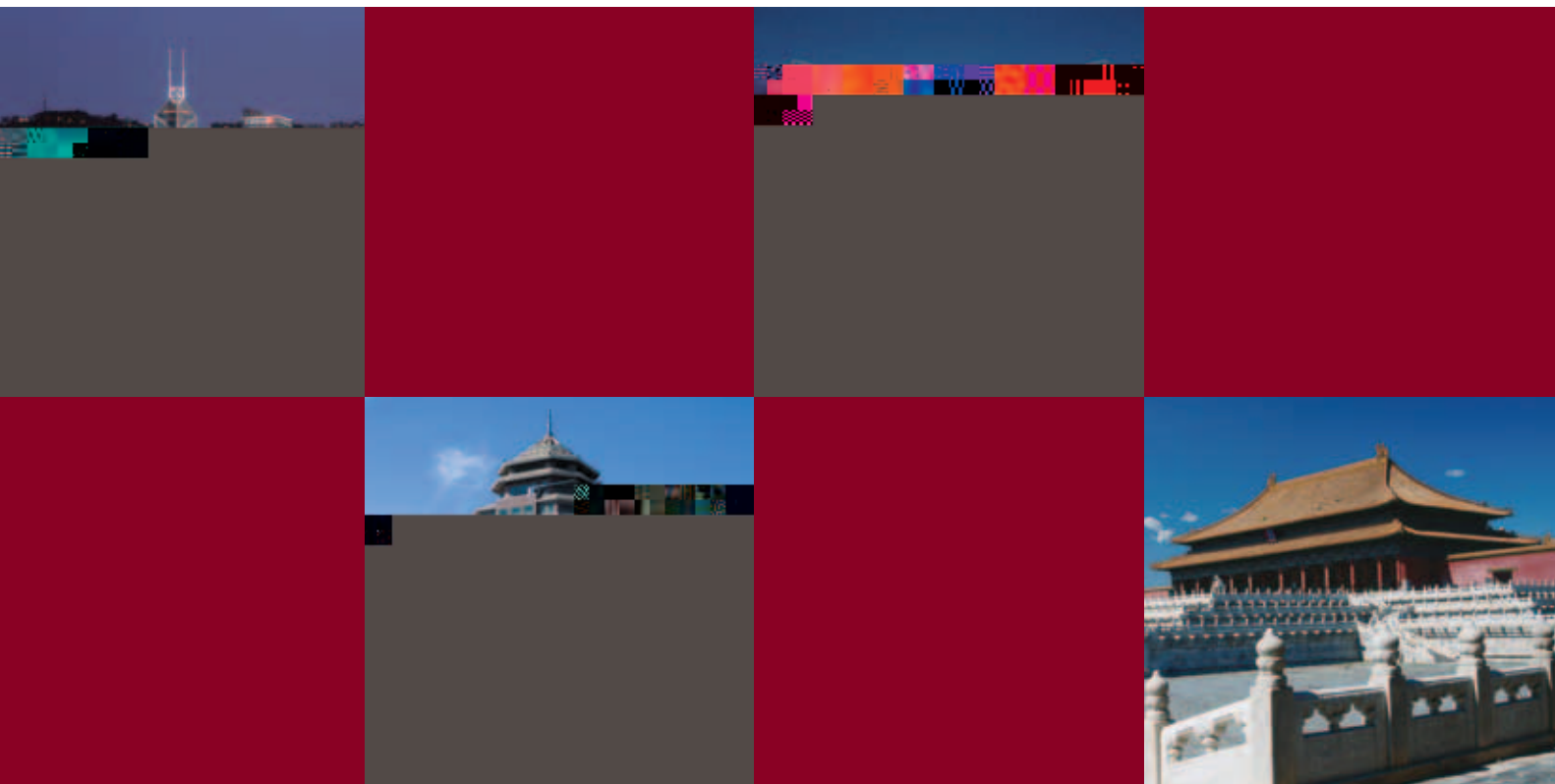




SILVER GRANT INTERNATIONAL
INDUSTRIES LIMITED

實業有限公司

代號 Stock code: 171



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FINANCIAL HIGHLIGHTS 財務摘要

		2009 二零零九年 HK\$'m 百萬港元	2008 二零零八年 HK\$'m 百萬港元	Changes 變動 %
Profit Attributable to Owners of the Company	本公司擁有人應佔溢利	406	87	367%
Total Assets	資產總值	6,498	6,410	1%
Equity Attributable to Owners of the Company	本公司擁有人應佔股本	5,169	4,870	6%
Cash & Bank Balances	現金及銀行結餘	1,980	792	150%

Key Performance and Liquidity Indicators:	主要營運表現及財務狀況指標:	HK\$ 港元	HK\$ 港元	Changes 變動 %
Basic Earnings Per Share	每股基本盈利	0.223	0.048	365%
Net Assets Per Share (Note 1)	每股資產淨值(附註 1)	2.84	2.67	6%
P/E Ratio (Note 1)	市盈率(附註 1)	13.0x	14.8x	(12%)
Return on Capital Employed (Note 2)	股本回報率(附註 2)	7.9%	1.8%	339%
Return on Total Assets (Note 3)	總資產回報率(附註 3)	6.2%	1.4%	343%
Gearing Ratio (Note 4)	借貸比率(附註 4)	9%	16%	(44%)
Current Ratio (Note 5)	流動比率(附註 5)	3.2x	2.1x	52%
Interest Coverage (Note 6)	利息償付比率(附註 6)	19.3x	4.6x	320%

FINANCIAL HIGHLIGHTS 財務摘要

Notes:

1. Based on 1,820,709,611 shares issued and fully paid as at 31 December, 2009 (2008: 1,820,709,611 shares) and the market closing price of HK\$2.91 (2008: HK\$0.71) per share.
2. Calculated as profit attributable to owners of the Company over equity attributable to owners of the Company.
3. Calculated as profit attributable to owners of the Company over total assets.
4. Calculated as total borrowings over equity attributable to owners of the Company.
5. Calculated as current assets over current liabilities.
6. Calculated as profit before finance costs and taxation over finance costs.

附註：

1. 基於二零零九年十二月三十一日已發行及已繳足股份1,820,709,611股(二零零八年：1,820,709,611股)及收市價每股2.91港元(二零零八年：0.71港元)計算所得。
2. 以本公司擁有人應佔溢利除以本公司擁有人應佔股本計算所得。
3. 以本公司擁有人應佔溢利除以總資產計算所得。
4. 以借貸總額除以本公司擁有人應佔股本計算所得。
5. 以流動資產除以流動負債計算所得。
6. 以扣除財務費用及稅項前溢利除以財務費用計算所得。

CORPORATE INFORMATION 公司資料

Board of Directors

Executive directors

Gao Jian Min (*Managing Director*)
 Liu Tianni (*Deputy Managing Director*)
 Gu Jianguo
 Tang Baoqi
 Chow Kwok Wai
 Li Xianli

Non-executive directors

Chen Xiaozhou (*Chairman*)
 Hui Xiao Bing (*Vice Chairman*)
 Yuen Wing Shing
 Yang Zhao

Independent non-executive directors

Kang Dian
 Zhang Lu
 Hung Muk Ming

Audit Committee

Kang Dian (*Committee Chairman*)
 Zhang Lu
 Hung Muk Ming

Remuneration Committee

Kang Dian (*Committee Chairman*)
 Zhang Lu

Company Secretary

Tung Tat Chiu, Michael

Company Lawyer

Tung & Co. Solicitors

董事會

執行董事

高建民(董事總經理)
 劉天倪(董事副總經理)
 顧建國
 唐保祺
 周國偉
 李現立

非執行董事

陳孝周(主席)
 惠小兵(副主席)
 袁永誠
 楊兆

獨立非執行董事

康典
 張璐
 洪木明

審核委員會

康典(委員會主席)
 張璐
 洪木明

薪酬委員會

康典(委員會主席)
 張璐

公司秘書

佟達釗

公司律師

佟達釗律師行

CORPORATE INFORMATION 公司資料

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants

Principal Bankers

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
The Citic Ka Wah Bank Limited

Share Registrar and Transfer Office

Tricor Secretaries Limited
26th Floor, Tesbury Centre,
28 Queen's Road East,
Wanchai, Hong Kong
(Tel: 29801888 Fax: 28610285)

Registered Office

Suite 4901, 49th Floor, Office Tower,
Convention Plaza, 1 Harbour Road,
Wanchai, Hong Kong
(Tel: 28770030 Fax: 28029506)

Company Website

<http://www.silvergrant.com.hk>

Stock Code

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核數師

德勤•關黃陳方會計師行
執業會計師

主要往來銀行

中國銀行(香港)有限公司
香港上海匯豐銀行有限公司
中信嘉華銀行有限公司

股份登記及過戶處

卓佳秘書商務有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓
(電話：29801888 傳真：28610285)

註冊辦事處

香港灣仔港灣道1號
會展廣場辦公大樓
49樓4901室
(電話：28770030 傳真：28029506)

公司網址

<http://www.silvergrant.com.hk>

股份代號

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MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Review of Results

Profit attributable to owners of the Company increased by HK\$319.2 million to HK\$406.3 million (2008: HK\$87.1 million), representing an increment of approximately 367%. Basic earnings per share also increased by 365% to HK\$0.223 (2008: HK\$0.048).

The increase was mainly attributable to the following three factors:

First of all, the Group aborted its investment in the redevelopment project "Zi You Xiao Zhen" by disposing its entire 22.62% equity interest in 北京君合百年房地產開發有限公司(「君合百年」) in 2009. A gain on disposal of approximately HK\$122.5 million was thus recognized.

Secondly, the fair values of the Group's investment properties and leasehold properties increased significantly in light of the rapid and prominent recovery of the property market after the financial tsunami triggered by the subprime crisis in September 2008. Consequently, the Group recognized revaluation gains of approximately HK\$65.6 million in aggregate in 2009. However, there was a revaluation loss of approximately HK\$39.3 million in 2008 in light of the recessed market shortly after the outbreak of the financial tsunami. The effect of the foregoing was to increase the profit of 2009 by approximately HK\$104.9 million.

Lastly, due to the same reason caused by the subprime crisis, the Group recognized unrealized gains of approximately HK\$48.5 million in aggregate in respect of held for trading investments in 2009. However, there were unrealized losses of approximately HK\$35.4 million in aggregate in 2008. The effect was to increase the profit of 2009 by approximately HK\$83.9 million.

業績回顧

本公司擁有人應佔溢利增加319,200,000港元至406,300,000港元(二零零八年: 87,100,000港元), 增幅約為367%。每股基本盈利亦增加365%至0.223港元(二零零八年: 0.048港元)。

增加主要是由下述三個因素所致:

首先, 於二零零九年, 本集團透過出售其於北京君合百年房地產開發有限公司(「君合百年」)之全部22.62%股本權益, 放棄繼續投資於《自由小鎮》的重建項目。因而確認一筆數額約為122,500,000港元之出售收益。

其次, 鑒於房地產市場在經歷二零零八年九月由次級債務危機引爆的金融海嘯後, 快速並顯著恢復過來, 本集團之投資物業及租賃物業之公允值因而大幅上漲。因此, 本集團於二零零九年度確認重估收益總額約65,600,000港元。然而, 在剛爆發金融海嘯後的低迷市場情況下, 於二零零八年度錄得重估虧損約為39,300,000港元。前述事項之影響是為二零零九年度溢利帶來約104,900,000港元增長。

最後, 基於由次級債務危機導致的相同原因, 本集團於二零零九年度, 就持作買賣投資確認未變現收益總額約為48,500,000港元。然而, 於二零零八年度卻錄得未變現虧損總額約為35,400,000港元。前述事項之影響是為二零零九年度之溢利帶來約83,900,000港元增長。

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Review of Results *(Continued)*

Administrative Expenses

Administrative expenses for the year increased by approximately HK\$22.9 million, representing an increment

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Final Dividend

The Board of Directors of the Company (the “Board”) has resolved to recommend the payment of a final dividend of HK\$0.10 per share for the year ended 31 December 2009 (2008: HK\$0.09 per share). The final dividend, subject to approval by shareholders at the forthcoming

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Business Review & Prospects *(Continued)*

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Business Review & Prospects *(Continued)*

During the year, 科馬實業 was concentrating its effort on expanding its operations. In this regard, profit contribution from 科馬實業 was only minimal. The Group has confidence in the business model of 科馬實業 and has established business plan for 科馬實業 to build up sustainable and fast profit growth in the next few years. The Group has an intention to spin-off 科馬實業 at appropriate time.

Infrastructure Investments

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Business Review & Prospects *(Continued)*

Zhong Hai You Qi

The Group has an effective interest of 23.03% in Zhong Hai You Qi. Its principal business is the manufacturing and trading of fuel oil which is the raw material for lubricant oil production and bitumen. The current production

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Business Review & Prospects (Continued)

Financial Investments

Distressed Assets Business

The Huarong Portfolio

The performance in disposing the Huarong Portfolio was unsatisfactory in the past two years, particularly during the post-financial crisis period in 2009. Investors' attentions were drawn to those highly depreciated assets resulting in barely any disposal of distressed asset in the Huarong Portfolio. Therefore, after serious negotiations with China Huarong Asset Management Corporation ("China Huarong"), a compromised arrangement was reached by the end of 2009. The Group agreed to sell all the remaining distressed assets with a carrying value of approximately HK\$88.8 million in the Huarong Portfolio back to China Huarong at a total consideration of RMB63.7 million for the purpose of realizing further working capital and concentrating effort on other businesses of the Group.

The amount of cash recovered from the Huarong Portfolio was RMB498.6 million in aggregate, which is equal to the cost of acquiring the Huarong Portfolio. Having taken into account the effect of RMB appreciation during the past few years and the interest generated from the cash recovered, the Group was able to achieve a breakeven investment, as a whole, in investing in the Huarong Portfolio.

The Orient Portfolio

The disposal of the Orient Portfolio was substantially completed in 2009. The revenue contribution for the year was only HK\$1.7 million (2008: HK\$40.0 million). The decrease in revenue contribution was due to and was in line with the decrease in the amount of distressed assets outstanding and pending disposal. To summarize, the cumulative cash recoveries of the Orient Portfolio was approximately RMB662.2 million (equivalent to approximately HK\$749.9 million) in aggregate, representing a recovery rate of 3.1%. In the opinion of the Board, the disposal of the Orient Portfolio was successfully completed.

業務回顧及展望(續)

金融投資

不良資產業務

華融資產包

於過去的兩年，處置華融資產包的成果並不理想，尤其是在後金融海嘯的二零零九年期間。投資者的注意力都轉移到那些已經嚴重貶值的資產；故此，幾乎未能成功處置任何華融資產包內之不良資產。因此，經過與中國華融資產管理公司(「中國華融」)認真協商後，於二零零九年年末達成一項妥協安排。本集團同意把華融資產包剩餘、賬面值約88,800,000港元的不良資產，全部賣回給中國華融，代價為人民幣63,700,000元，目的為進一步套現營運資金並集中精力於處理本集團的其他業務。

處置華融資產包累計已收回的現金總額約為人民幣498,600,000元，與收購華融資產包的代價相約。如計及過去幾年人民幣升值的影響以及回收現金衍生的利息收益，總的來說，本集團於華融資產包這項投資，可以達到收支平衡。

東方資產包

處置東方資產包之工作，基本上已於二零零九年度內完成。年內貢獻之收益僅有1,700,000港元(二零零八年：40,000,000港元)。收益貢獻減少乃由於並且與其未處置的不良資產結餘減少吻合。總的來說，處置東方資產包累計回收現金總額約為人民幣662,200,000元(相當於約749,900,000港元)，相當於處置回收率約為3.1%。董事會意見認為，處置東方資產包之工作，已成功地完成。

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Business Review & Prospects (Continued)

China New Material

The Group holds HK\$40.0 million exchange notes in China New Material (Zhongpu) Holdings Limited ("China New Material") which are capable of converting into the listed securities of China New Material upon listing.

Growth Strategies

The Board has decided to concentrate its effort on investing in the natural resources and energy sectors. Currently, the Group is considering certain investment opportunities in coal, power and petrochemical projects for the purpose of extending the source of recurring income and expanding the magnitude of recurring earnings of the Group.

Strategic Shareholder

On 10 February 2010, the Company issued 364,140,000 new shares to CGNPC International Limited ("CGNCL") at a price of HK\$2.00 per share for the purpose to broaden the shareholder base and strengthen its capital base. A net proceed of approximately HK\$718.0 million was raised to further enhance the Group's working capital for future business developments. CGNCL becomes a strategic shareholder of the Company with an equity interest of approximately 16.67%.

On the same date, the Company entered into a non-legally binding letter of intent with CGNCL for the purpose of co-investing in projects recommended by CGNCL. The projects shall be resources, energy and nuclear related such as new nuclear power assets, general power assets, uranium mine resources and application of nuclear technology. The projects shall also satisfy certain return requirements and legal and financial due diligence.

業務回顧及展望(續)

中國新材料

本集團持有中國新材料(中普)控股有限公司(「中國新材料」)40,000,000港元可換股票據，可於中國新材料上市時按約定條款轉換成上市證券。

發展策略

董事會已決定，專注於天然資源及能源領域的投資方向。本集團現正考慮於煤炭、電力及石油化工業務方面的若干投資項目之投資機會，希望能擴展本集團之經常性盈利的來源及擴大經常性盈利的金額。

策略股東

於二零一零年二月十日，本公司發行364,140,000股新股予中廣核國際有限公司(「中廣核國際」)，代價為每股2.00港元，目的為擴大股東基礎並加強股本實力。共籌集淨額約718,000,000港元以進一步提升本集團之營運資金，為未來業務發展所用。中廣核國際成為本公司一名策略股東，持有約16.67%股本權益。

於同日，本公司與中廣核國際簽訂一項不具法律約束力的意向書，為達致共同投資於中廣核國際推薦的項目之目的。該等項目應為資源、能源及核相關如新建的核電站資產、常規電站資產、鈾礦資源以及核應用技術等。該等項目同時需要符合若干回報要求以及滿足法律及財務的盡職調查。

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Growth Strategies (Continued)

Natural Resources Venture (Continued)

Following the Capital Increase, both the registered and paid up capital of Guoyang Tiantai will be RMB2,000.0 million (equivalent to approximately HK\$2,260.0 million) and the capital contribution of Beijing Runda and Shanxi Guoyang in Guoyang Tiantai will be RMB980.0 million (equivalent to approximately HK\$1,107.4 million) and RMB1,020.0 million (equivalent to approximately HK\$1,152.6 million), representing 49% and 51% of the registered capital of Guoyang Tiantai respectively. Following the Capital Increase, Guoyang Tiantai will be treated as an associate of the Company.

By participating in the capital increase, the Group may extend its business to the coal resource industry in the PRC, thereby diversify the source of income and increase the financial returns of the Group.

Winsway Coking Coal

On 30 March 2010, the Company concluded an investment of USD25.0 million (equivalent to HK\$195.0 million) by investing in the convertible note of Winsway Coking Coal Holdings Limited ("Winsway Coking Coal") which is capable of converting into the then listed securities upon the listing of Winsway Coking Coal in accordance with agreed covenants. Winsway Coking Coal is a conglomerate platform enterprise engaged in the businesses of coal import, cross-border coal logistic (mainly across the borders of China-Mongolia and China-Russia) and equipment developments and operations, selection processing and trading.

發展策略(續)

天然資源項目(續)

緊隨增資後，國陽天泰之註冊資本及實收資本將會為人民幣2,000,000,000元(相當於2,260,000,000港元)。而北京潤達及山西國陽於國陽天泰之資本投資將分別為人民幣980,000,000元(相當於約1,107,400,000港元)及人民幣1,020,000,000元(相當於約1,152,600,000港元)，即分別佔國陽天泰註冊資本49%及51%。增資完成後，國陽天泰將會成為本公司之聯營公司。

通過參與增資，本集團將可延伸其業務至中國煤炭資源工業，從而達到分散本集團之收入來源以及增加財務收益。

永暉焦煤

於二零一零年三月三十日，本公司落實投資25,000,000美元(相當於195,000,000港元)持有永暉焦煤股份有限公司(「永暉焦煤」)可換股票據，可於永暉焦煤上市時按照約定條款轉換成上市證券。永暉焦煤是一家集煤進口、跨境口岸物流(主要為中國—蒙古和中國—俄羅斯邊境)及基礎設施開發及營運、洗選加工及銷售一體化的資源門戶平台企業。

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Growth Strategies *(Continued)*

Petrochemical Projects

The Group has an intention to expand the business scale of the existing petrochemical projects by strengthening the utilization of raw materials, expanding the deeper processing of raw material, manufacturing of high market demand products and to extend the products line. Amongst which, TZ United East has intention to construct a 1.0 million tons heavy oil production facility, Zhong Hai You Qi has intention to expand its oil refinery capacity by 3.0 million tons and to construct a 0.6 million tons lubricant oil facility.

By further expanding the production capacity of the petrochemical operations, the Group can enjoy the benefit of economic of scale which will eventually become a stable source of revenue and profit of the Group.

Financial Review

Exchange Exposure

The Group's principal assets, liabilities, revenue and payments are denominated in HKD and RMB. Moreover, the Board is capable of maintaining a net monetary asset position denominated in RMB for the Group. Therefore, the Board is confident that the Group's exposure to exchange rate fluctuations in respect of RMB will not have material adverse effect on the financial position of the Group in light of the continuous and mild appreciation of the RMB to HKD exchange rate. In addition, the Board does not anticipate that there is any material exchange exposure in respect of other currencies.

At the end of the reporting period, the Group has no material liabi pre

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Financial Review (Continued)

Working Capital & Borrowings

At the end of the reporting period, the Group's total borrowings amounted to approximately HK\$464.8 million in aggregate. The composition of these borrowings is summarized below:

		HK\$'m 百萬港元	Percentage 百分比
Short term borrowings	短期借貸	179.1	39%
Long term borrowings	長期借貸	285.7	61%
		464.8	100%

Interests for all borrowings were charged at floating rates ranging from 2.17% per annum to 4.86% per annum.

At the end of the reporting period, the Group's cash and bank balances was HK\$1,979.7 million in aggregate. And the Group's net cash balance and net current assets were approximately HK\$1,514.9 million and HK\$1,848.6 million respectively. In view of the Group's strong working capital base and the relatively high level of net cash, the Board is confident that the Group has adequate working capital to meet daily operations and to finance future expansion. Moreover, the Group has a sound and strong financial position.

At the end of the reporting period, the Gearing Ratio and Current Ratio of the Group were 9% (2008: 16%) and 3.2x (2008: 2.1x) respectively.

During the year, the Company early redeemed its convertible note with a principal amount of US\$52.5 million (equivalent to approximately HK\$409.5 million) at a 5% discounted consideration of approximately US\$49.9 million (equivalent to approximately HK\$389.0 million). All accrued interests on convertible note amounting to approximately HK\$0.6 million were waived and recognised as other income.

財務回顧(續)

營運資金及借貸

於本報告期末，本集團之借貸總額約為464,800,000港元。借貸的組成總結如下：

	HK\$'m 百萬港元	Percentage 百分比
短期借貸	179.1	39%
長期借貸	285.7	61%
	464.8	100%

所有借貸之利息均是以浮動利率計算，利率區間由年利率2.17%至年利率4.86%。

於本報告期末，本集團之現金及銀行結餘總額為1,979,700,000港元。加上本集團之淨現金及淨流動資產分別約為1,514,900,000港元及1,848,600,000港元。鑒於本集團擁有一個強勁的流動資金基礎，以及相對高水平的淨現金結餘，董事會對本集團擁有足夠的流動資金應付日常營運所需以及支持未來擴張有信心。此外，本集團擁有穩健且良好的財務狀況。

於本報告期末，本集團之借貸比率及流動比率分別為9%(二零零八：16%)及3.2x(二零零八：2.1x)。

於年內，本公司以5%折扣後之代價約49,900,000美元(相當於約389,000,000港元)，提早贖回其本金金額52,500,000美元(相當於約409,500,000港元)之可換股票據。票據項下應付之所有利息均獲得豁免支付並且已確認為其他收益，金額約為600,000港元。

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Financial Review (Continued)

Investment Properties

The increase in the carrying amount was due to increase in fair values. There were no material addition or disposal during the year.

Interest In Associates/Amounts Due from Associates

Both carrying amounts decreased significantly and were due to the disposal of CII and 君合百年 during the year.

Loan Receivables

These were loan made to certain independent borrowers for the purposes of utilizing a portion of the Group's idle funds for better returns and to increase interest income in the current low deposit rates period.

Deposits, Prepayments and Other Receivables

Amounts in 2009 were principally the fair value of the proceeds at initial recognition to be received by installments amounting to approximately HK\$236.9 million (amongst which approximately HK\$142.1 million will be settled by the end of 2011 and thus was classified as non-current asset; the remaining will be settled by the end of 2010 and thus was classified as current asset) in respect of the disposal of CII. Amounts in 2008 were principally the proceeds receivable amounting to approximately HK\$165.6 million in respect of the disposal of subsidiaries in the year before.

Bank Balances and Cash

The significant increase in bank balances and cash was mainly due to the receipt of a huge amount of invested funds following the disposal of the two associates, CII and 君合百年 during the year.

財務回顧(續)

投資物業

賬面值增加是由於公允值上漲所致。年內並無重大的新購或出售。

聯營公司權益 應收聯營公司款

兩項結餘均大幅減少，是由於年內出售中基及君合百年所致。

應收貸款

此等為借予若干獨立借款人之貸款，目的是適當地動用本集團部份閒置資金，以祈在當前低存款利息的期間賺取較好回報。

按金、預付款及其他應收款

二零零九年度金額主要為出售中基於最初確認之應收未收代價之公允值的分期款項，總額約236,900,000港元(其中約142,100,000港元將於二零一一年年末支付並因而劃分為非流動資產；其餘將於二零一零年年末支付並因而劃分為流動資產)。二零零八年度金額主要為再對上一年度出售附屬公司應收未收之款項，總額約為165,600,000港元。

銀行結餘及現金

銀行結餘及現金大幅增加，主要是年內出售中基及君合百年兩家聯營公司後，收回大量投資資金所致。

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Financial Review (Continued)

Other Major Accounting Items

During the year, the board composition of a subsidiary engaged in petrochemical operations was changed. Consequently, the Group lost its control over the subsidiary, which was then reclassified as a jointly controlled entity. Due to this reason, the carrying balances of certain major accounting items in the consolidated statement of financial position (such as property, plant and equipment, inventories, deposit, prepayments and other receivables, trade payables, borrowings and minority interest) decreased significantly.

Capital Structure

At the end of the reporting period, the shareholders' fund of the Group was approximately HK\$5,169.4 million and has increased by approximately HK\$299.8 million or approximately 6% compared to that as at 31 December 2008. The increase was mainly due to increase in retained profit.

During the year, the Company paid HK\$163.9 million to shareholders of the Company as final dividend for the year ended 31 December 2008, which has an effect of reducing the overall capital.

Human Resources

At the end of the reporting period, the Group employed approximately 1,460 (2008: 1,620) employees in Hong Kong and in the PRC. The Group offers its employees competitive remuneration packages, which are consistent with the prevailing market practices. The Group's remuneration policies remain unchanged during the year. Total staff costs for the year was approximately HK\$92.6 million (2008: approximately HK\$87.0 million).

The decrease in the number of employees was due to the deemed disposal of a petrochemical subsidiary during the year. The deemed disposal was a result of the Group lost its control over the board of directors of that subsidiary.

財務回顧(續)

其他主要會計科目

年內，因一家從事石油化工經營的附屬公司之董事會組成發生變動，導致本集團失去對該附屬公司之控制權，而須重新把其歸類為共同控制公司。因此緣故，綜合財務狀況表內若干主要會計科目之賬面結餘（例如：物業、廠房及設備、存貨、按金、預付款及其他應收款、應付賬款、借貸及少數股東權益）大幅減少。

股本結構

於本報告期末，本集團之股東資金為5,169,400,000港元；較截至二零零八年十二月三十一日止年度之數額增加約299,800,000港元，增幅約為6%。增長主要是保留盈利增加所致。

年內，本公司向本公司股東支付截至二零零八年十二月三十一日止年度之末期股息，總金額163,900,000港元，派息對整體股本帶來減少的影響。

人力資源

於本報告期末，本集團於香港及中國僱用約1,460(二零零八年：1,620)名僱員。本集團為其僱員提供一套符合市場慣例且具有競爭性的薪酬制度。本集團的薪酬政策於年內維持不變。年內之員工支出總額增加為92,600,000港元(二零零八年：87,000,000港元)。

員工人數減少，是由於年內視同出售一家石油化工附屬公司所致。由於本集團失去其對該附屬公司董事會的控制權，導致被視同出售。

MANAGING DIRECTOR'S STATEMENTS 董事總經理報告

Appreciation

On behalf of the Board, I would like to express my appreciation and gratitude to our shareholders for their support and all the Group's employees for their hard work and dedication in carrying out their duties and in achieving the Group's business goal.

On behalf of the Board, I am glad to welcome China Guangdong Nuclear Power Group to be a shareholder of the Company and am looking forward to having a pleasant and fruitful partnership going ahead.

By order of the Board of
Silver Grant International Industries Limited

Gao Jian Min
Managing Director

Hong Kong, 9 April, 2010

致謝

本集團有賴各股東的鼎力支持和全體員工努力不懈的竭誠服務以達致本集團的目標，本人謹代表董事會向彼等致以深切謝意。

本人謹代表董事會，歡迎中國廣東核電集團成為本公司股東，並祈望雙方於未來可達至愉快及具有成果的夥伴關係。

承董事會命
銀建國際實際有限公司

董事總經理
高建民

香港，二零一零年四月九日

PROFILE OF DIRECTORS 董事簡介

Executive Directors

Gao Jian Min *Managing Director*

Mr. Gao, aged 50, was appointed as an executive director and served as the Managing Director of the Company on 22 June 1993. He is also appointed as directors of various companies of the Group. Mr. Gao is also an executive director of Jiangxi Copper Co., Ltd (Stock Code: 358) and Qingling Motors Co. Ltd. (Stock Code: 1122), the H shares of both companies are listed on the Stock Exchange. Mr. Gao graduated from the Qing Hua University with a bachelor degree in engineering. He has over 20 years of experience in finance, industrial investment and property investment and development.

Liu Tianni *Deputy Managing Director*

Mr. Liu, aged 46, was appointed as an executive director of the Company on 26 May 2001. Mr. Liu is the Deputy Managing Director of the Company. Mr. Liu is also a director of various companies of the Group. He graduated from the Beijing Normal University with a master degree in science. He has over 15 years of experience in corporate administration and trade businesses. Mr. Liu is also the independent non-executive director of Chongqing Iron & Steel Company Limited (Stock code: 1053), the H shares of which are listed on the Stock Exchange.

Gu Jianguo

Mr. Gu, aged 47, was appointed as an executive director of the Company on 25 May 1999. Mr. Gu is currently a director and general manager of Well Kent International Holdings Co., Ltd. ("Well Kent"). Mr. Gu obtained a master degree and a Ph. D degree in 1991 and 1994 respectively. He has over 20 years of experiences in commercial and investment banking, business management, and financial accounting and management. He is also an executive director of Cinda International Holdings Limited ("Cinda International") (Stock code: 111) which shares are listed on the Stock Exchange.

執行董事

高建民 *董事總經理*

高先生現年50歲，於一九九三年六月二十二

PROFILE OF DIRECTORS 董事簡介

Executive Directors (Continued)

Tang Baoqi

Mr. Tang, aged 50, was appointed as an executive director of the Company on 14 March 2008. Mr. Tang is a Senior Economist. He obtained his bachelor degree in economics from the Hubei School of Finance and Economics in 1983. From 1983 to 1999, he worked in the head quarter of China Construction Bank and was responsible for credit administration. From 1999 to 2000, he worked in China Cinda Asset Management Corporation ("China Cinda"), a substantial shareholder of the Company and was responsible for the management of debt assets. At present, Mr. Tang is the financial controller of Well Kent which is a wholly owned subsidiary of China Cinda and is in charge of the management of debt assets and financial management. Mr. Tang has over 14 years of experience in banking and finance.

