

ANNUAL REPORT 2009
二零零九年年報

Stock Code 股份代號：987

HONG KONG ENERGY (HOLDINGS) LIMITED
香港新能源(控股)有限公司
(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

green
Power

wind

green
energy





HKE Projects
香港新能源項目

1. Inner Mongolia
內蒙古
2. Lunaobao, Hebei
河北綠腦包
3. Danjinghe, Hebei
河北單晶河

HKE Parent Company Projects
香港新能源母公司項目

3. Danjinghe, Hebei
河北單晶河
4. Changma, Gansu
甘肅昌馬
5. Mudanjiang, Heilongjiang
黑龍江牡丹江
6. Linyi, Shandong
山東臨沂

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CORPORATE INFORMATION

公司資料

DIRECTORS

- # Mr. OEI Kang, Eric
(Chairman and Chief Executive Officer)
- # Dr. YUNG Pak Keung, Bruce
(Managing Director)
- # Mr. LEUNG Wing Sum, Samuel
- * Mr. LIU Zhixin
- @ Mr. ZHANG Songyi
- @ Mr. TANG Siu Kui, Ernest
- @ Mr. YU Hon To, David

- # Executive Director
- * Non-executive Director
- @ Independent non-executive Director

AUDITOR

PricewaterhouseCoopers

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
The Bank of East Asia, Limited

COMPANY SECRETARY

Ms. MOK Ming Wai

REGISTERED OFFICE

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PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
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董事

- # 黃剛先生
(主席兼行政總裁)
- # 容伯強博士
(董事總經理)
- # 梁榮森先生
- * 劉志新先生
- @ 張頌義先生
- @ 鄧兆駒先生
- @ 俞漢度先生

- # 執行董事
- * 非執行董事
- @ 獨立非執行董事

核數師

羅兵咸永道會計師事務所

主要往來銀行

香港上海滙豐銀行有限公司
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莫明慧女士

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STOCK CODE

987

WARRANT CODE

748

香港總辦事處及主要營業地點

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股份代號


987

認股權證代號


748

FINANCIAL HIGHLIGHTS

財務摘要



	2009 二零零九年	2008 二零零八年	2007 二零零七年	2006 二零零六年	2005 二零零五年
Profit/(loss) attributable to equity holders of the company (HK'000) 本公司股東權益持有人應佔溢利/(虧損) (千港元)	(10,431)	(89,720)	228,462	28,193	37,381
Earnings/(loss) per share (HK cents) 每股盈利/(虧損) (港仙)	(1.36)	(11.75)	29.92	3.69	4.90



		2009 二零零九年	2008 二零零八年	2007 二零零七年	2006 二零零六年	2005 二零零五年
Net current assets/ (liabilities) (HK\$'000)	流動資產／(負債) 淨額(千港元)	170,296	287,911	330,182	47,575	28,310
Net assets (HK\$'000)	資產淨值(千港元)	307,014	322,724	397,446	168,984	156,062

CHAIRMAN'S STATEMENT

主席報告書



Chairman and CEO – Mr. Eric Oei
主席兼行政總裁 — 黃剛先生

Business review

Year 2009 was both fruitful and challenging for the development of alternative energy businesses. The mounting concerns on global warming and climate change have led leaders from different countries to seek and promote alternative energy as a solution. The Copenhagen Climate Change Summit and Chinese government policies revision at 2009 year end brought the alternative energy business to the world's front stage, which led to various opportunities and challenges.

Hong Kong Energy (Holdings) Limited (“HKE” or “the Company”, with its subsidiary companies, collectively, “the Group”) riding on the positive business landscape for alternative energy in China, has performed well in executing our projects under development and positioning our future growth in the year under review. The Group's software business, however, remained sluggish due to the continuous stagnant Japanese economy.

HKE successfully disposed of its cellulosic ethanol pilot project for a consideration of HK\$23.10 million in May 2009 as part of its business strategy realignment. Internal resources and focus were redirected to wind farm project development. The equity for the 100.5 megawatt (“MW”) Lunaobao wind farm in Hebei Province was fully provided in July 2009 and development was well underway with completion targeted for mid 2010, ahead of the original schedule.

