生	—	81	—	—	—	81
Mr. Chen Xiaoming	陳小明先生	—	100	—	—	—	100
		—	281	—	—	—	281
Total	總計	—	3,265	39	—	—	3,304

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綜合財務報表附註



12. DIRECTORS' REMUNERATION

(Continued)

Details of directors' remuneration for the year ended 31 December 2011 are as follows:

12. 董事酬金(續)

截至二零一一年十二月三十一日止年度之董事酬金詳情如下：

		Fees	Salaries and other benefits	Retirement benefits scheme contributions	Performance related bonuses	Share-based payments	Total
		袍金	薪金及其他福利	退休福利計劃供款	與表現掛鉤之花紅	以股份為基礎之付款	總計
		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
Executive Directors	執行董事						
Mr. Lee Chi Kong	李志剛先生	—	1,040	12	—	—	1,052
Mr. Jing Bin	景濱先生	—	1,000	12	—	—	1,012
Mr. Cheng Man For	鄭文科先生	—	1,156	12	—	—	1,168
Independent Non-Executive Directors	獨立非執行董事						
Mr. Cheung Wai Tak	張偉德先生	—	100	—	—	—	100
Mr. Li Xiang jun	李湘軍先生	—	100	—	—	—	100
Mr. Chen Xiaoming	陳小明先生	—	100	—	—	—	100
Total	總計	—	3,496	36	—	—	3,532

Note:

* resigned during the relevant year

** appointed during the relevant year

There was no arrangement under which a director waived or agreed to waive any remuneration during 2011 and 2012.

附註：

* 於有關年度辭任

** 於有關年度獲委任

概無董事放棄或同意放棄二零一一年及二零一二年任何酬金之安排。

Notes to the Consolidated Financial Statements

綜合財務報表附註

13. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals during the year included two (2011: three) directors, details of whose emoluments are set out in note 12 above. Details of the remaining three (2011: two) non-directors, highest paid individual, for the year are as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,608	1,430
Retirement benefits scheme contributions	退休福利計劃供款	11	12
		2,619	1,442

The non-directors, highest paid individuals remuneration were all within HK\$ nil to HK\$1,000,000.

During the year, except as disclosed in note 12, no emoluments were paid to the five highest paid individuals (including directors and other employees) as inducement to join or upon joining the Group or as compensation for loss to office (2011: Nil).

14. INCOME TAX EXPENSE

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current tax:	本年度稅項：		
Hong Kong	香港	—	—
The PRC	中國	—	—
		—	—

Hong Kong profits tax is calculated at the rate of 16.5% (2011: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

13. 五位最高薪酬人士

年內，五位最高薪酬人士包括兩位(二零一一年：三位)董事，彼等之酬金詳情已載於附註12。本年度餘下三位(二零一一年：兩位)非董事最高薪酬人士之詳情如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,608	1,430
Retirement benefits scheme contributions	退休福利計劃供款	11	12
		2,619	1,442

非董事最高薪酬人士之酬金均界乎0港元至1,000,000港元之間。

於本年度內，除附註12所披露者外，概無對五位最高薪酬人士(包括董事及其他僱員)支付任何酬金作為加入集團之獎金或離職補償(二零一一年：無)。

14. 所得稅開支

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current tax:	本年度稅項：		
Hong Kong	香港	—	—
The PRC	中國	—	—
		—	—

香港利得稅按本年度於香港產生之估計應課稅溢利按稅率16.5%(二零一一年：16.5%)計算。

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14. INCOME TAX EXPENSE (Continued)

During the year ended 31 December 2012, no Hong Kong profits tax has been provided for as the Group did not generate any taxable profits from Hong Kong (2011: nil).

During the year ended 31 December 2012, taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

The tax expenses for the year can be reconciled to the profit per the consolidated income statement as follows:

14. 所得稅開支(續)

於截至二零一二年十二月三十一日止年度，由於集團於香港並無產生任何應課稅溢利，故並無提撥香港利得稅(二零一一年：無)。

截至二零一二年十二月三十一日止年度，於其他司法權區產生的稅項按其他司法權區之現行稅率計算。根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司之稅率劃一為25%。

本年度稅務開支與溢利於綜合收益表之對賬如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
(Loss)/Profit before tax	除稅前(虧損)/溢利	(149,696)	(661,232)
Tax at Hong Kong profits tax rate of 16.5% (2011: 16.5%)	按香港利得稅稅率 16.5% 繳稅 (二零一一年：16.5%)	(24,700)	(109,103)
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之附屬公司之不同稅率之影響	(5,481)	—
The effect of expenses not deductible for tax purpose	不可扣除開支之稅務影響	7,338	116,022
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	3,089	(10,299)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	19,754	3,380
Income tax expense for the year	本年度所得稅開支	—	—

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綜合財務報表附註

15. DIVIDEND

No dividend was paid or proposed during 2012, nor has any dividend been proposed since the end of the reporting period (2011: Nil).

15. 股息

二零一二年並無派付或擬派股息，而自報告期終以來亦無擬派任何股息（二零一一年：無）。

16. (LOSS)/EARNINGS PER SHARE

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

16. 每股(虧損)/盈利

公司擁有人應佔每股基本及攤薄盈利乃根據下列數據計算：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
<i>Earnings</i> (Loss)/Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	<i>盈利</i> 計算每股基本盈利 所用之(虧損)/盈利 (公司擁有人應佔本年度溢利)	(132,376)	(658,285)
Effect of dilutive potential ordinary shares: Interest on convertible notes	潛在攤薄普通股 之影響： 可換股票據之利息	N/A 不適用	N/A 不適用
Earnings for the purpose of diluted earnings per share	計算每股攤薄盈利所用 之盈利	N/A 不適用	N/A 不適用

Notes to the Consolidated Financial Statements

綜合財務報表附註



16. (LOSS)/EARNINGS PER SHARE

(Continued)

		2012 二零一二年 Number of shares 股份數目	2011 二零一一年 Number of shares 股份數目
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利所用之普通股加權平均數	4,317,026,335	4,035,035,620
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
Share options issued by the Company	公司發行之購股權	N/A 不適用	N/A 不適用
Convertible notes	可換股票據	N/A 不適用	N/A 不適用
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利所用之普通股加權平均數	N/A 不適用	N/A 不適用

16. 每股(虧損)/盈利(續)

17. PREPAID LAND LEASE PAYMENTS

The Group's prepaid land lease payments represent land use rights in the PRC under medium term lease:

17. 預付土地租賃款

集團之預付土地租賃款指根據中期租賃在中國持有的土地使用權：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日	75,274	61,311
Amortisation for the year (Impairment)/Reversal of impairment losses	年內攤銷(減值)/撥回減值虧損	(1,591)	(1,561)
Exchange realignment	匯兌調整	—	12,286
		568	3,238
At 31 December	於十二月三十一日	74,251	75,274
Classified as current portion	分類為即期部份	1,608	1,596
Classified as non-current portion	分類為非即期部份	72,643	73,678