Chow Kwok Wai

Mr. Chow, aged 43, is one of the Deputy General Managers and is the Qualified Accountant of the Company. He is responsible for the finance and accounting matters of the Group. Mr. Chow joined the Company in October 1993 and was appointed as an executive director of the Company on 20 April 2004. Mr. Chow has worked in Price Waterhouse, which is now known as PriceWaterhouseCoopers and has accumulated valuable audit experience there. Mr. Chow received his bachelor degree in social sciences from the University of Hong Kong in 1990. Mr. Chow is a Fellow Member of the Association of Chartered Certified Accountants and a Fellow CPA of the Hong Kong Institute of Certified Public Accountants. Mr. Chow has over 15 years of experience in accounting, financial management and corporate finance. Mr. Chow is also an independent non-executive director of Lijun International Pharmaceutical (Holding) Co., Ltd. (Stock Code: 2005) which H shares are listed on the Stock Exchange. He is also a non-executive director of Cinda International (Stock code: 111) which shares are listed on the Stock Exchange.

執行董事(續)

唐保祺

唐先生現年50歲，於二零零八年三月十四日獲委任為本公司之執行董事。唐先生為高級經濟師。彼一九八三年畢業於湖北財經學院，獲經濟學學士學位。從一九八三年至一九九九年，彼在中國建設銀行總行工作，從事信貸管理工作。從一九九九年至二零零零年，彼在本公司之一名主要股東中國信達資產管理公司(「中國信達」)工作，從事債權資產管理工作。唐先生現時是華建集團(中國信達之全資附屬公司)的財務總監，負責債權資產管理及財務管理工作。唐先生於銀行業及金融業擁有逾十四年經驗。

周國偉

周先生現年43歲，現為本公司的其中一名副總經理及本公司的合資格會計師，負責本集團之財務及會計事宜。周先生於一九九三年十月加入本公司並於二零零四年四月二十日獲委任為本公司之執行董事。周先生曾於羅兵咸會計師事務所(現稱羅兵咸永道會計師事務所)任職並於該所累積了寶貴的核數經驗。周先生於一九九零年取得由香港大學頒授的社會科學學士學位。周先生現時為英國特許公認會計師公會資深會員及香港會計師公會資深會計師。周先生在會計、財務管理及企業財務方面擁有逾十五年經驗。周先生亦為利君國際醫藥(控股)有限公司(股份代號：2005)的獨立非執行董事，該公司之H股份於聯交所上市。彼亦為信達國際(股份代號：111)的非執行董事，該公司之股份於聯交所上市。

PROFILE OF DIRECTORS 董事簡介

Executive Directors (Continued)

Li Xianli

Mr. Li Xianli, aged 36, was appointed as an executive director of the Company on 9 April 2010. Mr. Li is currently a non-practicing member of The Chinese Institute of Certified Public Accountants. He graduated from the Central University of Finance and Economics with a bachelor degree in economics in 1996. From 1996 to 2000, Mr. Li was involved in the financial management work in the finance department of China Guangdong Nuclear Power Holding Co., Ltd. ("CGNPC"). From 2001 to 2002, Mr. Li was the finance manager of Galaxy New Technology Development Co. which is a wholly owned subsidiary of CGNPC. From 2003 to 2006, Mr. Li was the senior manager and assistant to general manager of the finance department of China Gas Holdings Limited (stock code: 384), whose shares are listed on the Stock Exchange. From 2007 to 2009, Mr. Li was the financial controller of China Parking Holdings Limited. At present, Mr. Li is the senior manager of the accounting department of Daya Bay Nuclear Power Finance Corporation Co., Limited, which is a wholly owned subsidiary of CGNPC.

Non-executive Directors

Chen Xiaozhou Chairman

Mr. Chen, aged 48, was appointed as an executive director of the Company and was elected the Chairman of the Board on 13 February 2006. He was redesignated as a non-executive director of the Company on 1 September, 2006. He is currently the chairman of Well Kent and the chairman and executive director of Cinda International (Stock code: 111), which shares are listed on the Stock Exchange and a non-executive director of China National Materials Co., Ltd. (Stock Code: 1893), the H-shares of which are listed on the Stock Exchange. Mr. Chen obtained a master degree in economics from the Research Institute of the People's Bank of China in 1988 and obtained a master degree in commerce from the University of New South Wales, Australia in 2003. Mr. Chen has over 18 years of experience in the banking and finance sectors.

執行董事(續)

李現立

李先生，36歲，於二零一零年四月九日獲委任為本公司執行董事。李先生現為中國註冊會計師協會非執業會員。李先生於一九九六年在中央財經大學畢業，獲經濟學學士學位。李先生於一九九六年至二零零零年期間在中國廣東核電集團有限公司(「中廣核集團」)財務部從事財務管理工作，於二零零一年至二零零二年期間出任銀河新技術發展公司(中廣核集團之全資附屬公司)財務部經理職務，於二零零三年至二零零六年期間先後出任中國燃氣控股有限公司(股份代號：384)財務部高級經理及財務部總經理助理職務，該公司之股份於聯交所上市，於二零零七年至二零零九年期間出任中國泊車控股有限公司財務總監職務。李先生現時為大亞灣核電財務公司(中廣核集團之全資附屬公司)會計部高級經理。

非執行董事

陳孝周 主席

陳先生，48歲，於二零零六年二月十三日獲委任為本公司之執行董事並獲推選出任董事會主席一職。彼於二零零六年九月一日起調任為本公司的非執行董事。彼目前為華建國際之主席以及信達國際(股份代號：111)之主席和執行董事，該公司之股份於聯交所上市及中國中材股份有限公司(股份代號：1893)之非執行董事，該公司之H股股份於聯交所上市。陳先生於一九八八年獲得中國人民銀行金融研究所經濟學碩士學位，並於二零零三年獲得澳洲新南威爾士大學商學碩士學位。陳先生於銀行業及金融業擁有逾十八年經驗。

PROFILE OF DIRECTORS 董事簡介

Non-executive Directors (Continued)

Hui Xiao Bing Vice-chairman

Mr. Hui, aged 56, was appointed as an executive director of the Company and Vice-chairman of the Board on 22 June 1993. He was redesignated as a non-executive director of the Company on 1 September, 2006. Mr. Hui was the ex-deputy managing director of China Everbright Financial Holdings Limited. Mr. Hui was also the ex-president of China Construction Bank, Shenzhen Branch. He previously worked for the Research Centre for Economic Development of the State Council of the PRC and China Investment Consultancy Company. He has over 20 years of experience in banking and finance. Mr. Hui graduated from the Inner Mongolia Industrial University with a bachelor degree in engineering. Mr. Hui is currently the chairman and chief executive officer of Huiheng Medical, Inc. whose shares are traded on the Over-The-Counter Bulletin Board ("OTC BB") of the Nasdaq in the USA.

Yuen Wing Shing

Mr. Yuen, aged 63, was appointed as an executive director of the Company on 22 June 1993. He was redesignated as a non-executive director of the Company on 1 September, 2006. Mr. Yuen is the managing director of Yugang International Limited ("Yugang") (Stock Code: 613). He is also an executive director of Y. T. Realty Group Limited (Stock Code: 75) and Cross-Harbour (Holdings) Limited (Stock Code: 32). All of the aforesaid companies are public companies listed on the Stock Exchange. Mr. Yuen holds a diploma in management studies from The Hong Kong Polytechnic University. Prior to joining Yugang in 1992, he had held senior management positions with a major bank in Hong Kong for over 20 years.

非執行董事(續)

惠小兵 副主席

惠先生現年56歲，於一九九三年六月二十二日獲委任為本公司之執行董事及董事會副主席。彼於二零零六年九月一日起調任為本公司之非執行董事。惠先生曾任中國光大金融控股有限公司董事副總經理，亦為中國建設銀行深圳市分行前行長。彼還曾於中國國務院經濟發展研究中心及中國投資諮詢公司工作。彼於銀行業和金融業方面擁有逾二十年經驗。惠先生畢業於內蒙古工業大學，持有工程學士學位。惠先生目前是惠恆醫療集團有限公司之主席及首席執行官，其股份於美國納斯達克的電子交易平台(「OTCBB」)買賣。

袁永誠

袁先生現年63歲，於一九九三年六月二十二日獲委任為本公司之執行董事。彼於二零零六年九月一日起調任為本公司之非執行董事。袁先生為渝港國際有限公司(「渝港」)(股份代號：613)之董事總經理。彼亦為渝太地產集團有限公司(股份代號：75)及港通控股有限公司(股份代號：32)之執行董事。前述所有公司均於聯交所上市。袁先生持有香港理工大學管理學文憑。在一九九二年加入渝港之前，彼曾於香港一間大型銀行任職高級管理職位逾二十年。

PROFILE OF DIRECTORS 董事簡介

Non-executive Directors *(Continued)*

Yang Zhao

Mr. Yang, aged 48, was appointed as a non-executive director of the Company on 9 April 2010. Mr. Yang is currently the general manager of the capital operations department of CGNPC, the managing director of CGNPC

PROFILE OF DIRECTORS 董事簡介

Independent Non-executive Directors

Kang Dian

Mr. Kang, aged 61, was appointed as an independent non-executive director of the Company on 8 May 1998. He is presently a director of Springridge Investment Management Limited, which is principally engaged in the provision of consulting and management services and is the chairman of the supervisory committee of Shenzhen Development Bank Company Limited. Mr. Kang graduated from Beijing Institute of Iron and Steel Engineering (now known as the University of Science & Technology of Beijing) in the PRC, with a bachelor degree majoring in engineering in 1982. In 1984, he graduated from the Graduate School of Academy of Social Science of China in the PRC and obtained a master degree in economics. Mr. Kang was the director and vice-president of Guangdong Enterprise (Holdings) Limited, a holding company of a conglomerate group, from 1994 to 2000. From 1990 to 1994, Mr. Kang was the vice-president of China National Packing Co.. From 1987 to 1990, Mr. Kang was the vice-president of China Agribusiness Trust & Investment Co.. Mr. Kang is also the Consultant to the Finance & Securities Commission of All China Lawyers Association since 1996. During the period from 11 June 2002 to 10 June 2008, Mr. Kang was an independent non-executive director of BYD Company Limited (Stock Code: 1211) which H shares are listed on the Stock Exchange.

Zhang Lu

Mr. Zhang, aged 57, is an independent non-executive director of the Company and was appointed since 4 May 2000. Mr. Zhang was the ex-executive vice president and treasurer of Citic Ka Wah Bank Limited, responsible for both the Treasury and International Business. He previously worked for Bank of China and Citic Industrial Bank. Mr. Zhang graduated from Szechuan Institute of Foreign Languages. He has engaged in the banking business for over 30 years.

獨立非執行董事

康典

康先生現年61歲，於一九九八年五月八日獲委任為本公司之獨立非執行董事，彼現為時瑞投資管理有限公司(主要從事提供顧問及管理服務)之董事，並為深圳發展銀行監事會主席。康先生於一九八二年在中國北京鋼鐵學院(現為中國北京科技大學)畢業，榮獲工學士學位。於一九八四年，康先生畢業於中國社會科學研究生院，並取得經濟學碩士學位。康先生由一九九四年至二零零零年期間出任粵海企業(集團)有限公司(一間綜合企業的控股公司)之董事及副總裁職務；由一九九零年至一九九四年期間，康先生為中國包裝公司的副總裁；而由一九八七年至一九九零年期間，出任中國農業信託投資公司的副總裁職務。康先生從一九九六年開始擔任中國全國律師協會轄下之財務及證券委員會之顧問。於二零零二年六月十一日至二零零八年六月十日期間，康先生曾為比亞迪股份有限公司(股份代號：1211)之獨立非執行董事，該公司之H股股份於聯交所上市。

張璐

張先生現年57歲，自二零零零年五月四日起出任本公司之獨立非執行董事職務。張先生曾任職中信嘉華銀行執行副總裁兼司庫，主管資金及國際業務。彼曾任職於中國銀行及中信實業銀行。張先生畢業於四川外語學院，於銀行業擁有逾三十年經驗。

PROFILE OF DIRECTORS 董事簡介

PROFILE OF SENIOR MANAGEMENT 高級管理人員簡介

Kwok Chung Lun

Mr. Kwok, aged 55, joined the Company in July 1995. Mr. Kwok is the Managing Director of Beijing East Gate Development Co., Ltd. ("Beijing East Gate"), which is a wholly owned subsidiary of the Company. Mr. Kwok pursued study in the People's University. Mr. Kwok has over 20 years of experience in property investment and development.

Zhang Shuhua

Miss Zhang, aged 56, is the Deputy Managing Director of Beijing East Gate. Miss Zhang pursued study in Beijing Radio and Television University. Miss Zhang has over 20 years of experience in finance and accounting. At the date of this report, Miss Zhang has retired.

郭鐘麟

郭先生現年55歲，於一九九五年七月加盟本公司。郭先生現為本公司全資附屬公司北京東環置業有限公司(「北京東環」)之董事總經理。郭先生於中國人民大學畢業，彼於物業投資及發展方面擁有逾二十年經驗。

張淑華

張女士現年56歲，現為北京東環之董事副總經理。張女士於北京廣播電視大學畢業。彼於財務及會計方面擁有逾二十年經驗。於本報告日，張女士已退休。

CORPORATE GOVERNANCE REPORT 公司管治報告

Corporate Governance Practices

The Company is committed to maintaining and ensuring a standard of corporate governance that is consistent with market practices. The Company has applied the principles and complied with all the applicable code provisions of the Code on Corporate Governance Practices (“Code”) as set out in Appendix 14 of the Listing Rules for the year ended 31 December 2009.

The Company will continuously review and improve its corporate governance practices to ensure that business activities and decision-making processes are regulated in a proper and prudent manner.

The following summarizes the Company’s key corporate governance practices.

Board of Directors

The Board led by the Chairman, steers the Group’s business direction. The management, led by the Managing Director, which is also the Chief Executive Officer of the Group, is responsible for the Group’s management and operations. The division of responsibilities between the Chairman and the Managing Director are clearly established and set out in writing. The role of the Chairman and the Managing Director are separated and are performed by different persons to avoid concentration of authorities to one single person.

The Board is responsible for formulating the Group’s long-term strategies, setting business development goals, assessing the results of management policies, monitoring management’s performance and ensuring the existence of an effective internal control system. The independent non-executive directors serve the important function of ensuring and monitoring the basis for an effective corporate governance framework.

企業管治常規

本公司致力維持及確保符合市場慣例之一套企業管治標準。截至二零零九年十二月三十一日止年度，本公司已應用上市規則附錄十四所載之企業管治常規守則（「常規守則」）的原則，及已遵從所有適用之常規守則的守則條文。

本公司將會不斷檢討及改善其企業管治措施及準則，確保業務活動及決策過程，受到適當及審慎之規管。

下文概括說明，本公司的主要公司管治措施。

董事會

董事會由董事會主席領導，負責帶領本集團的業務發展方向；管理層由董事總經理（彼同時亦為本集團的行政總裁）領導，負責本集團的管理及經營運作。董事會主席和董事總經理有明確的分工，並已在董事會的職責約章中，作出明文規定；此外，董事會主席及董事總經理兩項功能，已予分離，並分別由兩人擔任，以避免權力集中於單一人士。

董事會負責制定本集團的長期策略、訂立業務發展目標、評估管理措施之成效、監察管理層之表現及確保存在有效的內部監控系統。獨立非執行董事則對確保及監察企業管治架構是否行之有效起著重要作用。

CORPORATE GOVERNANCE REPORT 公司管治報告

Board of Directors *(Continued)*

The current Board comprises six executive directors, four non-executive directors and three independent non-executive directors which composition is set out in the section headed Corporation Information on page 4 and the biographies of the directors are set out on pages 24 to 30.

Members of the Board possess the appropriate expertise and skills to discharge their duties.

The Company's directors Messrs. Chen Xiaozhou, Gu Jianguo and Tang Baoqi are also directors and/or senior officers within the group of China Cinda Asset Management Corporation, which is a substantial shareholder of the Company. The Company's directors Messrs. Gao Jian Min and Liu Tianni are also directors and shareholders of Silver Grant Group Limited, which is a substantial shareholder of the Company. The Company's director Mr. Yang Zhao is also a director and/or senior

CORPORATE GOVERNANCE REPORT 公司管治報告

Board of Directors (Continued)

All directors are regularly updated on governance and regulatory matters. There is an established procedure for directors to obtain independent professional advice, at the expense of the Company, in the furtherance of their duties.

The full board will meet regularly and at least four times throughout a year to review the overall strategy and to monitor the operations as well as the financial performance of the Group. Notice of at least 14 days will be given to all directors for all full board meetings and the directors can include matters for discussion in the agenda if necessary. Agenda and the accompanying board papers in respect of full board meetings are sent out in full to all directors no less than three days before the meeting. Minutes of full board meetings and meetings of board committee are properly kept and all directors have access to board papers and the related materials.

During 2009, four full board meetings were held and the attendance of each director is set out below:

董事會(續)

全體董事均定期獲得，有關管治及監管等事宜的更新資訊。董事可按照既定程序，尋求獨立專業意見，以協助履行其職責；相關費用由本公司承擔。

全體董事將定期，並最少每年召開四次全體董事會議，檢討整體策略與監察本集團的經營與財務表現。就所有全體董事會議，所有董事均獲發最少十四天的會議通知，如有需要，董事可加入討論事項於有關議程。全體董事會議的議程及附連之會議文件，將在會議前的最少三天，派發予所有董事。全體董事會議及董事會委員會會議之會議記錄均適當保存，所有董事均有權查閱董事會會議文件及相關資料。

於二零零九年內，共召開四次全體董事會議，每位董事的出席率載列如下：

Name of director 董事姓名	Number of meetings attended 出席會議次數	Attendance rate 出席率
Chen Xiaozhou 陳孝周	3 out of 4 四次中出席三次	75%
Hui Xiao Bing 惠小兵	3 out of 4 四次中出席三次	75%
Gao Jian Min 高建民	4 out of 4 四次中出席四次	100%
Liu Tianni 劉天倪	4 out of 4 四次中出席四次	100%
Gu Jianguo 顧建國	4 out of 4 四次中出席四次	100%
Tang Baoqi 唐保祺	4 out of 4 四次中出席四次	100%
Yuen Wing Shing 袁永誠	3 out of 4 四次中出席三次	75%
Chow Kwok Wai 周國偉	4 out of 4 四次中出席四次	100%
Kang Dian 康典	4 out of 4 四次中出席四次	100%
Zhang Lu 張璐	4 out of 4 四次中出席四次	100%
Hung Muk Ming 洪木明	4 out of 4 四次中出席四次	100%

CORPORATE GOVERNANCE REPORT 公司管治報告

Board of Directors *(Continued)*

According to the Articles of Association of the Company, the Board has the power to appoint any person as a director either to fill a casual vacancy or as an addition to the Board. The director so appointed shall held office until the first general meeting (in the case of filling a casual vacancy) or until the next annual general meeting (in the case of an addition to the Board) following his appointment and be eligible for re-election. In other cases, all directors, including the Chairman, Vice Chairman and Managing Director, shall retire by rotation at least once every three years at annual general meetings and be eligible for re-election.

CORPORATE GOVERNANCE REPORT 公司管治報告

Audit Committee

The Company established an audit committee (the "Audit Committee") in 1999. The composition and professional qualifications of the members of the Audit Committee complies with the requirements under Rules 3.21 of the Listing Rules. The Audit Committee has a written terms of reference that conform to the provisions of the Code.

The current Audit Committee comprises three independent non-executive directors, namely Mr. Kang Dian (committee chairman), Mr. Zhang Lu and Mr. Hung Muk Ming. The principal duties of the Audit Committee includes the review and supervision of the Group's financial reporting system and internal control procedures, review of the Group's financial information and review of the relationship with the external auditors and the Company.

The Audit Committee meets at least two times each year to review the reporting of financial and other information to shareholders, the system of internal controls, risk management and the effectiveness and objectivity of the audit process. The Audit Committee also provides an important link between the Board and the Company's external auditors in matters coming within the scope of its terms of reference and keeps under review the independence and objectivity of the external auditors.

During the year, the work performed by the Audit Committee includes the review of the annual results for the year ended 31 December 2008, the internal control system of the Group for 2008 and the interim results for the period ended 30 June 2009.

The Group's annual results for the year ended 31 December, 2009 have also been reviewed by the Audit Committee.

The Audit Committee together with the Board have reviewed the internal control system of the Group and were satisfied that it is operating effectively and is appropriate for the Group for the time being.

審核委員會

本公司已於一九九九年成立審核委員會(「審核委員會」)。審核委員會之組成及各成員的專業資格均符合上市規則第3.21條之要求。審核委員會的職權範圍符合常規守則之守則條文。

現任審核委員會由三位獨立非執行董事，康典先生(委員會主席)、張璐先生及洪木明先生組成。審核委員會的主要責任，包括審閱及監察本集團的財務匯報程序及內部監控程序、審閱本集團的財務資料，以及檢討本公司與外聘核數師的關係。

審核委員會每年最少召開兩次會議，檢討向股東匯報的財務及其他資料、內部監控系統、風險管理及核數程序的效力及客觀性。審核委員會亦會在其職權範圍內所涉及的事宜上擔當董事會與本公司外部核數師之間的重要聯繫，並對外部核數師的獨立性及客觀性做出檢討。

在年內，審核委員會所做的工作包括審閱截止二零零八年十二月三十一日止年度之業績、二零零八年度本集團的內部監控系統及截止二零零九年六月三十日止期間之中期業績。

本集團截至二零零九年十二月三十一日止之年度業績，亦經已由審核委員會審閱。

審核委員會聯同董事會已檢討了本集團的內部監控系統並且認為其運作有效並且就本集團而言，目前是合適的。

CORPORATE GOVERNANCE REPORT 公司管治報告

Audit Committee (Continued)

During the year, two Audit Committee meetings were held and the attendance of each member is set out below:

Name of director 董事姓名	Number of meetings attended 出席會議次數	Attendance rate 出席率
Kang Dian 康典	2 out of 2 兩次中出席兩次	100%
Zhang Lu 張璐	2 out of 2 兩次中出席兩次	100%
Hung Muk Ming 洪木明	2 out of 2 兩次中出席兩次	100%

審核委員會(續)

審核委員會年內共召開兩次會議，各成員之出席率載列如下：

Remuneration Committee

The Company established a remuneration committee (the "Remuneration Committee") in 2005 and adopted a written terms of reference which conform to the provisions of the Code. The current Remuneration Committee comprises two independent non-executive directors namely, Mr. Kang Dian (committee chairman) and Mr. Zhang Lu.

The principal duties of the Remuneration Committee are to ensure that there is no director or any of his associates is involved in deciding his own remuneration and that the Company has an equitable and competitive remuneration policy to attract and retain talent persons to serve the Company.

薪酬委員會

本公司已於二零零五年成立薪酬委員會(「薪酬委員會」)並採立符合常規守則之條文。現任薪酬委員會由兩名獨立非執行董事康典先生(委員會主席)及張璐先生組成。

薪酬委員會的主要職責為確保沒有董事或其聯繫人士參與制定該董事自己的酬金以及本公司存在一套公平且具競爭性的薪酬政策以便吸引及挽留卓越的人才服務本公司。

CORPORATE GOVERNANCE REPORT 公司管治報告

Remuneration Committee (Continued)

The remuneration package for each employee is structured according to his quality and qualification. The remuneration package will contain a combination or modification of some or all of the following four main components:

1. Basic salary

Basic salary ranges for each position are established with reference to the responsibilities and the duties attached to the position. The actual salary for the person filling the position is determined based on the experience and ability of the individual selected for the position.

The basic salary ranges are reviewed periodically by reference to the general market and by comparison to comparable positions at competitors in the relevant industry. The actual salaries of employees are reviewed annually and may be adjusted from time to time based on the cost of living and financial performance of the Company.

Salaries are base remuneration and not intended to reward performance, either individually or corporately. Performance is rewarded through the other components of the remuneration plan.

2. Incentive bonus

Incentive bonus is linked to individual and corporate performance. The incentive bonus for each employee is determined with reference to his position and his/her performance during the year.

薪酬委員會(續)

每位員工的薪酬待遇按個別的質素與專業資格釐定。薪酬待遇由以下四大項目中其中一部分或全部組成，亦可能有所增減：

一. 基本薪金

每個職位的基本薪金是按個別職位的責任及職責而釐定。而擔任該職務的人士實際可取得的基本薪金，則按個別受聘人士的經驗及能力而定。

基本薪金會定期參考一般市場及有關行業的競爭機構中同類職位的薪酬後作出檢討。僱員的實際基本薪金則每年進行檢討，並可按生活指數及本公司的財務表現不時作出調整。

基本薪金屬基本薪酬，並非按個別僱員或公司表現而作出的獎賞。薪酬政策中另有其他獎勵性質的項目。

二. 獎勵性花紅

獎勵性花紅與個別僱員及公司表現掛鉤。每名僱員所得的獎勵性花紅會按其職位及他/她於年內的表現而釐定。

CORPORATE GOVERNANCE REPORT 公司管治報告

Remuneration Committee (Continued)

薪酬委員會(續)

3 Share option

三. 購股權

Share options to subscribe for shares in the Company are granted to employees from time to time at the discretion of the Board, in order to retain valuable employees and to motivate future performance of the employees.

董事會可不時酌情向僱員授出購股權，以挽留有貢獻的員工並激勵員工繼續努力工作。

Share options granted to individual employee are determined with reference to his position, his performance and his ability to contribute to the overall success of the Group.

個別員工獲授的購股權數目會按其職位、表現及對公司整體成就所作的貢獻而釐定。

4. Other benefits

四. 其他福利

The Group offers other customary and/or mandatory benefits to employees, such as statutory retirement scheme, employee compensation and medical insurance, paid annual leaves and child education allowance, with reference to the prevailing practices in relevant jurisdictions.

本集團亦會參考有關司法管轄權區當前的慣例向僱員提供慣常的及/或強制性的福利，如法定退休金計畫、僱員賠償、勞工及醫療保險、有薪年假及子女教育津貼。

The committee meets regularly to review the Company's human resources matters and remuneration policies. During the year, two Remuneration Committee meetings were held and the attendance of each member is set out below:

薪酬委員會定期召開會議審閱本公司的人力資源事宜及薪酬政策。薪酬委員會年內共召開兩次會議，各成員之出席率載列如下：

Name of director 董事姓名	Number of meetings attended 出席會議次數	Attendance rate 出席率
Kang Dian 康典	2 out of 2 兩次中出席兩次	100%
Zhang Lu 張璐	2 out of 2 兩次中出席兩次	100%

CORPORATE GOVERNANCE REPORT 公司管治報告

Remuneration Committee (Continued)

During the year, the Remuneration Committee has reviewed and approved the annual salary adjustments for the year 2010 and the payment of discretionary performance bonus and director fees for the year ended 31 December 2009 after taking into consideration the results of the Group, the performance of the directors, the senior management and the employees and the prevailing market practices.

Details of the emoluments paid to all directors are set out in notes 9 to the consolidated financial statements.

Nomination of Directors

Currently, the Company does not set up any nomination committee. The Company will consider establishing a nomination committee at appropriate time.

The Board shall have the collective responsibility to consider and assess the candidates for directorships based on their characters, qualifications and experience appropriate for the Company's businesses, and nominate candidates for directorships accordingly.

On 9 April 2010, Mr. Yang Zhao was nominated and appointed as a non-executive director of the Company and Mr. Li Xianli was nominated and appointed as an executive director of the Company.

Auditors' Remuneration

The Group's consolidated financial statements for the year ended 31 December 2009, were audited by Deloitte Touche Tohmatsu ("Deloitte") at a total fees of approximately HK\$2.1 million. The said audit fee was approved by the Audit Committee and endorsed by the Board. In addition, the Group also paid fees of not more than HK\$0.2 million in aggregate to Deloitte Touche Tohmatsu for the provision of taxation services during the year 2009.

The Audit Committee considers that the taxation services did not (in terms of the nature of the services and the amount of fees paid in relation to the audit fees) affect the independence of Deloitte.

薪酬委員會(續)

在年內，薪酬委員會已審閱並在經考慮本集團的業績、董事、高級管理層及僱員的表現以及當前的市場狀況後，批准了二零一零年之年度薪金調整以及按表現酌情發放、截至二零零九年十二月三十一日止年度之花紅及董事酬金。

支付予所有董事的報酬之詳情載列於綜合財務報表附註9。

董事提名

本公司目前並無設立任何提名委員會，本公司將考慮於適當時候設立提名委員會。

董事會集體性負責審議及評估候選董事品格、資歷及是否適用於本集團業務的經驗，並據此提名候選人出任董事職務。

於二零一零年四月九日，楊兆先生獲董事會提名及委任為本公司非執行董事；此外，李現立先生獲董事會提名及委任為本公司執行董事。

核數師酬金

本集團截至二零零九年十二月三十一日止年度綜合財務報表由德勤•關黃陳方會計師行(「德勤」)審核，核數費用總額約為2,100,000港元。該項核數費用已獲得審核委員會批准並得到董事會背書認可。此外，本集團於二零零九年度內，亦有向德勤支付總額不多於200,000港元的稅務服務費用。

審核委員會認為該等稅務服務費用(就服務性質及相對於核數費用的總額而言)並沒有對德勤的獨立性構成影響。

CORPORATE GOVERNANCE REPORT 公司管治報告

Directors' Responsibility Statement

The directors are responsible for the preparation of the financial statements for each financial period, which give a true and fair view of the state of the affairs of the Group and of the results and cash flow for that period. In preparing the financial statements for the year ended 31 December 2009, the directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made adjustments and estimates that are prudent and reasonable; and have prepared the consolidated financial statements on the going concern basis. Up to the date of this report, the directors are not aware of any material uncertainties that will seriously affect the going concern assumption of the Group.

The directors are also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company. The directors also have general responsibilities for setting up an appropriate internal control system, which is mainly to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. The directors have reviewed the internal control system of the Group and are satisfied that the internal control system of the Group is functioning properly.

董事關於賬目的責任聲明

董事負責編制各個會計期間的財務報表，該等財務報表真確地反映本集團於該期間的事務、業績及現金流量。在編制截至二零零九年十二月三十一日止年度之綜合財務報表時，董事已選取適用的會計政策，並貫徹應用；採用適當的香港財務報告準則及香港會計準則；作出審慎及合理的調整估計；及按持續經營基準編制綜合財務報表。截至本報告日止，董事並不獲悉任何將會嚴重地影響持續經營基準的重大不確定因素。

董事亦負責保存適當的會計紀錄，使於任何時間能合理準確地反映本集團的財務狀況。董事亦有一般責任設立適當的內部監控系統，其主要目的為保障本集團資產與防止及揭發舞弊以及其他不當的行為。董事已檢討過本集團的內部監控系統並認為本集團的內部監控系統行之有效。

CORPORATE GOVERNANCE REPORT 公司管治報告

Communication with Shareholders

The Company endeavours to maintain a high level of transparency in communicating with shareholders and investors at large. In order to enhance the transparency of shareholders' voting in general meeting, separate resolutions are proposed at general meeting on each substantially separate issue, including the election of individual director and all resolutions are voted on by poll. The Company will engage external scrutineer to count the vote. The poll voting results will be published on the Stock Exchange's website and on the Company's website at a later time on the same business day. In addition, the requirement for resolutions to be voted by poll is stated in the circular or annual report to be despatched to shareholders. Moreover, at general meeting but before voting, the chairman of the meeting will explain to shareholders the detailed procedures for conducting a poll.

The Company has maintained a website at <http://www.silvergrant.com.hk> which enable shareholders, investors and the general public to have an open access to the information of the Company. Financial information and all corporate communications of the Company are made available on the Company's website and are updated regularly.

Shareholders who wish to raise any queries with the Board may write to the Company Secretary at Suite 4901 49/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong.