Following the joining of the Group's new Executive Director and Managing Director, Dr. Bruce Yung in August 2009, HKE's ability to source new, high return wind farms has been strengthened. In addition, a framework agreement was signed with a reputable wind resources evaluation consulting firm, Garrad Hassan Limited, from the United Kingdom (“UK”) to further increase the Group's technical assessment ability for locating attractive wind farm projects in the People's Republic of China (“PRC”, or “China”). Memoranda of understanding were signed with several provincial governments, such as Kulun in Southeast Inner Mongolia and Kangping near Shenyang city in Liaoning Province, to build up the Group's wind farm projects pipeline.

An important transaction occurred in November 2009 where HKE signed an agreement to acquire from its parent company, HKC (Holdings) Limited (“HKC”, with its subsidiary companies “HKC Group”), 10% effective equity interest in a project company holding the Danjinghe wind farm project in the Hebei Province for a consideration of approximately RMB73.50 million (equivalent to HK\$83.06 million). The transaction was completed in December 2009 with shareholders' unanimous approval.

業務回顧

二零零九年對替代能源業發展而言，為豐碩而極具挑戰的一年。全球暖化及氣候變化之關注與日俱增，多國領導人不斷尋求及推動替代能源作為解決方案。二零零九年底舉行之哥本哈根氣候變化會議及中國政府政策修訂令替代能源業走到世界舞臺前，帶來各種機遇及挑戰。

香港新能源(控股)有限公司(「香港新能源」或「本公司」，連同其附屬公司合稱「本集團」)乘著中國替代能源業之利好市況，於回顧年內，出色地執行發展中項目，為日後增長作好準備。然而，由於日本經濟繼續停滯不前，本集團之軟件業務尚未得到改善。

於二零零九年五月，香港新能源作為業務策略重新調整之一部份，以代價23,100,000港元成功出售纖維素乙醇試驗項目。內部資源及重點重投發展風力場項目。於二零零九年七月，就河北省100.5兆瓦(「兆瓦」)綠腦包風力場，已注入全數股本。該風力場之進展理想，目標於二零一零年中竣工，較原先計劃為早。

自本集團之新任執行董事兼董事總經理容伯強博士於二零零九年八月加盟後，香港新能源就物色高回報之新風力場之能力，因而加強。本集團與英國(「英國」)著名風力資源評估顧問公司加勒德哈森有限公司簽訂框架協議，藉此鞏固本集團於中華人民共和國(「中國」)具可觀前景之風力場項目選址之技術評估能力。本集團已與內蒙古東南面之庫倫及鄰近遼寧省瀋陽市之康平等多個省政府簽訂諒解備忘錄，擴大本集團風力場項目之規模。

於二零零九年十一月之重要行動中，香港新能源簽訂協議，向母公司香港建設(控股)有限公司(「香港建設」，連同其附屬公司稱「香港建設集團」)購入一家持有河北省單晶河風力場項目之項目公司10%實際股本權益，代價約人民幣73,500,000元(相當於83,060,000港元)。交易獲股東一致批准，並已於二零零九年十二月完成。

CHAIRMAN'S STATEMENT

主席報告書

Business review (continued)

The Danjinghe project, located approximately 300 kilometres (“km”) north of Beijing, and adjacent to our Lunaobao project, has a 200 MW wind power generation capacity. It is designated by the National Development and Reform Commission (“NDRC”) of China as a wind farm showcase. Phase 1 40.5 MW capacity was completed and under trial run since January 2009, has generated 10 million kilowatt-hour (“KWh”) more than the original forecast of 75 million KWh. The construction for Phase 2 and 3 was completed in December 2009, which was ahead of schedule by 12 months. The injection of such promising assets from the parent company marked a significant step in transforming the Group into HKC's alternative energy flagship.

Despite the loss, the Group's cash position remains strong, with cash and cash equivalents of 172.23 million. As of the end of 2009, HKE had net asset of HK\$307.01 million.

Prospects

The global economy stabilized in 2009 after stimulus packages were rolled out by different countries in response to the financial tsunami. However, the capital markets continue to remain fragile and volatile. Despite the risk of withdrawal of stimulus packages increases in 2010, alternative energy development generally remains a key focus to the governments in both the East and West.

China's economic growth increases the demand for energy, thus the risk of environmental pollution. Alternative energy is a natural choice in tackling both the environmental issues and the need for energy. The Chinese government is expected to continue its full support to the development of alternative energy, as demonstrated by the importance of alternative energy in the Twelfth Five Years Plan covering 2011 to 2015. The twelfth standing committee meeting of the eleventh National People's Congress (“NPC”) in PRC held on 26th December 2009 passed a resolution to amend the Renewable Energy Law 2005, further strengthening the full purchase of alternative power generated and funding support to alternative energy development, including research and smart grid implementation. Such measures will greatly benefit HKE's alternative energy assets and future development.