Notes to the Consolidated Financial Statements

綜合財務報表附註

18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Furniture, Fixtures, equipment and Motor vehicle 傢俱、固定附着物、 設備及汽車 HK\$'000 千港元	Construction In progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost:	成本：			
At 1 January 2011	於二零一一年一月一日	4,955	—	4,955
Additions	添置	5,559	10,596	16,155
Disposals	出售	(283)	—	(283)
Exchange realignment	匯兌調整	362	288	650
At 31 December 2011	於二零一一年十二月三十一日	10,593	10,884	21,477
Acquisition of a subsidiary	收購一間附屬公司	573	—	573
Additions	添置	1,686	196	1,882
Disposals	出售	(46)	—	(46)
Exchange realignment	匯兌調整	114	95	254
At 31 December 2012	於二零一二年十二月三十一日	12,920	11,175	24,095
Accumulated depreciation:	累計折舊：			
At 1 January 2011	於二零一一年一月一日	2,682	—	2,682
Provided for the year	年內撥備	2,744	—	2,744
Written back on disposals	於出售時撥回	(187)	—	(187)
Exchange realignment	匯兌調整	210	—	210
At 31 December 2011	於二零一一年十二月三十一日	5,449	—	5,449
Acquisition of a subsidiary	收購一間附屬公司	333	—	333
Provided for the year	年內撥備	2,881	—	2,881
Written back on disposals	於出售時撥回	(14)	—	(14)
Exchange realignment	匯兌調整	77	—	77
At 31 December 2012	於二零一二年十二月三十一日	8,726	—	8,726
Accumulated Impairment:	累計減值：			
At 1 January and 31 December 2011	於二零一一年一月一日及 二零一一年十二月三十一日	—	—	—
Provided for the year	年內撥備	—	11,040	11,040
Exchange realignment	匯兌調整	—	135	135
At 31 December 2012	於二零一二年十二月三十一日	—	11,175	11,175
Net carrying amount:	賬面淨值：			
At 31 December 2012	於二零一二年十二月三十一日	4,194	—	4,194
At 31 December 2011	於二零一一年十二月三十一日	5,144	10,884	16,028

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綜合財務報表附註



19. BIOLOGICAL ASSETS

19. 生物資產

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 January	於一月一日	3,343,400	3,777,057
Direct sales	直接出售	(3,757)	(28,493)
Gain/(loss) arising from changes in fair value less costs to sell of Biological assets	生物資產之公平值 變動減銷售成本產生 之收益／(虧損)	62,073	(576,335)
Exchange realignment	匯兌調整	26,640	171,171
At 31 December	於十二月三十一日	3,428,356	3,343,400

The analysis of fair value of biological assets by location is as follows:

生物資產之公平值按地區分析如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
The PRC	中國		
Hebei	河北	31,587	29,863
Yunan	雲南	3,396,769	3,313,537
		3,428,356	3,343,400

At 31 December 2012 and 2011, the Group's biological assets were valued by an independent valuer, LCH (Asia-Pacific) Surveyors Limited.

於二零一二年及二零一一年十二月三十一日，集團之生物資產乃由獨立估值師利駿行測量師有限公司估值。

Land related to biological assets are separately disclosed and accounted for under prepaid land lease payments.

與生物資產有關之土地乃單獨披露，並計入預付土地租賃款項下。

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綜合財務報表附註

19. BIOLOGICAL ASSETS (Continued)

In valuing the inventory of standing trees, the valuer has considered the three approaches to value with reference to inventory of standing trees as well as the accounting standard, and found that market approach i.e. the market-based comparable method is the most reasonable approach to value. This method uses the present market value in terms of price per unit volume of the final product and the total merchantable volume of timber in the concession as basis for coming up with the estimated value. The underlying theory of this approach is existing market price is dependent parameter since it reflects how much the buyer is willing to pay and how much the seller is willing to give up his goods and services.

In using the market approach the valuer has taken the following into consideration:

- Average diameter and length of round logs being sold in the locality;
- The diameter at breast height and the merchantable height of the standing trees;
- Parameters used in classifying young, mid-aged, near mature and mature trees;
- Species of the standing trees;
- The quantity of timber based on the adjusted inventory provided to us; and
- Cutting cost, transportation cost, forestry fund, and other associated costs necessary to process the standing trees to round logs.

The valuer understands, that it is the intention of the Group to sell the biological assets as i) round logs to sawmills in their respective locality, ii) raw material in its solid and engineered wood factory and iii) process some of the harvested timber to sawn timber in its sawmill. Factors considered in selling harvested timber are location of the forest area, species of timber, volume of timber and requirement of the Group's subsidiaries owned factories. The valuer has assumed in its valuation that the entire inventory will be sold in their respect locality as round logs since the Group's subsidiaries intend to use only a small quantity of the timber for processing in owned factories.

19. 生物資產 (續)

於對現時存活之樹木估值時，估值師曾參考現時存活之樹木之存量及會計準則而考慮三種估值方法，並發現市場估值法（即以市場為基準之比較方式）是此項估值之最合理方法。此估值法乃採用木材之最終產品之每單位數量之現行市值及有關林場內可供出售之木材總數量為計算基準，以計算有關之估計價值。此估值法之基本理論為，現行市價為足以依據之參數，因其反映買方願意付出之價格及賣方就售出及提供貨物及服務而願意收取之價格。

在採用市場估值法時，估值師曾考慮以下各點：

- 在當地出售之圓材之平均圓周及長度；
- 現時存活之樹木之胸高直徑及商用材高；
- 分辨幼樹、半長成樹、接近長成樹及已長成樹之參數；
- 現時存活樹木之種類；
- 根據吾等所獲提供之經調整木材存量計算之木材數量；及
- 把現時存活之樹木處理成為圓材所需動用之採伐成本、運輸成本、林產業基金及其他相關成本。

估值師知悉，集團有意將生物資產作為：
i) 圓材，售予彼等各自所在地區之鋸木廠；
ii) 原材料，售予硬木及複合木材廠及
iii) 部份已採伐木材售予鋸木廠加以處理成為經鋸切之木材。就出售已採伐木材所考慮之因素為林場之所在地點、木材之樹種、木材存量及是否需要集團之附屬公司本身之廠房加以處理。估值師在估值報告中已假設全部木材存量將會在彼等各自所在地區以圓材形式出售，因集團之附屬公司僅有意經本身廠房處理少量木材。

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綜合財務報表附註

19. BIOLOGICAL ASSETS (Continued)

During the valuer's on-site inspection, the valuer was informed that young and mid-age trees are also marketable but at lower prices compared to near mature, mature and over mature trees. For this reason, the valuer has valued the entire timber inventory in the Forestry Reports.

In valuing the inventory of standing tree using the market approach, the valuer has used the average mill gate round log prices taking into consideration tree species, age and location.

Reasonable recovery rates to allow for losses before and during harvesting as well as costs required to harvest and transport the timber from the forest to local point of sales were then deducted to arrive at its opinion of value. The other costs that were considered in the valuer's valuation are: harvesting and transportation cost to main road or point of sales, local and national taxed fund, forestry road allowance and forest management cost.

20. INVESTMENT IN SUBSIDIARIES

The balances due from (to) subsidiaries included in the Company's current assets and current liabilities are unsecured, interest-free and have no fixed terms of repayment.

19. 生物資產(續)

在實地視察期內，估值師得悉幼樹及半長成樹亦可在市場上出售，惟與接近長成、已長成及年老之樹木相較則價格偏低。基於此理由，估值師已為林產業報告內之全部木材存量進行估值。

估值師在採用市場估值法對現時存活之樹木之存量進行估值時，已採用鋸木廠之圓材平均價(已計入樹木種類、樹齡及所在地點)計算。

估值師之估值意見已計入合理之再購率(已就採伐前及採伐時之損失作準備，並扣除採伐及將木材由樹林運輸至銷售點所需之成本)。估值師在估值時曾考慮之其他成本分別為：採伐及運輸至大路或銷售點之成本、當地及國家稅項基金、林產業津貼及森林管理成本。

20. 於附屬公司之投資

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	1,455,350	1,455,350

計入公司之流動資產及流動負債之應收(應付)附屬公司之結餘為無抵押、免息及無固定償還期限。

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綜合財務報表附註

20. INVESTMENT IN SUBSIDIARIES

(Continued)

Particulars of the principal subsidiaries at 31 December 2012 are as follows:

20. 於附屬公司之投資 (續)