與股東的溝通

本公司在與股東及大眾投資者溝通時，一直盡量保持透明度。此外，為了加強股東大會上股東投票的透明度，本公司於股東大會上對所有涉及具體事項的決議案包括選舉個別董事等均分開進行議案表決，而所有議案均採取按點票方式進行表決。為此，本公司會委任外部監票員進行點票工作，點票方式的投票結果亦會於有關大會結束後的同一個工作日稍後時間上載及刊登於聯交所網頁及本公司網頁。此外，有關議案採取按點票方式進行表決的規定也會列於寄給股東的通函或年報內。同時於股東大會舉行但投票進行之前，會議主席會首先向股東解釋以按點票方式進行表決的詳細程序。

本公司設立了一個網站於 <http://www.silvergrant.com.hk>，以為股東、投資者及公眾人士提供一個公開渠道取得本公司之資料。本公司財務資料及所有與股東之間的公司通訊均已上載於本公司網站，並且會定期作出更新。

倘若股東需要向董事會提出查詢，可隨時致函本公司公司秘書，地址為：香港灣仔港灣道1號會展廣場辦公大樓49樓4901室。

DIRECTORS' REPORT 董事會報告

The Board present its annual report and the audited consolidated financial statements for the year ended 31 December 2009.

Principal Activities

The Company is an investment holding company and engaged in property investment and securities trading. The Company and its subsidiaries are principally engaged in property investment, other investments, distressed assets business and production and trading of petrochemical products. Details of the principal activities of the Company's subsidiaries and the Group's associates, jointly controlled entities are set out in note 52 and details of principal activities of the special purpose vehicle which hold the Group's investment in distressed assets are set out in note 53 to the consolidated financial statements.

Results and Appropriations

The results of the Group and appropriations of the Company for the year ended 31 December 2009 are set out in the consolidated income statement on page 56.

The Board recommend the payment of a final dividend of HK\$0.10 per share to the shareholders on the register of members on 26 May 2010, amounting to approximately HK\$218,485,000.

Fixed Assets

The Group's leasehold land and buildings were revalued at 31 December 2009. Net Surplus on revaluation of the leasehold land and buildings amounted to approximately HK\$28,356,000 of which an amount of approximately HK\$7,119,000 has been credited to the consolidated income statement as reversal of impairment loss previously recognised and an amount of approximately HK\$21,237,000 has been credited to the asset revaluation reserve.

董事會謹提呈截至二零零九年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司並從事物業投資及證券買賣業務。本公司及其附屬公司的主要業務為從事物業投資、其他投資，不良資產業務及石油化工產品生產及銷售。本公司各附屬公司及本集團各聯營公司、各共同控制公司的主要業務詳情載列於綜合財務報表附註52及本集團通過特殊目的載體投資不良資產的業務詳情載列於附註53。

業績及分配

截至二零零九年十二月三十一日止年度，本集團的業績及本公司的分配載於第56頁之綜合收益表。

董事會建議派發末期股息，每股0.10港元予於二零一零年五月二十六日名列股東名冊之股東，合共約218,485,000港元。

固定資產

本集團的租賃土地及樓宇於二零零九年十二月三十一日之價值經已作出重估。租賃土地及樓宇重估收益淨額約28,356,000港元其中約7,119,000港元已計入綜合收益表作為減值虧損撥回及金額約21,237,000港元已計入資產重估儲備。

DIRECTORS' REPORT 董事會報告

DIRECTORS 'REPORT 董事會報告

Directors

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

Executive directors

Gao Jian Min (*Managing Director*)
 Liu Tianni (*Deputy Managing Director*)
 Gu Jianguo
 Tang Baoqi
 Chow Kwok Wai
 Li Xianli (*appointed on 9 April 2010*)

Non-executive directors

Chen Xiaozhou (*Chairman*)
 Hui Xiao Bing (*Vice Chairman*)
 Yuen Wing Shing
 Yang Zhao (*appointed on 9 April 2010*)

Independent non-executive directors

Kang Dian
 Zhang Lu
 Hung Muk Ming

The term of office of each director, including the non-executive directors and independent non-executive directors, is the period up to his retirement by rotation in accordance with the Company's Articles of Association.

In accordance with the provisions of the Company's Articles of Association, Messrs. Gao Jian Min, Tang Baoqi, Li Xianli, Yuen Wing Shing, Yang Zhao, Kang Dian and Hung Muk Ming will retire at the forthcoming annual general meeting, and they, being eligible, offer themselves for re-election. The remaining directors shall remain in office.

董事

年內及截至本報告刊發日期當日之本公司董事如下：

執行董事

高建民(董事總經理)
 劉天倪(副董事總經理)
 顧建國
 唐保祺
 周國偉
 李現立 (於二零一零年四月九日獲委任)

非執行董事

陳孝周(主席)
 惠小兵(副主席)
 袁永誠
 楊兆 (於二零一零年四月九日獲委任)

獨立非執行董事

康典
 張璐
 洪木明

每位董事包括非執行董事及獨立非執行董事的任期為直至其根據本公司的組織章程細則輪值告退當日為止之期間。

按照本公司組織章程細則之條文，高建民先生、唐保祺先生、李現立先生、袁永誠先生、楊兆先生、康典先生及洪木明先生均須於應屆股東週年大會告退，而彼等均符合資格並提出膺選連任。其餘董事將會繼續留任。

DIRECTORS' REPORT 董事會報告

Directors' Service Contracts

Other than as disclosed in the section headed "Connected Transaction" below, no director proposed for re-election at the forthcoming annual general meeting has a service contract, which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Directors' Interest in Shares

As at 31 December 2009, none of the directors and the chief executive of the Company nor any of its associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") as recorded in the register as required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers. None of the directors or their spouses or children under the age of 18, had been granted any right to subscribe for the equity or debt securities of the Company or any of its associated corporation, or had exercised any such right during the year.

Share Options

Details of the share option scheme adopted by the Company on 27 May 2002 (the "Option Scheme") are set out in note 48 to the consolidated financial statements.

During the year, no share options were granted to the directors and other employees under the Option Scheme.

Arrangements to Purchase Shares or Debentures

At no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debenture of, the Company or any other body corporate, and neither the directors nor the chief executive nor any of their spouse or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

董事之服務合約

除下文「關連交易」部份所披露者外，於即將舉行之股東週年大會膺選連任之董事概無與本集團訂立於一年之內不作出賠償(法定賠償除外)則不可終止之服務合約。

董事之股份權益

於二零零九年十二月三十一日，本公司的董事及最高行政人員及其任何關聯人士概無於本公司或其任何相聯法團(定義見證券及期貨條例「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第352條須存置於本公司的登記冊或根據上市發行人董事進行證券交易的標準守則須以其他方式知會本公司及聯交所的權益或淡倉。概無董事或彼等的配偶或十八歲以下的子女獲授任何權利以認購本公司或其任何相聯法團的股份或債務證券，或於年內已行使任何上述權利。

購股權

本公司於二零零二年五月二十七日採納的購股權計劃「購股權計劃」之詳情載列於綜合財務報表附註48。

年內，並無根據購股權計劃項下授出任何購股權予董事及其他僱員。

購買股份或債權證的安排

本公司或其任何附屬公司概無於年內的任何時間以訂約一方身分訂立任何安排以促使本公司的董事可籍購入本公司或任何其他法人實體的股份或債權證以得益，及亦無董事或最高行政人員或任何彼等配偶或十八歲以下子女，擁有任何權利可認購本公司證券或曾行使任何該等權利。

DIRECTORS' REPORT 董事會報告

Directors' Interests in Contracts of Significance

Other than as disclosed in the section headed "Connected Transaction" below, no contracts of significance to which the Company or 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.

Substantial Shareholders

As at 31 December 2009, persons other than a director or chief executive of the Company having interest in 5% or more of the issued share capital of the Company as recorded in the register required to be kept by the Company under Section 336 of SFO were as follows:

Long positions in shares and underlying shares of the Company as at 31 December 2009 are set out below:

董事於重大合約的權益

除於下文「關連交易」部分所披露者外，本公司或其附屬公司於年結日或於年內任何時間，概無以訂約一方身分訂立任何本公司董事於其中擁有(不論是直接或間接的)重大利益的重大合約。

主要股東

於二零零九年十二月三十一日，於本公司根據證券及期貨條例第336條規定須予存置的登記冊記錄所顯示，除本公司董事或最高行政人員以外，擁有佔本公司已發行股本5%或以上權益的人士如下：

於二零零九年十二月三十一日，於本公司股份及相關股份的好倉載列如下：

Name of substantial shareholder 主要股東名稱	Capacity 身份	Number of ordinary shares 普通股股份數目	Total interests 權益總額	Percentage of the issued share capital 佔全部已發行股 本百分比
Silver Grant Group Limited 銀建集團有限公司	Beneficial owner 實益擁有人	153,586,022	153,586,022 (Note i) (附註 i)	8.44%
China Cinda Asset Management Corporation 中國信達資產管理公司	Interest of controlled corporation 受控制法團權益	402,064,000	402,064,000 (Note ii) (附註 ii)	22.08%
China Guangdong Nuclear Power Holding Co., Ltd. 中國廣東核電集團有限公司	Interest of controlled corporation 受控制法團權益	364,140,000	364,140,000 (Note iii) (附註 iii)	20.00%
Liu Yang 劉央	Investment manager 投資經理	110,000,000	110,000,000 (Note iv) (附註 iv)	6.04%

DIRECTORS' REPORT 董事會報告

Substantial Shareholders (Continued)

Notes:

- (i) Messrs. Gao Jian Min and Liu Tianni, both of whom are directors of the Company, each has a 30% interest in Silver Grant Group Limited as at 31 December 2009.
- (ii) The following is a breakdown of the interests in shares of the Company held by China Cinda Asset Management Corporation:

Name of controlled corporation 受控法團名稱	Name of controlling shareholder 控權股東名稱	Percentage of control 控制百分率	Total interest in shares 股份權益總數	
			Direct interest 直接權益	Indirect interest 間接權益
Well Kent International Investment Company Limited 華建國際投資有限公司	China Cinda Asset Management Corporation 中國信達資產管理公司	100%	—	402,064,000
Catic Limited	Well Kent International Investment Company Limited 華建國際投資有限公司	100%	2,064,000	—
Regent Star International Limited 星耀國際有限公司	Well Kent International Investment Company Limited 華建國際投資有限公司	100%	400,000,000	—

- (iii) The following is a breakdown of the interests in shares of the Company held by China Guangdong Nuclear Power Holding Co., Ltd.:

Name of controlled corporation 受控法團名稱	Name of controlling shareholder 控權股東名稱	Percentage of control 控制百分率	Total interest in shares 股份權益總數	
			Direct interest 直接權益	Indirect interest 間接權益
CGNPC International Limited	China Guangdong Nuclear Power Holding Co., Ltd. 中國廣東核電集團有限公司	99.99%	364,140,000	—

- (iv) The following is a breakdown of the interests in shares of the Company held by Ms. Liu Yang:

Name of controlled corporation 受控法團名稱	Name of controlling shareholder 控權股東名稱	Percentage of control 控制百分率	Total interest in shares 股份權益總數	
			Direct interest 直接權益	Indirect interest 間接權益
Atlantis Investment Management Limited	Liu Yang 劉央	40%	—	110,000,000
Atlantis Investment Management (Hong Kong) Limited	Liu Yang 劉央	90%	—	110,000,000

主要股東(續)

附註：

- (i) 高建民先生及劉天倪先生，彼等均為本公司董事，於二零零九年十二月三十一日各自擁有銀建集團有限公司30%權益。
- (ii) 以下為中國信達資產管理公司所持有本公司之股份權益細節：

- (iii) 以下為中國廣東核電集團有限公司所持有本公司之股份權益細節：

- (iv) 以下為劉央女士所持有本公司之股份權益細節：

DIRECTORS' REPORT 董事會報告

Substantial Shareholders (Continued)

Other than as disclosed above, the register required to be kept under Section 336 of the SFO showed that the Company had not been notified of any other interest or short position in the shares and underlying shares of the Company as at 31 December 2009.

Appointment of Independent Non-executive Directors

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

Connected Transaction

A service agreement dated 28 December 2004 was entered into between Mr. Gao Jian Min ("Mr. Gao") and the Company. Pursuant to the terms and conditions set out therein, the Company agreed to employ and Mr. Gao agreed to serve the Company as a Managing Director by providing the Company with the services as described in the service agreement for a term of three years from 28 December 2004 to 27 December 2007, which term shall continue thereafter until determined by either party giving to the other not less than 3-months prior written notice.

Purchase, Sales or Redemption of the Company's Listed Securities

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

主要股東(續)

除上文所披露者外，根據證券及期貨條例第336條規定須予存置的登記冊所顯示，本公司並無接獲有關於二零零九年十二月三十一日在本公司股份及相關股份中擁有任何其他權益或淡倉的申報。

委任獨立非執行董事

本公司已取得各獨立非執行董事根據聯交所證券上市規則(「上市規則」)第3.13條項下就其獨立性所作出的年度確認函。本公司認為所有獨立非執行董事均為獨立的。

關連交易

於二零零四年十二月二十八日，高建民先生(「高先生」)與本公司簽訂一份服務協議。根據該協議所載之條款及條件，本公司同意聘請高先生，而高先生同意受聘出任本公司董事總經理職務，為本公司提供服務協議內所羅列之服務，任期三年，由二零零四年十二月二十八日至二零零七年十二月二十七日止。該任期將維持有效直至任何一方給予對方不少於三個月之書面事前通知終止為止。

購回、出售或贖回本公司之上市證券

年內，本公司或其任何附屬公司概無購回、出售或贖回本公司任何上市證券。

DIRECTORS 'REPORT 董事會報告

Emolument Policy

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

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

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out in note 48 to the consolidated financial statements.

Annual General Meeting

The annual general meeting of the Company will be held at

DIRECTORS' REPORT 董事會報告

Major Customers and Suppliers

The Group's revenue comprises rental income from leasing of properties, dividend income from listed securities, net gain on disposal of held-for-trading investments, income from property management, income from sales of properties, interest income from interest in distressed assets and income from production and trading of petrochemical products.

The aggregate amount of purchases and revenue attributable to the Group's five largest suppliers and customers were less than 30% of the Group's total purchases and revenue for the year.

Closure of Register of Members

The register of members will be closed from Thursday, 20 May 2010 to Wednesday, 26 May 2010, both days inclusive, during which period no transfers of shares of the company will be effected. In order to qualify for the proposed final dividend and to determine the identity of the shareholders who are entitled to attend and vote at the forthcoming annual general meeting, all duly completed transfer form accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 19 May 2010.

Events After the Reporting Period

Details of significant events occurring after the end of the reporting period are set out in note 51 to the consolidated financial statements.

主要客戶及供應商

本集團的收入包含租賃物業之租金收入、上市證券之股息收入、出售持作買賣投資之淨收益、物業管理收入、物業銷售收入、不良資產權益利息收入及石油化工產品生產及銷售收入。

年內，本集團於五大供應商及客戶的累積採購額及收入分別佔本集團的採購總額及收入總額不足30%。

暫停辦理股份過戶登記

本公司將於二零一零年五月二十日(星期四)起至二零一零年五月二十六日(星期三)首尾兩天包括在內)，暫停辦理本公司股東名冊之股份過戶登記手續。為確保符合資格收取建議派發之末期股息及確定有權出席應屆股東週年大會及投票之股東，所有填妥之股份過戶文件連同有關股票，必須於二零一零五月十九日(星期三)下午四時三十分前送達本公司的股份過戶登記處，卓佳秘書商務有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

本報告期後事項

有關本報告期末後發生之重大事項之詳情載列於綜合財務報表附註51。

DIRECTORS' REPORT 董事會報告

Auditor

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

By order of the Board
Chen Xiao Zhou
Chairman

Hong Kong, 9 April 2010

核數師

有關續聘德勤•關黃陳方會計師行為本公司核數師之決議案將於本公司的股東週年大會提呈。

承董事會命
主席
陳孝周

香港，二零一零年四月九日

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

德

To the members of
Silver Grant International Industries Limited
(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Silver Grant International Industries Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 56 to 189, which comprise the consolidated and the Company's statements of financial position as at 31 December 2009, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and 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 and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the Hong Kong Companies Ordinance. The responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

致
銀建國際實業有限公司列位股東
(在香港註冊成立的有限責任公司)

本核數師(以下簡稱「我們」)已審核列載於第56頁至第189頁銀建國際實業有限公司(以下簡稱「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零零九年十二月三十一日的 貴公司資產負債表及綜合資產負債表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他附註解釋。

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(「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編制及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編制及真實而公平地列報綜合財務報表的相關內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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, in accordance with section 141 of the Hong Kong Companies Ordinance 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 HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

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 and true and fair presentation of the consolidated financial statements in order to design audit

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Opinion

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

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
9 April 2010

意見

我們意見認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及貴集團於二零零九年十二月三十一日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例妥為編制。

德勤 • 關黃陳方會計師行
執業會計師

香港
二零一零年四月九日

CONSOLIDATED INCOME STATEMENT 綜合收益表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Property management fee income	物業管理費收入	6	139,000	147,068
Rental income	租金收入	6	65,821	54,431
Sales of petrochemical products	石油化工產品銷售	6	74,668	45,662
Cost of sales	銷售成本		279,489 (165,578)	247,161 (147,938)
			113,911	99,223
Income from investment in distressed assets through establishment of a special purpose vehicle	通過成立特殊目的載體投資不良資產之收入	6	45,866	39,993
Dividend income from listed securities	上市證券股息收入	6	3,910	1,132
Other income, gains and losses	其他收入，收益及虧損	7	177,882	195,545
Change in fair value of held-for-trading investments	持作買賣投資公允值變動		48,548	(35,351)
Administrative expenses	行政費用		(140,640)	(117,776)
Gain on disposal of available-for-sale investments	出售可供出售投資收益		17,898	—
Reversal of revaluation deficit (revaluation deficit) of leasehold properties	租賃物業重估虧損回撥（重估虧損）	16	7,119	(19,141)
Change in fair value of investment properties	投資物業公允值變動	15	58,444	(20,130)
Loss on fair value change on convertible note classified as financial liabilities at fair value through profit or loss	於損益表按公允值處理歸類為財務負債的可換股票據公允價變動虧損	37	—	(6,289)
Change in fair value of structured finance securities	結構性金融證券之公允值變動		(3,174)	1,715
Impairment loss on available-for-sale investments	可供出售投資減值虧損		—	(25,390)
Impairment loss on deposits, prepayments and other receivables	按金、預付款及其他應收款減值虧損	31	—	(21,115)
Finance costs	財務費用	8	(24,470)	(25,520)
Gain on disposal of associates	出售聯營公司的收益		103,678	—
Share of results of associates	攤佔聯營公司業績		36,497	22,472
Share of results of jointly controlled entities	攤佔共同控制公司業績		8,071	(2,426)
Profit before taxation	除稅前溢利		453,540	86,942
Taxation charge	稅項支出	11	(42,210)	(5,190)
Profit for the year	年內溢利	12	411,330	81,752
Attributable to:	應佔：			
Owners of the Company	本公司擁有人		406,278	87,057
Minority interests	少數股東權益		5,052	(5,305)
			411,330	81,752
Earnings per share (in HK dollar)	每股盈利（以每港元列示）	13		
— Basic	— 基本		0.223	0.048
— Diluted	— 攤薄		0.220	0.048

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收益表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit for the year	年內溢利	411,330	81,752
Other comprehensive income	其他全面溢利		
Exchange difference arising on translation	換算產生之滙兌差額	40,503	52,702
Fair value gain (loss) arising on revaluation of available-for-sale investments	可供出售投資重估產生之公允值盈利(虧損)	17,898	(111,455)
Reclassification adjustment — impairment loss on available-for-sale investments	重列調整 — 可供出售投資減值虧損	—	25,390
Reclassification adjustment — transfer to profit or loss on disposal of available-for-sale investments	重列調整 — 出售可供出售投資時劃轉至損益表	(17,898)	—
Gain arising on revaluation of leasehold properties	重估租賃物業產生之收益	21,237	7,007
Share of other comprehensive income of associates and jointly controlled entities	攤佔聯營公司及共同控制公司其他全面溢利	9,046	(56,252)
Reclassification adjustment — transfer to profit or loss on disposal of associates	重列調整 — 出售聯營公司時劃轉至損益表	(8,954)	—
Income tax relating to components of other comprehensive income	有關組成其他全面溢利之所得稅	(2,842)	(1,301)
Other comprehensive income for the year (net of tax)	年內其他全面溢利(除稅後)	58,990	(83,909)
Total comprehensive income for the year	年內全面溢利總額	470,320	(2,157)
Total comprehensive income attributable to:	全面溢利總額應佔：		
Owners of the Company	本公司擁有人	463,651	9,261
Minority interests	少數股東權益	6,669	(11,418)
		470,320	(2,157)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND STATEMENT OF FINANCIAL POSITION 綜合財務狀況表及財務狀況表

As at 31 December 2009

於二零零九年十二月三十一日

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	Notes 附註				
ASSETS	資產				
Non-current assets	非流動資產				
Investment properties	投資物業	15	2,288,512	2,188,262	17,590
Property, plant and equipment	物業、廠房及設備	16	223,198	462,444	74,872
Land use rights	土地使用權	17	26,785	26,842	—
Goodwill	商譽	18	7,001	11,392	—
Investments in subsidiaries	投資於附屬公司	19	—	—	224,591
Amounts due from subsidiaries	應收附屬公司款	19	—	—	1,930,163
Interest in associates	聯營公司權益	20	132,951	783,991	20,000
Interest in jointly controlled entities	共同控制公司權益	21	198,396	66,717	5,180
Structured finance securities	結構性金融證券	24	9,042	12,216	9,042
Available-for-sale investments	可供出售投資	25	435,494	314,019	105,640
Loan receivables	應收貸款	26	339,751	—	339,751
Deposits, prepayments and other receivables	按金、預付款及其他應收款	31	142,111	—	—
			3,803,241	3,865,883	2,726,829
					1,095,731
Current assets	流動資產				
Inventories, at cost	存貨 — 按成本	28	298	66,597	—
Investment in distressed assets through establishment of a special purpose vehicle	通過成立特殊目的載體投資不良資產	27	144,201	148,247	—
Held-for-trading investments	持作買賣投資	29	132,816	70,027	40,324
Trade receivables	應收賬款	30	10,118	11,794	—
Deposits, prepayments and other receivables	按金、預付款及其他應收款	31	115,074	207,323	5,786
Amounts due from subsidiaries	應收附屬公司款	19	—	—	357,804
Amounts due from associates	應收聯營公司款	22	102,397	982,626	18,007
Amounts due from jointly controlled entities	應收共同控制公司款	23	98,080	63,074	43,715
Loan receivables	應收貸款	26	111,975	79,790	78,000
Available-for-sale investments	可供出售投資	25	—	121,277	—
Taxation recoverable	可收回稅項		—	1,128	—
Bank balances and cash	銀行結餘及現金	32	1,979,724	792,376	622,523
			2,694,683	2,544,259	1,166,159
					2,649,944
TOTAL ASSETS	資產總值		6,497,924	6,410,142	3,892,988
					3,745,675

於二零零九年十二月三十一日

[illegible]

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動報表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Attributable to Owners of the Company									
		本公司股本擁有人應佔股本									
		Share capital	Share premium	Asset revaluation reserve	Capital redemption reserve	Other reserve	Translation reserve	Retained profits	Total	Minority interests	Total equity
		股本	股份溢價	資產重估儲備	資本贖回儲備	其他儲備 (note) (附註)	匯兌儲備	保留盈利	合計	少數股東權益	股本總值
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2008	於2008年1月1日	364,142	2,177,287	43,505	13,992	86,670	257,811	2,062,620	5,006,027	12,658	5,018,685
Profit (loss) for the year	年內溢利(虧損)	—	—	—	—	—	—	87,057	87,057	(5,305)	81,752
Other comprehensive income for the year	年內其他全面溢利	—	—	5,706	—	(86,065)	2,563	—	(77,796)	(6,113)	(83,909)
Total comprehensive income for the year	年內全面溢利總額	—	—	5,706	—	(86,065)	2,563	87,057	9,261	(11,418)	(2,157)
Acquisition of subsidiaries (note 43)	收購附屬公司(附註43)	—	—	—	—	—	—	—	—	198,958	198,958
Incorporation of a non-wholly owned subsidiary	成立一間非全資擁有附屬公司	—	—	—	—	—	—	—	—	2,222	2,222
Transfer on disposal of leasehold properties	出售租賃物業時劃轉	—	—	(2,154)	—	—	—	2,154	—	—	—
Dividend (note 14)	股息(附註14)	—	—	—	—	—	—	(145,657)	(145,657)	—	(145,657)
At 31 December 2008	於2008年12月31日	364,142	2,177,287	47,057	13,992	605	260,374	2,006,174	4,869,631	202,420	5,072,051
At 1 January 2009	於2009年1月1日	364,142	2,177,287	47,057	13,992	605	260,374	2,006,174	4,869,631	202,420	5,072,051
Profit for the year	年內溢利	—	—	—	—	—	—	406,278	406,278	5,052	411,330
Other comprehensive income for the year	年內全面溢利	—	—	18,395	—	(588)	39,566	—	57,373	1,617	58,990
Total comprehensive income for the year	年內全面溢利總額	—	—	18,395	—	(588)	39,566	406,278	463,651	6,669	470,320
Deemed disposal of a subsidiary (note 44)	視同出售一間附屬公司(附註44)	—	—	—	—	—	—	—	—	(115,902)	(115,902)
Dividend (note 14)	股息(附註14)	—	—	—	—	—	—	(163,864)	(163,864)	—	(163,864)
At 31 December 2009	於2009年12月31日	364,142	2,177,287	65,452	13,992	17	299,940	2,248,588	5,169,418	93,187	5,262,605

Note:

Fair value change of available-for-sale investment measured at fair value is recognised in other comprehensive income and accumulated in other reserve, until the available-for-sale investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously accumulated in other reserve is reclassified to profit or loss.

附註：

按公允值計量可供出售投資之公允值變動於其他全面溢利確認並累積於其他儲備，直至該可供出售投資出售及被定為減值時，之前於其他儲備確認的累計收益或虧損將會劃轉至損益表。

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

	Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Operating activities	經營業務		
Profit before taxation	除稅前溢利	453,540	86,942
Adjustments for:	調整：		
Share of results of associates	攤佔聯營公司業績	(36,497)	(22,472)
Share of results of jointly controlled entities	攤佔共同控制公司業績	(8,071)	2,426
Amortisation of other asset	其他資產攤銷	—	1,371
Depreciation of property, plant and equipment	物業、廠房及設備折舊	11,202	11,614
Amortisation of land use rights	土地使用權攤銷	574	46
Finance costs	財務費用	24,470	25,520
Change in fair value of held-for-trading investments	持作買賣投資公允值變動	(48,548)	35,351
Income from investment in distressed assets through establishment of a special purpose vehicle	通過成立特殊目的載體投資不良資產之收入	(45,866)	(39,993)
Interest income	利息收入	(116,755)	(113,150)
Gain on disposal of available-for-sale investments	出售可供出售投資收益	(17,898)	—
Impairment loss on available-for-sale investments	可供出售投資減值虧損	—	25,390
Impairment loss on deposits, prepayments and other receivables	按金、預付款及其他應收款減值虧損	—	21,115
Gain on disposal of associates	出售聯營公司的收益	(103,678)	—
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損淨額	187	163
(Reversal of revaluation deficit) revaluation deficit of leasehold properties	租賃物業(重估虧損回撥)重估虧損	(7,119)	19,141
Change in fair value of investment properties	投資物業公允值變動	(58,444)	20,130
Loss on fair value change on convertible note classified as financial liabilities at fair value through profit or loss	於損益表按公允值處理歸類為財務負債的可換股票據公允值變動虧損	—	6,289
Change in fair value of structured finance securities	結構性金融證券之公允值變動	3,174	(1,715)

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前的經營業務現金流		50,271	78,168
Decrease in inventories	存貨減少		18,753	7,611
Increase in held-for-trading investments	持作買賣投資增加		(14,241)	(42,248)
Decrease in trade receivables	應收賬款減少		1,310	1,454
Decrease in deposits, prepayments and other receivables	按金、預付款及其他應收款減少		737	17,910
Decrease in restricted bank balance	監管戶口結餘減少		—	163,677
(Decrease) increase in trade payables	應付賬款(減少)增加		(7,560)	2,798
Decrease in amount due to holding company of a shareholder	應付一名股東的控股公司款減少		—	(96,676)
Increase (decrease) in accrued charges, rental deposits and other payables	應計費用、租務按金及其他應付款增加(減少)		4,172	(19,970)
Cash generated from operations	經營業務產生現金		53,442	112,724
Interest paid	已付利息		(24,470)	(25,520)
Tax paid	已付稅款		(21,284)	

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

	Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Financing activities	融資業務			
Redemption of convertible note	贖回可換股票據		(389,025)	—
Repayment of bank loans	償還銀行貸款		(1,077,505)	(228,926)
Dividend paid	已付股息		(163,864)	(145,657)
Bank loans raised	銀行貸款融資		1,286,251	248,122
Advance from associates	聯營公司墊款		150,000	—
Repayment to associates	償還聯營公司墊款		(13,500)	(264,630)
Increase in amount due to an associate from recovery of distressed assets	由不良資產回收之應付一間聯營公司款增加	27	22,789	—
Increase in other payables from recovery of distressed assets	由不良資產回收之其他應付款增加	27	197,503	—
Loan from minority shareholder of a subsidiary	一間附屬公司之少數股東貸款		1,853	20,889
Capital injection from minority shareholder	少數股東資本投入		—	2,222
Net cash from (used in) financing activities	融資業務所得(所用)淨現金		14,502	(367,980)
Net increase (decrease) in cash and cash equivalents	現金及現金等值增加(減少)淨額		1,184,903	(382,789)
Cash and cash equivalents at the beginning of the year	現金及現金等值年初數額		792,376	1,152,840
Effect of foreign currency rate changes	外幣匯率變動之影響		2,445	22,325
Cash and cash equivalents at the end of the year	現金及現金等值年末數額		1,979,724	792,376
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值結餘分析			
Bank balances and cash	銀行結餘及現金		1,979,724	792,376

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

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1. General

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the section headed "Corporate Information" in the annual report.

In view of the increase in the underlying investments which are predominantly denominated in Renminbi ("RMB"), and RMB is also the currency of the primary economic environment in which the subsidiaries of the Company operates, the directors re-evaluated the functional currency of the Company and changed the functional currency from Hong Kong dollars ("HKD") to RMB as RMB better reflects the underlying transactions, event and condition that are relevant to the Company. For the convenience of the financial statements users, the consolidated financial statements are presented in HKD, as the Company's shares are listed on the Stock Exchange.

The Company is an investment holding company and is engaged in property investment and securities trading and investments. The Company and its subsidiaries (the "Group") are principally engaged in property investment, other investments, distressed assets business and production and trading of petrochemical products. Details of the principal activities of the Company's subsidiaries and the Group's associates, jointly controlled entities and the special purpose vehicle are

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

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2. Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current year, the Group has applied the following new and revised standards, amendments and interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

HKAS 1 (Revised 2007)	Presentation of financial statements
HKAS 23 (Revised 2007)	Borrowing costs
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

2. Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (Continued)

New and revised HKFRSs affecting the reported results and/or financial position

HKAS 23 (Revised 2007) Borrowing costs

In previous years, the Group expensed all borrowing costs that were directly attributable to the acquisition, construction or production of a qualifying asset when they were incurred. HKAS 23 (Revised 2007) removes the option previously available to expense all borrowing costs when incurred. The adoption of HKAS 23 (Revised 2007) has resulted in the Group changing its accounting policy to capitalise all such borrowing costs as part of the cost of the qualifying asset. The Group has applied the revised accounting policy to borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009 in accordance with the transitional provisions in HKAS 23 (Revised 2007). The revised accounting policy does not have a material effect on the reported results and financial position of the Group for the current or prior accounting periods.