Given this favourable market and operating environment, the Group is confident that wind farm projects, such as Danjinghe and Lunaobao, that start operation in 2010 can make a good contribution. For 2010, HKE will continue to develop its existing alternative energy projects on hand.

業務回顧(續)

單晶河項目位於北京以北約300公里(「公里」)，毗鄰本集團綠腦包項目，風力產能達200兆瓦，並獲中國國家發展和改革委員會(「國家發改委」)指定為風力場示範項目。第一期40.5兆瓦之產能已完成並自二零零九年一月起試行運作，產能較原先預測之75,000,000千瓦時(「千瓦時」)，超出10,000,000千瓦時。第二及第三期之興建已於二零零九年十二月竣工，較擬定計劃早12個月。自母公司注入是項極具潛力的資產，標誌著本集團在轉化為香港建設之替代能源旗艦上跨出重要一步。

儘管錄得虧損，本集團之現金狀況仍然強勁，現金及現金等價物達172,230,000港元。於二零零九年底，香港新能源之資產淨值為307,010,000港元。

前景

於二零零九年，環球經濟在多國政府就擊退金融海嘯推出刺激方案後，漸趨穩定，惟資本市場繼續疲弱及波動。儘管二零一零年撤回刺激方案之風險增加，替代能源發展普遍仍受東西方政府重視。

中國經濟增長帶動能源需求上升，從而引伸環境污染之風險。替代能源實為解決環境問題及能源渴求之自然選擇。中國政府預期繼續全力支持發展替代能源，並已重點納入涵蓋二零一一年至二零一五年之中國第十二個五年計劃當中。於二零零九年十二月二十六日，中國第十一屆全國人民代表大會(「人大」)舉行第十二次常委會會議，通過決議案修訂二零零五年可再生能源法，進一步加強全面購入所產生替代能源及以資金支持替代能源發展，當中包括研究及推行智能電網。有關措施將令香港新能源之替代能源資產及未來發展大有獲益。

在現時利好市場及經營環境下，本集團深信如單晶河及綠腦包等於二零一零年開始營運之風力場項目，定必帶來理想貢獻。於二零一零年，香港新能源將繼續發展手頭現有替代能源項目。

Prospects (continued)

The Group's business vision is to become a trusted partner in China's alternative energy development. To increase the size of HKE's project pipeline, HKE will actively explore opportunities for growth and will continue to evaluate potential wind farm locations through the Group's wind resources consultant, Garrad Hassan Limited.

The transformation of HKE into HKC Group's alternative energy flagship will continue and feasibility studies will be conducted. HKE will also seek strategic partnerships and examine various funding avenues to strengthen the finance position and capital base for future expansion and investment.

I am confident that the Group will enjoy a remarkable growth in the years to come and will create substantial value for our shareholders.

Acknowledgements

On behalf of the Board, I would like to express my greatest thanks to all our business partners, employees, management and shareholders for the dedication and support you have shown for HKE throughout the year under review.

OEI Kang, Eric

Chairman and Chief Executive Officer

Hong Kong, 22nd March 2010

前景(續)