於二零一二年十二月三十一日，主要附屬公司之詳情如下：

Name 公司名稱	Place of Incorporation/ establishment and operations 註冊成立/成立 及營業地點	Nominal value of Paid-up share/ registered capital 實繳股本/ 註冊資本面值	Percentage of equity attributable to the Company 公司應佔股本百分比				Principal activities 主要業務
			2012 二零一二年		2011 二零一一年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Green & Good Group Limited ("Green & Good") 綠之嘉集團有限公司(「綠之嘉」)	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
Leeka Wood Co., Ltd. ("Leeka Wood") 綠之嘉木業有限公司 (「綠之嘉木業」)	The PRC 中國	RMB100,000,000 人民幣100,000,000元	—	100	—	100	Exploitation and management of timber resources 開發及管理林木資源
綠之嘉木業(普洱)有限公司	The PRC 中國	RMB5,000,000 人民幣5,000,000元	—	100	—	100	Exploitation and management of timber resources 開發及管理林木資源
Superb Summit (Hong Kong) Management Company Limited 奇峰(香港)管理有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通股1,000港元	100	—	100	—	Provision of management services 提供管理服務
北京奇峰乾元信息科技有限公司	The PRC 中國	RMB23,000,000 人民幣23,000,000元	—	100	—	100	Provision of platform for timber trading 提供木材交易的平台
Felicity Max Limited 盛運有限公司	British Virgin Islands 英屬處女群島	Ordinary US\$10 普通股10美元	100	—	100	—	Investment holding 投資控股
Superb Summit International Exchange and Logistics Company Limited (Note 2) 奇峰國際交易物流有限公司 (附註2)	Hong Kong 香港	Ordinary HK\$10 普通股10港元	—	100	—	100	Investment holding 投資控股

Notes to the Consolidated Financial Statements

綜合財務報表附註



20. INVESTMENT IN SUBSIDIARIES

(Continued)

20. 於附屬公司之投資 (續)

Name 公司名稱	Place of Incorporation/ establishment and operations 註冊成立/成立 及營業地點	Nominal value of Paid-up share/ registered capital 實繳股本/ 註冊資本面值	Percentage of equity attributable to the Company				Principal activities 主要業務
			2012 二零一二年		2011 二零一一年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
聖奇峰木材交易市場(天津)有限公司 (Note 1)(附註1)	The PRC 中國	RMB12,628,650 人民幣 12,628,650 元	—	100	—	100	Investment holding 投資控股
錦輝國際貿易(天津)有限公司 (Note 1)(附註1)	The PRC 中國	RMB12,627,600 人民幣 12,627,600 元	—	100	—	100	Management of port and trading of timber 管理港口及木材貿易
林博園科技(天津)有限公司 (Note 1)(附註1)	The PRC 中國	RMB4,925,174 人民幣 4,925,174 元	—	100	—	100	Research and development new energy 研發新能源
林博園物流(天津)有限公司 (Note 1)(附註1)	The PRC 中國	RMB4,925,174 人民幣 4,925,174 元	—	51	—	51	Provision of logistics services 提供物流服務
林博園木業(天津)有限公司 (Note 1)(附註1)	The PRC 中國	RMB4,925,174 人民幣 4,925,174 元	—	51	—	51	Sales of building material and timber 銷售建築材料及木材
林博園物業服務(天津)有限公司 (Note 1)(附註1)	The PRC 中國	RMB7,577,190 人民幣 7,577,190 元	—	51	—	51	Property management 物業管理
林博園木制品(天津)有限公司 (Note 1)(附註1)	The PRC 中國	RMB1,641,725 人民幣 1,641,725 元	—	51	—	51	Sales of building material and timber 銷售建築材料及木材
拉薩奇峰乾景實業發展有限公司 (Note 3)(附註3)	The PRC 中國	RMB10,000,000 人民幣 10,000,000 元	—	70	N/A 不適用	N/A 不適用	銷售煤炭的貿易公司

Notes to the Consolidated Financial Statements

綜合財務報表附註

20. INVESTMENT IN SUBSIDIARIES

(Continued)

20. 於附屬公司之投資 (續)

Name 公司名稱	Place of Incorporation/ establishment and operations 註冊成立/成立 及營業地點	Nominal value of Paid-up share/ registered capital 實繳股本/ 註冊資本面值	Percentage of equity attributable to the Company 公司應佔股本百分比				Principal activities 主要業務
			2012 二零一二年		2011 二零一一年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
天津市利寶煤炭銷售有限公司 (Note 4) (附註4)	The PRC 中國	RMB30,000,000 人民幣30,000,000元	—	80	N/A 不適用	N/A 不適用	銷售煤炭的貿易公司
Superb Summit International Commerce & Trade Company Limited (Note 3) (附註3)	BVI 英屬處女群島	HK\$546 546港幣	—	70	N/A 不適用	N/A 不適用	Trading 貿易
Grand Rich International Ltd	BVI 英屬處女群島	Ordinary US\$100 普通股100美元	—	100	—	100	Investment holding 投資控股
Sing Mau Limited	BVI 英屬處女群島	Ordinary US\$10 普通股10美元	—	100	—	100	Investment holding 投資控股

Note 1: The company was incorporated in 2011.

附註1：該公司於二零一一年註冊成立。

Note 2: The formerly name of Superb Summit International Exchange and Logistics Company Limited was Superb Summit International Investment (Hong Kong) Limited, the company is a wholly-owned subsidiary of Felicity Max Limited.

附註2：奇峰國際交易物流有限公司之前稱為奇峰國際投資(香港)有限公司，該公司為盛運有限公司之全資附屬公司。

Note 3: The companies were incorporated during 2012.

附註3：該等公司於二零一二年註冊成立。

Note 4: The company was acquired during 2012.

附註4：該公司於二零一二年註冊被收購。

None of the subsidiaries had any debt securities subsisting at the end of the reporting period or at any time during the year.

並無附屬公司於報告期終及年內任何時間有任何債務證券。

The above table lists the subsidiaries of the Company which in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would in the opinion of the directors, result in particulars of excessive length.

董事認為，上表所載列之公司附屬公司，對本年度業績構成主要影響或佔集團資產淨值之主要部份。董事認為，刊載其他附屬公司之詳細資料會令本文過於冗長。

Notes to the Consolidated Financial Statements

綜合財務報表附註

21. INVESTMENTS IN JOINTLY-CONTROLLED ENTITIES

As at 31 December 2012, the Group had interests in the following significant jointly-controlled entities:

Name of entity	Place of establishment and operations	Class of Shares held	Proportion of nominal value of registered capital held by the Group 集團所持註冊資本面值比例	Proportion of voting power and profit sharing 所佔投票權及溢利比例	Principal activities
實體名稱	成立及營業地點	所持股份類別			主要業務
滿洲里中木木材交易 有限責任公司	The PRC 中國	Registered capital of RMB1 each 註冊資本每股面值 人民幣1元	70%	70%	Measurement, inspection, technology development and sales of timber and building material 木材及建材之計量、 視察、技術開發及銷售

The summarised financial information in respect of the Group's interests in the jointly-controlled entities which are accounted for using proportionate consolidation with the line-by-line reporting format is set out below:

21. 於共同控制實體之投資

於二零一二年十二月三十一日，集團擁有以下重大共同控制實體之權益：

下文載列集團於共同控制實體權益之財務資料摘要，乃按逐項報告形式以比例綜合列賬：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Non-current assets	非流動資產	104	182
Current assets	流動資產	2,242	4,414
Current liabilities	流動負債	(843)	(1,676)
Net assets	資產淨值	1,503	2,920
Income	收入	832	12,924
Expenses	開支	(925)	(13,514)
Loss before tax	除稅前虧損	(93)	(590)
Income tax expense	所得稅開支	—	—
Loss for the year	本年度虧損	(93)	(590)

Notes to the Consolidated Financial Statements

綜合財務報表附註

22. EQUITY INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS

22. 按公平值計入損益之股本投資

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Listed equity investment in Hong Kong, at market value	香港的上市股本投資 按市值	8,045	10,036

The above equity investment at 31 December 2012 were classified as held for trading and were, upon initial recognition, designated by the Group as equity investment as at fair value through profit or loss.

於二零一二年十二月三十一日，上述股本投資分類為持作買賣，並於初步確認時被集團指定為按公平值計入損益之股本投資。

The market value of the Group's short term investments at the date of approval of these financial statements was approximately HK\$4,200,000.