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

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKAS 24 (Revised)	Related party disclosures ⁶
HKAS 27 (Revised)	Consolidated and separate financial statements ¹

2. 採納新訂及經修訂的香港財務報告準則(續)

新及經修訂香港財務報告準則對呈報結果和 或財務狀況的影響

香港會計準則第23號(二零零七年經修訂)借貸成本

於過往年度，本集團已將收購、建造或生產合資格資產直接應佔之所有借貸成本於其發生時列為支出。香港會計準則第23號(二零零七年經修訂)刪除之前可以選擇於產生時將所有借貸成本列為開支。採納香港會計準則第23號(二零零七年經修訂)導致本集團改變其會計政策，資本化所有此等借貸成本為合資格資產成本之一部份。本集團已根據香港會計準則第23號(二零零七年經修訂)之過渡條款將該經修訂會計政策應用於有關資本化開始日期為二零零九年一月一日或以後之合資格資產借貸成本。該項經修訂的會計準則對本集團於本會計期間或過往會計期間的呈報結果及財務狀況並無重大影響。

本集團並無提早應用下列已頒布但尚未生效的新訂及經修訂準則、修訂或詮釋。

香港財務報告準則 (修訂本)	修訂香港財務報告準則 第5號作為於二零零八年 頒佈之香港財務報告 準則之改進之一部份 ¹
香港財務報告準則 (修訂本)	於二零零九年頒佈之香港 財務報告準則之改進 ²
香港會計準則第24號 (經修訂)	關連人士披露 ⁶
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ¹

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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2. Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

HKAS 32 (Amendment)	Classification of rights issues ⁴
HKAS 39 (Amendment)	Eligible hedged items ¹
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters ³
HKFRS 1 (Amendment)	Limited exemption from comparative HKFRS 7 disclosures for first-time adopters ⁵
HKFRS 2 (Amendment)	Group cash-settled share-based payment transactions ³
HKFRS 3 (Revised)	Business combinations ¹
HKFRS 9	Financial instruments ⁷
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a minimum funding requirement ⁶
HK(IFRIC) – Int 17	Distributions of non-cash assets to owners ¹
HK(IFRIC) – Int 19	Extinguishing financial liabilities with equity instruments ⁵

¹ Effective for annual periods beginning on or after 1 July 2009.

² Effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate.

³ Effective for annual periods beginning on or after 1 January 2010.

⁴ Effective for annual periods beginning on or after 1 February 2010.

⁵ Effective for annual periods beginning on or after 1 July 2010.

⁶ Effective for annual periods beginning on or after 1 January 2011.

⁷ Effective for annual periods beginning on or after 1 January 2013.

2. 採納新訂及經修訂的香港財務報告準則(續)

香港會計準則第32號 (修訂本)	供股分類 ⁴
香港會計準則第39號 (修訂本)	合資格對沖項目 ¹
香港財務報告準則第1號(修訂本)	首次採納者之額外豁免 ³
香港財務報告準則第1號(修訂本)	首次採納者就香港財務報告準則第7號披露的比較資料所獲有限豁免 ⁵
香港財務報告準則第2號(修訂本)	集團以現金結算之股份支付交易 ³
香港財務報告準則第3號(經修訂)	業務合併 ¹
香港財務報告準則第9號	金融工具 ⁷
香港(國際財務報告詮釋委員會)—詮釋第14號(修訂本)	最低資金要求之預付款項 ⁶
香港(國際財務報告詮釋委員會)—詮釋第17號	向擁有人分派非現金資產 ¹
香港(國際財務報告詮釋委員會)—詮釋第19號	以股本工具抵銷金融負債 ⁵

¹ 於二零零九年七月一日或之後開始的年度期間生效。

² 於二零零九年七月一日或二零一零年一月一日(如適用)或之後開始之年度期間生效。

³ 於二零一零年一月一日或之後開始之年度期間生效。

⁴ 於二零一零年二月一日或之後開始之年度期間生效。

⁵ 於二零一零年七月一日或之後開始之年度期間生效。

⁶ 於二零一一年一月一日或之後開始之年度期間生效。

⁷ 於二零一三年一月一日或之後開始之年度期間生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

2. Application of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

The application of HKFRS 3 (Revised) may affect the Group’s accounting for business combination for which the acquisition date is on or after 1 January 2010. HKAS 27 (Revised) will affect the accounting

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

3. Significant accounting policies

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

The consolidated financial statements have been prepared on the historical cost basis, except for properties and certain financial instruments, which are measured at revalued amounts or fair values. The principal accounting policies adopted are as follows:

Basis of consolidation

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

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

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

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

3. 主要會計政策

本綜合財務報表是根據香港會計師公會頒佈的香港財務報告準則而編制。此外，本綜合財務報表亦按聯交所證券上市規則及香港公司條例規定的要求作出相關披露。

除物業及若干金融工具是以重估值或公允值計量外，本綜合財務報表是按歷史成本為基準編制。所採納之主要會計政策如下：

綜合賬目基準

本綜合財務報表包括本公司及被本公司控制的各公司(其附屬公司)(包括特殊目的載體)的財務報表。倘若本公司有權力監制一間公司的財務及經營政策以致從其業務獲得利益，即表示取得控制權。

於本年度收購或出售的附屬公司之業績，已由收購生效日起或截至出售生效日止(視情況而定)計入綜合收益表內。

若有需要，附屬公司的財務報表須作出調整，以與本集團其他成員公司所採用的會計政策一致。

所有在本集團內各公司之間的交易、結餘、收入及支出，已於編制綜合賬目時抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

3. Significant accounting policies (Continued)

Basis of consolidation (Continued)

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 Business Combinations are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

3. 主要會計政策(續)

綜合賬目基準(續)

少數股東於附屬公司應佔權益的淨資產與本集團的股本權益分開呈列。少數股東權益應佔淨資產包括原業務合併日期應佔權益的數額及自合併日以來少數股東應佔權益的變動。倘若少數股東所佔的虧損超越少數股東於附屬公司應佔的股本權益，除非該少數股東須受約束性責任及有能力支付額外資金以彌補附屬公司的虧損，否則該虧損餘額應由本集團承擔。

業務合併

收購業務按收購會計法入賬。收購成本乃按交換日期所給予資產、所產生或承擔之負債及本集團為交換被收購公司之控制權而發行之權益工具之公允價值，加業務合併直接應佔之成本計算。被收購方之可予識別資產、負債及或然負債如符合香港財務報告準則第3號「業務合併」之確認條件，須於收購日期按其公允價值計算。

收購時產生之商譽乃確認為資產，初始按成本計量，即業務合併成本超過本集團於已確認可識別資產、負債及或然負債之公允價值淨額之溢價。於重新評估後，倘本集團於被收購公司之已可識別資產、負債及或然負債之淨公允價值所佔權益高於業務合併之成本，則該高出數額即時於損益表內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

3. Significant accounting policies (Continued)

Business combinations (Continued)

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill

Goodwill arising on acquisitions prior to 1 January 2005

Goodwill arising on an acquisition of net assets and operations of another entity or a jointly controlled entity for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant acquiree at the date of acquisition.

For previously capitalised goodwill arising on acquisition of net assets and operations of another entity or a jointly controlled entity after 1 January 2001, the Group has discontinued amortisation from 1 January 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired (see the accounting policy below).

Goodwill arising on acquisitions on or after 1 January 2005

Goodwill arising on an acquisition of a business for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant business at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

3. 主要會計政策(續)

業務合併(續)

少數股東於被收購方之權益，初步按已確認資產、負債及或然負債之淨公允價值的少數股東比例計算。

商譽

二零零五年一月一日前因收購所產生之商譽

於收購其他公司或一間共同控制公司之淨資產及營運業務而有關協議日期為二零零五年一月一日以前的收購所產生之商譽是指收購成本超過本集團應佔該被收購方於收購當日之可識別資產及負債之公允值之數額。

就於二零零一年一月一日後因收購其他公司或一間共同控制公司的淨資產及營運業務所產生並且已資本化的商譽，本集團從二零零五年一月一日開始終止其攤銷，而該商譽將每年及每當有跡象顯示該商譽相關的現金產生單位可能出現減值時，進行減值測試(見下文之會計政策)。

於二零零五年一月一日或之後收購時所產生之商譽

合同日期於二零零五年一月一日或以後收購業務所產生之商譽指收購成本超過本集團於有關業務之可辨認資產、負債及或然負債於收購日期按公允值之權益的金額。有關商譽按成本值減任何累計減值虧損列值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

3. Significant accounting policies (Continued)

Goodwill (Continued)

Goodwill arising on acquisitions on or after 1 January 2005 (Continued)

Goodwill arising on an acquisition of a business is carried at cost less any accumulated impairment losses and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

3. 主要會計政策(續)

商譽(續)

於二零零五年一月一日或之後收購時所產生之商譽(續)

因收購業務而產生之商譽是按成本值減任何累計減值虧損列值，並會於綜合財務狀況表內獨立呈列。

就減值測試而言，因收購而產生之商譽乃被分配至預期從收購之協同效應中受益之各有關現金產生單位，或一組現金產生單位。已獲配商譽之現金產生單位每年及凡單位有可能出現減值跡象時進行減值測試。於財政年度因收購而產生的商譽，商譽被分配到的現金單位需要於財政年度完結前作減值測試。當現金產生單位之可回收金額少於該單位之賬面值時，減值虧損被分配以削減首先分配至該單位及其後以單位內各資產之賬面值為基準按比例分配至該單位之其他資產之任何商譽之賬面值。商譽之任何減值虧損乃直接於損益表內確認。商譽之減值虧損於其後期間不予以撥回。

倘於其後出售有關現金產生單位，資本化商譽應佔之金額用於釐定出售時之損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

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3. Significant accounting policies (Continued)

Investments in subsidiaries, associates and jointly controlled entities

Investments in subsidiaries, associates and jointly controlled entities are stated in the Company's statement of financial position at cost less any identified impairment loss. Income from investments in subsidiaries, associates and jointly controlled entities is accounted for by the Company when the Company's right to receive the dividend payment has been established.

Investments in associates

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

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For the year ended 31 December 2009

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3. Significant accounting policies (Continued)

Investments in associates (Continued)

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

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

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

Joint ventures

Jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

3. 主要會計政策(續)

聯營公司投資(續)

任何收購成本超過本集團於收購日應佔聯營公司可識別資產、負債及或然負債公允值淨額之部分確認為商譽。商譽包括投資之賬面值，並不會獨立評估減值。相反，投資全部賬面值作為單一資產作減值測試。任何確認之減值虧損不會分配至構成投資於聯營公司賬面值之任何資產(包括商譽)。任何減值虧損撥回於隨後投資可收回數額增加方予以確認。

經重估本集團所佔可識別資產、負債及或然負債公允淨值超過收購成本的任何差額，即時於損益表內確認。

當集團公司與本集團的聯營公司進行交易，損益會按本集團所佔有關聯營公司的權益進行抵銷。

合營企業

共同控制公司

倘合營安排涉及成立獨立實體而合營方對該實體之經濟活動擁有共同控制權，則該實體被歸類為共同控制公司。

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3. Significant accounting policies (Continued)

Joint ventures (Continued)

Jointly controlled entities (Continued)

The results and assets and liabilities of jointly

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3. Significant accounting policies (Continued)

Joint ventures (Continued)

Jointly controlled entities (Continued)

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

When a group entity transacts with a jointly controlled entity of the Group, profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. 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 asset) is included in the profit or loss in the period in which the item is derecognised.

3. 主要會計政策(續)

合營企業(續)

共同控制公司(續)

經重新評估後，任何本集團攤佔可識別資產、負債及或然負債公允值淨額超過收購成本之部份即時於損益表確認。

倘集團公司與本集團共同控制公司進行交易，溢利或虧損乃根據本集團於該共同控制公司之權益為限予以抵銷。

投資物業

投資物業是指持作賺取租金及／或資本增值的物業。

投資物業於首次確認時按成本(包括任何相關的直接支出)計量。於首次確認後，投資物業是採用公允值模式以其公允值計量。投資物業的公允值變動所產生的收益或虧損於產生期間直接確認於損益表。

當投資物業被出售或該投資物業永久不再被使用，或預期出售該物業不會產生未來經濟利益時，該項投資物業不再被確認。因不再確認為資產而產生的任何收益或虧損(按出售所得款項淨額與資產的賬面值之差額計算)於不再確認期間的損益表內入賬。

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3. Significant accounting policies (Continued)

Property, plant and equipment

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

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

Leasehold land and building originally classified as investment properties carried at fair value is transferred to property, plant and equipment at a deemed cost equal to its fair value at the date of change in use as evidence by commencement of owner occupation.

Leasehold land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their revalued amount, being the fair value at the date of revaluation less any subsequent accumulated impairment losses and subsequent accumulated depreciation. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the end of the reporting period.

3. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備包括持有作為生產、提供貨品或服務或行政管理用途(在建工程除外)的租賃土地及樓宇乃按成本或公允值減去其後累計折舊及累計減值虧損入賬。

在建工程指正在建造以供生產或自用之物業、廠房及設備。在建工程以成本減累計減值虧損列賬。在建工程於完成後可供用於擬定用途時重新分類為物業、廠房及設備之適當類別。此等資產之折舊基準與其他物業資產相同，乃於資產可供於擬定用途時開始計提。

原先以公允值列賬、分類為投資物業之租賃土地及樓宇乃按以開始自用作證明用途改變當日的公允值視同為成本劃轉物業、廠房及設備。

持有用作生產或提供貨品或服務用途，或用作行政管理用途的租賃土地及樓宇，乃按其重估值於綜合財務狀況表內列賬，而重估值即指重估當日之公允值減去任何其後之累積減值虧損及其後之累積折舊。由於定期進行重估，賬面值與於本報告期末所釐定之公允值沒有重大差距。

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3. Significant accounting policies (Continued)

Property, plant and equipment (Continued)

Any revaluation increase arising on revaluation of leasehold land and buildings is recognised in other comprehensive income and accumulated in asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is recognised in profit or loss to the extent that it exceeds the balance, if any, on the asset revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to retained profits.

Depreciation is provided to write off the cost or fair value of property, plant and equipment other than construction in progress over their estimated useful lives, using the straight line method.

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

Revenue recognition

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

3. 主要會計政策(續)

物業、廠房及設備(續)

重估租賃土地及樓宇所產生的任何重估盈餘是撥入資產重估儲備，惟倘有關盈餘用作沖回該項資產於過往已確認為支出的重估值減，在該情況下則盈餘是計入損益表，但限於過往已確認為支出的金額。因重估資產而減少的賬面淨值是當作開支處理，若有因過往重估該項資產而產生的重估儲備結餘，則以該結餘扣減後之餘額作開支處理。於隨後出售或報廢該重估資產時，相關重估盈餘將劃轉至保留溢利。

除在建工程外之折舊乃按物業、廠房及設備預計可使用年限，以直線法撇銷其成本或公允值。

當物業、廠房及設備被出售或預期繼續使用該資產不會為將來帶來經濟利益時，該項物業、廠房及設備不再被確認。因不再確認為資產而產生的任何收益或虧損(按出售所得款項淨額與資產的賬面值之差額計算)於不再確認年度的損益表內入賬。

收入的確認

收入按已收或應收款項之公允值計量，並代表貨物銷售及於正常經營過程中提供之服務的應收款項，惟須扣除折扣及與銷售相關的稅項。

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3. Significant accounting policies (Continued)

Revenue recognition (Continued)

The income from investment in distressed assets through establishment of a special purpose vehicle is recognised on a time basis by reference to the estimated future cash flows and at the effective interest rate. The effective interest rate is the rate that exactly discounts the estimated future cash inflows arising from recoveries or collection, net of the estimated future cash outflows arising from directly attributable costs such as management fee and incentive bonus through the expected life of the distressed assets, to the assets' net carrying amounts on initial recognition.

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

Commission income is recognised when services are provided.

Sales of petrochemical products are recognised when goods are delivered and title have passed.

Property management fee income is recognised when management service is rendered.

Rental income under operating leases is recognised on a straight line basis over the term of the leases.

Dividend income from investments is recognised when the shareholders' rights to receive the payment have been established.

3. 主要會計政策(續)

收入的確認(續)

通過成立特殊目的載體投資不良資產之收入以時間基準並參照估計未來現金流量及按實際利率計算。實際利率乃透過不良資產之預期可使用年期完全貼現因回收或收集而產生之估計未來現金流入，扣除因直接應佔成本(如管理費及獎勵花紅)產生之估計未來現金流入淨額至於首次確認時之資產帳面淨值之利率。

其他利息收入以時間基準並參照未償還本金及適用的實際利率計算，而該利率乃透過金融資產之預期可使用年期完全貼現估計未來現金收入至於首次確認時之資產之賬面淨值。

佣金收入於提供服務時確認。

石油化工產品銷售於貨品已付運及擁有權已過戶時確認。

物業管理費收入於提供管理服務時確認。

營運租約之租金收入於租約期限內以直線基準確認。

投資所得股息收入乃於股東收取該項付款之權利獲確立時確認。

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3. Significant Accounting Policies (Continued)

Financial instruments

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

Financial assets

The Group's financial assets are classified into one of three categories: financial assets at fair value through profit or loss ("FVTPL"); loans and receivables; and available-for-sale financial assets. 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.

3. 主要會計政策(續)

金融工具

金融資產及金融負債於集團實體成為該工具合約條文之訂約方後，於財務狀況表中確認。金融資產及金融負債初步按公允值計量。因收購或發行金融資產及金融負債(於損益表按公允值處理的金融資產及金融負債除外)而直接產生之交易費用於初次確認時加入金融資產及金融負債(如適用)之公允值或自金融資產及金融負債(如適用)之公允值扣除。因收購於損益表按公允值處理的金融資產或金融負債而直接產生之交易費用即時於損益表確認。

金融資產

本集團之金融資產分類為以下三個類別之其中之一類：於損益表按公允值處理的金融資產、貸款及應收款項及可供出售的金融資產。所有日常買賣之金融資產於交易日確認及終止確認。日常買賣指須根據市場規則或慣例訂立之時限交收資產之金融資產買賣。

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3. Significant Accounting Policies (Continued)

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, points 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 other than those financial assets classified as at FVTPL, of which interest income is excluded in net gains or losses.

Financial assets at fair value through profit or loss

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated as at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. 主要會計政策(續)

金融資產(續)

實際利率法

實際利率法是計算金融資產的攤銷成本及於相關期間攤分利息收入的方法。實際利率是指於金融資產預期有效期或於首次確認時之賬面淨值之較短期間(如適用)確實地折現估計未來收取現金(包括構成整體部分的實際利率、點子、交易成本及其他溢價或折扣所付或所收的所有費用)之利率。

除被分類為於損益表按公允值處理的金融資產(其利息收入並不包含於損益表中), 債權產品之收入以實際利率基準確認。

於損益表按公允值處理的金融資產

於損益表按公允值處理的金融資產有兩個次分類: 持作買賣之金融資產及於首次確認時被指定為於損益表按公允值處理的金融資產。

一項金融資產於以下情況下界定為持作買賣:

- 購入之目的主要為於短期內出售; 或
- 屬於由本集團統一管理的一項可識別金融工具組合的一部分並且於最近期間確實存在短期套利紀錄; 或
- 屬於未有指定類型的衍生工具並實際是一項對沖工具。

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3. Significant Accounting Policies (Continued)

Financial assets (Continued)

Financial assets at fair value through profit or loss (Continued)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

3. 主要會計政策(續)

金融資產(續)

於損益表按公允值處理的金融資產(續)

除持作買賣用途之金融資產外，其他金融資產於首次確認時在下屬情況下可能被指定為於損益表按公允值處理：

- 此分類能抵銷或大幅減少計量或減少引起確認的不一致性；或
- 此金融資產是屬於一組金融資產或一組金融負債或兩者之一部份，該組金融資產或金融負債是根據本集團成文的風險管理及投資策略來管理並按公允值衡量其表現，且內部使用作分類資料亦建基於此；或
- 此金融資產是包含一個或多個嵌入式衍生工具之合約的組成部份，並且香港會計準則第39號容許整個結合式合約(資產或負債)指定為於損益表按公允值處理。

於損益表按公允值處理的金融資產以公允值計量，相關的公允值變動直接於產生期間之損益表確認。於損益表確認的淨收益或虧損並不包括來自該金融資產的股息或利息。

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3. Significant Accounting Policies (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, deposits and other receivables, amounts due from associates/jointly controlled entities/subsidiaries, bank balances and cash and loan receivables) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale financial assets

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

Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive

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3. Significant Accounting Policies (Continued)

Financial assets (Continued)

Loans and receivables — investment in distressed assets through establishment of a special purpose vehicle

Investment in distressed assets through establishment of a special purpose vehicle is stated at amortised cost using effective interest method less impairment allowance. The impairment allowances are made on the interest in distressed assets when there is objective evidence of impairment as a result of the occurrence of certain loss events that will impact on the estimated future cash flows, and are measured as the difference between the carrying amount of the investment in distressed assets through establishment of a special purpose vehicle and the

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3. Significant Accounting Policies (Continued)

Impairment of financial assets (Continued)

For all other financial assets, objective evidence of impairment could include:

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

For certain categories of financial asset, such as

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3. Significant Accounting Policies (Continued)

Financial liabilities and equity

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

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts)

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3. Significant accounting policies (Continued)

Financial liabilities and equity (Continued)

Convertible note at fair value through profit or loss

Financial liabilities at FVTPL represent convertible note designated at fair value through profit or loss on initial recognition.

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

The convertible note with embedded derivatives whose economic risks and characteristics are not closely related to those of the host contract (the liability component) as a whole is designated as financial liabilities at FVTPL on initial recognition.

Transaction costs that are directly attributable to the issue of the convertible notes designated as financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. 主要會計政策(續)

金融負債及股本(續)

於損益表按公允值處理的可換股票據

於損益表按公允值處理的金融負債乃指於初步確認時指定為於損益表按公允值處理的金融負債。

金融負債在初始入賬時就以下情況下可能被界定為按公允值於損益表處理：

- 此分類能抵銷或大幅減少計量或減少引起確認的不一致性；或
- 此金融負債是屬於一組金融資產或一組金融負債或兩者之一部份，該組金融資產或金融負債是根據本集團成文的風險管理及投資策略來管理並按公允值衡量其表現，且內部使用作分類資料亦建基於此；或
- 此金融負債是包含一個或多個嵌入式衍生工具之合約的組成部份。並且香港會計準則第39號容許整個結合式合約(資產或負債)指定為於損益表按公允值處理。

內含衍生工具之可換股票據其經濟風險及特色整體上與其從屬合約的(負債部份)整體上並無密切關連者，於初步確認時界定為於損益表按公允值處理的金融負債。

發行可換股票據直接應佔之交易成本指定為於損益表按公允值處理的金融負債，乃即時於損益表內確認。

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3. Significant accounting policies (Continued)

Financial liabilities and equity (Continued)

Convertible note at fair value through profit or loss (Continued)

Subsequent to initial recognition, the entire convertible note with embedded derivatives are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Other financial liabilities

Other financial liabilities including borrowings, trade payables, accrued charges and other payables, amounts due to subsidiaries and amount due to an associate are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

Derecognition

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

3. 主要會計政策(續)

金融負債及股本(續)

於損益表按公允值處理的可換股票據(續)

於初步確認後，內含衍生工具之全部可換股票據均以公允值計量，公允值變動直接於其產生期間之損益表內確認。

其他金融負債

其他金融負債(包括借貸、應付賬款、應計費用及其他應付款項、應付附屬公司款及應付一間聯營公司款)，於其後採用實際利率法按攤銷成本計量。

股本工具

由本公司發行之股本工具乃按已收取所得款項減直接發行費用記錄。

終止確認

若從資產收取現金流量之權利已屆滿，或金融資產已轉讓及本集團已轉讓其金融資產擁有權之絕大部分風險及回報，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值與已收及應收代價及已直接於其他全面溢利被確認之累計損益的總差額，將於損益表內確認。

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3. Significant Accounting Policies (Continued)

Impairment losses other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its assets to determine

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3. Significant Accounting Policies (Continued)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities

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3. Significant Accounting Policies (Continued)

Taxation (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the

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3. Significant Accounting Policies (Continued)

Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period, except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the group entities which are stated at functional currency other than HKD are translated into the presentation currency of the Group (i.e. HKD) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve). Exchange differences in relation to foreign operations are recognised in profit or loss in the period in which the foreign operation is disposed of.

3. 主要會計政策(續)

外幣(續)

結算貨幣項目所產生的匯兌差額於產生期間計入損益表。由於重新換算按公允值列賬之非貨幣項目所產生的匯兌差額計入產生期間的損益，惟重新換算非貨幣項目產生的相關的差額相關的收益或虧損並已直接於其他全面溢利確認者除外，在該情況下，匯兌差額亦直接於其他全面溢利確認。

就呈列綜合財務報表而言，本集團業務的資產及負債均按本報告期末的匯率換算為本集團之呈列貨幣(即港元)，而相關的收入及開支項目則按年內平均匯率換算。所產生的匯兌差額(如有)均確認為其他全面溢利及累積於股本權益的獨立部分(匯兌儲備)。該等有關海外業務之匯兌差額於該項海外業務被出售期間之損益表確認。

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3. Significant Accounting Policies (Continued)

Foreign currencies (Continued)

Change in functional currency

Functional currency of a group entity is changed only if there is a change to the underlying transactions, events and conditions relevant to the entity. The effect of a change in the translation functional currency is accounted for prospectively. At the date of change, the entity translates all items into the new functional currency using the prevailing exchange rate at that date and the resulting translated amounts for non-monetary items are treated as the historical cost. Exchange differences arising from the translation of foreign operations recognised in translation reserve are not recognised in profit or loss until the disposal of the operation.

Leasing

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

The Group as lessor

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

The Group as lessee

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

3. 主要會計政策(續)

外幣(續)

功能貨幣之改變

本集團實體的功能貨幣只會受本集團的潛在有關交易、事件及環境有所改變才會作出改變。換算功能貨幣改變會對期後會計確認影響。於改變當日，公司會以當日之當前匯率換算所有項目成新功能貨幣及非貨幣項目之換算金額被視為歷史成本。有關海外業務換算引起的滙兌差額會確認為滙兌儲備，直至該業務被出售其滙兌差額才會於損益表確認。

租賃

融資租賃指租賃條款將擁有資產的風險及回報絕大部份轉移至承租人之租賃。所有其他租賃均分類為營運租賃。

本集團作為出租人

營運租賃之租金收入乃按有關租約年期以直線基準於損益表內確認。

本集團作為承租人

營運租賃費用乃於有關租約年期內以直線基準確認為支出。作為促使訂立營運租賃的已收及應收獎勵之利益於租約年期內以直線基準確認為租金開支中扣減。

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3. Significant Accounting Policies (Continued)

Leasing (Continued)

The Group as lessee (Continued)

Land use rights represent the prepaid lease payments of leasehold interests in land under operating lease arrangements which is classified as medium-term lease other than those held to earn rentals and/or for capital appreciation purpose and classified as investment properties which is carried at fair value.

Leasehold land and buildings

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification. Leasehold land which title is not expected to pass to the lessee by the end of the lease term is classified as an operating lease unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire contract is classified as a finance lease. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as land use rights except for those that are classified and accounted for as investment properties under the fair value model.

Retirement benefit costs

Payments to the state-managed retirement benefit schemes for staff in the People's Republic of China, excluding Hong Kong and Macau (the "PRC"), and to the Mandatory Provident Fund Scheme for staff in Hong Kong are charged as expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(續)

土地使用權(除以賺取租金及／或資本增值用途則為投資物業以公允值表示)為營運租約之預付租賃款之租賃利益及以中期租賃年期表示。

租賃土地及樓宇

租賃土地及樓宇中的土地及樓宇部份就租賃分類而言，予以分開處理。預期不會於租期屆滿時轉移業權之承租人的租賃土地被歸類為經營租賃，除非租金支出無法可靠地分配至土地及樓宇部份，在此情況下，整份租賃合同被歸類為融資租賃。營運租約(除該以公允值表示投資物業除外)可確實地分配，於土地之租賃利益以土地使用權表示。

退休福利成本

就中華人民共和國，不包括香港及澳門(「中國」)員工參與的由國家管理的退休福利計劃及香港員工參與的強制性公積金計劃所作出之供款，於僱員在提供其服務後有權享受該等供款時計入費用開支。

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4. Key sources of estimation uncertainty

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 discussed below.

Estimated cash flows of the distressed assets and investment in distressed assets through establishment of a special purpose vehicle

As at 31 December 2009, the carrying amounts of investment in distressed assets through establishment of a special purpose vehicle was HK\$144,201,000 (2008: HK\$148,247,000). Determining the recoverability of investment in

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4. Key sources of estimation uncertainty (Continued)

Determination of fair value of structured finance securities

The Group's investment in structured finance securities represent a debt security with interest payments based on United States Treasury Bond and distribution from preference shares in a private company which invests in a portfolio of asset-backed securities. The fair value of the structured finance securities is determined by the directors with reference to the valuation provided by the counterparty financial institution. Details of assumptions used to determine the quoted price by the counterparty financial institution are set out in note 24.

During the year ended 31 December 2009, the Group had loss of HK\$3,174,000 (2008: gain of HK\$1,715,000) from the change in fair value of the structured finance securities.

5a. Capital risk management

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

The capital structure of the Group consists of net debt, which includes the borrowings, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits.

The management of the Group reviews the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through new share issues and the issue of new debt or the redemption of the existing debt.

4. 估計不確定之主要來源(續)

釐定結構性金融證券之公允值

本集團於結構性金融證券之投資為一項附帶利息的證券。該利息是基於美國國庫債券及於一間投資於資產抵押證券組合之私人公司之優先股的分配計算。該結構性金融證券之公允值是董事基於一間金融機構交易對手的評估計算所得。用以計算公允值之假設之詳情載列於附註24。

於截至二零零九年十二月三十一日止年度，由於該結構性金融證券之公允值變動而導致本集團錄得3,174,000港元虧損(二零零八年：1,715,000港元收益)。

5a. 資本風險管理

本集團透過使用最理想的債務與資本結餘管理其資本以保障集團內的公司能夠以持續經營方式持續並同時達至股東回報最大化。本集團的整體策略與以往年度維持一致。

本集團之資本結構由包括淨債務包括借貸、現金淨額及現金等值及本公司股本持有人應佔股本，其中包括已發行股本、儲備及保留盈利組成。

本集團管理層以持續性方式檢測集團的資本結構並同時考慮資金成本以及資金附帶的風險。本集團將透過發行新股份及發行新債務或贖回現有債務等方式致力平衡整體的資本結構。

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5b. Financial instruments (Continued)

Financial risk management objectives and policies

The Group's and the Company's major financial instruments include structured finance securities, available-for-sale investments, investment in distressed asset through establishment of a special purpose vehicle, held-for-trading investments, amounts due from subsidiaries, associates and jointly controlled entities, trade receivables, deposits and other receivables, loan receivables, bank balances and cash, trade payables, other payables and accrued charges, amount due to an associate, amounts due to subsidiaries, borrowings and convertible note at fair value through profit or loss. 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.

There has been no significant change to the Group's and the Company's exposure to market risks or the manner in which it manages and measures the risk from prior year.

Market risks

Interest rate risk management

The Group's fair value interest rate risk as at 31 December 2009 relates primarily to its fixed-rate PRC government bonds, fixed-rate amounts due from jointly controlled entities, fixed-rate loan receivables and fixed-rate other payable. The Group's fair value interest rate risk as at 31 December 2008 related primarily to its fixed-rate PRC government bonds, fixed-rate amounts due from associates and jointly controlled entities, fixed-rate loan receivables, fixed-rate other payable, fixed rate borrowings and convertible note. The Company's fair value interest rate risk as at 31 December 2009 relates primarily to its amounts due from subsidiaries and jointly controlled entities and fixed-rate loan receivables. The Company's fair value interest rate risk as at 31 December 2008 relates primarily to its amounts due from subsidiaries and jointly controlled entities and convertible note.