本集團之業務遠見為成為中國替代能源發展值得信賴之夥伴。香港新能源將積極拓展增長機會，並將透過本集團之風力資源顧問加勒德哈森有限公司持續評估具潛力之風力場選址。

香港新能源將繼續轉化為香港建設集團之替代能源旗艦，並展開可行性研究。香港新能源另將物色策略夥伴及探索各種資金途徑，為未來擴展及投資打造穩健的財務狀況及資本基礎。

本人深信，本集團將於來年取得顯著增長，並為股東創建重大價值。

致謝

本人謹藉此機會代表董事會，向於回顧年內一直努力不懈及大力支持香港新能源之所有業務夥伴、員工、管理人員及股東致以衷心謝意。

黃剛

主席兼行政總裁

香港，二零一零年三月二十二日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

For the year ended 31st December 2009, the turnover for Hong Kong Energy (Holdings) Limited (“HKE” or “the Company”, with its subsidiary companies, collectively, the “Group”) amounted to HK\$10.61 million, a decrease of 24% from HK\$13.88 million compared to the same period in 2008. Gross profit for the year was HK\$5.71 million, a decrease of 29% from last year HK\$7.99 million. The drop in revenue and gross profit reflected primarily the slowdown in the software business resulted from the continuous stagnant market conditions in Japan. Although the Group’s alternative energy business was making progress on its development, it was still too early to have a meaningful income contribution. HKE recorded a profit before tax of HK\$2.65 million compared to a loss before tax of HK\$101.67 million in 2008. Such improvement was mainly the result of a reduction of impairment loss on goodwill and intangible assets related to the software business. In addition, the Group recognized a HK\$7.62 million gain from the disposal of the cellulosic ethanol pilot project in May 2009; and a HK\$27.69 million fair value gain from acquiring 10% effective equity interest in the project company holding the Danjinghe wind farm project from the parent company, HKC (Holdings) Limited (“HKC”, with its subsidiary companies “HKC Group”) in December 2009. Net loss after tax attributable to equity holders of the Group reduced to HK\$10.43 million for the year from a net loss of HK\$89.72 million in 2008.

For the year ended 31st December 2009, basic loss per share was HK1.36 cents as compared to basic loss per share of HK11.75 cents in 2008.

Liquidity and Financial Resources

As at 31st December 2009, the Group did not have any bank borrowing as all repayments were made in 2008.

Convertible notes of principal amount RMB73.50 million (equivalent to HK\$83.06 million) were issued to HKC for the acquisition of an effective 10% equity interest of the Danjinghe wind farm project company. The notes were issued on 30th December 2009 for a three-year period with zero-interest coupon and a fixed conversion price of HK\$1.1388 per share. The notional loan amount of the convertible notes was HK\$76.01 million as at 31st December 2009 and details are disclosed in Note 24.

財務回顧

截至二零零九年十二月三十一日止年度，香港新能源(控股)有限公司(「香港新能源」或「本公司」，連同其附屬公司合稱「本集團」)之營業額為10,610,000港元，較二零零八年同期13,880,000港元減少24%。毛利亦從去年7,990,000港元減少29%至5,710,000港元。收益及毛利下降，主要反映軟件業務，因日本市場狀況持續停滯不前，而有所放緩。儘管本集團之替代能源業務取得進展，但就其能帶來具意義之收入貢獻，仍然言之尚早。香港新能源錄得除稅前溢利為2,650,000港元，相較二零零八年則錄得除稅前虧損101,670,000港元。有關改善主要原因，與軟件業務相關之商譽及無形資產減值虧損，減少所致。此外，本集團於二零零九年五月就出售纖維素乙醇試驗項目，錄得7,620,000港元收益；及於二零零九年十二月向母公司香港建設(控股)有限公司(「香港建設」，連同其附屬公司統稱「香港建設集團」)收購持有單晶河風力場項目之項目公司10%實際股本權益，而錄得公平值收益為27,690,000港元。年內，本集團股東權益持有人應佔除稅後虧損淨額由二零零八年之虧損淨額89,720,000港元減至10,430,000港元。

截至二零零九年十二月三十一日止年度，每股基本虧損為1.36港仙，相較二零零八年之每股基本虧損則為11.75港仙。

流動資金及財務資源

於二零零九年十二月三十一日，由於二零零八年已償還所有款項，本集團並無任何銀行借款。

就收購單晶河風力場項目公司10%實際股本權益，曾向香港建設發行本金面值人民幣73,500,000元(相當於83,060,000港元)之可換股票據。該票據於二零零九年十二月三十日發行，年期三年、零息，而換股價固定為每股1.1388港元。於二零零九年十二月三十一日，該可換股票據之名義貸款部份為76,010,000港元，詳情於附註24披露。

FINANCIAL REVIEW (CONTINUED)

Liquidity and Financial Resources (continued)

The Group's unrestricted cash and cash equivalents was HK\$172.23 million as at 31st December 2009 as compared to HK\$289.10 million in 2008. The decrease was mainly a result of the equity injection of HK\$110.01 million into the associated company for the Lunaobao wind farm project in July 2009. The Group estimated a total capital expenditure of HK\$545.90 million for the alternative energy project in Inner Mongolia as at 31st December 2009. Due to project delay, the original contracts for these capital expenditures became ineffective. New contract terms and conditions were made to allow the Group controlling the incurring time. For future projects, the Group will first rely on its internal sources and will actively seek bank financing to fund its future capital expenditure commitments. The Group's parent company, HKC, will also provide financial support whenever necessary.