於批准此等綜合財務報表日期集團的短期投資的市值約為4,200,000港元。

23. TRADE RECEIVABLES

23. 應收貿易賬項

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade receivables	應收貿易賬項	3,490	31
Less: allowance for doubtful debts	減：呆賬撥備	(2,656)	(31)
		834	—

The Group normally allows credit terms ranging from 30 to 90 days to its customers.

集團一般給予客戶30至90日之信貸期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

23. TRADE RECEIVABLES (Continued)

An aging analysis of the trade receivables net of allowance for doubtful debts at the end of the reporting period, based on the date of recognition of the sale, is as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
0-30 days	0 - 30日	—	—
31-60 days	31 - 60日	834	—
61-90 days	61 - 90日	—	—
Over 90 days	90日以上	2,656	31
		3,490	31

In the opinion of directors, the Group has provided sufficient impairment on those trade receivables which are past due.

Movement in the allowance for doubtful debts is as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
1 January	一月一日	31	—
Impairment losses recognised in respect of trade receivables	就應收貿易賬項確認 之減值虧損	2,597	30
Exchange realignment	匯兌調整	28	1
31 December	十二月三十一日	2,656	31

As at 31 December 2012, included in the allowance for doubtful debts were individually impaired trade receivables with an aggregate balance of HK\$2,656,000, which is past due.

The Group did not hold any collateral over these balances.

23. 應收貿易賬項 (續)

根據銷售確認日期而劃分於報告期終應收貿易賬項(扣除呆賬撥備)之賬齡分析如下：

董事認為，集團已就該等已逾期之應收貿易賬項計提足夠減值撥備。

呆賬撥備之變動如下：

於二零一二年十二月三十一日，呆賬撥備包括個別已減值並已逾期之應收貿易賬項，結餘總額為2,656,000港元。

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

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

24. 預付款項、訂金及其他應收款項

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Prepayment	預付款項	130,910	18,274
Deposits	訂金	683	302
Amount due from joint-control entities	應收共同控制實體款項	—	219
Loan receivable	應收貸款	87,586	—
Other receivables	其他應收款項	51,817	36,002
Less: Provision losses	減：撥備虧損	(87,069)	—
		183,927	54,797

The amount due from entity is unsecured, interest free and has no fixed terms of repayment.

應收實體款項為無抵押、不計息及無固定還款期。

25. CASH AND CASH EQUIVALENTS

25. 現金及現金等值項目

		The Group 集團	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Bank balances	銀行結餘	2,196	5,203
Cash in hand	手頭現金	361	498
Cash held in a licensed corporation	於持牌法團持有之現金	—	12
Cash and cash equivalents in the consolidated statement of financial position	綜合財務狀況報表中之現金及現金等值項目	2,557	5,713

Notes to the Consolidated Financial Statements

綜合財務報表附註

25. CASH AND CASH EQUIVALENTS

(Continued)

Cash and cash equivalents are denominated in the following currencies:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Hong Kong Dollars	港元	1,905	3,659
Renminbi	人民幣	620	1,861
US Dollars	美元	32	193
		2,557	5,713

Cash and deposits with banks of HK\$620,000 (2011: HK\$1,861,000) for the Group are denominated in RMB, which is not a freely convertible currency and the remittance of funds out of the PRC is subject to the exchange control imposed by the PRC government.

Deposits with banks are interest bearing at the prevailing market rates.

26. TRADE PAYABLES

An aging analysis of the trade payables at the end of the reporting period, based on the receipt of goods purchased, is as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
0-30 days	0-30 日	4,136	—
31-60 days	31-60 日	—	—
61-90 days	61-90 日	—	—
91-180 days	91-180 日	—	—
Over 180 days	180 日以上	33,195	226
		37,331	226

25. 現金及現金等值項目 (續)

現金及現金等值項目以下列貨幣列值：

集團之現金及銀行存款620,000港元(二零一一年：1,861,000港元)乃以人民幣列值，人民幣並非可自由兌換之貨幣，將資金自中國匯出須遵守中國政府實施之外匯管制。

銀行存款按現行市場利率計息。

26. 應付貿易賬項

根據所購買之貨物收訖日期而劃分之報告期終應付貿易賬項之賬齡分析如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

27. OTHER PAYABLES, ACCRUALS AND RECEIPT IN ADVANCE

27. 其他應付款項、應計款項及預收款項

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Other payables	其他應付款項	43,146	22,087
Accruals	應計款項	13,880	5,349
Receipt in advance	預收款項	94,073	11,473
Amount due to joint-control entities	應付共同控制實體款項	322	1,341
		151,421	40,250

The amount due to joint-control entities is unsecured, interest free and has no fixed terms of repayment.

應付共同控制實體的款項為無抵押、免息及無固定償還期限。

28. DEFERRED TAXATION

28. 遞延稅項

No provision for deferred tax had been made as the Group did not have any significant unprovided deferred tax in respect of the year (2011: Nil).

集團於年內並無任何重大未撥備遞延稅項，故並無就遞延稅項作出撥備(二零一一年：無)。

29. CONVERTIBLE NOTES

29. 可換股票據

On 17 October 2007, pursuant to the acquisition of 70% equity interests in Green & Good Group Limited from Superview International Limited ("Superview"), a substantial shareholder of the Company, the Company issued convertible notes (the "Convertible Notes") as partial settlement of the acquisition consideration.

於二零零七年十月十七日，根據向公司主要股東超景國際有限公司(「超景」)收購綠之嘉集團有限公司之70%股本權益，公司發行可換股票據(「可換股票據」)以結付部份收購代價。

On 27 November 2009, the Group completed the acquisition of 30% equity interests in Green & Good Group Limited, which owned 100% equity interests in Leeka Wood Co. Ltd. from Superview, the Company issued convertible notes (A) (the "Convertible Notes (A)") as partial settlement of the acquisition consideration.

於二零零九年十一月二十七日，集團完成向超景收購綠之嘉集團有限公司30%股本權益，綠之嘉集團有限公司擁有綠之嘉木業有限公司100%股本權益，公司發行可換股票據(A)(「可換股票據(A)」)以結付部份收購代價。

On 27 November 2009, pursuant to the release of the counter guarantee obligations of Leeka Wood and G&G Wood under the Counter Guarantee Agreements. The Company issued convertible notes (B) (the "Convertible Notes (B)") to Superview as the partial settlement of the consideration.

於二零零九年十一月二十七日，綠之嘉木業及綠之嘉木制品各自於反擔保協議下之反擔保責任獲解除。公司向超景發行可換股票據(B)(「可換股票據(B)」)以結付部份代價。

Notes to the Consolidated Financial Statements

綜合財務報表附註



29. CONVERTIBLE NOTES (Continued)

Each of convertible notes is bifurcated into liability component and equity component. The equity component is presented in equity heading (“convertible notes equity reserve”). The movement of the liability and equity components of the convertible notes for the year is set out below:

29. 可換股票據 (續)

各可換股票據乃分為負債部份及權益部份。權益部份於(「可換股票據權益儲備」)之權益內列賬。可換股票據之負債及權益部份於年內之變動載列如下：

		Convertible Notes Notes (A) and (B) (Note i) 可換股票據 (A) 及 (B) (附註 i)
Date of issue		27.11.2009
Maturity date		26.11.2012
發行日期		二零零九年 十一月二十七日
到期日		二零一二年 十一月二十六日
		HK\$'000 千港元
<hr/>		
Liability components	負債部份	
At 1 January 2011	於二零一一年一月一日	1,345
Interest expenses	利息開支	433
<hr/>		
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日 及二零一二年一月一日	1,778
Interest expenses	利息開支	227
Conversion of convertible notes	轉換可換股票據	(2,005)
<hr/>		
At 31 December 2012	於二零一二年十二月三十一日	—
<hr/>		
Equity components	權益部份	
At 1 January 2011	於二零一一年一月一日	174,527
Conversion of convertible notes	轉換可換股票據	(117,826)
<hr/>		
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日 及二零一二年一月一日	56,701
Conversion of convertible notes	轉換可換股票據	(56,701)
<hr/>		
At 31 December 2012	於二零一二年十二月三十一日	—