5b. 金融工具(續)

金融風險管理目標及政策

本集團及本公司之主要金融工具包括結構性金融證券、可供出售投資、通過成立特殊目的載體投資不良資產、持作買賣投資、應收附屬公司、聯營公司及共同控制公司款、應收賬款、按金及其他應收款項、應收貸款、銀行結餘及現金、應付賬款及其他應付款及應計費用、應付聯營公司款、應付附屬公司款、借貸及於損益表按公允值處理的可換股票據。與該等金融工具相關之風險及如何減低該等風險之政策載於下文。管理層會管理及監察該等風險，以確保及時與有效地採取適當措施。

本集團及本公司所面對的市場風險或管理及計量市場風險的方法與以往年度並無重大改變。

市場風險

利率風險管理

本集團於二零零九年十二月三十一日之公允值利率風險基本上是源自以固定利率計算之中國政府債券，固定利率計算之應收共同控制公司款，以固定利率計算之應收貸款及以固定利率計算之其他應付款。本集團於二零零八年十二月三十一日之公允值利率風險基本上是源自以固定利率計算之中國政府債券，固定利率計算之應收聯營公司及共同控制公司款，以固定利率計算之應收貸款、以固定利率計算之其他應付款及以固定利率計算之借貸及可換股票據。本公司於二零零九年十二月三十一日之公允值利率風險基本上是源自以固定利率計算之應收附屬公司及共同控制公司款及以固定利率計算之應收貸款。本公司於二零零八年十二月三十一日之公允值利率風險基本上是源自以固定利率計算之應收附屬公司及共同控制公司款以及可換股票據。

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5b. Financial instruments (Continued)

Market risks (Continued)

Interest rate risk management (Continued)

The Group's cash flow interest rate risk as at 31 December 2009 primarily relates to its bank balances carried at prevailing deposit rate, floating-rate borrowings and other payable to minority shareholder of a subsidiary. The Group's cash flow interest rate risk as at 31 December 2008 primarily related to its bank balances carried at prevailing deposit rate, floating-rate borrowings and other payable to minority shareholder of a subsidiary. The Company's cash-flow interest rate risk as at 31 December 2009 principally related to its bank balances carried at prevailing deposit rate, amounts due from subsidiaries and floating-rate borrowings. The Company's cash flow interest rate risk as at 31 December 2008 primarily relates to its bank balances, amounts due from subsidiaries and floating-rate borrowings.

The Group and the Company has not used any interest rate swaps in order to mitigate its exposure associated with fluctuations relating to interest cash flows. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated. In addition, the Group has concentration risk on its floating rate bank balances and borrowings which expose the Group significantly towards the change in the People's Bank of China interest rate.

5b. 金融工具(續)

市場風險(續)

利率風險管理(續)

本集團於二零零九年十二月三十一日之現金流利率風險基本上是基於其當前存款利率之銀行結餘，按浮動利率計息的借貸及其他應付予附屬公司少數股東款。本集團於二零零八年十二月三十一日之現金流利率風險基本上是基於其當前存款利率之銀行結餘，按浮動利率計息的借貸及其他應付予附屬公司少數股東。本公司於二零零九年十二月三十一日之現金流利率風險主要是基於其當前存款利率之銀行結餘，應收附屬公司款，按浮動利率計息的借貸。本公司於二零零八年十二月三十一日之現金流利率風險基本上是基於其銀行結餘，應收附屬公司款及按浮動利率計息的借貸。

本集團及本公司並無運用任何利率換期對沖利率現金利息帶來波動之風險，然而，管理層對利率風險進行監察並在預期面臨重大利率風險時考慮是否需採取其他必要的對應行動。另外，本集團風險集中於按浮動利率計息之銀行結餘及借貸，其於中國人民銀行利率改變對本集團有重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

5b. Financial instruments (Continued)

Market risks (Continued)

Interest rate risk management (Continued)

The sensitivity analyses below have been determined based on the exposure to the floating-rate borrowings and other payable to minority shareholder of a subsidiary, floating-rate amounts due from subsidiaries and variable-rate bank balances at the end of the reporting period and the reasonably possible change taking place at the beginning of each year and held constant throughout the year. The directors remained using 150 basis points for assessing interest rate risk on the above balances (except for bank balances) after considering the impact of the volatile financial market conditions. The directors used 10 (2008: 50) basis points for assessing interest rate risk on bank balances because they considered that the fluctuations on the interest rate on bank balances would be less significant. If interest rates had been 150 basis points (2008: 150 basis points) higher/lower for the above balances (except for bank balances) and 10 basis points (2008: 50 basis points) higher/lower for bank balances and all other variables were held constant, the potential effect on post-tax profit for the year is as follows:

5b. 金融工具(續)

市場風險(續)

利率風險管理(續)

以下的敏感性分析乃基於按浮動利率計息的借貸及其他應付款予一間附屬公司之少數股東、按浮動利率計息的應收附屬公司款項及按浮動利率計息的銀行結餘於本報告期末的風險以及每年年初發生的合理可能變化並且其於整個年度內維持不變的假設計算所得。董事考慮到金融市場環境反覆變化的影響而維持敏感度率150基點以作評核以上結餘(銀行結餘除外)的利率風險。董事以10(二零零八年: 50)基點作評核銀行結餘之利率風險, 因為考慮到利率於銀行結餘的波動較次要。倘若利率於上述結餘(銀行結餘除外)出現150(二零零八年: 150)基點的上升/下降及10基點(二零零八年: 50基點)的上升/下降於銀行結餘並假設其他一切不變, 對年內溢利的潛在影響如下:

	The Group 本集團		The Company 本公司	
	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Increase/decrease in post-tax profit for the year	(4,349)	613	907	2,689
增加(減少)年度除稅溢利				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

5b. Financial instruments (Continued)

Market risks (Continued)

Foreign currency risk management

As at 31 December 2008, the directors considered that the Group's and the Company's exposure to foreign currency risk is primarily arisen from the amounts due from subsidiaries of HK\$1,980,307,000 which were denominated in RMB, which were not denominated in the functional currency of the Company. After the Company changed its functional currency from HKD to RMB during the year ended 31 December 2009, the Group's and the Company's exposure to foreign currency risk is primarily arisen from the amounts due from subsidiaries of HK\$422,762,000 which were denominated in HKD.

The major financial assets and liabilities of the Group denominated in currencies other than the functional currency of the respective group entities are amounts due from jointly controlled entities, bank balances and cash, loan receivables, borrowings and convertible note. The major financial assets and liabilities of the Company denominated in currencies other than the Company's functional currency are amounts due from/(to) subsidiaries, amounts due from jointly controlled entities, bank balances and cash, loan receivables, borrowings and convertible note. Other than the items stated above, the directors consider that the Group's exposure to foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity. The equivalent amount of HKD are set out below:

5b. 金融工具(續)

市場風險(續)

外幣風險管理

於二零零八年十二月三十一日，董事認為本集團及本公司所面臨之本公司外幣匯率風險是基本源自1,980,307,000港元之應收附屬公司款，其以人民幣為計價單位，而非以功能貨幣為計價單位，本公司於二零零九年十二月三十一日後，更改其功能貨幣由港幣至人民幣，本集團及本公司之外幣風險是基本源自以港元為計價單位之422,762,000港元之應收附屬公司款。

以集團公司功能貨幣以外貨幣為計價單位的本集團主要金融資產及金融負債為應收共同控制公司款、銀行結餘及現金、應收貸款、借貸以及可換股票據。以本公司的功能貨幣以外貨幣列值的本公司主要金融資產及負債為應收應付附屬公司款、應收一間共同控制公司款、銀行結餘及現金、應收貸款、借貸及可換股票據。除上述項目外，董事認為本集團所面臨的外幣匯率風險並不顯著，因本集團的主要交易是以各獨立集團公司的功能貨幣為交易單位。其等值之港元數額列載如下：

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For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

5b. Financial instruments (Continued)

5b. 金融工具(續)

Market risks (Continued)

市場風險(續)

Foreign currency risk management (Continued)

外幣風險管理(續)

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Amounts due from subsidiaries	應收附屬公司款項				
— HKD	— 港元	—	—	422,762	—
— RMB	— 人民幣	—	—	—	1,980,307
		—	—	422,762	1,980,307
Amounts due from jointly controlled entities	應收共同控制公司款項				
— United States Dollars	— 美元	39,891	59,250	39,891	59,250
— RMB	— 人民幣	—	3,824	—	3,824
		39,891	63,074	39,891	63,074
Bank balances and cash	銀行結餘及現金				
— HKD	— 港元	871,379	1,754	464,323	—
— United States Dollars	— 美元	3,960	2,708	1,519	449
— RMB	— 人民幣	—	13,535	—	13,535
		875,339	17,997	465,842	13,984
Convertible note	可換股票據				
— United States Dollars	— 美元	—	389,025	—	389,025
Loan receivables	應收貸款				
— United States Dollars	— 美元	78,000	—	78,000	—
Amounts due to subsidiaries	應付附屬公司款項				
— HKD	— 港元	—	—	6,992	—
— United States Dollars	— 美元	—	—	687,887	—
		—	—	694,879	—
Borrowings	借貸				
— HKD	— 港元	253,450	—	253,450	—

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

5b. Financial instruments (Continued)

Market risks (Continued)

Foreign currency risk management (Continued)

Basis of sensitivity analysis as at 31 December 2008:

Before the change in functional currency from HKD to RMB, the directors considered that, as HKD is pegged to United States dollars, the subsidiaries with HKD as functional currency are not subject to significant foreign currency risk from change in foreign exchange rate of HKD against United States dollars and hence only consider the sensitivity of the change in foreign exchange rate of HKD against currencies other than United States dollars. The sensitivity analysis for relevant subsidiaries with functional currencies not denominated in HKD but having bank balances deposited in HKD are also excluded as the amount is insignificant. As a result of the volatile financial market, the directors using 10% for the purpose of assessing foreign currency risk. The sensitivity analysis below demonstrated the effect of the foreign exchange differences by 10% change in exchange rate of the functional currencies against the relevant foreign currencies of the Company and respective subsidiaries, assuming all other variables were held constant. A positive number below indicates an increase in post-tax profit where the functional currencies weaken 10% against the relevant foreign currencies of the Company and respective subsidiaries. For a 10% strengthening of the functional currencies of the Company and respective subsidiaries, there would be an equal and opposite impact on the profit for the year.

5b. 金融工具(續)

市場風險(續)

外幣風險管理(續)

二零零八年十二月三十一日敏感度分析基準：

於更改功能貨幣由港元至人民幣之前，董事認為由於港元與美元掛鉤，以港元為功能貨幣之附屬公司並不會因改變港元兌美元的匯率變動而構成重大之外匯風險，因此只就港元兌除美元外的其他外幣的匯率變動進行敏感性分析。對於有關附屬公司並非以港元作功能貨幣但有港元銀行結餘的敏感度分析亦不除外，因有關數值並不重要。因金融市場之波動，董事以10%作評估外幣風險目的。下述的敏感度分析揭示外幣對功能貨幣匯率改變10%，假設其他可變因素維持不變，對本公司及有關之附屬公司之匯兌差異帶來之影響。以下之正數表示當本公司及有關之附屬公司之功能貨幣兌有關外幣弱10%而引致稅後溢利增加。於加強10%本公司及有關附屬公司之功能貨幣時，將會對本年之溢利帶來同樣及相反之影響。

	The Group 本集團		The Company 本公司	
	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit or loss — post-tax 溢利或虧損	46,766	199,978	5,817	199,767

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For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

5b. Financial instruments (Continued)

Market risks (Continued)

Price risk management

Equity and debt investments

As at 31 December 2009 and 2008, the Group is exposed to equity securities price risk through its available-for-sale equity investments and held-for-trading investments and debt securities price risk through its investments in PRC government bonds. In addition, as at 31 December 2008, the Group was exposed to security price risk in respect of the conversion option embedded in the convertible note which allows the note holder to convert to the Company's ordinary shares. However, sensitivity analysis in relation to the impact on fair value of the embedded option due to change in Company's share price and share price volatility is not presented as the entire convertible note was redeemed during the year. For available-for-sale investments measured at cost less impairment, as the fair value could not be measured reliably, they have not been included in the sensitivity analysis.

5b. 金融工具(續)

市場風險(續)

價格管理風險

股本及債權投資

於二零零九年及二零零八年十二月三十一日，本集團於其可供出售股權投資及持有作買賣投資及透過投資於中國政府之債權證的價格風險上面臨股本證券價格風險。另外，於二零零八年十二月三十一日，本集團亦面臨證券價格風險，此乃源於嵌入可換股票據的換股權利容許票據持有人轉換本公司普通股股份。然而，有關本公司股份價格變動及股份的波動性而對嵌入的換股權之公允值的敏感度分析因所有可換股票據於本年被全數贖回而未予呈報，以成本扣除減值列賬的可供出售投資，由於其公允值不能可靠地量度，故並不包括於敏感度分析項下。

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For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

5b. Financial instruments (Continued)

Market risks (Continued)

Price risk management (Continued)

Equity and debt investments (Continued)

The sensitivity analysis below have been determined based on the exposure to equity and debt price risks at end of the reporting period. If the prices of the respective available-for-sale equity investments in listed equity securities and held-for-trading investments had been 10% (2008: 10%) higher/lower, assuming all other variables were held constant, the impact to the Group and the Company would be:

5b. 金融工具(續)

市場風險(續)

價格風險管理(續)

股本及債權投資(續)

下述的敏感度分析乃就於本報告期末之權本及債權價格風險而釐定。倘若相關上市股本證券之可供出售股權投資及持作買賣投資之價格增加或減少10%(二零零八年:10%), 假設其他所有可變因素維持不變, 對本集團及本公司的影響將會是:

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Held-for-trading investments:	持作買賣投資:				
Increase/decrease in post-tax profit for the year	年度除稅溢利增加 減少	13,282	7,003	4,032	1,537
Available-for-sale investments:	可供出售投資:				
Increase/decrease in other comprehensive income (net of tax) (2008: Increase/decrease in post-tax profit for the year)	除稅後其他全面溢利增加 減少(二零零八年: 年內除稅後溢利增加 減少)	425	4,881	—	—

10% (2008: 10%) change in equity and debt investment price represents the directors' assessment of the reasonably possible change in equity price.

10%(二零零八年:10%)

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For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

5b. Financial instruments (Continued)

Market risks (Continued)

Price risk management (Continued)

Equity and debt investments (Continued)

As at 31 December 2009 and 2008, the Group is exposed to concentration risk on the available-for-sale investment in listed equity securities and held-for-trading investments as they comprise equity shares issued by several companies listed on the Stock Exchange (2008: New York Stock Exchange and the Stock Exchange).

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

Liquidity tables

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

5b. 金融工具(續)

市場風險(續)

價格風險管理(續)

股本及債權投資(續)

於二零零九年及二零零八年十二月三十一日，本集團就可供出售投資於上市股本證券及持作買賣投資而言，存在過度集中的風險。因該等投資乃為於聯交所上市的若干公司發行股份權益(二零零八年：紐約交易所及聯交所)。

流動資金風險

為管理流動資金風險，本集團監察並維持管理層認為之一定水平的現金及現金等值結餘以滿足集團之運作及去除現金流波動帶來之影響。董事監察銀行貸款的使用情況並保障遵守貸款條款。

流動資金列表

下述列表詳列本集團及本公司基於以特定還款條約之非衍生工具金融負債的剩餘到期合同。該列表是基於金融負債之不折現現金流及基於本集團及本公司可被要求於最早還款日製作。列表包括利息及本金的現金流。若利息流為浮動利率，折不現值以現行利率於本報告期末計算。

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For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

5b. Financial instruments (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

The Group

		Less than 6 months	6 months to 1 year	1-2 years	2-5 years	More than 5 years	Total undiscounted cashflow 未折現之 現金流總額	Carrying value 賬面值
		少於六個月 HK\$'000 千港元	六個月至一年 HK\$'000 千港元	一至兩年 HK\$'000 千港元	二至五年 HK\$'000 千港元	超過五年 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 December 2009	於二零零九年十二月三十一日							
Trade payables	應付賬款	99,200	—	—	—	—	99,200	99,200
Other payables	其他應付款	368,985	—	—	—	—	368,985	368,985
Amount due to an associate	應付一間聯營公司款	22,789	—	—	—	—	22,789	22,789
Borrowings	借貸	97,123	95,663	188,616	100,588	10,160	492,150	464,789
		588,097	95,663	188,616	100,588	10,160	983,124	955,763
As at 31 December 2008	於二零零八年十二月三十一日							
Trade payables	應付賬款	113,833	—	—	—	—	113,833	113,833
Other payables	其他應付款	192,164	—	—	—	—	192,164	192,164
Amount due to an associate	應付一間聯營公司款	13,500	—	—	—	—	13,500	13,500
Borrowings	借貸	375,521	TD-.0259* & G 164	192,164				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

5b. Financial instruments (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

The Company

5b. 金融工具(續)

流動資金風險(續)

流動資金列表(續)

本公司

		Less than 6 months 少於六個月 HK\$'000 千港元	6 months to 1 year 六個月至一年 HK\$'000 千港元	1-2 years 一至兩年 HK\$'000 千港元	2-5 years 二至五年 HK\$'000 千港元	Total undiscounted cashflow 未折現之現金 總額 HK\$'000 千港元	Carrying value 賬面值 HK\$'000 千港元
As at 31 December 2009	於二零零九年十二月三十一日						
Other payables	其他應付款	15,544	—	—	—	15,544	15,544
Amounts due to subsidiaries	應付附屬公司款	694,879	—	—	—	694,879	694,879
Borrowings	借貸	53,335	52,792	104,468	52,296	262,891	253,450
		763,758	52,792	104,468	52,296	973,314	963,873
As at 31 December 2008	於二零零八年十二月三十一日						
Other payables	其他應付款	1,208	—	—	—	1,208	1,208
Amount due to an associate	應付聯營公司款	13,500	—	—	—	13,500	13,500
Amounts due to subsidiaries	應付一間附屬公司款	385,823	—	—	—	385,823	385,823
Borrowings	借貸	699	699	1,335	2,547	5,280	4,600
Convertible note (Note)	可換股票據(附註)	389,025	—	—	—	389,025	389,025
		790,255	699	1,335	2,547	794,836	794,156

Note:

As at 31 December 2008, the undiscounted cash flow of convertible note is based on the actual redemption amount as it has been fully redeemed during the year ended 31 December 2009.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

附註:

於二零零八年十二月三十一日，可換股票據的未貼現現金流是基於該票據於二零零九年十二月三十一日之年內全部贖回之實際贖回金額計算的。

若變動利率與本報告期末所定之估計利率有差異，以上非衍生金融負債之變利率之金額將會改變。

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5b. Financial instruments (Continued)

Credit risk

The Group's and Company's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at the end of the reporting period 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 and Company's statement of financial position respectively. The Group has significant concentration of credit risk in respect of other receivables, especially for amounts due from a buyer of the disposed associate of HK\$236,880,000 (2008: amount due from buyer of the disposed subsidiaries of HK\$165,620,000), amounts due from two associates of HK\$102,397,000 (2008: HK\$982,626,000), amounts due from two jointly controlled entities of HK\$98,080,000 (2008: HK\$63,074,000), loan receivables from three independent third parties of total HK\$451,726,000 (2008: HK\$79,790,000) and the cash collected from distressed asset but not yet distributed (as detailed in note 27) of HK\$100,993,000 (2008: HK\$144,299,000). The Company has concentration risk with respect to its amounts due from subsidiaries of HK\$2,287,967,000 (2008: HK\$3,096,753,000) which are mainly due from ten subsidiaries. In order to minimise the credit risk, the Group and the Company review the recoverable amount of each individual debt and each major counterparty noted in other receivables, associates and jointly controlled entities, loan receivables and the cash collected from distressed asset but not yet distributed throughout the year to ensure that adequate impairment losses are made for irrecoverable amounts at the end of the reporting period. In this regard, the Group and the Company consider that the Group's and the Company's credit risk are significantly reduced.

5b. 金融工具(續)

信貸風險

於本報告期末，就交易對手未能履行其責任而導致本集團及本公司已確認的各種金融資產需要面對之最大信貸風險，為該等資產分別於綜合財務狀況表及本公司之財務狀況表列載之賬面值。就其他應收款項而言，本集團面臨重大的信貸過度集中風險，尤其是應收出售聯營公司買家的款項236,880,000港元(二零零八年：應收出售附屬公司買家款165,620,000港元)、應收兩間聯營公司款102,397,000港元(二零零八年：982,626,000港元)、應收兩間共同控制公司款98,080,000港元(二零零八年：63,074,000港元)。由應收三位獨立第三方的貸款總數451,726,000港元(二零零八年：79,790,000)及不良資產現金收回但未予分配(詳見附註27)的100,993,000港元(二零零八年：144,299,000港元)。本公司有集中信貸風險於應收附屬公司款為2,287,967,000港元(二零零八年：3,096,753,000港元)當中主要為應收十間附屬公司款。為達至減低信貸風險，本集團及本公司檢測各獨立的應收賬項及各於其他應收款注意到的主要交易對手、各聯營公司及共同控制公司，應收貸款及未予分配的不良資產現金回收於本報告期末的可回收金額以確保已就不可回收金額提撥足夠的減值虧損。故此，本集團及本公司認為，本集團及本公司之信貸風險已大幅減少。

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5b. Financial instruments (Continued)

Credit risk (Continued)

The Group has a concentration of credit risk on liquid funds deposited with a few major banks. However, the credit risk on liquid funds is limited because the counterparties are banks with good reputation.

The Group has exposure to credit risk in respect to its investment in distressed assets through establishment of a special purpose vehicle. The underlying assets of the distressed assets are debts that are either already in default, under bankruptcy protection, or in distress and heading toward such a condition. The collectivity of these debts might affect the amount recoverable from the investment in distressed assets through establishment of a special purpose vehicle.

Fair value

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

- the fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices;
- the fair value of structured finance securities is determined with reference to the valuation provided by the counterparty financial institution. Major assumptions are stated in note 24;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as inputs; and

5b. 金融工具(續)

信貸風險(續)

本集團因資金存放於幾間主要銀行而存在信貸風險過度集中。然而流動資金之信貸風險僅為有限，因為交易對手均為擁有良好商譽的銀行。

本集團於通過成立特殊目的載體投資存在信貸風險。不良資產的相關資產為於破產保障下，或在不良處理情況下之不履行之債務。這些債務的收回進度將影響通過成立特殊目的載體投資的可收回金額。

公允值

金融資產及金融負債之公允值的計量如下：

- 擁有標準條款及條件並且於一活躍及流動性強的市場買賣之金融資產之公允值是參考市場報價而釐定；
- 結構性金融證券的公允值取決於金融機構交易對手的評估。主要假設於附註24列示；
- 其他金融資產及金融負債(不包括衍生工具)是根據通行的計價模型以當時公開的市場交易之價格或利率資料計算的折現現金流分析之而釐定作計算；及

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5b. Financial instruments (Continued)

Fair value (Continued)

- the fair value of option-based derivative instruments (as included in convertible note), is estimated using option pricing model (the Binomial model).

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

Fair value measurements recognised in the consolidated statement of financial position and statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

5b. 金融工具(續)

公允值(續)

- 以期權為基礎的衍生工具產品之公允值(包括於可換股票據內)以期權計價模型(二項模式)所估算。

董事認為以攤銷成本法記錄於綜合財務報表的金融資產及金融負債之賬面值與它們之公允值相符。

公允值之計量於綜合財務狀況表及財務狀況表確認

下表是按可被觀察公允值之程度分類為一至三類的金融工具，其於首次確認後以可被觀察的公允值計量分析：

- 第一類的公允值計量是透過可於活躍市場上相同的資產或負債而取得的市場報價(未經調整)。
- 第二類的公允值計量是透過不包含第一類的可被觀察的資產或負債之報價而直接地(即價格)或間接地(即由價格引伸)取得的信息。
- 第三類的公允值計量是透過包括資產或負債的信息而非根據可被觀察的市場數據(不可被觀察之信息)之評估技術。

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5b. Financial instruments (Continued)

Fair value measurements recognised in the consolidated statement of financial position and statement of financial position (Continued)

5b. 金融工具(續)

公允值之計量於綜合財務狀況表及財務狀況表確認(續)

		The Group 本集團				The Company 本公司			
		31 December 2009 二零零九年十二月三十一日				31 December 2009 二零零九年十二月三十一日			
		Level 1 第一類	Level 2 第二類	Level 3 第三類	Total 總額	Level 1 第一類	Level 2 第二類	Level 3 第三類	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets at FVTPL	於損益表按公允值處理的 金融資產								
Structured finance securities	結構性金融證券	—	—	9,042	9,042	—	—	9,042	9,042
Non-derivative financial assets held for trading	持作買賣投資之非衍生 金融資產	132,816	—	—	132,816	40,324	—	—	40,324
Available-for-sale financial assets	可供出售金融資產								
PRC government bonds	中國國債	5,662	—	—	5,662	—	—	—	—
Total	總額	138,478	—	9,042	147,520	40,324	—	9,042	49,366

There were no transfers between Level 1 and 2 in the current year.

於本年並沒有第一類與第二類之間的轉換。

Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities

第三類金融資產及金融負債之公允值計算調整

		The Group and the Company 本集團及本公司	
		Structured finance securities 結構性 金融證券 HK\$'000 千港元	Convertible note 可換 股票據 HK\$'000 千港元
At 1 January 2009	二零零九年一月一日	12,216	389,025
Total unrealised gains or losses:	未變現收益或虧損總額		
— Change in fair value of structured finance securities	— 結構性金融證券之公允值變動	(3,174)	—
Redemption of convertible note	贖回可換股票據	—	(389,025)
At 31 December 2009	於二零零九年十二月三十一日	9,042	—

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6. Revenue and segment information

6. 收入及分部資料

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Revenue is analysed as follows:	收入分析如下:		
Sales of petrochemical products	石油化工產品銷售	74,668	45,662
Property management fee income	物業管理費收入	139,000	147,068
Income from investment in distressed assets through establishment of a special purpose vehicle	通過成立特殊目的載體投資不良資產之收入	45,866	39,993
Rental income	租金收入	65,821	54,431
Dividend income from listed securities	上市證券股息收入	3,910	1,132
		329,265	288,286

The Group has adopted HKFRS 8 "Operating segments" with effect from 1 January 2009. HKFRS 8 is a disclosure standard that requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, represented by the board of directors of the Company for the propose of allocating resources to segments and assessing their performance. In contrast, the predecessor standard (HKAS 14 "Segment reporting") required an entity to identify two sets of segments (business and geographical) using a risks and returns approach. In the past, the Group's primary reporting format was business segment. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14. Nor has the adoption of HKFRS 8 changed the basis of the measurement of segment profit or loss.

本集團自二零零九年一月一日起採納香港財務報告準則第8號「經營分部」。香港財務報告準則第8號是一披露標準規定以本集團主要營運決策者(代表本公司之董事局)在決定分部資源分配及評估其表現上所定期審閱本集團各個組成部分之內部報告作為識別經營分部之基礎。相反,原先準則(香港會計準則第14號「分部呈報」)規定實體採用風險及回報方法區分兩種分類(業務及地區)。本集團以往之主要呈報形式為業務分部。與根據香港會計準則第14號釐定之主要可報告分部作比較,應用香港財務報告準則第8號並無導致本集團重列可報告分部。採納香港財務報告準則第8號後,計算分部溢利或虧損之基準並無改變。

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6. Revenue and segment information (Continued)

The Group is currently organised into six operating divisions: distressed assets business, investments (including the results from held-for-trading investments, available-for-sale investment, structured finance securities and loan receivables), sales of properties, property leasing, property management and production and trading of petrochemical products. These operating divisions are the basis of the internal reports about components of the Group that are regularly reviewed by chief operating decision maker in order to allocate resources to segments and to assess their performance.

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating segments:

6. 收入及分部資料(續)

本集團現時由六個營運部門組成：不良資產業務、投資(包括持作買賣投資、可供出售投資、結構性金融證券及應收貸款之業績)、物業銷售、物業租賃、物業管理及石油化工產品生產及銷售。此等營運部門是以本集團主要營運決策者在決定分部資源分配及評估其表現上所定期審閱本集團各個組成部分之內部報告作為識別經營分部之基礎。

分部收入及業績

以下是本集團收入及業績按經營分部之分析：

		Year ended 31 December 2009 截至二零零九年十二月三十一日止						
		Distressed assets business 不良資產業務 HK\$'000 千港元	Investments 投資 HK\$'000 千港元	Sales of properties 物業銷售 HK\$'000 千港元	Property leasing 物業租賃 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Production and trading of petrochemical products 石油化工產品生產及銷售 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收入	45,866	3,910	—	65,821	139,000	74,668	329,265
Results	業績							
Segment profit (loss)	分部溢利(虧損)	36,945	108,726	(632)	76,107	13,178	(7,556)	226,768
Other unallocated income, gains and losses	其他未分配收入 收益及虧損							131,716
Reversal of revaluation deficit of leasehold properties	租賃物業重估虧損回撥							7,119
Corporate expenses	公司費用							(35,839)
Finance costs	財務費用							(24,470)
Gain on disposal of associates	出售聯營公司的收益							103,678
Share of results of associates	攤佔聯營公司業績							36,497
Share of results of jointly controlled entities	攤佔共同控制公司業績							8,071
Profit before taxation	除稅前溢利							453,540

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6. Revenue and segment information (Continued)

		Year ended 31 December 2008 截至二零零八年十二月三十一日止						
		Distressed assets business 不良資產業務 HK\$'000 千港元	Investments 投資 HK\$'000 千港元	Sales of properties 物業銷售 HK\$'000 千港元	Property leasing 物業租賃 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Production and trading of petrochemical products 石油化工產品 生產及銷售 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收入	39,993	1,132	—	54,431	147,068	45,662	288,286
Results	業績							
Segment profit (loss)	分部溢利(虧損)	33,902	(50,443)	(24,471)	6,298	11,547	(6,328)	(29,495)
Other unallocated income, gains and losses	其他未分配收入 收益及虧損							182,453
Revaluation deficit of leasehold properties	租賃物業重估虧損							(19,141)
Loss on fair value change on convertible note classified as financial liabilities at fair value through profit or loss	於損益表按公允值處理歸類為 財務負債的可換股票據 公允值變動虧損							(6,289)
Corporate expenses	公司費用							(35,112)
Finance costs	財務費用							(25,520)
Share of results of associates	攤佔聯營公司業績							22,472
Share of results of jointly controlled entities	攤佔共同控制公司業績							(2,426)
Profit before taxation	除稅前溢利							86,942

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the results earned by each segment without allocation of items which are not actively reviewed by the chief operating decision maker, including other unallocated income, gains and losses, comprising interest income other than those from loan receivables, net foreign exchange gain, net loss on disposal of corporate property, plant and equipment and certain miscellaneous unallocated income; and share of results of associates and jointly controlled entities. The unallocated corporate expenses, finance costs, revaluation deficit or reversal of revaluation deficit of leasehold properties used as the Company's head office, and loss on fair value change on convertible note classified as financial liabilities at FVTPL are not allocated into individual segment as they are under central management. This is the measure rg d

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6. Revenue and segment information (Continued)

Segment assets and liabilities (Continued)

		Distressed assets business	Investments	Sales of properties	Property leasing	Property management	Production and trading of petrochemical products 石油化工產品 生產及銷售	Consolidated
		不良資產業務	投資	物業銷售	物業租賃	物業管理	生產及銷售	綜合
		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
As at 31 December 2008		於二零零八年十二月三十一日						
Assets	資產							
Segment assets	分部資產	151,861	597,374	659	2,212,483	34,873	380,978	3,378,228
Property, plant and equipment	物業、廠房及設備							174,089
Interest in associates	聯營公司權益							

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6. Revenue and segment information *(Continued)*

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than interest in associates, interest in jointly

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6. Revenue and segment information (Continued)

Other segment information

Distressed assets business 不良資產業務	Investments 投資	Sales of properties 物業銷售	Property leasing 物業租賃	Property management 物業管理
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6. Revenue and segment information (Continued)

Other segment information (Continued)

						Production and trading of petrochemical products		
	Distressed assets business	Investments	Sales of properties	Property leasing	Property management	石油化工產品 生產及銷售	Unallocated	Consolidated
	不良資產業務	投資	物業銷售	物業租賃	物業管理	生產及銷售	未予分配	綜合
	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

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Amounts included in the measure of segment profit or loss or segment assets:

量度分部溢利或虧損或分部資產之金額：

Capital additions	資本添置							
– property, plant and equipment	– 物業、廠房及設備	–	–	–	3,170	4,500	1,910	52,399
– investment properties	– 投資物業	–	–	–	1,202	–	–	–
– land use rights	– 土地使用權	–	–	–	–	–	797	–
Depreciation	折舊	–	–	(325)	(1,398)	(1,858)	(1,937)	(6,096)
Impairment loss on deposits, prepayment and other receivables	按金、預付款及其他應收款減值虧損	–	–	(21,115)	–	–	–	–
Impairment loss on available-for-sale investments	出售可供出售投資減值虧損	–	(25,390)	–	–	–	–	–
Amortisation of land use rights	土地使用權攤銷	–	–	–	–	–	(46)	–
Change in fair value of investment properties	投資物業公平值變動	–	–	–	–	–	–	–

Change in fair value of investment properties 4)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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6. Revenue and segment information (Continued)

Information about major customers

There is no single customer contributing over 10% of total revenue of the Group for the year ended 31 December 2009 and 2008.