The Group did not use financial instruments for financial hedging purposes during the year under review.

Details of Charges in Group Assets

During the year under review, the Group did not have any charges over the Group's assets same as 2008.

Gearing Ratio

As at 31st December 2009, the Group maintained a net cash position of HK\$96.22 million as compared to HK\$289.10 million in 2008. It represented the Group's cash and cash equivalents HK\$172.23 million less the notion loan amount of the convertible note HK\$76.01 million.

Contingent Liabilities

The Group did not have any contingent liabilities as at 31st December 2009 same as 2008.

BUSINESS REVIEW

During 2009, HKE made several important moves to transform the Group into HKC Group's alternative energy flagship. Fully aware of the strong support given by the People's Republic of China ("PRC", or "China") government on alternative energy, in particular wind and solar power, HKE refined the business strategy and disposed the cellulosic ethanol pilot project in May 2009. Resources and focus were redirected to wind energy project development.

財務回顧(續)

流動資金及財務資源(續)

本集團於二零零九年十二月三十一日之不受限制現金及現金等價物為172,230,000港元，相較二零零八年則為289,100,000港元。該縮減主要由於二零零九年七月向綠腦包風力場項目之聯營公司注入股本110,010,000港元。本集團估計內蒙古替代能源項目於二零零九年十二月三十一日之資本開支總額為545,900,000港元。由於項目延遲，該等資本開支之原有合約無效。新訂立之合約條款及條件讓本集團可控制該開支之發生時間。就未來項目而言，本集團將首先依賴其內部資源，並將積極尋找銀行融資以維持未來資本開支承擔。本集團母公司香港建設亦將於需要時提供財務支持。

於回顧年內，本集團並無利用金融工具作財務對沖用途。

本集團資產抵押詳情

於回顧年內，與二零零八年相同，本集團並無抵押其資產。

負債股本比率

於二零零九年十二月三十一日，本集團維持現金淨額96,220,000港元，即現金及現金等價物172,230,000港元減可換股票據名義貸款部份76,010,000港元，相較於二零零八年則為289,100,000港元。

或然負債

本集團於二零零九年十二月三十一日並無任何或然負債，與二零零八年相同。

業務回顧

於二零零九年，香港新能源作出多項重要行動，將本集團轉化為香港建設集團之替代能源旗艦。中華人民共和國(「中國」)政府對替代能源表示大力支持，尤其着重風力及太陽能方面，故香港新能源於二零零九年五月修訂業務策略及出售纖維素乙醇試驗項目，並將資源及重點重投風力能源項目發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (CONTINUED)

The equity for the Lunaobao wind farm project was fully injected and construction was well underway. The 100.5 megawatt (“MW”) wind farm is located in Lunaobao, Hebei Province; adjacent to Danjinghe, where another promising wind farm of the Group was being developed. HKE owns 30% of the joint venture with the rest of the stake held by the wind division subsidiary of China Energy Conservation Investment Corporation (collectively “CECIC”). The project comprises 67 sets of 1,500 kilowatt (“KW”) PRC domestic manufactured wind turbines and the total investment cost is around RMB950.78 million. As at 31st December 2009, all 67 foundations had been completed and a total of 24 sets wind turbine and towers had been installed. Other peripheral and logistical infrastructure, such as the central control room, staff quarter and substation were completed. Work on power transmission and connection to the grid was in progress. Remaining wind turbines installation and peripheral construction are expected to be completed for trial run in mid 2010, well ahead of schedule and under budget.

A new Executive Director and Managing Director, Dr. Bruce Yung, who has worked in the energy industry for more than 20 years, joined HKE in August 2009. His joining has strengthened the Group’s ability to source new, high return wind farms and improved HKE’s awareness to the investor community. The Group’s technical wind resources evaluation and micro-site setting capabilities were further enhanced through the signing of a framework agreement with Garrad Hassan Limited (“Garrad Hassan”), a highly reputable wind power engineering consulting firm from the United Kingdom. The firm has considerable experience in the PRC.

During the second half of 2009, the Group signed memorandum of understanding (“MOU”) with and received letter of support from several provincial governments, such as Kulun in Inner Mongolia and Kangping in Liaoning Province, to commence wind resource and feasibility studies for developing wind farms. This will help increase the size of the Group’s wind farm projects pipeline.