Notes to the Consolidated Financial Statements

綜合財務報表附註

29. CONVERTIBLE NOTES (Continued)

ACQUISITION OF 30% EQUITY INTERESTS IN GREEN & GOOD GROUP LIMITED AND RELEASE OF COUNTER GUARANTEE

The principal terms of the Convertible Notes (A) are as follows:

Date of issue	27 November 2009
Aggregate principal amount	HK\$417 million
Denomination in multiple of	HK\$10,000,000
Interest rate per annum	0.2%, payable annually in arrears
Conversion price applicable	HK\$0.50 (Note)
Maturity date	3 years from the date of issue

The principal terms of the Convertible Notes (B) are as follows:

Date of issue	27 November 2009
Aggregate principal amount	HK\$382 million
Denomination in multiple of	HK\$10,000,000
Interest rate per annum	0.2%, payable annually in arrears
Conversion price applicable	HK\$0.50 (Note)
Maturity date	3 years from the date of issue

Note: Conversion price was adjusted from HK\$0.05 to HK\$0.50 due to the 10 to 1 share consolidation on 23 October 2009.

(a) Conversion period

The holders of the Convertible Notes (A) and (B) shall have the rights to convert the whole or part of the principal amounts of the Convertible Notes (A) and (B) into shares at any time and from time to time, following the date of issue up to (but excluding) the period of three business days ending on the maturity date. The shares to be issued and allotted upon conversion shall rank pari passu in all respects among themselves and with all other ordinary shares in issue by the Company on the date of such allotment and issue.

29. 可換股票據 (續)

收購綠之嘉集團有限公司30%股本權益及解除反擔保

可換股票據(A)之主要條款如下:

發行日期	二零零九年十一月二十七日
本金總額	417,000,000 港元
定值倍數	10,000,000 港元
年利率	0.2% · 須每滿一年付息一次
適用換股價	0.50 港元(附註)
到期日	發行日期起計三年

可換股票據(B)之主要條款如下:

發行日期	二零零九年十一月二十七日
本金總額	382,000,000 港元
定值倍數	10,000,000 港元
年利率	0.2% · 須每滿一年付息一次
適用換股價	0.50 港元(附註)
到期日	發行日期起計三年

附註: 換股價已就於二零零九年十月二十三日之每十股合併為一股之股份合併由0.05港元調整至0.50港元。

(a) 換股期

可換股票據(A)及(B)持有人有權於發行日期後直至(但不包括)到期日止三個營業日為止期間隨時及不時將全部或部份可換股票據(A)及(B)本金額兌換為股份。於兌換時將予發行及配發之股份將在所有方面各自及與於有關配發及發行當日公司之所有其他已發行普通股享有同等地位。

Notes to the Consolidated Financial Statements

綜合財務報表附註

29. CONVERTIBLE NOTES *(Continued)*

(b) Put option

The Company shall be entitled to serve a written notice to the holder of the Convertible Notes (A) and (B) to convert the whole or part of the principal amounts of the Convertible Notes (A) and (B) into shares at any time and from time to time, following the date of issue of the Convertible Notes (A) and (B) up to (but excluding) the period of three business days ending on the maturity date. The shares to be issued and allotted upon conversion shall rank *pari passu* in all respects among themselves and with all other ordinary shares in issue by the Company on the date of such allotment and issue.

(c) Redemption option

The Company shall have the right to redeem any portion of the Convertible Notes (A) and (B) outstanding at an amount equals to the principal amounts of the Convertible Notes (A) and (B) together with any interest accrued thereon in its sole and absolute discretion at any time prior to the maturity date.

The Convertible Notes (A) and (B) contains liability component, equity component and an embedded put option and redemption option. The equity component is presented in the consolidated statement of changes in equity under the heading of “convertible notes equity reserve”. The effective interest rate of the liability component is 0.2% per annum. The directors of the Company have assessed the fair value of the Convertible Notes (A) and (B) as at 27 November 2009. The methods and assumptions applied for the valuation of the Convertible Notes (A) and (B) are as follows:

29. 可換股票據 (續)

(b) 認沽期權

公司有權向可換股票據(A)及(B)持有人發出書面通知，以於可換股票據(A)及(B)發行日期後直至(但不包括)到期日止三個營業日為止期間隨時及不時將全部或部分可換股票據(A)及(B)本金額兌換為股份。於兌換時將予發行及配發之股份將在所有方面各自及與於有關配發及發行當日公司之所有其他已發行普通股享有同等地位。

(c) 贖回選擇權

公司有權於到期日前隨時全權酌情按相當於可換股票據(A)及(B)本金額連同任何相關應計利息之金額贖回任何部份未償還可換股票據(A)及(B)。

可換股票據(A)及(B)包含負債部份、權益部份、嵌入式認沽期權及贖回選擇權。權益部份於綜合權益變動表之「可換股票據權益儲備」內列賬。負債部份之實際利率為每年0.2%。公司董事已評估可換股票據(A)及(B)於二零零九年十一月二十七日之公平值。可換股票據(A)及(B)估值所應用之方法及假設如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

29. CONVERTIBLE NOTES (Continued)

(c) Redemption option (Continued)

Valuation of liability and equity component

The fair values of liability and equity component were calculated based on the assumption that the Convertible Notes (A) and (B) are highly probable to convert into Company's shares. Therefore, the fair values of the Convertible Notes (A) and (B) have minimal liability portion and substantially represents the equity portion of the Convertible Notes (A) and (B).

The Group's Convertible Notes (A) and (B) issued during 2009 were valued by LCH (Asia-Pacific) Surveyors Limited.

29. 可換股票據 (續)

(c) 贖回選擇權 (續)

負債及權益部份估值

負債及權益部份之公平值乃假設可換股票據(A)及(B)兌換為公司股份之可能性較高而計算。因此，可換股票據(A)及(B)之公平值所包含之負債部份甚少，主要指可換股票據(A)及(B)之權益部份。

集團於二零零九年發行之可換股票據(A)及(B)由利駿行測量師有限公司進行估值。

30. INTEREST-BEARING OTHER BORROWING

30. 其他計息借貸

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Current	即期		
Other loan — unsecured	其他貸款 — 無抵押	737	1,000

The Group's other loan is unsecured, bear interest at 5% per annum, and repayable and is repayable within one year.

集團的其他貸款為無抵押、按年利率5%計息及須一年內償還。

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綜合財務報表附註



31. SHARE CAPITAL

31. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised	法定		
Ordinary shares of HK\$0.10 each at 31 December 2011 and 2012	於二零一一年及於二零一二年 十二月三十一日每股面值 0.10 港元之普通股	10,000,000,000	1,000,000
Issue and fully paid	已發行及繳足		
Ordinary shares of HK\$0.01 each at 1 January 2011	於二零一一年一月一日 每股面值 0.01 港元之普通股	3,628,856,581	362,886
Issue of new shares upon conversion of convertible notes (Note (a))	於轉換可換股票據時發行 新股份 (附註 (a))	575,240,218	57,524
Repurchase and cancel of own shares (Notes (b))	購回及註銷本身股份 (附註 (b))	(7,940,000)	(794)
Ordinary shares of HK\$0.01 each at 31 December 2011	於二零一一年十二月三十一日 每股面值 0.01 港元之普通股	4,196,156,799	419,616
Issue of new shares upon share option (Note (c))	根據購股權發行新股份 (附註 (c))	222,500,000	22,250
Subscription of own shares	認購本身股份	70,000,000	7,000
Issue of new shares upon conversion of convertible notes (Note (d))	於兌換可換股票據後發行 新股份 (附註 (d))	954,854,606	95,485
Issue of new shares upon warrant (Note (e))	根據認購權證發行新股份 (附註 (e))	411,000,000	41,100
Ordinary shares of HK\$0.01 each at 31 December 2012	於二零一二年十二月三十一日 每股面值 0.01 港元之普通股	5,854,511,405	585,451

Notes to the Consolidated Financial Statements

綜合財務報表附註

31. SHARE CAPITAL (Continued)

Notes:

The movements in the share capital during the year ended 31 December 2011 and 2012 are as follows:

- (a) Convertible notes holders had converted their convertible notes into 575,240,218 ordinary shares during 2011.
- (b) During the year ended 31 December 2011 the Company repurchased 7,940,000 ordinary shares on the Stock Exchange. These repurchased shares were cancelled immediately upon repurchased. The total amount paid to acquire these ordinary shares of HK\$2,041,000 was deducted from the shareholders' equity.
- (c) Share option holders have exercised their option into 222,500,000 ordinary shares during 2012.
- (d) Convertible notes holders have converted their convertible notes into 954,854,606 ordinary shares during 2012.
- (e) Warrant holders have exercised their warrants into 411,000,000 ordinary shares during 2012.

32. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Option Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, any person or entity providing research, development or other technological support to the Group, and any other person or entity determined by the directors as having contributed or may contribute to the development and growth of the Group. The Option Scheme became effective on 11 November 2011 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

31. 股本(續)

附註：

截至二零一一年及二零一二年十二月三十一日止年度之股本變動如下：

- (a) 可換股票據持有人已於二零一一年將其可換股票據轉換成575,240,218股普通股。
- (b) 截至二零一一年十二月三十一日止年度，公司於聯交所購回7,940,000股普通股。此等購回的股份已於購回後即時註銷。收購此等普通股所付的總額2,041,000港元從股東權益中扣除。
- (c) 於二零一二年，購股權持有人已行使購股權以兌換為222,500,000股普通股。
- (d) 於二零一二年，可換股票據持有人已將可換股票據兌換為954,854,606股普通股。
- (e) 於二零一二年，認股權證持有人行使認股權證以兌換為411,000,000股普通股。

32. 購股權計劃

公司營運購股權計劃(「購股權計劃」)，藉此獎勵及回饋對集團營運業績有寶貴貢獻之合資格參與者。購股權計劃之合資格參與者包括公司之董事(獨立非執行董事亦包括在內)、集團其他僱員、集團之貨品或服務供應商、集團客戶、為集團提供研究、開發或其他技術支援之個人或實體以及董事認為曾為或將為集團發展及成長帶來貢獻之任何其他人士或實體。購股權計劃於二零一一年十一月十一日生效，除非另有取消或修訂，否則由該日起計十年將一直有效。



32. SHARE OPTION SCHEME (Continued)

At 31 December 2012, the number of shares in respect of which options have been granted under the Options Scheme was 810,000,000 options. During the year ended 31 December 2012, 222,500,000 options have been exercised, which represents HK\$222,250,000, 3.8% of the issued share capital of the company at 31 December 2012. The maximum number of shares issuable under share options to each eligible participant in the Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time.

The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the grant of the share options.

32. 購股權計劃(續)

於二零一二年十二月三十一日，根據購股權計劃已授出購股權所涉及之股份數目為810,000,000股股份。截至二零一二年十二月三十一日止年度，222,500,000份購股權已獲行使，即222,250,000港元，佔公司於二零一二年十二月三十一日之已發行股本3.8%。於任何十二個月期間內根據購股權計劃可向各合資格參與者發行之最高股份數目不得超出公司於任何時間已發行股份之1%。

授出購股權之建議須於授出購股權建議之日期起計21日內獲接納，承授人亦須就此繳交合共1港元之名義代價。所授出之購股權之行使期由董事決定，期限在購股權歸屬承授人後開始，而屆滿日期不得遲於購股權授出日期起計十年。

Notes to the Consolidated Financial Statements

綜合財務報表附註

32. SHARE OPTION SCHEME (Continued)

Share options do not confer rights on the holders to dividends or to vote at shareholder's meetings.

32. 購股權計劃 (續)

購股權並不附予其持有人獲派股息及於股東大會上投票之權利。

Name or category of participant ¹	參與者姓名或類別 ¹	At January 2012 於二零一二年一月	Granted during the year 年內已授出	Exercised during the year 年內已行使	At 31 December 2012 於二零一二年十二月三十一日	Date of grant of share options ¹ 授出購股權日期 ¹	Exercise period of share options 購股權行使期限	Exercise price of share option ^{2,3} 股股權行使價 ^{2,3}
Consultants	顧問							
In aggregate	合計	—	351,000,000	(63,000,000)	288,000,000	30/08/2012 二零一二年八月三十日	30/08/2012 to 10/11/2021 二零一二年八月三十日至二零一二年十一月十日	0.15
		—	260,000,000	(64,000,000)	196,000,000	17/01/2012 二零一二年一月十七日	17/01/2012 to 10/11/2021 二零一二年一月十七日至二零一二年十一月十日	0.145
Employees	僱員							
In aggregate	合計	—	59,000,000	(27,500,000)	31,500,000	30/08/2012 二零一二年八月三十日	30/08/2012 to 10/11/2021 二零一二年八月三十日至二零一二年十一月十日	0.15
		—	140,000,000	(68,000,000)	72,000,000	17/01/2012 二零一二年一月十七日	17/01/2012 to 10/11/2021 二零一二年一月十七日至二零一二年十一月十日	0.145

These fair value of the share options granted on 17 January 2012, 30 August 2012 were calculated using the Black-Scholes pricing model. The inputs into the model were at the respective dates of grant of options as follows:

該等於二零一二年一月十七日及二零一二年八月三十日授出之購股權之公平值乃採用「柏力克-舒爾斯」定價模式進行計算。於各授出購股權當日，該模式之輸入數值列明如下：

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綜合財務報表附註

32. SHARE OPTION SCHEME (Continued)

		17 January 2012 二零一二年 一月十七日	30 August 2012 二零一二年 八月三十日
Weighted average share price	加權平均股價	0.145	0.149
Exercise price	行使價	0.145	0.15
Expected volatility	預計波幅	75%	78%
Expected life	預計年期	4.91	4.6
Risk-free rate	無風險利率	0.75%	0.78%
Expected dividend yield	預計股息率	0%	0%
Employee exit rate pre-vesting	歸屬前僱員離職率	N/A 不適用	N/A 不適用

Expected volatility was determined by using the historical volatility of the Company's share price over the previous year prior to the date of grant of options. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of approximately HK\$71,600,000 for the year ended 31 December 2012 (2011: HK\$9,970,000) in relation to share options granted by the Company.

32. 購股權計劃 (續)

預計波幅乃依據公司股價於授出購股權當日前過往一年內之歷史波幅測算。就非轉讓性、行使限制及行為考慮而言，根據管理層之最佳估計，該模式所使用之預計年期已作出調整。

截至二零一二年十二月三十一日止年度，集團就公司所授出購股權確認之總開支約為71,600,000港元(二零一一年：9,970,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

33. RESERVES

33. 儲備

		Share premium	Share options reserve	Warrant Reserve	Convertible notes equity reserve	(Accumulated losses)/ retained profits	Total
		股份溢價	購股權儲備	認股權證儲備	可換股票據權益儲備	(累計虧損)/ 保留溢利	合計
		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
Company	公司						
At 1 January 2011	於二零一一年一月一日						
Premium arising from conversion of convertible notes into new shares	轉換可換股票據為新股份產生之溢價	1,494,669	122,142	—	174,527	72,060	1,863,398
Premium arising from conversion of convertible notes into new shares	轉換可換股票據為新股份產生之溢價	60,302	—	—	(117,826)	—	(57,524)
Equity-settled share option arrangements	以股本結算之購股權安排	—	9,970	—	—	—	9,970
Cancellation of own shares	註銷本身股份	(1,247)	—	—	—	—	(1,247)
Cancellation of share option	註銷購股權	—	(132,112)	—	—	132,112	—
Loss for the year	本年度虧損	—	—	—	—	(116,184)	(116,184)
At 31 December 2011 and 1 January 2012	於二零一一年十二月三十一日及二零一二年一月一日	1,553,724	—	—	56,701	87,988	1,698,413
Loss for the year	本年度虧損	—	—	—	—	(87,965)	(87,965)
Subscription of share	認購股份	3,150	—	—	—	—	3,150
Equity-settled share option arrangements	以股本結算之購股權安排	—	71,600	—	—	—	71,600
Exercise of share option	行使購股權	34,581	(19,596)	—	—	—	14,985
Issue of Warrant	發行認股權證	—	—	7,200	—	—	7,200
Exercise of Warrant	行使認股權證	3,675	—	(3,675)	—	—	—
Conversion of convertible notes	兌換可換股票據	(36,779)	—	—	(56,701)	—	(93,480)
At 31 December 2012	於二零一二年十二月三十一日	1,558,351	52,004	3,525	—	23	1,613,903