Geographical information

The Group's operations are located in the PRC and Hong Kong. The Group's revenue from external customers is based on the location of the Group's operations to derive the revenue and information about its non-current assets by geographical location of the assets are detailed below:

6. 收入及分部資料(續)

主要客戶的資料

截至二零零九年及二零零八年十二月三十一日止年度並沒有單一客戶貢獻超過總收入之10%。

地域資料

本集團之營運地點是中國及香港。本集團由外在顧客中之收入是基於本集團之營運地點以取得收入及該非流動資產以地域分類的資料載列如下：

		Revenue 收入		Non-current assets 非流動資產 (Note) (附註)	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Hong Kong	香港	644	1,508	198,786	171,263
PRC	中國	328,621	286,778	2,678,057	3,368,385
		329,265	288,286	2,876,843	3,539,648

Note: Non-current assets excluded financial instruments.

附註：非流動資產不包括金融工具。

Revenue from major products and services

An analysis of the Group's revenue from its major products, investments and services is set out in note 6.

主要產品及服務之收入

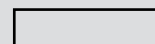
本集團主要產品、投資及服務之收入分析載列於附註6。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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7. Other income, gains and losses



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9. Directors' remuneration

The emoluments paid or payable to each of the directors were as follows:

9. 董事酬金

已付或須付予各董事的酬金如下：

Name of director	董事姓名	2009 二零零九年				2008 二零零八年
		Fees	Salaries and other benefits	MPF contribution	Performance bonus	
		(Note iv)	(Note iv)	(Note iv)	(Note iv)	
		袍金	薪金及其他福利	強積金供款	表現花紅	
		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
Chen Xiaozhou	陳孝周	500	—	—	—	500
Hui Xiao Bing	惠小兵	500	—	—	—	500
Gao Jian Min	高建民	500	2,611	12	1,500	4,623
			(Note i)			
			(附註 i)			
Liu Tianni	劉天倪	400	—	—	—	400
Gu Jianguo	顧建國	400	—	—	—	400
Tang Baoqi (note iii)	唐保祺(附註 iii)	400	—	—	—	400
Yuen Wing Shing	袁永誠	300	—	—	—	300
Chow Kwok Wai	周國偉	400	1,112	12	1,050	2,574
Kang Dian	康典	400	—	—	—	400
Zhang Lu	張璐	400	—	—	—	400
Hung Muk Ming	洪木明	300	—	—	—	300
Chen Yongcun (note ii)	陳永存(附註 ii)	—	—	—	—	—
Total	總額	4,500	3,723	24	2,550	10,797

No directors waived any emoluments in both years.

於兩個年度並沒有董事放棄酬金。

Notes:

附註：

- (i) The amount includes the estimated value of quarter provided amounting to approximately HK\$935,000 (2008: HK\$891,000).
- (ii) Mr. Chen Yongcun resigned as director of the Company on 27 February 2008.
- (iii) Mr. Tang Baoqi was appointed as director of the Company on 14 March 2008.
- (iv) The performance related incentive payments are determined having regard to the performance of individuals and market trends.

- (i) 金額包括提供宿舍的估計價值約935,000港元(二零零八年：891,000港元)。
- (ii) 陳永存先生於二零零八年二月二十七日辭任本公司董事。
- (iii) 唐保祺先生於二零零八年三月十四日獲委任為本公司董事。
- (iv) 按表現發放之花紅乃經參考個人表現及市場趨勢後釐定。

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10. Employees' remuneration

The five highest paid individuals of the Group included two (2008: two) directors, details of whose emoluments are set out in note 9 above. The emoluments of the remaining three (2008: three) individuals are as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,155	2,544
Performance related incentive payments	按表現發放之獎金	4,050	1,507
Retirement benefits costs	退休福利成本	56	36
		6,261	4,087

Their emoluments are within the following bands:

彼等的酬金介乎下列區間：

		Number of employees 僱員人數	
		2009 二零零九年	2008 二零零八年
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	—	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	—	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1	—
		3	3

10. 僱員酬金

本集團五名最高薪人士包括兩(二零零八年：兩)名董事，彼等的酬金詳情載列於上文附註9。其餘三(二零零八年：三)名人士的酬金如下：

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11. Taxation

11. 稅項

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Taxation charge (credit) comprises:	稅項支出(收入)包括:		
Hong Kong Profits Tax	香港利得稅	2,332	—
PRC Enterprise Income Tax	中國企業所得稅	25,465	12,177
		27,797	12,177
Deferred taxation (Note 38)	遞延稅項(附註 38)		
— current year	— 本年度	14,413	(7,073)
— attributable to change in tax rate	— 因稅率變動引致	—	86
		14,413	(6,987)
Taxation charge attributable to the Company and its subsidiaries	本公司及其附屬公司所屬稅項支出	42,210	5,190

Hong Kong Profits Tax is calculated at 16.5% (2008: 16.5%) on the estimated assessable profits for the year ended 31 December 2009. No tax was payable for the year ended 31 December 2008, as tax losses were incurred for subsidiaries with operations in Hong Kong.

The taxation charge of the PRC Enterprise Income Tax for the year has been made based on the Group's estimated assessable profits calculated in accordance with the relevant income tax laws applicable to the subsidiaries in the PRC.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of PRC subsidiaries is 25% from 1 January 2008 onwards.

香港利得稅乃以截至二零零九年十二月三十一日之預計應課稅溢利按 16.5% (二零零八年: 16.5%) 計提。截至二零零八年十二月三十一日止年度, 由於香港經營之附屬公司錄得稅務虧損而沒有應付利得稅。

年內之中國企業所得稅乃本集團於中國之附屬公司以估計的應課稅溢利按適用的所得稅法例計算所得之稅項支出。

由二零零八年一月一日起中華人民共和國企業所得稅稅法(「新稅法」)及新稅法的執行法規之下中國附屬公司適用的稅率為 25%。

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截至二零零九年十二月三十一日止年度

11. Taxation (Continued)

11. 稅項(續)

The taxation charge for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

年內稅項支出可與綜合收益表中除稅前溢利對賬如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit before taxation	除稅前溢利	453,540	86,942
Taxation at the PRC Enterprise Income Tax rate of 25%	按中國企業所得稅稅率25%之稅項	113,385	21,736
Tax effect of expenses not deductible for tax purpose	就稅務用途不得扣減開支的稅務影響	4,702	11,033
Tax effect of income not taxable for tax purpose	就稅務用途無須課稅收入的稅務影響	(53,495)	(21,509)
Tax effect of share of results of associates	攤佔聯營公司業績的稅務影響	(9,124)	(5,618)
Tax effect of share of results of jointly controlled entities	攤佔共同控制公司業績的稅務影響	(2,018)	607
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	227	8,853
Decrease in opening deferred tax asset resulting from decrease in applicable tax rate	適用稅率減少引致的承前遞延稅項資產減少	—	86
Income tax exemption (Note)	所得稅豁免(附註)	(11,467)	(9,998)
Taxation charge for the year	年內稅項支出	42,210	5,190

Note: Pursuant to the relevant laws and regulations in the PRC, income from investment in distressed assets through establishment of a special purpose vehicle is not subject to PRC Enterprise Income Tax.

附註：根據中國有關法律及法規，通過成立特殊目的載體投資不良資產之溢利並不包含於中國企業所得稅範圍之內。



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12. Profit for the year

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit for the year has been arrived at after charging (crediting):	年內溢利經已扣除(計入):		
Auditor's remuneration	核數師酬金	2,095	2,190
Amortisation of land use rights	土地使用權攤銷	574	46
Depreciation	折舊	11,202	11,614
Cost of inventories recognised as expenses	存貨成本計入費用	77,371	47,351
Amortisation of other asset	其他資產攤銷	—	

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13. Earnings per share

13. 每股盈利

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

本公司擁有人應佔的每股基本及攤薄盈利乃根據下列數據計算所得：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Earnings:	盈利：		
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	用以計算每股基本盈利之盈利 (本公司擁有人應佔年內溢利)	406,278	87,057
Effect of dilutive potential ordinary shares in respect of convertible note:	有關可換股票據的潛在攤薄普通股之影響：		
— finance costs waived upon redemption (Note 37)	— 財務費用於贖回時豁免 (附註 37)	(648)	—
Earnings for the purpose of diluted earnings per share	用以計算每股攤薄盈利之盈利	405,630	87,057

		2009 二零零九年 In thousand 千股	2008 二零零八年 In thousand 千股
Number of shares:	股份數目：		
Weighted average number of shares for the purpose of basic earnings per share	用以計算每股基本盈利之加權平均股份數目	1,820,710	1,820,710
Effect of dilutive potential ordinary shares from — convertible note	潛在攤薄普通股之影響： — 可換股票據	19,396	—
Weighted average number of shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之加權平均股份數目	1,840,106	1,820,710

Note: The computation of diluted earnings per share for the year ended 31 December 2008 did not assume the conversion of the Company's convertible note since its exercise would result in an increase in profit per share.

附註：因行使會引致每股利潤增加，因此於計算截至二零零八年十二月三十一日之每股攤薄盈利並沒有假設轉換本公司之可換股票據。

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14. Dividend

14. 股息

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Dividend recognised as distribution during the year:	年內確認分派的股息：		
Final dividend of 2008, paid — HK\$0.09 (2007: HK\$0.08) per share	二零零八年之已付末期股息每股 0.09港元(二零零七年:0.08 港元)	163,864	145,657

The final dividend of HK\$0.1 (2008: HK\$0.09) per share and amounting to approximately HK\$218,485,000 (2008: HK\$163,864,000) has been proposed by the Board and is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

董事會已建議派付末期股息每股0.1港元(二零零八年:0.09港元), 股息總額約為218,485,000港元(二零零八年:163,864,000港元), 惟須待本公司之股東於應屆股東週年大會上批准。

15. Investment properties

15. 投資物業

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Fair Value	公允值				
At the beginning of the year	於年初	2,188,262	2,126,216	16,798	16,745
Exchange adjustment	匯兌調整	41,806	82,035	—	—
Additions	增加	—	1,202	—	—
Disposals	出售	—	(1,061)	—	—
Increase (decrease) in fair value recognised in the consolidated income statement	已於綜合收益表確認之公允值增加(減少)	58,444	(20,130)	792	53
At the end of the year	於年末	2,288,512	2,188,262	17,590	16,798

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15. Investment properties (Continued)

At 31 December 2009, the legal titles of the Group's and the Company's investment properties at carrying value of approximately HK\$17,590,000 (2008: HK\$16,798,000) situated in the PRC have not been passed to the Group and the Company.

The carrying value of the investment properties comprises:

15. 投資物業(續)

於二零零九年十二月三十一日，本集團及本公司位於中國賬面值約為17,590,000港元(二零零八年：16,798,000港元)的投資物業之業權仍未過戶至本集團及本公司。

投資物業之賬面值包括：

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Held under long term leases/land use rights: — situated in the PRC	以長期租約 土地使用 權方式持有： — 位於中國	72,734	70,353	—	—
Held under medium term leases/land use rights: — situated in the PRC	以中期租約 土地使用 權方式持有： — 位於中國	2,215,778	2,117,909	17,590	16,798
		2,288,512	2,188,262	17,590	16,798

All the investment properties are held for rental income under operating leases.

所有投資物業均以營運租約持有作收租用途。

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15. Investment properties (Continued)

The fair value of the investment properties of the Group and the Company at 31 December 2009 and 31 December 2008 have been arrived at on the basis of a valuation carried out on that date by Vigers Appraisal & Consulting Limited ("Vigers"), an independent qualified professional valuer not connected with the Group. Vigers are members of the Institute of Valuers and have appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation of the Group's and the Company's investment properties was arrived at using direct comparison method by reference to sales evidence as available on the market and on the capitalisation on the net income with due allowance for the reversionary income and redevelopment potential, where appropriate.

All the Group's and the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

15. 投資物業(續)

本集團及本公司的投資物業於二零零九年及二零零八年十二月三十一日之公允值乃基於威格斯資產評估顧問有限公司(「威格斯」)，一間與本集團並無關連的獨立合資格專業估值師就該日的價值進行評估所得。威格斯是估值師學會成員，並擁有適當資格及於近期對相關地點之類似物業進行估值的經驗。本集團及本公司之投資物業賬面值之評估乃使用直接比較法經參照於合適的市場及將來應收到之收入及重建潛力於資本化時合適允許之淨收入可取得的買賣證據而釐定。

所有本集團及本公司以營運租約方式持有作收租或資本增值用途的物業權益均以公允值模式計量，並分類及列賬為投資物業。

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16. Property, plant and equipment (Continued)

16. 物業、廠房及設備(續)

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及設備 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
The Company	本公司						
COST OR VALUATION	成本或估值						
At 1 January 2008	於二零零八年一月一日	67,283	3,988	2,121	911	3,023	77,326
Additions	添置	—	—	—	12	—	12
Revaluation	重估	(3,225)	—	—	—	—	(3,225)
At 31 December 2008	於二零零八年十二月三十一日	64,058	3,988	2,121	923	3,023	74,113
Additions	添置	—	—	—	—	495	495
Disposal	出售	—	(1,717)	(2,121)	(704)	(418)	(4,960)
Revaluation	重估	9,220	—	—	—	—	9,220
At 31 December 2009	於二零零九年十二月三十一日	73,278	2,271	—	219	3,100	78,868
Comprising:	包括:						
At cost	按成本值	—	2,271	—	219	3,100	5,590
At professional valuation — 2009	按二零零九年之專業 估值	73,278	—	—	—	—	73,278
		73,278	2,271	—	219	3,100	78,868
DEPRECIATION	折舊						
At 1 January 2008	於二零零八年一月一日	—	3,685	2,121	664	1,373	7,843
Provided for the year	年度準備	2,310	303	—	81	212	2,906
Eliminated on revaluation	重估時撤銷	(2,310)	—	—	—	—	(2,310)
At 31 December 2008	於二零零八年十二月三十一日	—	3,988	2,121	745	1,585	8,439
Provided for the year	年度準備	2,243	—	—	47	238	2,528
Eliminated on disposal	出售時撤銷	—	(1,717)	(2,121)	(650)	(240)	(4,728)
Eliminated on revaluation	重估時撤銷	(2,243)	—	—	—	—	(2,243)
At 31 December 2009	於二零零九年十二月三十一日	—	2,271	—	142	1,583	3,996
CARRYING VALUES	賬面值						
At 31 December 2009	於二零零九年十二月三十一日	73,278	—	—	77	1,517	74,872
At 31 December 2008	於二零零八年十二月三十一日	64,058	—	—	178	1,438	65,674

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16. Property, plant and equipment (Continued)

The above items of property, plant and equipment are depreciated on a straight line over the following years:

Leasehold land and buildings	50 years
Leasehold improvements	3 years
Furniture and fixtures	10 years
Office equipment	5 years
Plant and machinery	10 — 15 years
Motor vehicles	6 — 10 years

At 31 December 2009, the legal titles of the Group's and the Company's properties with carrying value of approximately HK\$24,879,000 (2008: HK\$38,284,000) and approximately HK\$24,879,000 (2008: HK\$23,758,000) situated in the PRC have not been passed to the Group and the Company respectively.

The carrying value of the leasehold properties comprises:

16. 物業、廠房及設備(續)

以上物業、廠房及設備之項目是以下述之年份以直線法折舊：

租賃土地及樓宇	50年
租賃物業裝修	3年
傢俬及裝修	10年
辦公室設備	5年
廠房及機器	10 — 15年
汽車	6 — 10年

於二零零九年十二月三十一日，本集團及本公司位於中國賬面值分別約為24,879,000港元(二零零八年：38,284,000港元)及約為24,879,000港元(二零零八年：23,758,000港元)的物業之業權仍未過戶至本集團及本公司。

租賃物業之賬面值包括：

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Long term leasehold properties situated in Hong Kong	在香港的長期租賃物業	161,700	141,250	48,400	40,300
Properties under medium term land use rights situated in the PRC	在中國以中期土地使用權持有的物業	36,408	48,806	24,878	23,758
		198,108	190,056	73,278	64,058

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16. Property, plant and equipment (Continued)

The fair value of the Group's leasehold land and buildings at 31 December 2009 and 2008 has been arrived at on the basis of valuations carried out on that date by Vigers and A-Plus Surveyors Limited ("A-Plus"). The valuations were arrived at using direct comparison method by reference to sales evidence as available on the market. The revaluation surplus on revaluation of the leasehold land and buildings amounted to approximately HK\$28,356,000 (2008: revaluation deficit of approximately HK\$12,134,000) of which an amount of approximately HK\$7,119,000 has been credited to the consolidated income statement as reversal of impairment loss previously recognised (2008: HK\$19,141,000 had been charged to the consolidated income statement as revaluation deficit) and an amount of approximately HK\$21,237,000 (2008: HK\$7,007,000) has been credited to the asset revaluation reserve. Both Vigers and A-Plus are independent qualified professional valuers not connected with the Group, are members of the Institute of Valuers, and have appropriate qualifications and experiences in the valuation of similar properties in the relevant locations.

Certain leasehold interest in land cannot be allocated reliably between the land and buildings elements, the leasehold interest in land continue to be accounted for as property, plant and equipment.

16. 物業、廠房及設備(續)

本集團的租賃土地及樓宇於二零零九年及二零零八年十二月三十一日之公允值乃基於威格斯及恆信測量師行有限公司(「恆信」)就該日所作出之價值評估所得。評估值乃使用直接比較法經參照合適的市場可取得的買賣證據而釐定。租賃土地及樓宇重估盈利淨額約28,356,000港元(二零零八年：重估虧損約12,134,000港元)其中約7,119,000港元已扣除於綜合收益表作為重估以前確認之減值虧損回撥(二零零八年：19,141,000港元已扣除於綜合收益表作為重估虧損)及金額約21,237,000港元(二零零八年：7,007,000港元)已計入資產重估儲備。威格斯及恆信兩者均為與本集團並無關連的獨立合資格專業估值師並且為估值師學會成員，並擁有適當資格及對相關地點之類似物業進行估值的經驗。

若干租賃土地之權益無法可靠地分配至土地及樓宇部分，則土地之租賃權益將繼續列賬為物業、廠房及設備。

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16. Property, plant and equipment (Continued)

If leasehold properties had not been revalued, they would have been included on a historical cost basis at the following amounts:

16. 物業、廠房及設備(續)

倘租賃物業未予重估，則該等物業會以歷史成本基準列賬如下：

		The Group 本集團 HK\$'000 千港元	The Company 本公司 HK\$'000 千港元
COST	成本		
Accumulated depreciation and impairment losses	累計折舊及減值虧損	162,145	38,848
		(61,177)	(11,489)
CARRYING VALUE	賬面值		
At 31 December 2009	於二零零九年十二月三十一日	100,968	27,359
At 31 December 2008	於二零零八年十二月三十一日	121,170	29,602

17. Land use rights

17. 土地使用權

		The Group 本集團 HK\$'000 千港元
COST	成本	
At 1 January 2008	於二零零八年一月一日	—
Acquisition of subsidiaries (Note 43)	收購附屬公司(附註 43)	26,091
Additions	添置	797
Amortised for the year	年度攤銷	(46)
CARRYING VALUE	賬面值	
At 31 December 2008	於二零零八年十二月三十一日	26,842
Exchange adjustments	滙兌調整	517
Amortised for the year	年度攤銷	(574)
At 31 December 2009	於二零零九年十二月三十一日	26,785

The land use rights of the Group are held under medium-term lease in the PRC and amortised over the term of the lease of 50 years.

Included in the balance was land use right with carrying amount of HK\$26,785,000 (2008: HK\$26,842,000) which was located in the PRC as at 31 December 2009. The Group was in the process of obtaining the land use right certificates.

本集團之土地使用權是位於中國以中期租賃持有並以租賃期50年攤銷。

於二零零九年十二月三十一日之土地使用權之餘額賬面值26,785,000港元(二零零八年：26,842,000港元)是位於中國。本集團正在申請土地使用權證之程序。

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18. Goodwill

18. 商譽

		The Group 本集團 HK\$'000 千港元
COST		
At 1 January 2008	成本 於二零零八年一月一日	33,525
Acquisition of subsidiaries (Note 43)	收購附屬公司(附註 43)	4,391
At 31 December 2008	於二零零八年十二月三十一日	37,916
Deemed disposal of a subsidiary (Note 44)	視同出售一間附屬公司(附註 44)	(4,391)
At 31 December 2009	於二零零九年十二月三十一日	33,525
IMPAIRMENT		
At 1 January 2008 and 31 December 2008 and 2009	減值 於二零零八年一月一日及二零零八年及 二零零九年十二月三十一日	26,524
CARRYING VALUES		
At 31 December 2009	賬面值 於二零零九年十二月三十一日	7,001
At 31 December 2008	於二零零八年十二月三十一日	11,392

The carrying values of goodwill as at 31 December 2009 and 2008 allocated to the below CGUs:

於二零零九年及二零零八年十二月三十一日分配至以下現金產生單位之賬面值為：

		The Group 本集團	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Property management ("Unit A")	物業管理(「單位A」)	7,001	7,001
Production and trading of petrochemical products ("Unit B")	石油化工產品生產及銷售 (「單位B」)	—	4,391
		7,001	11,392

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18. Goodwill (Continued)

The basis of the recoverable amounts of the above Unit A and Unit B and the major underlying assumptions are summarised below:

Unit A

The recoverable amount of Unit A has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period based on estimated growth rate of 3% (2008: 3%) with a discount rate of 12% (2008: 12%). Cash flows for further five years are extrapolated at zero growth rate. Another key assumption for the value in use calculations is the budgeted revenue and gross margin, which is determined based on the unit's past performance and management's expectations for the market development.

In the opinion of the directors, there is no impairment required as at the end of the reporting period.

Unit B

Goodwill was transferred to the cost of a jointly controlled entity upon deemed disposal during the year. Details of the deemed disposal are set out in note 44.

19. Investments in subsidiaries and amounts due from subsidiaries

Investments in subsidiaries

Unlisted shares, at cost

非上市股份, 按成本值

Particulars of the Company's subsidiaries at 31 December 2009 are set out in note 52(a).

18. 商譽(續)

單位A及單位B的可收回金額及其主要的相關假定概述如下:

單位A

單位A的可回收金額乃基於使用價值計算釐定。計算方法使用經管理層批核、基於3%(二零零八年: 3%)年增長率的五年財政預算所得的現金流預測及12%(二零零八年: 12%)貼現率。其後五年之現金流推定為零增長率。使用價值的另一項主要假定為預算收入及毛盈利率, 乃按該單位過往之表現及管理層對市場發展之預期釐定。

董事意見認為於本報告期末並沒有減值之需要。

單位B

於本年度商譽於視同出售時劃轉至共同控制公司成本值。視同出售之詳細情況載列於附註44。

19. 投資於附屬公司及應收附屬公司款

投資於附屬公司

		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份, 按成本值	224,591	169,713

本公司的附屬公司於二零零九年十二月三十一日之詳情載列於附註52(a)。

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19. Investments in subsidiaries and amounts due from subsidiaries (Continued)

19. 投資於附屬公司及應收附屬公司款 (續)

Amounts due from subsidiaries

應收附屬公司款

		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Non-current:	非流動:		
Non-interest bearing amount (Note i)	毋須計息金額(附註 i)	744,265	796,217
Amount bearing interest at prevailing Hong Kong prime lending rate minus 1.5%	按香港當前優惠利率減1.5%計息金額	64,874	—
Amount bearing fixed rate interest at 3.8% per annum	按固定年利率3.8%計息金額	1,121,024	—
		1,930,163	796,217
Current (Note ii):	流動(附註 ii):		
Non-interest bearing amount	毋須計息金額	177,829	339,043
Amount bearing interest at prevailing Hong Kong prime lending rate minus 1.5%	按香港當前最優惠利率減1.5%計息金額	—	64,874
Amount bearing interest at prevailing Hong Kong prime lending rate	按香港當前最優惠利率計息金額	179,975	25,633
Amount bearing fixed interest rate at 3.8% per annum	按固定年利率3.8%計息金額	—	1,870,986
		357,804	2,300,536
		2,287,967	3,096,753

Notes:

附註:

- (i) The principal amount of the amounts due from subsidiaries is approximately HK\$825,180,000 (2008: HK\$825,095,000) which are unsecured, non-interest bearing and have no fixed repayment terms. In the opinion of the directors, the amount will not be repaid in the next 12 months from the end of the reporting period and is discounted for three years (2008: one year) using effective interest rate of 3.5% (2008: 3.5%) per annum.
- (ii) The amounts are unsecured and expected to realise in the next 12 months from the end of the reporting period.

- (i) 應收附屬公司款之本金額約825,180,000港元(二零零八年: 825,095,000港元)為無抵押、免息及沒有固定還款期。董事意見認為該金額於本報告期末後的十二個月內並不會歸還及以三年(二零零八年: 一年)之實際年利率3.5%(二零零八年: 3.5%)計算。
- (ii) 金額為無抵押及預期於本報告期末後十二個月內歸還。

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20. Interest in associates

20. 聯營公司權益

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Cost of investments in associates — unlisted	聯營公司投資成本值 — 非上市	107,019	632,246	20,000	20,000
Share of post acquisition profits and other comprehensive income, net of dividend received	攤佔收購後盈利及其他全面溢利扣除已收股息	25,932	151,745	—	—
		132,951	783,991	20,000	20,000

Particulars of the significant associates of the Group and the Company as at 31 December 2009 are set out in note 52(b).

本集團及本公司的主要聯營公司於二零零九年十二月三十一日之詳情載列於附註52(b)。

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20. Interest in associates (Continued)

The summarised financial information in respect of the Group's significant associates is set out below:

20. 聯營公司權益 (續)

本集團主要聯營公司之財務資料摘要載列如下：

		CII Limited ("CII") 中基建設投資有限公司(「中基」)		北京君合百年房地產開發 有限公司(「君合百年」)		信達建潤地產 有限公司		中海油氣(泰州) 石化有限公司	
		2009 二零零九年 HK\$'000 千港元 (Note i) (附註i)	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Note ii) (附註ii)	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Note iii) (附註iii)	2008 二零零八年 HK\$'000 千港元 (Note iii) (附註iii)
Consolidated statement of financial position	綜合財務狀況表								
Non-current assets	非流動資產	—	502,980	—	700	296,673	115,755	230,201	276,783
Current assets	流動資產	—	849,398	—	1,114,884	21,382	333,810	334,256	140,019
Current liabilities	流動負債	—	(35,765)	—	(992,371)	(80,421)	(226,007)	(434,139)	(477,908)
Non-current liabilities	非流動負債	—	—	—	—	—	—	—	—
Equity attributable to owners of the associates	聯營公司股本擁有人應佔股本	—	1,316,613	—	123,213	237,634	223,558	130,318	(61,106)
Group's share of net assets of the associates	集團攤佔聯營公司資產淨值	—	658,307	—	27,871	71,290	67,067	30,009	—
Consolidated income statement and consolidated statement of comprehensive income	綜合收益表及綜合全面收益表								
Revenue	收入	—	2,134	—	—	—	—	3,094,726	4,058,499
Profit (loss) for the year attributable to owners of the associates	聯營公司擁有人應佔年內溢利(虧損)	384	46,936	(1,870)	(17,149)	11,133	1,335	192,600	(138,853)
Other comprehensive income	其他全面溢利	14,177	(111,686)	—	5,405	4,278	8,318	—	—
Group's share of profit (loss) and other comprehensive income of the associates for the year	本集團應佔聯營公司年內溢利(虧損)及全面溢利	7,280	(32,375)	(423)	(2,656)	4,623	2,896	30,009	—

Notes:

- (i) The Group disposed of its 50% equity interest of CII to an independent third party for a consideration of approximately HK\$358,233,000 during the year. In addition, according to the sales and purchase agreement, CII waived a receivable from the Group of HK\$150,000,000 as at the date of disposal. Net loss of approximately HK\$18,810,000 was recognised on this disposal.

附註：

- (i) 於本年度本集團以代價約358,233,000港元出售其於中基之50%股本權益予一獨立第三方。此外，根據出售及購買協議，中基於出售日豁免應收本集團150,000,000港元。該出售確認虧損淨額約為18,810,000港元。

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20. Interest in associates (Continued)

Notes: (Continued)

- (ii) The Group disposed of its 22.62% equity interests of 君合百年 to an independent third party for a consideration of approximately HK\$152,343,000. Gain of approximately HK\$122,488,000 was recognised on this disposal. The consideration for the disposal was determined after arm's length negotiation between the Group and the purchaser and having taken into account the potential of the development project 君合百年.
- (iii) For the year ended 31 December 2008, the unrecognised share of losses and the accumulated unrecognised share of losses were approximately HK\$31,974,000. For the year ended 31 December 2009, the unrecognised share of losses and the accumulated unrecognised share of losses were nil as this associate has generated a profit which can cover all the accumulated unrecognised share of losses in prior year.

21. Interest in jointly controlled entities

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Cost of investments in jointly controlled entities — unlisted	於共同控制公司投資成本 — 非上市	203,236	81,874	26,318	26,318
Share of post-acquisition loss and other comprehensive income	攤佔收購後虧損及其他全面溢利	(4,840)	(15,157)	—	—
Impairment loss recognised	已確認減值虧損	—	—	(21,138)	(13,345)
		198,396	66,717		

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21. Interest in jointly controlled entities (Continued)

The summarised financial information in respect of the jointly controlled entities which is accounted for using the equity method in the Group's consolidated financial statements is set out below:

		Platinum One Limited		Tai Zhou United East Petrochemical Company Limited 泰州東聯化工有限公司 ("TZ United East") (「泰州東聯」)		科馬印象實業有限公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (Note) 附註	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Statement of financial position	財務狀況表						
Non-current assets	非流動資產	—	—	125,899	—	12,530	2,625
Current assets	流動資產	46,963	77,252	52,595	—	88,194	51,219
Current liabilities	流動負債	(41,783)	(64,279)	(40,721)	—	(43,665)	(100)
Non-current liabilities	非流動負債	—	—	(873)	—	—	—
Minority interests	少數股東權益	—	—	—	—	(743)	—
Group's share of net assets of jointly controlled entities	本集團攤佔共同控制公司淨資產	5,180	12,973	136,900	—	56,316	53,744
Income statement and statement of comprehensive income	收益表及全面收益表						
Income recognised in profit or loss	收入於損益表確認	1,438	3,080	276,541	—	44,500	111
Expenses recognised in profit or loss	費用於損益表確認	(9,232)	(3,693)	(262,215)	—	(42,961)	(1,924)
Other comprehensive income	其他全面溢利	—	—	2,280	—	(34)	—
Group's share of (loss) profit and other comprehensive income of jointly							

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22. Amounts due from associates

22. 應收聯營公司款

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Current (note i)	即期(附註 i)	—	742,537	—	—
Current (note ii)	即期(附註 ii)	102,397	240,089	18,007	—
		102,397	982,626	18,007	—

Notes:

附註：

- (i) The amount was unsecured, bore fixed interest at 12.5% per annum and was expected to realise in the next 12 months from 31 December 2008.
- (ii) The amount is unsecured, interest-free and is expected to realise in the next 12 months from the end of the reporting period.