業務回顧(續)

綠腦包風力場項目已獲注入全數股本，建設工程進展順利。產能達100.5兆瓦(「兆瓦」)之風力場位於河北省綠腦包，鄰近本集團正在發展另一座前景可觀之風力場所在地單晶河。香港新能源擁有合營公司30%權益，中國節能投資公司風力分部附屬公司(統稱「中節能」)持有餘下股權。項目包括67組1,500千瓦(「千瓦」)之中國國產風機，總投資成本約為人民幣950,780,000元。於二零零九年十二月三十一日，已完成全部67個地基工程及安裝合共24組風機及風車塔。中央控制室、員工宿舍及變電站等其他周邊及物流基礎設施亦已竣工。輸電及連接電網之工程正在進行中。餘下風機安裝及周邊建設工程預期將於二零一零年中早於擬定時間完成，並進行調試，且低於預算。

新執行董事兼董事總經理容伯強博士投身能源業20多年，於二零零九年八月加入香港新能源，有助加強本集團物色高回報之新風力場之能力，及提升香港新能源在投資界之知名度。再者，透過與英國著名的風力資源工程顧問公司加勒德哈森有限公司(「加勒德哈森」)簽訂框架協議，使本集團對風力資源技術評估及微觀地段裝設能力，得以進一步提升。該公司於中國之有關經驗豐富。

於二零零九年下半年，本集團與內蒙古庫倫及遼寧省康平等多個省政府簽訂諒解備忘錄(「諒解備忘錄」)，就發展風力場展開風力資源研究及可行性研究，並接獲相關支持信。這有助擴大本集團風力場項目之規模。

BUSINESS REVIEW (CONTINUED)

HKE entered into an agreement in November 2009 to acquire from its parent company, HKC, 25% of HKE (Danjinghe) Wind Power Limited, which holds 40% equity interest in the project company developing the Danjinghe wind farm, for a consideration of approximately HK\$83.06 million. The consideration represented a 25% discount to the fair value of the wind farm given by an independent business appraiser and a 36% premium to the net asset value of this asset accounted for under HKC. The transaction was completed by unanimous shareholders' approval in the extraordinary general meeting held on 30th December 2009. After the transaction, HKE holds 10% effective equity interest in the project company holding the Danjinghe wind farm project while the remaining 30% and 60% rights are held by HKC and CECIC respectively.

The Danjinghe project is located approximately 300 kilometres ("km") north of Beijing adjacent to Lunaobao in the Hebei Province with total 200 MW wind power generating capacity. The project is part of the 1,000MW national-scale wind power project designated by National Development & Reform Commission ("NDRC") as a showcase for China. The wind farm was developed in three phases where phase 1 consisted 54 units of 750 KW wind turbine, phase 2 consisted 100 units of 800 KW wind turbine, and phase 3 consisted 53 units of 1,500 KW wind turbines all manufactured by PRC domestic supplier.

Phase 1 construction of the Danjinghe project was completed for trial run in January 2009 and commenced commissioning in June 2009. Phase 2 and 3 construction was also completed in December 2009, ahead of schedule by 12 months. Both phases are currently waiting for trial run. The project was completed under budget, with the Phase 1 operating performance in 2009 exceeded the original forecast of 75 million kilowatt-hour ("Kwh") by 10 million Kwh. The injection of this promising wind asset from the parent company represents a significant move for the Group to become HKC's alternative energy flagship.

業務回顧(續)

於二零零九年十一月，香港新能源訂立協議，向母公司香港建設購入香港新能源(單晶河)風能有限公司25%權益，而香港新能源(單晶河)風能有限公司則持有發展單晶河風力場項目公司之40%股本權益，代價約83,060,000港元。代價較一名獨立業務估值師給予之風力場公平值折讓25%，並較就本資產於香港建設項下入賬之資產淨值有溢價36%。交易於二零零九年十二月三十日舉行之股東特別大會上經股東一致批准後完成。交易完成後，香港新能源持有所持單晶河風力場項目之項目公司10%實際股本權益，而餘下30%及60%權益則分別由香港建設及中節能持有。