Note:

The share premium of the Company represents: (i) the excess of the then combined net assets of the subsidiaries acquired pursuant to the Group Reorganisation over the nominal value of the share capital of the Company issued in exchange therefor; (ii) the premium utilised as a result of the capitalisation issue of shares of the Company; and (iii) the premium arising from the new issue of shares of the Company.

In accordance with the Companies Law (Revised) of the Cayman Islands, the share premium is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The share premium may also be distributed in the form of fully paid bonus shares.

附註：

公司之股份溢價包括：(i) 根據集團重組收購之附屬公司當時之合併資產淨值超出公司就交換有關資產而發行之股本面值之差額；(ii) 因資本化發行公司股份所動用之溢價；及(iii) 公司發售新股產生之溢價。

根據開曼群島公司法(經修訂)之規定，股份溢價可分派予公司股東，惟緊隨作出股息分派後，公司須能償付日常業務過程中到期應付之債務。股份溢價亦可以繳足紅股之方式分派。

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綜合財務報表附註



34. MAJOR NON-CASH TRANSACTIONS

During the year, the Group sold the biological assets to the buyer in the consideration of HK\$7,135,740 was settled by setting-off of amount due to the buyer by Leeka Wood Limited.

35. CONTINGENT LIABILITIES

The Group did not have any contingent liabilities at the end of the reporting period (2011: Nil).

36. PLEDGE OF ASSETS

At the end of the reporting period, none of the Group's assets (2011: Nil) were pledged to secure the Group's banking facilities.

37. COMMITMENTS

- a) Capital commitments outstanding at the end of the reporting period not provided for in the financial statements were as follows:

34. 重大非現金交易

於年內，集團向買方出售若干生物資產，代價為7,135,740港元，該等款項由綠之嘉木業有限公司以抵銷應付買方款項結付。

35. 或然負債

於報告期終，集團並無任何或然負債（二零一一年：無）。

36. 資產抵押

於報告期終，並無集團資產（二零一一年：無）已抵押作集團銀行融資之抵押。

37. 承擔

- a) 於本報告期終，並無於此等財務報表內撥備的未償還資本承擔如下：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Contracted for: 已訂約：		
Capital expenditure in relation to infrastructure in Tianjin 與於天津的基建有關的資本開支	—	10,100

Notes to the Consolidated Financial Statements

綜合財務報表附註

37. COMMITMENTS (Continued)

- b) The Group leases certain leasehold land and buildings under operating lease. The original lease terms for these leasehold land and buildings ranged from one to three years.

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

37. 承擔(續)

- b) 集團根據經營租賃租賃若干租賃土地及樓宇。該等租賃土地及樓宇之原定租期介乎一至三年。

於報告期終，集團於下列年期內屆滿之不可撤銷經營租賃之未來最低租金付款承擔如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Within one year	一年內	2,871	8,474
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	4,059	16,193
After 5 years	五年後	—	9,281
		6,930	33,948

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綜合財務報表附註

38. FINANCIAL INSTRUMENTS BY CATEGORIES

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

Financial assets

2012	二零一二年	Fair value through profit and loss 按公平值計入損益 HK\$'000 千港元	Loan and receivables 貸款及應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Equity investments at fair value through profit or loss	按公平值計入損益之股本投資	8,045	—	8,045
Trade receivables	應收貿易賬項	—	834	834
Deposits and other receivables	訂金及其他應收款項	—	53,017	53,017
Amount due from director	應收董事款項	—	14	14
Cash and cash equivalents	現金及現金等值項目	—	2,557	2,557
		8,045	56,422	64,467

2011	二零一一年	Fair value through profit and loss 按公平值計入損益 HK\$'000 千港元	Loan and receivables 貸款及應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Equity investments at fair value through profit or loss	按公平值計入損益之股本投資	10,036	—	10,036
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	—	54,797	54,797
Cash and cash equivalents	現金及現金等值項目	—	5,713	5,713
		10,036	60,510	70,546

38. 按類別劃分之金融工具

於報告期終，集團各金融工具類別之賬面值如下：

金融資產

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS BY CATEGORIES (Continued)

38. 按類別劃分之金融工具(續)

Financial liabilities

金融負債

Financial liabilities at amortised cost 按攤銷成本列值之金融負債		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade payables	貿易應付賬項	37,331	226
Other payables, accruals and receipt in advance	其他應付款項、應計款項及預付款項	57,348	40,250
Convertible notes interest payable	應付可換股票據利息	—	1,778
Interest-bearing loans and borrowings	計息貸款及借貸	737	1,000
		95,416	43,254

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

集團利用以下等級釐定及披露金融工具之公平值：

Level 1: Fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities

第一層：公平值計量乃從已識別資產或負債於活躍市場中所報未調整價格得出

Level 2: Fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

第二層：公平值計量乃基於對所記錄公平值有重大影響之所有輸入數據均可直接或間接被觀察之估值方法得出

Level 3: Fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

第三層：公平值計量乃基於對所記錄公平值有重大影響之任何輸入數據並非來自可觀察市場數據(不可觀察輸入數據)之估值方法得出按公平值計量之資產

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.

公司董事認為，於綜合財務報表內按攤銷成本列值之金融資產及金融負債之賬面值與其公平值相若。

Notes to the Consolidated Financial Statements

綜合財務報表附註

39. RELATED PARTY TRANSACTIONS

- a) Except for transactions and balances disclosed elsewhere in the consolidated financial statements, the Group has no other significant transactions and balances with its related party during the year.
- b) Compensation of key management personnel of the Group:

Details of directors' emoluments are included in Note 12 to the financial statements.

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade receivables, deposits and other receivables, and cash and cash equivalents, trade payables, other payables and accruals and convertible notes interest payable. Details of these financial instruments are disclosed in respective notes to the consolidated financial statements. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Credit risks

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 December 2012 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. The Group manages its exposure to credit risk through continual monitoring of the credit quality of its customers, taking into account their financial position, collection history, past experience and other relevant factors. In addition, the Group reviews regularly the recoverable amount of each individual trade receivable to ensure that adequate impairment loss provision are made for probable irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

39. 關連人士交易

- a) 除綜合財務報表另行披露之交易及結餘外，集團年內與關連人士之間並無其他重大交易及結餘。
- b) 集團主要管理人員之酬金：

董事酬金之詳情列於綜合財務報表附註12。

40. 金融風險管理目標及政策

集團主要金融工具包括應收貿易賬項、訂金及其他應收款項、現金及現金等值項目、應付貿易賬項、其他應付款項及應計款項以及應付可換股票據利息。該等金融工具詳情於各自之綜合財務報表附註披露。該等金融工具相關風險及如何減輕風險之政策載列於下文。管理層管理及監察風險承擔，確保以及時及有效方式實施適當措施。

(a) 信貸風險

於二零一二年十二月三十一日，在對手方未能履行責任之情況下，就各類別已確認金融資產而言，集團之最高信貸風險承擔為綜合財務狀況報表所列該等資產之賬面值。集團透過持續監察其客戶之信貸質素管理其信貸風險承擔，並經考慮其財政狀況、追討歷史、過往經驗及其他相關因素。此外，集團定期檢討各個別應收貿易賬項之可收回金額，確保可能不可收回金額計提充足減值虧損撥備。就此，公司董事認為，集團之信貸風險顯著減少。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

(b) Cash flow and fair value interest rate risk

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

(c) Foreign currency risk

The Group has transactional currency exposures, primarily with respect to Renminbi for the year ended 31 December 2012. Such exposures arise from sales of goods in currencies other than the Group's functional currency. All of the Group's sales are denominated in Hong Kong Dollar and Renminbi for the year ended 31 December 2012.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The Group conducts its business transactions principally on Hong Kong Dollar and Renminbi. The exchange rate risk of the Group is not significant.