- (i) 該金額為無抵押、以12.5%固定年利率計息及預期於二零零八年十二月三十一日後十二個月內會償還。
- (ii) 該金額為無抵押、免息及預期於本報告期末後十二個月內會償還。

23. Amounts due from jointly controlled entities

23. 應收共同控制公司款

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Current (note i)	即期(附註 i)	37,050	57,263	37,050	57,263
Current (note ii)	即期(附註 ii)	61,030	5,811	6,665	5,811
		98,080	63,074	43,715	63,074

Notes:

附註：

- (i) The amount is unsecured, bears fixed interest at 4% (2008: 4%) per annum and is expected to realise in the next 12 months from the end of the reporting period.
- (ii) The amounts are unsecured, interest-free and expected to realise in the next 12 months from the end of the reporting period.

- (i) 該金額為無抵押，以4%(二零零八年：4%)固定年利率計息及預期於本報告期末後十二個月內會償還。
- (ii) 該金額為無抵押、免息及預期於本報告期末後十二個月內會償還。

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24. Structured finance securities

The Group and the Company

The structured finance securities represent a debt security with interest payments based on United States Treasury bond and distribution from preference shares in a private company which invests in a portfolio of asset-backed securities. The structured finance securities contain an embedded early redemption option and the return is determined by reference to the distribution from the private company which is dependent on the annual default rate of its underlying asset-backed securities. The Group designated the entire structured finance securities as financial assets at FVTPL at initial recognition.

The fair value of the structured finance securities is determined by the directors with reference to the valuation provided by the counterparty at the end of the reporting period. This quoted price is determined by reference to the value of a comparable new issue of the similar structured finance securities under the market situation as at 31 December 2009 and 2008. The major assumptions adopted for the valuation of the structured finance securities are as follows:

- (1) The estimation of risk free rate by reference to the yield of United States Treasury Bond with same remaining duration as the structured finance securities adjusted by the issuer's credit rating; and
- (2) The estimation of the default rate of the underlying asset-backed securities by reference to the historical default rate of asset-backed securities with similar characteristics.

24. 結構性金融證券

本集團及本公司

結構性金融證券指債務證券，其利息款項乃根據美國國庫債券及來自一家私人公司優先股份之分派計算，該私人公司投資於一組資產擔保證券。由於結構性金融證券嵌入提早贖回權及回報以私人公司之分派決定並取決於其相關資產擔保證券之年違約率，本集團將整份結構性金融證券於首次確認時確認為於損益表按公允值處理的金融資產。

於本報告期末，結構性金融證券的公允值乃由董事參照交易對手的評估而釐定。該引用價格乃通過根據於二零零九及二零零八年十二月三十一日的市場狀況下新發行可供比較的類似結構性金融證券之價值估計得出。結構性金融證券的估值採用以下主要假設而釐定：

- (1) 有關無風險年利率乃參照與發行人之信貸評級經調整結構性金融證券相同剩餘年期之美國國庫債券之收益率作出估算；及
- (2) 有關資產擔保證券之年違約率乃參照具有類似特性之資產擔保證券之過往年違約率作出估算。

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25. Available-for-sale investments

25. 可供出售投資

Available-for-sale investments as at the end of the reporting period comprise:

可供出售投資於本報告期末之組合為：

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Listed equity securities, at fair value (note i)	上市股本證券, 按公允值(附註 i)	—	48,812	—	—
PRC government bonds, at fair value	中國政府債券, 按公允值	5,662	5,556	—	—
Total investments, at fair value	總投資, 按公允值	5,662	54,368	—	—
Unlisted investments (note ii):	非上市投資 (附註 ii):				
Unlisted equity securities, at cost	非上市股本證券, 按成本	426,929	380,858	105,570	65,570
Club debentures, at cost	會所債券, 按成本	4,973	2,140	2,140	2,140
		431,902	382,998	107,710	67,710
Less: Impairment loss recognised	減: 已確認減值虧損	(2,070)	(2,070)	(2,070)	(2,070)
Total investments, at cost	總投資, 按成本	429,832	380,928	105,640	65,640
Total	合計	435,494	435,296	105,640	65,640
Analysed for reporting purposes as:	就呈報目的分析為:				
Current (note iii)	流動(附註 iii)	—	121,277	—	63,500
Non-current	非流動	435,494	314,019	105,640	2,140
		435,494	435,296	105,640	65,640

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27. Investment in distressed assets through establishment of a special purpose vehicle

27. 通過成立特殊目的載體投資不良資產

		The Group 本集團	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Expected discounted cash flow from distressed assets	不良資產之預期貼現現金流	43,208	3,948
Cash collected from distressed assets but not yet transferred to the Group	不良資產收回現金但並未轉入本集團	100,993	144,299
		144,201	148,247

The Group

On 25 October 2006, Silver Grant International Assets Investment Limited ("SGIAIL"), a wholly owned subsidiary of the Company entered into a cooperation memorandum (the "NPL Memorandum") with China Orient Asset Management Corporation ("China Orient") to establish a company in the PRC, Dongxin Union Asset Management Corporation Limited ("Dongxin Union") for the purpose of managing a NPL portfolio (the "First Orient Portfolio"). Pursuant to the NPL Memorandum, SGIAIL purchased 46.17% interest of First Orient Portfolio from China Orient at a consideration of approximately RMB319,682,000 (equivalent to approximately HK\$321,701,000). SGIAIL injected its 46.17% interest in the First Orient Portfolio and China Orient injected the remaining 53.83% interests in the First Orient Portfolio, representing a capital injection of approximately RMB372,708,000 (equivalent to approximately HK\$376,435,000) into Dongxin Union as investment in Dongxin Union. This transaction was approved by the Ministry of Commerce of the PRC on 22 January 2007. The operation license of Dongxin Union will expire three years after the date of incorporation (i.e. 22 January 2010). During the year, the operation license of Dongxin Union has been extended to 31 December 2010.

本集團

於二零零六年十月二十五日，本公司之全資附屬公司銀建國際資產投資有限公司（「銀建資產投資」）與中國東方資產管理公司（「中國東方」）訂立一項合作備忘錄（「不良資產備忘錄」），於中國組建一間公司——東信聯合資產管理有限公司（「東信聯合」）以管理一項不良資產組合（「東方資產包一」）。根據該不良資產備忘錄，銀建資產投資向中國東方購入東方資產包一的46.17%權益，代價為人民幣約319,682,000元（相當於約321,701,000港元）。銀建資產投資注入其46.17%東方資產包一之權益及中國東方注入餘下的53.83%東方資產包一之權益，即注入人民幣約372,708,000元（相當於約376,435,000港元）資本予東信聯合作為東信聯合的出資額。此項交易已於二零零七年一月二十二日取得中國商務部之批准。東信聯合的營業執照將於成立日期起計三年後終止（即二零一零年一月二十二日）。於本年間，東信聯合的營業執照已延期至二零一零年十二月三十一日。

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27. Investment in distressed assets through establishment of a special purpose vehicle (Continued)

The Group (Continued)

On 5 June 2008, SGIAIL entered into a supplementary cooperation memorandum (the "Second Memorandum") with China Orient, pursuant to the Second Memorandum, SGIAIL together with certain investors had agreed to make investment in a second portfolio of distressed assets (the "Second Orient Portfolio") owned by China Orient. The acquisition was approved by the Ministry of Commerce of the PRC and completed during the year ended 31 December 2009. The investment cost of the Second Orient Portfolio was approximately RMB1,160,998,000 (equivalent to approximately HK\$1,314,834,000). The Group entered into a joint investment contract with three other investors ("Joint Investment Contract") and invested 46.17% interest of the Second Orient Portfolio which cost approximately RMB536,033,000 (equivalent to approximately HK\$607,059,000) of which RMB246,033,000 (equivalent to approximately HK\$278,633,000) was paid by the Group. According to the Joint Investment Contract, the Group should collect and distribute the cash collected from distressed assets from China Orient on behalf of the other three investors in proportion of the initial investment amount.

On 14 July 2009, SGIAIL and China Orient made additional capital injection to Dongxin Union. SGIAIL injected its 46.17% interests in Second Orient Portfolio and China Orient injected its 53.83% interest in Second Orient Portfolio into Dongxin Union. The shareholding of Dongxin Union owned by SGIAIL and China Orient after the capital injection remain unchanged.

Pursuant to the Memorandum and Article of Dongxin Union, China Orient is responsible to manage the First Orient Portfolio and Second Orient Portfolio. China Orient is entitled to a management fee equal to 10% of the gross amount recovered from the First Orient Portfolio and Second Orient Portfolio. The proportion of sharing of the recovered amounts for the First Orient Portfolio and Second Orient Portfolio are based on a pre-determined scale stated in the NPL Memorandum and the Second Memorandum respectively.

27. 通過成立特殊目的載體投資不良資產(續)

本集團(續)

於二零零八年六月五日，銀建資產投資與中國東方訂立一份補充合作備忘錄(「備忘錄二」)，根據備忘錄二，銀建資產投資聯同若干投資者同意投資於中國東方持有之不良資產包第二包(東方資產包二)，此收購已取得中國商務部之批准並於二零零九年十二月三十一日之年內完成。東方資產包二之投資成本約為人民幣1,160,998,000元(相當於約1,314,834,000港元)。本集團與其餘三個投資者訂立一份共同投資協議(「共同投資協議」)並投資46.17%權益於東方資產包二，其成本約為人民幣536,033,000元(相當於約607,059,000港元)，其中本集團支付約人民幣246,033,000元(相當於約278,633,000港元)。根據該共同投資協議，本集團應代其餘三個投資者收取並以最初投資金額之比例分配從中國東方收回之現金。

於二零零九年七月十四日，銀建資產投資與中國東方對東信聯合作出額外資本投入。銀建資產投資投入其46.17%權益於東方資產包二及中國東方投入其53.83%權益於東方資產包二於東信聯合。銀建資產投資及中國東方擁有東信聯合之股權於資本投入後並沒有改變。

根據東信聯合的公司章程，中國東方負責管理東方資產包一及東方資產包二。中國東方有權收取按東方資產包一及東方資產包二回收毛額10%計算的管理費。回收之分配比例是以不良資產備忘錄及備忘錄二之預定比率制定。

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27. Investment in distressed assets through establishment of a special purpose vehicle

(Continued)

The Group (Continued)

The investment in distressed assets through the establishment of a special purpose vehicle is measured at amortised cost less impairment, with income credited to profit or loss. The investment in distressed assets through the establishment of a special purpose vehicle is denominated in RMB which is also the functional currency of the group entity which holds the investment. For the First Orient Portfolio, the original effective interest rate is

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29. Held-for-trading investments

29. 持作買賣投資

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Equity securities listed in Hong Kong, at fair value	於香港上市的股本證 券, 按公允值	132,816	70,027	40,324	15,368

30. Trade receivables

30. 應收賬款

The Group allows an average credit period of 30 days to its trade customers. The following is an aged analysis of trade receivables net of allowance for doubtful debts presented on the invoice date at the end of the reporting period:

本集團給予貿易客戶平均三十天信用期。下列是按發票日為基準之應收賬款(扣除壞賬準備後)於本報告期末之賬齡分析:

		The Group 本集團	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
0 to 30 days	零至三十日	2,303	2,322
31 to 90 days	三十一日至九十日	3,119	3,172
91 to 180 days	九十一日至一百八十日	2,876	3,069
181 to 360 days	一百八十一日至三百六十日	1,820	3,231
		10,118	11,794

The Group's trade receivables that are neither past due nor impaired are those debtors with satisfactory credit quality under the management's assessment and with good past repayment records.

本集團之應收賬款未到期及並未被減值的餘額是基於管理層認為借方有良好的信貸質素及還款記錄。

Included in the Group's trade receivable balance are debtors with a carrying amount of HK\$7,815,000 (2008: HK\$9,472,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 137 days (2008: 156 days).

本集團之應收賬款賬面值包括7,815,000港元(二零零八年: 9,472,000港元)於本報告期末已到期但本集團並沒有作減值虧損。本集團並沒有對該餘額持有任何抵押, 該應收賬款之平均賬齡為137日(二零零八年: 156日)。

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30. Trade receivables (Continued)

Aging of trade receivables which are past due but not yet impaired:

		The Group 本集團	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
31 to 90 days	三十一日至九十日	3,119	3,172
91 to 180 days	九十一日至一百八十日	2,876	3,069
181 to 360 days	一百八十一日至三百六十日	1,820	3,231
		7,815	9,472

The Group did not provide impairment loss for the trade receivables. In the opinion of the directors, there is no impairment loss for the trade receivables past due (over 30 days) at the end of the reporting period.

31. Deposits, prepayments and other receivables

[illegible]

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31. Deposits, prepayments and other receivables (Continued)

Notes:

- (i) During the year ended 31 December 2009, the Group disposed of an associate for a consideration of HK\$358,233,000. The consideration is unsecured, interest free and will be settled by three instalments: HK\$100,000,000 by 90 days after the date of the disposal, HK\$100,000,000 by 31 December 2010 and HK\$158,233,000 by 31 December 2011. At initial recognition, the fair value of the consideration was HK\$336,888,000, determined by using imputed interest rate of 5.52% per annum.
- (ii) During the year ended 31 December 2007, the Group disposed of subsidiaries to an independent third party for a consideration of HK\$83,020,000. Pursuant to the sale and purchase agreement, an amount due to the Group of HK\$82,600,000 was undertaken by the buyer of the disposed subsidiaries. The original settlement date was June 2008. The amount was fully settled during the year ended 31 December 2009.
- (iii) Impairment loss was recognised on certain non-refundable deposits paid to independent third parties for a property development project in the PRC. The property development project was temporarily suspended and the directors considered that the deposits paid would not be refunded by the counterparties, hence impairment loss was recognised in full in 2008 with respect to these deposits.

Except for the impairment loss as discussed in the note (iii) above, the Group did not provide impairment loss for deposits, prepayments and other receivables. In the opinion of the directors, no impairment loss is considered necessary in respect of these balances.

32. Bank balances and cash

The Group and the Company

The Group's and the Company's bank balances and cash comprise cash and short-term bank deposits carrying effective interest rate at an average of 0.36% (2008: 1.4%) per annum with an original maturity of three months or less. Included in the Group's and the company's bank balances and cash at 31 December 2009 were an aggregate amount of approximately HK\$1,102,167,000 (2008: approximately HK\$754,128,000) and HK\$156,681,000 (2008: HK\$13,535,000) respectively which were denominated in RMB and is not freely convertible into other currencies.

31. 按金、預付款及其他應收款(續)

附註：

- (i) 於二零零九年十二月三十一日之年內，本集團以代價358,233,000港元出售一間聯營公司。該代價為無抵押，免利息及以三期歸還：出售後90日歸還100,000,000港元，二零一零年十二月三十一日前歸還100,000,000港元及二零一一年十二月三十一日歸還158,233,000港元。該代價於最初確認時之公允值以應計年利率5.52%確定為336,888,000港元。
- (ii) 於二零零七年十二月三十一日止年度內，本集團以代價83,020,000港元出售附屬公司予獨立第三方。根據買賣協議，82,600,000港元之應付本集團款由已售之附屬公司買家承諾支付。原本之支付日期為二零零八年六月。該金額已於二零零九年十二月三十一日之年內全數收回。
- (iii) 某部份已付予獨立第三方作中國物業發展項目的不能退回之按金已作減值虧損。該物業發展項目已暫時停止，董事認為已付之按金將不會被對方退還，因此有關之按金於二零零八年已全數作減值虧損。

除上述附註(iii)之減值虧損外，本集團並無就按金、預付款及其他應收款提撥減值虧損。董事意見認為無須就該等結餘作出任何減值虧損。

32. 銀行結餘及現金

本集團及本公司

本集團及本公司銀行結餘及現金包括現金及開首到期日為三個月或以內、以現行市場利率平均0.36%(二零零八年：1.4%)年率之短期銀行存款。於二零零九年十二月三十一日本集團及本公司之銀行結餘及現金分別包括總額約1,102,167,000港元(二零零八年：約754,128,000港元)及156,681,000港元(二零零八年：13,535,000港元)為以人民幣為計價單位，並且不能自由兌換為其他貨幣。

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33. Pledge of assets

The Group

At 31 December 2009, the Group had pledged certain investment properties and leasehold land and

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35. Reserves

35. 儲備

The Group

本集團

HK\$'000
千港元

Asset revaluation reserve	資產重估儲備	
At 1 January 2008	於二零零八年一月一日	43,505
Gain on revaluation of leasehold properties	重估租賃物業收益	7,007
Deferred tax liability arising on revaluation of leasehold properties	重估租賃物業產生之遞延稅項負債	(1,301)
Transferred to retained profits	劃轉至保留溢利	(2,154)
At 31 December 2008	於二零零八年十二月三十一日	47,057
Gain on revaluation of leasehold properties	重估租賃物業收益	21,237
Deferred tax liability arising on revaluation of leasehold properties	重估租賃物業產生之遞延稅項負債	(2,842)
At 31 December 2009	於二零零九年十二月三十一日	65,452
Other reserve	其他儲備	
At 1 January 2008	於二零零八年一月一日	86,670
Change in fair value arising on revaluation of available-for-sale investments	可供出售投資重估產生之公允值變動	(111,455)
Impairment loss on available-for-sale investments	可供出售投資減值虧損	25,390
At 31 December 2008	於二零零八年十二月三十一日	605
Change in fair value arising on revaluation of available-for-sale investments	可供出售投資重估產生之公允值變動	17,898
Transfer to profit or loss on disposal of available-for-sale investments	出售可供出售投資時劃轉至損益表	(17,898)
Transfer to profit or loss on disposal of associates	出售聯營公司劃轉至損益表	(588)
At 31 December 2009	於二零零九年十二月三十一日	17
Translation reserve	匯兌儲備	
At 1 January 2008	於二零零八年一月一日	257,811
Exchange difference arising on translation	換算產生之滙兌差額	58,815
Share of other comprehensive income of associates	攤佔聯營公司其他全面溢利	(56,252)
At 31 December 2008	於二零零八年十二月三十一日	260,374
Exchange difference arising on translation	換算產生之滙兌差額	38,886
Share of other comprehensive income of associates and jointly controlled entities	攤佔聯營公司及共同控制公司其他全面溢利	9,046
Transfer to profit or loss on disposal of associates	出售聯營公司劃轉至損益表	(8,366)
At 31 December 2009	於二零零九年十二月三十一日	299,940

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35. Reserves (Continued)

35. 儲備(續)

The Company

本公司

The distributable reserves of the Company as at 31 December 2009 amounted to approximately HK\$324,633,000 (2008: HK\$350,429,000), being its retained profits at that date.

本公司於二零零九年十二月三十一日之可分派儲備，即其於該日的保留溢利，總額約為324,633,000港元(二零零八年：350,429,000港元)。

		Share premium 股份溢價 HK\$'000 千港元	Asset revaluation reserve 資產重估 儲備 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	2,177,287	33,776	13,992	417,368	2,642,423
Loss on revaluation of leasehold land and building	重估租賃土地及樓宇產生之虧損	—	(915)	—	—	(915)
Reversal of deferred tax liabilities arising on revaluation of leasehold land and buildings	重估租賃土地及樓宇產生之遞延稅項負債回撥	—	786	—	—	786
Other comprehensive income for the year	年內其他全面溢利	—	(129)	—	—	(129)
Profit for the year	年內溢利	—	—	—	78,718	78,718
Total comprehensive income for the year	年內全面溢利總額	—	(129)	—	78,718	78,589
Dividend	股息	—	—	—	(145,657)	(145,657)
At 31 December 2008	於二零零八年十二月三十一日	2,177,287	33,647	13,992	350,429	2,575,355
Gain on revaluation of leasehold land and building	重估租賃土地及樓宇產生之盈利	—	11,463	—	—	11,463
Deferred tax liabilities arising on revaluation of leasehold land and buildings	重估租賃土地及樓宇產生之遞延稅項負債	—	(1,366)	—	—	(1,366)
Other comprehensive income for the year	年內其他全面溢利	—	10,097	—	—	10,097
Profit for the year	年內溢利	—	—	—	138,068	138,068
Total comprehensive income for the year	年內全面溢利總額	—	10,097	—	138,068	148,165
Dividend	股息	—	—	—	(163,864)	(163,864)
At 31 December 2009	於二零零九年十二月三十一日	2,177,287	43,744	13,992	324,633	2,559,656

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36. Borrowings

36. 借貸

		The Group 本集團		The Company 本公司	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Bank loans — secured	銀行貸款 — 有抵押	464,789	385,099	253,450	4,600
Carrying amount repayable: 應償還之賬面金額：					
Within one year 一年之內		179,058	336,839	101,150	1,150
More than one year, but not exceeding two years 一年以上但不超過兩年		179,114	25,780	101,150	1,150
More than two years, but not exceeding five years 兩年以上但不超過五年		96,641	9,865	51,150	2,300
More than five years 五年以上		9,976	12,615	—	—
		464,789	385,099	253,450	4,600
Less: Amounts due within one year shown under current liabilities 減：於一年之內到期並列為流動負債之金額					
— Bank loans — 銀行貸款		(179,058)	(336,839)	(101,150)	(1,150)
		285,731	48,260	152,300	3,450

Borrowings are secured by certain investment properties and leasehold properties.

借貸由若干投資物業及租賃物業作抵押。

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36. Borrowings (Continued)

Bank loans of the Group and the Company of approximately HK\$253,450,000 (2008: HK\$4,600,000) are denominated in HKD, which was the Company's functional currency as at 31 December 2008, but not the Company's functional currency as at 31 December 2009 since the Company changed its functional currency from HKD to RMB during the year. The bank loans carry floating rates at Hong Kong interbank offered rates ("HIBOR") plus 1.5% and prime rate minus 2.375% (2008: prime rate minus 2.375%) per annum, or effective interest rate of 2.172% and effective interest rate of 2.625% (2008: 2.625%) per annum respectively. Bank loans of the group's entities other than the Company of HK\$22,589,000 (2008: HK\$24,943,000) are denominated in HKD, functional currency of the relevant group entities, and carry a floating rate of prime rate minus 2.7% (2008: prime rate minus 2.375%) per annum or effective interest rate of 2.3% (2008: 2.625%) per annum respectively. The remaining bank loans of the Group are denominated in RMB, functional currency of the relevant group entities and carry floating interest rate at 90% (2008: 92%) of The People's Bank of China ("PBOC") six-month interest rate or effective interest rate of 4.86% (2008: 4.89%) per annum. As at 31 December 2008, the remaining RMB denominated bank loans of the relevant group entities carried fixed interest rate ranging from 6.2% to 7.47% per annum.

36. 借貸(續)

由於本公司於年內改變其功能貨幣由港元至人民幣，本集團及本公司的銀行借貸約253,450,000港元(二零零八年：4,600,000港元)是以港元為單位，乃是截至二零零八年十二月三十一日而並非二零零九年十二月三十一日本公司之功能貨幣，銀行貸款分別按香港銀行同業拆息「銀行同業拆息」浮動年利率加1.5%及最優惠年利率減2.375%(二零零八年：最優惠年利率減2.375%)的年利率或實際年利率2.172%或實際年利率2.625%(二零零八年：2.625%)計息。銀行貸款以集團公司除本公司外約22,589,000港元(二零零八年：24,943,000港元)是以港元為單位，是相關集團公司的功能貨幣，及分別按最優惠浮動利率減2.7%(二零零八年：最優惠浮動利率減2.375%)的年利率或以實際年利率2.3%(二零零八年：2.625%)計息。本集團的其餘銀行貸款以相關的集團公司的功能貨幣人民幣為單位並按中國人民銀行(「人民銀行」)六個月浮動利率下浮10%(二零零八年：下浮8%)或以實際年利率4.86%(二零零八年：4.89%)。於二零零八年十二月三十一日，相關集團公司的其餘人民幣單位貸款則按固定年利率範圍由6.2%至7.47%計息。

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37. Convertible note

The Group and the Company

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Convertible note classified as financial liabilities at fair value through profit or loss	於損益表按公允值處理歸類為財務負債的可換股票據	—	

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37. Convertible note (Continued)

The Group and the Company (Continued)

The Group designated the entire convertible note as financial liabilities at fair value through profit or loss is carried at fair value at the end of the reporting period. During the year ended 31 December 2008, a loss on increase in its fair value of approximately HK\$6,289,000 was recognised in the consolidated income statement.

The fair value of the liability component of the convertible note at fair value through profit or loss at 31 December 2008 was determined based on the present value of the estimated future cash flows discounted at the prevailing market rate for an equivalent non-convertible loan at the end of the reporting period. The discount rate is 11.81%.

The fair value of the conversion option embedded was calculated using the Binomial model. The inputs into the model were as follows:

		20 February 2009 二零零九年 二月二十日	31 December 2008 二零零八年 十二月三十一日
Stock price per share	每股股價	HK\$0.74	HK\$0.71
Exercise price per share	每股行使價	HK\$2.95	HK\$2.95
Expected volatility	預期波幅	59%	59%
Expected life	預期年期	—	0.9 year
Risk-free rate	無風險利率	0.25%	0.25%
Expected dividend yield charged to income statement for the year	預期股息收益率年內於利潤表扣除	2.00%	2.00%

The stock price was the closing price at the respective end of the reporting period while the expected volatility was determined by calculating the historical volatility of the Company's share price over the previous year.

37. 可換股票據(續)

本集團及本公司(續)

本集團指定整份可換股票據為於損益表按公允值處理的金融負債，並於本報告期末以公允值列賬。於二零零八年十二月三十一日之內，其公允值增加產生虧損約6,289,000港元已於綜合收益表中確認。

於損益表按公允值處理的可換股票據之負債部分於二零零八年十二月三十一日之公允值乃以不含兌換權的同等貸款於本報告期末之當前市場利率為貼現率計算估計未來現金流量所得之現值釐定。貼現率為11.81%。

內含之轉換權之公允值乃採用二項模式計算所得。投入於該模式之項目如下：

股價為各報告期末之收市價，而預期波幅乃透過計算本公司股價於過去一年之歷史波幅而釐定。

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38. Deferred taxation

The followings are the major deferred tax assets and liabilities recognised and movements thereon during the current and prior years:

The Group

本集團

**Accelerated
tax
depreciation**

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38. Deferred taxation (Continued)

38. 遞延稅項(續)

		The Company 本公司		
		Accelerated tax depreciation 加速稅務折舊 HK\$'000 千港元	Revaluation of properties 物業重估 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	(55)	(4,682)	(4,737)
Effect of change in tax rate	稅率變動之影響	—	271	271
Credit to other comprehensive income for the year	於本年度其他全面溢利計入	—	515	515
At 31 December 2008	於二零零八年十二月三十一日	(55)	(3,896)	(3,951)
Charge to other comprehensive income for the year	於本年度其他全面溢利扣除	—	(1,366)	(1,366)
At 31 December 2009	於二零零九年十二月三十一日	(55)	(5,262)	(5,317)

At the end of the reporting period, the Group had unused tax losses of approximately HK\$89,210,000 (2008: HK\$88,302,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$8,617,000 (2008: HK\$8,617,000) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$80,593,000 (2008: HK\$79,685,000) due to unpredictability of future profit streams and such tax losses may be carried forward indefinitely.

At the end of reporting period, the Company had unused tax losses of approximately HK\$32,075,000 (2008: HK\$32,075,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit stream.

Under the EIT Law, withholding tax is imposed on dividends declared to overseas investors in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$240,857,000 (2008: HK\$44,702,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

於本報告期末，本集團有可扣減未來溢利的未動用稅務虧損約89,210,000港元(二零零八年：88,302,000港元)。該等虧損中約8,617,000港元(二零零八年：8,617,000港元)已確認遞延稅項資產。鑒於未來收益的不可預測性及稅務虧損可無限期地承上結轉並無就其餘80,593,000港元(二零零八年：79,685,000港元)確認任何遞延稅項資產。

於本報告期末，本公司有可扣減未來溢利的未動用稅務虧損約32,075,000港元(二零零八年：32,075,000港元)。鑒於未來收益的不可預測性，並無確認任何遞延稅項資產。

於中國新稅法下，由二零零八年一月一日開始，中國附屬公司所得溢利而分派予海外投資者之股息需徵收預扣稅。由於本集團能夠控制撥回暫時差異的時間及於可見的將來暫時差異的時間將不會撥回。因此，於中國附屬公司的240,857,000港元(二零零八年：44,702,000)港元累計溢利之暫時差異而產生的遞延稅項並未計入綜合財務報表內。

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39. Trade payables

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

		The Group 本集團	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
0 to 30 days	零至三十日	13,591	33,401
31 to 90 days	三十一日至九十日	8,958	18,333
91 to 180 days	九十一日至一百八十日	9,614	14,563
181 to 360 days	一百八十一日至三百六十日	11,995	19,184
Over 360 days	超過三百六十日	55,042	28,352
		99,200	113,833

40. Accrued charges, rental deposits and other payables

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41. Amount due to an associate

The Group and the Company

The amount is unsecured, non-interest bearing and repayable on demand.

42. Amounts due to subsidiaries

The Company

The amounts are unsecured, non-interest bearing and repayable on demand.

43. Acquisition of subsidiaries

On 5 December 2008, the Group acquired 100% equity interest of Sun Steed International Investments Limited ("Sun Steed") and its non-wholly owned subsidiaries, which are involved in production and trading of petrochemical products, and a shareholder's loan due to the vendor of HK\$100,000,000, for a consideration of HK\$84,823,000 and HK\$100,000,000 respectively from an associate of the Group. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition, determined using provisional fair values for certain assets, was HK\$4,391,000.

41. 應付一間聯營公司款

本集團及本公司

金額為無抵押、免息及應要求隨時需予歸還。

42. 應付附屬公司款

本公司

金額為無抵押、免息及應要求隨時需予歸還。

43. 收購附屬公司

於二零零八年十二月五日，本集團分別以代價84,823,000港元及100,000,000港元從本集團的一間聯營公司收購日駿國際投資有限公司(「日駿」)及其從事石油化工產品生產及銷售的非全資附屬公司之100%股份權益及應付賣方之股東貸款100,000,000港元。該收購是以收購法的會計方法入賬。若干資產以暫定公允值釐定之收購所產生之商譽為4,391,000港元。

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43. Acquisition of subsidiaries (Continued)

The net assets acquired in the transaction, and the goodwill arising, are as follows:

43. 收購附屬公司(續)

此交易購入的淨資產及產生的商譽載列如下：

		Carrying amount and fair value 賬面值及 公允值 (note i) (附註i) HK\$'000 千港元
Net assets acquired:	收購淨資產：	
Land use rights	土地使用權	26,091
Property, plant and equipment	物業、機器及設備	267,966
Inventories	存貨	74,018
Trade receivables	應收賬款	8,161
Deposit, prepayments and other receivables	按金、預付款及其他應收款	61,882
Bank balances and cash	銀行結餘及現金	235,503
Trade payables	應付賬款	(21,326)
Accrued charges, rental deposits and other payables	應計費用、租務按金及其他應付款	(17,762)
Amount due to associates of the Group	應付本集團聯營公司款	(115,500)
Shareholder's loan due to the vendor (Note)	應付賣方之股東貸款(附註)	(100,000)
Borrowings	借貸	(137,931)
Deferred tax liabilities	遞延稅項負債	(1,712)
		279,390
Minority interests	少數股東權益	(198,958)
Goodwill	商譽	4,391
Total consideration satisfied by cash	總現金代價	84,823
Net cash inflow arising on acquisition:	收購產生的淨現金流入：	
Cash consideration paid for acquisition of subsidiaries	收購附屬公司已付之現金代價	(84,823)
Cash consideration paid for purchase of a shareholder's loan	購入股東貸款已付之現金代價	(100,000)
Bank balances and cash acquired	銀行結餘及現金所得	235,503
		50,680

Note:

According to the sale and purchase agreement, the Group was required to purchase a shareholder's loan amounting to HK\$100,000,000 due to the vendor, CII for a consideration of HK\$100,000,000.

附註：

根據買賣協議，本集團需要向賣方中基以代價100,000,000港元購入一項金額為100,000,000港元之股東貸款。

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43. Acquisition of subsidiaries (Continued)

After the acquisition of Sun Steed and its subsidiaries from an associate of the Group, the Group obtained control over the operation of Sun Steed. Goodwill arising on the acquisition is attributable to the anticipated profitability brought about by the potential increase in demand for petrochemical products in the PRC and the faster decision making process from the control.

The subsidiaries acquired contributed approximately HK\$45,662,000 to the Group's revenue and loss of approximately HK\$1,528,000 from operating activities for the period between the date of acquisition and 31 December 2008.

If the acquisition had been completed on 1 January 2008, total group revenue for the year ended 31 December 2008 would have been HK\$1,100,192,000, and profit for the year ended 31 December 2008 would have been HK\$103,932,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved if the acquisition been completed on 1 January 2008, nor is it intended to be a projection of future results.

44. Deemed disposal of a subsidiary

During the year, the shareholders of a non-wholly owned subsidiary of the Group, TZ United East, approved certain amendments in its memorandum and articles of association. Such amendments increased the number of directors in the board of directors from 9 to 10 and each of the Group and another shareholder of TZ United East had appointed 5 directors to the board of directors of TZ United East. Previously, the Group appointed 5 out of the 9 directors. In the opinion of the directors, the decrease in voting power due to this amendment caused the Group to lose its control over TZ United East's financial and operating policies. As a result, TZ United East was deemed disposed of and became a jointly controlled entity of the Group.

43. 收購附屬公司(續)

在從本集團的一間聯營公司收購日駿及其附屬公司後，本集團取得日駿營運的控制權，收購產生的商譽乃來自中國內地對石油化工產品需求增加的潛力及控制權帶來迅速決策過程帶來的預期盈利能力所產生。

收購所得之附屬公司在收購日至二零零八年十二月三十一日期間為本集團貢獻約45,662,000港元收入及約1,528,000港元之經營業務虧損。

倘若收購於二零零八年一月一日已完成，集團本年度之總收入將為1,100,192,000港元。而二零零八年十二月三十一日年內之溢利將為103,932,000港元。此等假設性資料僅列作供參考用途，並不全然作為展示即使本集團倘若已於二零零八年一月一日完成收購所能真正達到的收入及業績甚或作為對將來業績之展望。

44. 視同出售一間附屬公司

於本年間，本集團的一間非全資擁有附屬公司，泰州東聯的股東批准其公司法規及章程的若干修訂。該項修訂導致董事會的董事組成人數由九位增加至十位，其中本集團及其他股東可各委任五位董事。原先本集團委任九位其中五董事。董事們意見認為，有關修訂減少投票權並導致本集團失去對泰州東聯的財務及營運決策的控制。因此，泰州東聯被視同出售並成為本集團之共同控制公司。

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44. Deemed disposal of a subsidiary (Continued)

44. 視同出售一間附屬公司(續)

The net assets of the deemed disposed subsidiary at the date of disposal were as follows:

於出售日該視同出售之附屬公司之淨資產載列如下：

		HK\$'000 千港元
Net assets disposed:	出售淨資產：	
Property, plant and equipment	物業、廠房及設備	266,451
Inventories	存貨	47,546
Trade receivables	應收賬款	462
Deposits, prepayments and other receivables	按金、預付款及其他應收款	21,051
Bank balances and cash	銀行結餘及現金	62,981
Trade payables	應付賬款	(9,163)
Accrued charges, rental deposits and other payables	應計費用、租務按金及其他應付款	(19,163)
Borrowings	借貸	(135,900)
Taxation payable	應付稅項	(749)
Deferred tax liabilities	遞延稅項負債	(1,712)
		231,804
Minority interests	少數股東權益	(115,902)
		115,902
Goodwill	商譽	4,391
Amount transferred to interest in jointly controlled entities	金額劃轉至共同控制公司權益	120,293
Cash outflow arising on deemed disposal	視同出售產生之現金流出	62,981

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45. Operating lease arrangements

The Group

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments

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45. Operating lease arrangements (Continued)

The Group as lessor (Continued)

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

		The Group 本集團	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within one year	一年內屆滿	50,179	24,615
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年在內)	18,822	16,838
After five years	五年以後	1,699	2,234
		70,700	43,687

The Company

The Company has no operating lease arrangements at the end of the reporting periods.

本公司

本公司於兩個報告期末並沒有營運租約安排。

46. Capital commitments

46. 資本承擔

		The Group 本集團	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Capital contribution in an investment in an associate contracted for but not provided in the consolidated financial statements (Note)	投資於一間聯營公司的已予落實但未計提於綜合財務報表內的資本投入(附註)	—	386,111
Capital contribution in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	購買物業、廠房及設備已予落實但未計提於綜合資產負債表的資本投入	—	3,124

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46. Capital commitments (Continued)

Note: The Group's total expected investment amount in the associate is RMB607,500,000 (equivalent to approximately HK\$675,000,000) including RMB300,000,000 registered capital and RMB307,500,000 shareholders loan. This associate was established after obtaining the approval from independent shareholders of the Company on 25 January 2008. As at 31 December 2008, the Group contributed RMB60,000,000 (equivalent to approximately HK\$66,667,000) as registered capital and RMB200,000,000 (equivalent to approximately HK\$222,222,000) as shareholder's loan and the remaining RMB347,500,000 (equivalent to approximately HK\$386,111,000) was included as capital commitment.

On 1 December 2009, a resolution was passed in the board of directors meeting of this associate. Pursuant to this resolution, certain terms stated in the memorandum of article association of this associate was amended, which caused the authorised registered capital to be reduced from RMB1,000,000,000 to RMB200,000,000 and the shareholders loans previously obtained from each shareholders were refunded during the year ended 31 December 2009. After this amendment, the Group had no further capital commitment to this associate.

The Company

The Company has no capital commitment at the end of the reporting periods.

47. Retirement benefits plans

The Group operates a Mandatory Provident Fund Scheme (the "Scheme") for all qualifying employees in Hong Kong. The assets of the Scheme are held separately from those of the Group and are held, in funds under the control of trustees. The Group contributes the lower of HK\$1,000 per month or 5% of relevant payroll costs to the Scheme.

46. 資本承擔(續)

附註：本集團投資於該聯營公司的總預計投資額約為人民幣607,500,000元(相當於約港幣675,000,000元)，其中包括人民幣300,000,000元的註冊資本及人民幣307,500,000元的股東貸款。該聯營公司於二零零八年一月二十五日取得本公司獨立股東們的同意下成立。截至二零零八年十二月三十一日，本集團已貢獻人民幣60,000,000元(相當於約港幣66,667,000元)作為註冊資本及人民幣200,000,000元(相當於港幣222,222,000元)作為股東貸款及期餘約人民幣347,500,000元(相當於約386,111,000港元)已包括在資本承擔中。

截至二零零九年十二月一日，該聯營公司召開董事會通過一項修訂。根據該修訂，若干該聯營公司的約章及章程被修訂而導致其法定註冊資本由人民幣1,000,000,000元減少至人民幣200,000,000元及原先透過向每位股東獲取的股東貸款亦於二零零九年十二月三十一日之年內被退還。根據有關修訂，本集團與該聯營公司已沒有任何資本承擔。

本公司

本公司於兩個報告期末並沒有資本承擔。

47. 退休福利計劃

本集團為所有於香港僱用的合資格員工推行一項強制性公積金計劃(「計劃」)。該計劃項下之資產與本集團資產被分開持有，並且是由信託人控制的基金持有。本集團向該計劃每月作出1,000港元或適用薪俸的5%兩者中較低的供款。

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47. Retirement benefits plans (Continued)

The employees of the subsidiaries in the PRC are members of retirement benefits schemes operated by the PRC government. The relevant PRC subsidiaries are required to make contributions to the state retirement scheme in the PRC based on 20% of the monthly salaries of their current employees to fund the benefits. The employees are entitled to retirement pension calculated with reference to their basic salaries on retirement and their length of service in accordance with the relevant government regulations. The PRC government is responsible for the pension liability to the retired staff.

The total cost charged to the consolidated income statement of HK\$6,008,000 (2008: HK\$5,267,000) represents contributions to these schemes by the Group in respect of the current accounting period. As at 31 December 2009 and 2008, no contributions due in respect of the reporting period had not been paid over to the scheme.

48. Share options

On 27 May 2002, the shareholders of the Company approved the termination (to the effect that no further share options shall be offered) of the share option scheme adopted by the Company on 26 June 1995 (the "Old Share Option Scheme") and the adoption of a new share option scheme (the "New Share Option Scheme") with effect from 27 May 2002. The Old Share Option Scheme and the New Share Option Scheme were adopted for the primary purpose of giving incentives to the directors and eligible employees of the Group.

47. 退休福利計劃 (續)

於中國的附屬公司之僱員參與由中國政府運作的退休福利計劃。有關的中國附屬公司需要就國家管理的退休計劃為其在職僱員按每月工資的20%作出供款，以資助該等福利。僱員有權享受退休長俸，數額乃根據相關的政府規定，經參照他們退休當時的基本工資及服務年資計算所得。中國政府需負上支付退休僱員之長俸福利責任。

計入綜合收益表之成本總額為6,008,000港元(二零零八年：5,267,000港元)，代表本集團就該等計劃項下的供款。於二零零九年及二零零八年十二月三十一日，就相關報告期間，並無該等計劃項下到期之供款未予支付。

48. 購股權

於二零零二年五月二十七日，本公司股東批准終止(其作用為不得再授出額外購股權)本公司於一九九五年六月二十六日採納之購股權計劃(「舊購股權計劃」)，並自二零零二年五月二十七日起採納新購股權計劃(「新購股權計劃」)。採納舊購股權計劃及新購股權計劃之主要目的為獎勵本集團董事及合資格僱員。

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48. Share options *(Continued)*

According to the Old Share Option Scheme, the

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49. Related party transactions

The Group

During the year, the Group entered into the following transactions with related parties:

49. 關聯方交易

本集團

年內，本集團與關聯方進行下述交易：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest income from a jointly controlled entity	收取一間共同控制公司的利息收入	1,711	2,717
Interest income from associates	收取聯營公司的利息收入	61,345	90,708
Interest income on loan to minority shareholders of subsidiaries	收取附屬公司之少數股東借款利息收入	1,715	323
Interest expense on loan from minority shareholders of subsidiaries	支付附屬公司之少數股東貸款的利息支出	1,590	1,235
Property management fee income from an associate	收取一間聯營公司的物業管理費收入	83	76
Rental income from an associate	收取一間聯營公司租金收入	218	208
Rental income from a jointly controlled entity	收取一間共同控制公司的租金收入	2,469	585
Accountancy fee income from a jointly controlled entity	共同控制公司之會計收入	1,677	—

Details of balances with related companies and other transactions with related parties are set out in the consolidated statement of financial position and in notes 22, 23, 27, 40 and 41.

與關聯公司結餘及與關聯方之其他交易詳情載列於綜合財務狀況表及附註22、23、27、40及41。

The Group and the Company

During the year ended 31 December 2008, the Group and the Company purchased the entire equity interest of Sun Steed and a shareholder's loan from CII, an associate of the Group, at a consideration of approximately HK\$84,823,000 and HK\$100,000,000 respectively. Details of this transaction are set out in note 43.

本集團及本公司

於二零零八年十二月三十一日之年內，本集團及本公司從本集團的一家聯營公司，中基分別以代價約84,823,000港元及100,000,000港元收購日駿的全部股份權益及股東貸款。此交易之詳情載列於附註43。

During the year ended 31 December 2008, the Group and the Company purchased available-for-sale investments from CII, an associate of the Group, at a consideration of HK\$63,500,000. As at 31 December 2009 and 2008, these available-for-sale investments were held on trust by a subsidiary of a shareholder of the Company.

於二零零八年十二月三十一日之年內，本集團及本公司從本集團的一家聯營公司，中基以代價63,500,000港元購入可供出售投資。於二零零九及八年十二月三十一日，該可供出售投資由本公司一名股東的附屬公司以信託方式代為持有。

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49. Related party transactions (Continued)

The Company

Details of balances with subsidiaries are set out in the statement of financial position and in notes 19 and 42.

Except for the directors' remuneration as disclosed in note 9 during the year, there is no other remuneration of key management.

The remuneration of directors is determined by the remuneration committee having regard to the performance of individuals and market trends.

50. Major non-cash transactions

During year ended 31 December 2009, out of the total consideration of HK\$358,233,000 for disposal of an associate, HK\$258,233,000 was yet to be received and included in the deposits, prepayments and other receivables. The fair value of the unsettled consideration at initial recognition amounted to HK\$236,880,000 was determined by using imputed interest rate of 5.52%.

During the year ended 31 December 2008, the Group's deposit paid for establishment of an associate of HK\$64,171,000 was transferred to interest in an associate upon the formation of this associate.

51. Events after the reporting period

Subsequent to 31 December 2009, the Group has the following significant subsequent events:

- (i) During the year, the Company entered into a legally binding term sheet with CGNPC International Limited (the "Investor"), a wholly owned subsidiary of China Guangdong Nuclear Power Holding Co., Ltd. which is a company established in the PRC under the leadership of State-owned Assets Supervision and Administration Commission of the State Council of PRC. Pursuant to the term sheet, a formal subscription agreement would be entered into between the Company and the Investor upon the completion of the satisfactory due diligence by the Investor and finalisation of the terms of the subscription agreement. On 28 January 2010, after the completion of the satisfactory due diligence by the Investor, the Investor has entered into a formal subscription agreement, pursuant to this subscription agreement, the Investor would subscribe 364,140,000 new shares of the Company for a consideration of HK\$728,280,000 at the subscription price of HK\$2 per share. On 10 February 2010, a total of 364,140,000 new shares of the Company, representing 16.67% of the issued share capital of the Company as enlarged by the subscription shares, were allotted and issued to the Investor at the subscription price of HK\$2 per share.

49. 關聯方交易(續)

本公司

與附屬公司結餘詳情載列於財務狀況表及附註19及42。

除附註9所披露年內支付予董事的薪酬外，並無其他主要管理人員的薪酬。

董事之薪酬乃由薪酬委員會經考慮個人表現及市場趨勢而釐定。

50. 主要非現金交易

於二零零九年十二月三十一日止年度，出售聯營公司之總代價358,233,000港元其中有258,233,000港元未收回並包括於按金、預付款及其他應收款。未結算代價之最初公允值為236,880,000港元並以5.52%應計年利率確定。

於截至二零零八年十二月三十一日止年度內，本集團之已付成立聯營公司按金64,171,000港元已於該聯營公司成立後劃轉至聯營公司權益。

51. 本報告期後事項

於二零零九年十二月三十一日之後，本集團有以下之重要其後事項：

- (i) 年內，本公司與中國廣東核電集團有限公司(該公司為一間在中國國務院國有資產監督管理委員會領導下於中國註冊成立之公司)之全資附屬公司，中廣核國際有限公司訂立一份具法律效力的投資意向書。根據投資意向書，當投資者完成滿意的盡職審查及落實認購協議之條款後，本公司將與投資者訂立一份正式認購協議。於二零一零年一月二十八日，投資者完成令人滿意之盡職審查後，投資者訂立一份正式認購協議，根據認購協議，投資者將以每股2港元之認購價總代價728,280,000港元認購本公司之364,140,000股新股份。於二零一零年二月十日，本公司以每股2港元認購價之配發及發行364,140,000股新股份(佔本公司認購股份擴大之已發行股本16.67%)予投資者。

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51. Events after the reporting period (Continued)

- (ii) On 10 February 2010, the Company entered into a non-legally binding letter of intent (the "Letter of Intent") with the Investor. Pursuant to the Letter of Intent, the Company and the Investor are considering the possibility of investing directly or indirectly through a special purpose vehicle, in projects recommended by the Investor (the "Proposed Transactions") on or before 31 December 2011. The Company intends to take up interests in the Proposed Transactions in the range of 20% to 49%. The expected investment of the Company will be no more than HK\$1,000 million in aggregate. The Proposed Transactions shall be related to resources, energy and nuclear such as nuclear power assets, general power assets, uranium mine resources and applications of nuclear technology. At the date of the report, no formal agreement has been entered into between the Company and the Investor in respect of the Proposed Transactions.
- (iii) On 18 March 2010, 北京潤達國際投資管理有限公司 ("Beijing Runda"), an indirectly wholly owned subsidiary of the Company, entered into a capital increase agreement (the "Agreement") with Shanxi Guoyang New Energy Co., Ltd. ("Shanxi Guoyang"), a joint stock limited company incorporated in the PRC which shares are listed on the Shanghai Stock Exchange. Pursuant to the Agreement, the registered capital of 國陽天泰投資有限公司 ("Guoyang Tiantai"), a company incorporated in the PRC with limited liability, will be increased to RMB2,000 million (equivalent to approximately HK\$2,260 million). The capital increase will be contributed as to RMB980 million (equivalent to approximately HK\$1,107,400,000) by Beijing Runda and RMB670 million (equivalent to approximately HK\$757,100,000) by Shanxi Guoyang respectively. Upon the completion of the capital increase, the registered capital and paid-up capital of Guoyang Tiantai will be increased to RMB2,000 million (equivalent to approximately HK\$2,260 million) and the capital contribution of Beijing Runda and Shanxi Guoyang in Guoyang Tiantai will be RMB980 million (equivalent to approximately HK\$1,107 million) and RMB1,020 million (equivalent to approximately HK\$1,153 million), representing 49% and 51% of the registered capital of Guoyang Tiantai respectively. Following the capital increase, Guoyang Tiantai will be treated as an associate of the Company. At the date of the report, Guoyang Tiantai has yet to commence business and it will be engaged in coal resources related business.

51. 本報告期後事項(續)

- (ii) 於二零一零年二月十日，本公司與投資者訂立一份無法律效力之意向書(「意向書」)。根據該意向書，本公司與投資者正考慮於二零一一年十二月三十一日或之前直接或間接通過特殊目的載體投資於投資者推薦之項目(「建議交易」)之可能性。本公司擬取得建議交易介乎20%至49%之權益。本公司之預期投資總額將不多於10億港元。建議交易為關於資源、能源及核，如新建核電資產，常規電資產，鈾礦資源及核技術應用。於本報告日期，本公司及投資者並沒有就有該建議交易簽訂正式協議。
- (iii) 於二零一零年三月十八日，北京潤達國際投資管理有限公司(「北

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For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

51. Events after the reporting period (Continued)

- (iv) On 30 March 2010, the Company concluded an investment of USD25 million (equivalent to approximately HK\$195 million) by investing into the convertible note issued by Winsway Coking Coal Holdings Limited ("Winsway Coking Coal"), of which the convertible note can be converted into listed securities upon the listing of Winsway Coking Coal in accordance with agreed covenants. Winsway Coking Coal is a conglomerate platform enterprise engaged in the businesses of coal import, cross-border coal logistics (mainly across the borders of China-Mongolia and China-Russia), coal equipment development and operation, coal selection processing and coal trading.

51. 本報告期後事項(續)

- (iv) 於二零一零年三月三十日，本公司落實投資25,000,000美元(相當於195,000,000港元)持有永暉焦煤股份有限公司(「永暉焦煤」)可換股票據，可於永暉焦煤上市時按照約定條款轉換成上市證券。永暉焦煤是一家集煤進口、跨境口岸物流(主要為中國—蒙古和中國—俄羅斯邊境)及基礎設施開發及營運、篩選加工及銷售一體化的資源門戶平台企業。

52. Particulars of subsidiaries, associates and jointly controlled entities

- (a) Particulars of the Company's major subsidiaries at 31 December 2009 are as follows:

52. 附屬公司、聯營公司及共同控制公司摘要

- (a) 本公司的主要附屬公司於二零零九年十二月三十一日的詳情如下：

Name of company 公司名稱	Country/ place of incorporation/ establishment 註冊成立 國家 / 所在地	Nominal value of issued ordinary share capital/ registered capital 已發行普通股 股本 / 註冊資本面值	Proportion of nominal value of issued ordinary share capital/ registered capital held by the Company 本公司所持有 已發行普通股股本 / 註冊資本面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Beijing East Gate Development Co., Ltd. ("Beijing East Gate") 北京東環置業有限公司(「北京東環」)	PRC 中國 (Note i) (附註 i)	US\$100,413,500 100,413,500 美元	—	100%	Property development and investment 物業發展及投資
Beijing Yinda Property Management Limited ("Yinda") 北京銀達物業管理有限責任公司 (「銀達」)	PRC 中國 (Note ii) (附註 ii)	RMB10,000,000 人民幣 10,000,000 元	—	90%	Property management 物業管理

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For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

52. Particulars of subsidiaries, associates and jointly controlled entities (Continued)

52. 附屬公司、聯營公司及共同控制公司摘要(續)

(a) (continued)

(a) (續)

Name of company 公司名稱	Country/ place of incorporation/ establishment 註冊成立 國家 / 所在地	Nominal value of issued ordinary share capital/ registered capital 已發行普通股 股本 / 註冊資本面值	Proportion of nominal value of issued ordinary share capital/ registered capital held by the Company 本公司所持有 已發行普通股股本 / 註冊資本面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Silver Grant Department Store (BVI) Limited	British Virgin Islands 英屬處女群島	US\$1 1 美元	100%	—	Inactive 暫無業務
Silver Grant Hainan Investment (BVI) Limited	British Virgin Islands 英屬處女群島	US\$1 1 美元	100%	—	Inactive 暫無業務
Silver Grant Infra-structure Investment (BVI) Limited	British Virgin Islands 英屬處女群島	US\$1 1 美元	100%	—	Investment holding 投資控股
Samsung Investment Limited	British Virgin Islands 英屬處女群島	US\$1 1 美元	100%	—	Investment holding 投資控股
Platinum Two Limited	Mauritius 毛里裘斯	US\$1 1 美元	100%	—	Inactive 暫無業務
Silver Grant International Infra- structure Investment Limited 銀建國際基建投資有限公司	Hong Kong 香港	HK\$2 2 港元	—	100%	Investment holding 投資控股
Silver Grant International Securities Investment Limited 銀建國際證券投資有限公司	Hong Kong 香港	HK\$2 2 港元	—	100%	Securities trading 證券買賣

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52. Particulars of subsidiaries, associates and jointly controlled entities (Continued)

52. 附屬公司、聯營公司及共同控制公司摘要(續)

(a) (continued)

(a) (續)

Name of company 公司名稱	Country/ place of incorporation/ establishment 註冊成立 國家 / 所在地	Nominal value of issued ordinary share capital/ registered capital 已發行普通股 股本 / 註冊資本面值	Proportion of nominal value of issued ordinary share capital/ registered capital held by the Company 本公司所持有 已發行普通股股本 / 註冊資本面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Silver Grant International Petrochemical Limited (Formerly known as "CII Petrochemical Co., Limited") 銀建國際石化有限公司 (前名為「中基石化有限公司」)	Hong Kong 香港	HK\$100 100港元	—	100%	Investment holding 投資控股
*Tai Zhou Dong Tai Petrochemical Company Limited ("TZ Dong Tai") 泰州東泰石化有限公司(「東泰石化」)	PRC 中國 (Note iii) (附註iii)	RMB230,000,000 人民幣230,000,000元	—	69.78%	Property holding and Investment 持有物業及投資
Fast Winner Investments Limited [#]	British Virgin Islands 英屬處女群島	US\$1,000 1,000美元	100%	—	Inactive 暫無業務
Aesco Limited [#]	Hong Kong 香港	HK\$200,000 200,000港元	100%	—	Investment holding 投資控股
*Jing Yin International Investment Consultant (Beijing) Company Ltd [#] (「Jing Yin」) 京銀國際投資諮詢(北京)有限公司 [#] (「京銀」)	PRC 中國	RMB100,000,000 人民幣100,000,000	—	100%	Inactive 暫無業務

* The english names are for identification only.

[#] Newly incorporated or acquired during the year ended 31 December 2009.

* 英文名稱只供參考。

[#] 於二零零九年十二月三十一日止年度內成立或購入。

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截至二零零九年十二月三十一日止年度

52. Particulars of subsidiaries, associates and jointly controlled entities *(Continued)*

(a) *(continued)*

Notes:

- (i) The subsidiary is registered as a wholly foreign-owned enterprise.
- (ii) It is a sino-foreign equity joint venture company established in the PRC. Under the joint venture agreement, the Group is responsible

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

52. Particulars of subsidiaries, associates and jointly controlled entities (Continued)

- (b) Particulars of the Group's significant associates at 31 December 2009 are as follows:

Name of company 公司名稱	Form of business structure 業務型態	Country/ place of incorporation/ establishment 註冊成立 國家地點/ 所在地	Principal place of business 主要營業地點	Class of shares held 所持股份類別	Proportion of nominal value of registered capital held by 所持註冊資本面值比例		Principal activities 主要業務
					The Group 本集團	The Company 本公司	
信達建潤地產有限公司	Registered 註冊	PRC 中國	PRC 中國	Registered capital 註冊資本	30%	—	Property development and operation, property management and construction 物業發展及營運、物業管理及建造
*Zhong Hai You Qi (Tai Zhou) Petrochemical Company Limited 中海油氣(泰州)石化有限公司	Registered 註冊	PRC 中國	PRC 中國	Registered capital 註冊資本	23.03%	—	Production and trading of petroleum and petrochemical products 生產及銷售石油及石油化工產品

* The English name is for identification only.

52. 附屬公司、聯營公司及共同控制公司摘要(續)

- (b) 本集團之主要聯營公司於二零零九年十二月三十一日的詳情如下：

* 英文名稱只供參考。

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52. Particulars of subsidiaries, associates and jointly controlled entities (Continued)

(c) Particulars of the Group's jointly controlled entities at 31 December 2009 are as follows:

Name of entity 公司名稱	Form of business structure 業務型態	Country of incorporation 註冊成立國家/地點	Principal place of business 主要營業地點	Class of shares held 所持股份類別	Proportion of nominal value of registered capital held by 所持有的註冊資本面值比例		Principal activities 主要業務
					the Group 本集團	the Company 本公司	
Platinum One Limited	Incorporated company	Mauritius 毛里裘斯	PRC 中國	Ordinary 普通股	50%	50%	Distressed assets business 不良資產業務
科馬印象實業有限公司 [△]	Registered 註冊	PRC 中國	PRC 中國	Registered Capital 註冊資本	50%	50%	Design and trading of washroom facilities 設計及銷售浴室用品
*TZ United East [△] 泰州東聯	Registered 註冊	PRC 中國	PRC 中國	Registered Capital 註冊資本	50%	—	Production and trading of petrochemical products 生產銷售石油化工產品

* The English name is for identification only.

[△] The Group control 50% voting power in general meeting. All the decision made in the Board of Directors meeting require at least 2/3 votes from all directors.

* 英文名稱只供參考。

[△] 本集團於股東大會上控制50%投票權，所有董事會之決定需要由至少2/3董事表決。

53. Particulars of the special purpose vehicle

Particulars of the special purpose vehicle which hold the Group's investment in distressed assets at 31 December 2009 are as follows:

Name of entity 公司名稱	Form of business structure 業務型態	Place of establishment 註冊成立地點	Principal place of business 主要營業地點	Class of shares held 所持股份類別	Proportion of nominal value of registered capital held by 所持有的註冊資本面值比例		Principal activities 主要業務
					the Group 本集團	the Company 本公司	
Dongxin Union 東信聯合	Sino-foreign equity joint venture 中外合資合營企業	PRC 中國	PRC 中國	Registered capital 註冊資本	46.17%	—	Distressed assets business 不良資產業務

52. 附屬公司、聯營公司及共同控制公司摘要(續)

(c) 本集團共同控制公司於二零零九年十二月三十一日的詳情如下：

53. 特殊目的載體摘要

持有本集團投資不良資產的特殊目的載體於二零零九年十二月三十一日的詳情如下：

FINANCIAL SUMMARY 財務概要表

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Year ended 31 December 截至十二月三十一日止年度				
		2005 二零零五年 HK\$ Million 百萬港元	2006 二零零六年 HK\$ Million 百萬港元	2007 二零零七年 HK\$ Million 百萬港元	2008 二零零八年 HK\$ Million 百萬港元	2009 二零零九年 HK\$ Million 百萬港元
Results	業績					
Revenue	收入	551.8	688.1	439.7	288.3	329.3
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	724.1	494.8	322.9	87.1	406.3

SUMMARY OF INVESTMENT PROPERTIES 投資物業概要

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

The following is a list of the Group's investment properties at 31 December 2009:

下列為本集團於二零零九年十二月三十一日的投資物業清單：

Investment properties in the PRC

位於中國之投資物業

Location 地點	Lease term 租約期限	Purpose 用途	Gross area 建築面積 Sq. ft. 平方呎
1. Basement 1, Basement 2, Level 0 and Level 1 to 3 of East Gate Plaza, 19 Dongzhong Street, Dongcheng District, Beijing, The PRC. 中國北京市東城區東中街19號東環廣場地庫一層、地庫二層、夾層及一層至三層。	Medium term lease 中期	Commercial 商業	700,427
2. Level 4 to 31, South Apartment Tower, East Gate Plaza, 39 Dongzhong Street, Dongcheng District, Beijing, The PRC. 中國北京市東城區東中街39號東環廣場南座公寓樓第四至三十一層。	Long lease 長期	Residential 住宅	339,739
3. Level 4 to 31, North Apartment Tower, East Gate Plaza, 19 Dongzhong Street, Dongcheng District, Beijing, The PRC. 中國北京市東城區東中街19號東環廣場北座公寓樓第四至三十一層。	Long lease 長期	Residential 住宅	339,993
4. Portion of Level 2-5, 6 and 8 of Hua Bo Lau, No. 28 Dong Zhong Jie Jia, Dongcheng District, Beijing, The PRC. 中國北京市東城區東中街甲28號華波樓第二至五六及八層部分。	Medium term lease (note) 中期(附註)	Commercial 商業	10,540
5. Certain properties at Yin Tong International Centre, C5 World Trade Avenue, Haikou City, Hainan Province, The PRC. 中國海南省海口市世貿大道C5銀通國際中心若干物業。	Long lease 長期	Commercial 商業	153,882
6. Certain properties on various level of Block 4 at Yihe Garden, Diahua Road, Haidian Island East, Development District the 3rd Southern Zone, Haikou, Hainan Province, The PRC. 中國海南省海口市海甸島東部開發區南三區甸花路頤和花園小區4棟多層若干物業。	Long lease 長期	Residential 住宅	9,052

SUMMARY OF INVESTMENT PROPERTIES 投資物業概要

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

Location 地點	Lease term 租約期限	Purpose 用途	Gross area 建築面積 Sq. ft. 平方呎
7. A unit located on Block 6, Yihe Garden, Dianhua Road, Haidian Island East, Development District the 3rd Southern Zone, Haikou, Hainan Province, The PRC. 中國海南省海口市海甸島東部開發區南三區甸花路頤和花園小區6棟一單元。	Long lease 長期	Residential 住宅	6,637
8. Carparking space No. 6 & 8 on Level 1 of Block 3, Yihe Garden, Dianhua Road, Haidian Island East, Development District the 3rd Southern Zone, Haikou, Hainan Province, The PRC. 中國海南省海口市海甸島東部開發區南三區甸花路頤和花園小區3棟第一層6及8號車庫。	Long lease 長期	Car parking 車位	464
9. Unit 502 on Level 5 of Block 16, No. 2 Longkun Road North, Haikou, Hainan Province, The PRC. 中國海南省海口市龍昆北路2號16棟第五層502號。	Long lease 長期	Residential 住宅	1,162
10. Unit 401 & 501 on Levels 4 & 5 of Block 10, No. 2 Longkun Road North, Haikou, Hainan Province, The PRC. 中國海南省海口市龍昆北路2號10棟第四及五層401及502號。	Long lease 長期	Residential 住宅	2,015
11. An office unit located on the Eastern Portion of Level 15, CMEC Building, Guomao Main Road, Haikou, Hainan Province, The PRC. 位於中國海南省海口市國貿大道CMEC大廈十五層東區辦公室單元部分。	Long lease 長期	Commercial 商業	6,079