40. 金融風險管理目標及政策 (續)

(b) 現金流量及公平值利率風險

由於集團並無重大附息資產，故集團之收入及經營現金流量大部份與市場利率變動無關。

(c) 外幣風險

截至二零一二年十二月三十一日止年度，集團承擔之交易貨幣風險主要與人民幣有關。有關風險源自按集團功能貨幣以外貨幣銷售貨品。截至二零一二年十二月三十一日止年度，集團所有銷售均以港元及人民幣計值。

集團現時並無外幣對沖政策。然而，管理層密切監察外匯風險承擔，並將考慮在必要時對沖重大外幣風險。

集團主要以港元及人民幣進行業務交易。集團之匯率風險輕微。

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綜合財務報表附註



40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Liquidity risk

Regarding the present policy 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.

Internally generated cash flow is the general sources of funds to finance the operations of the Group. The Group's liquidity risk management includes diversifying the funding sources. The Group regularly reviews its major funding positions to ensure it has adequate financial resources in meeting its financial obligations.

Prudent liquidity risk management implies maintaining sufficient cash, the available of funding through an adequate amount of committed credit facilities and the ability to close our market positions. Due to the dynamic nature of the underlying business, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments is within 1 year (2011: within 1 year).

(e) Fair values of financial assets and financial liabilities

The fair value of financial assets and financial liabilities are assumed to be the same as their carrying values.

40. 金融風險管理目標及政策 (續)

(d) 流動資金風險

就管理層有關流動資金之現行政策而言，集團監察及維持管理層視作充足之現金及現金等值項目水平，以撥付集團營運及減低現金流量波動之影響。

集團一般以內部產生之現金流量為業務提供資金。集團之流動資金風險管理包括多元化之資金來源。集團定期審閱其主要資金狀況，以確保擁有足夠之財務資源應付財務責任。

審慎流動資金風險管理包括維持充足現金、透過已承諾信貸融資之足夠金額提供可動用資金以及提升集團市場地位之能力。由於相關業務之互動性質，集團致力保持可動用之已承諾信貸，藉以維持資金供應之靈活性。

於報告期終，根據已訂約未折現付款，集團金融負債之到期期限為一年內(二零一一年：一年內)。

(e) 金融資產及金融負債之公平值

金融資產及金融負債公平值假設與其賬面值相同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

41. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance.

The capital structure of the Group consists of 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 on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the associated risks and take appropriate actions to adjust the Group's capital structure. The overall strategy of the Group remained unchanged during the two years ended 31 December 2012 and 2011.

42. ACQUISITION OF A SUBSIDIARY

On July 31 2012, the Group acquired 80% equity interest in Tianjin Libao Coal Trading Company ("Tianjin Libao"), a company incorporated in Tianjin, People's republic of China ("the PRC") at a total consideration of RMB1,300,000 (equivalent to HK\$1,579,858). Tianjin Libao is principally engaged in trading of coals in the PRC.

The acquired business contributed revenue and net loss of HK\$112,080,000 and HK\$61,901,000 respectively to the Group for the period from 31 July 2012 to 31 December 2012.

The following table summarises the consideration for the acquisition of Tianjin Libao and the fair values of the assets acquired and liabilities assumed recognised at the acquisition date.

41. 資本風險管理

集團管理其資本以確保集團將能夠以持續經營方式營運，同時亦透過達致債務與股本之間最佳之平衡而為股東爭取最大回報。

集團之資本架構包括現金及現金等值項目及公司擁有人應佔權益，包括已發行股本及各種儲備。公司董事定期檢討資本架構。作為檢討一部份，公司董事考慮資本成本及相關風險，並採取適當行動調整集團之資本架構。截至二零一二年及二零一一年十二月三十一日止兩年內，集團之整體策略維持不變。

42. 收購一間附屬公司

於二零一二年七月三十一日，集團收購一間於中華人民共和國（「中國」）天津註冊成立之公司天津市利寶煤炭銷售有限公司（「天津利寶」）之80%股權，總代價為人民幣1,300,000元（相當於1,579,858港元）。天津利寶主要從事於中國買賣煤炭。

於二零一二年七月三十一日至二零一二年十二月三十一日期間，集團於所收購業務中分別錄得收入112,080,000港元及虧損淨額61,901,000港元。

下表概述收購天津利寶之代價以及於收購日期確認之所收購資產及所承擔負債之公平值。

Notes to the Consolidated Financial Statements

綜合財務報表附註



42. ACQUISITION OF A SUBSIDIARY

(Continued)

The fair values of the identifiable assets and liabilities of Tianjin Libao at the date of acquisition were as follows:

42. 收購一間附屬公司(續)

天津利寶於收購日期之可識別資產及負債之公平值如下：

		Fair value recognised on acquisition 於收購時確認 之公平值 HK\$'000 千港元
Purchase consideration (note i)	購買代價 (附註 i)	1,580
Recognised amounts of identifiable assets acquired and liabilities assumed	可識別所收購資產及所承擔負債之確認金額	
Property, plant and equipment	物業、廠房及設備	237
Trade receivables	應收貿易賬項	343
Prepayment, deposits and other receivables	預付款項、訂金及其他應收款項	50,539
Cash and cash equivalents	現金及現金等值項目	240
Trade payables	應付貿易賬項	(32,217)
Accruals, other payables and receipt in advance	應計款項、其他應付款項及預收款項	(17,125)
Total identifiable net assets	可識別資產淨值總額	2,017
Non-controlling interest	非控制權益	(404)
Goodwill (note ii)	商譽 (附註 ii)	(33)
Cash acquired	所收購現金	240
Net cash flow on acquisition of a subsidiary	於收購一間附屬公司時之現金流量淨額	240

Note (i) As at 31 July, 2012, the Group has an amount due from the former shareholder of the subsidiary (the "Seller"). The Group settled the consideration by reducing receivable from the seller and no cash was paid

附註 (i) 於二零一二年七月三十一日，集團擁有應收附屬公司前股東(「賣方」)款項。集團通過減少應收賣方款項結清代價，且無支付現金

Note (ii) Negative goodwill was recognised as other income in the consolidated income statement.

附註 (ii) 負商譽於綜合收益表確認為其他收入。

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綜合財務報表附註

43. EVENT AFTER THE REPORTING PERIOD

On 6 January 2013, the Company and the other parties to the Exclusive Right Agreement entered into a supplemental agreement (the “Supplemental Agreement”) to extend the expiry date of the Exclusivity Period to a date falling six months from the date of the Supplemental Agreement to 5 July 2013 (or such other date as the parties may agree)). Save for the extension of the expiry date of the Exclusivity Period, all other terms of the Exclusive Right Agreement remain unchanged and valid.

44. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year’s presentation.

43. 報告期後事項

於二零一三年一月六日，公司與獨家購買權協議其他各方訂立補充協議（「補充協議」），以將獨家購買權期間之屆滿日期延長至補充協議之日起計六個月之日期，即二零一三年七月五日（或各方議定之其他日期）。除獨家購買權期間之屆滿日期延長外，獨家購買權協議之所有其他條款仍保持不變及有效。

44. 比較數字

若干比較數字已重新分類以符合本年度之呈列。



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