單晶河項目位於北京以北約300公里(「公里」)，毗鄰河北省綠腦包，風力產能合共200兆瓦。該項目為中國國家發展和改革委員會(「國家發改委」)指定為1,000兆瓦國家規模風力示範項目之一。風力場分為三期，第一期由54組750千瓦之風機組成；第二期由100組800千瓦之風機組成及第三期由53組1,500千瓦之風機組成，全部風機均由中國國內供應商製造。

單晶河項目第一期建設工程已於二零零九年一月完成調試，並於二零零九年六月投入運作。第二及第三期建設工程亦於二零零九年十二月完成，較計劃早12個月，現待進行試調。有關項目於並無超出預算之情況下完成，而第一期於二零零九年之營運表現更較原先預測之75,000,000千瓦時(「千瓦時」)超出10,000,000千瓦時。自母公司注入是項極具潛力的風力資產為本集團藉此成為香港建設之替代能源旗艦之重要行動。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK

China's rapid economic development following the stabilization of the world's economy creates a strong demand for energy. Alternative energy has been seen by the Chinese government as the most promising source of energy in addition to fossil fuels. Considerable attention has been given to the alternative energy sector and favourable policies have been rolled out in the past. This situation is expected to remain the same in the foreseeable future as alternative energy was highly promoted in the PRC Twelfth Five Years Plan for 2011 to 2015. Reflecting the government's commitment to alternative energy, a number of amendments to China's Renewable Energy Law were proposed in the eleventh National People's Congress ("NPC") in PRC held on 26th December 2009. These amendments were designed to resolve the problems with grid connection for wind power projects.

On the supply side, there is an indication of abundant wind equipment suppliers. Although consolidation is expected to come shortly, prices for wind equipment have come down, and are expected to continue to decline. As a result, development costs to HKE will also decline and should result in higher return on equity.

Internally, HKE will take advantage of the current favourable business environment and proceed with developing our wind farm projects in a cautious and careful manner. Further to signing the MOU and strategic development agreement with the provisional government, the Group will engage Garrad Hassan to conduct wind resources analysis, feasibility and micro-site study for Kulun of Inner Mongolia and Kangping of Liaoning. Kulun is southeast of Inner Mongolia, approximately 77 km northwest of Fuxin city in Liaoning Province. The location is capable of accommodating three 49.5 MW wind farms. Kangping is approximately 120 km north of Shenyang city in Liaoning Province with an area over 300 square km. This location can develop into a 250 MW wind farm. Both locations are close to the transmission infrastructure and areas of power demand, which will be ideal for establishing wind farm. Apart from Kulun and Kangping, the Group is also exploring other potential wind farm locations in the south-western part of PRC.

展望

中國經濟隨全球經濟逐步穩定而急速發展，帶動強勁能源需求。替代能源獲中國政府視為除化石燃料外前景最可觀之能源。替代能源業於過往一直備受重視，並獲推行有利政策。由於替代能源於涵蓋二零一一年至二零一五年之中國第十二個五年計劃佔據重大篇幅，預期有關情況將於可見將來持續。為表達政府對再生能源之承諾，於二零零九年十二月二十六日舉行之中國第十一屆全國人民代表大會（「人大」）上，已就中國可再生能源法提出多項修訂，旨在解決風力發電項目之電網連接問題。

於供應方面，有跡象顯示風力設備供應商充裕。儘管預計短期內將出現整合，惟風力設備價格有所回落，並可望繼續下調，因而帶動香港新能源之發展成本亦得以減少，繼而達致更高股本回報。

內部方面，香港新能源將抓緊目前利好營商環境之優勢，審慎地發展風力場項目。繼與省政府簽訂諒解備忘錄及策略發展協議後，本集團將聘請加勒德哈森就內蒙古庫倫及遼寧省康平進行風力資源分析、可行性研究及微觀選址研究。庫倫位於內蒙古東南面遼寧省阜新市西北約77公里。該處可容納三個49.5兆瓦風力場。康平位於遼寧省瀋陽市以北約120公里，佔地面積超過300平方公里。該處可發展為一個250兆瓦風力場。兩處地點均鄰近輸電基建及電力需求地區，為建設風力場之理想地點。除庫倫及康平外，本集團亦正於中國西南部物色其他具潛力之風力場地地點。

OUTLOOK (CONTINUED)

The Group will also actively seek strategic partnerships with the aim to strengthen HKE's capital base and to enhance the Group's competitive advantages for future growth. In addition, HKE will explore plans and their feasibilities to further inject other alternative energy assets from the HKC Group. This will complete the transformation of HKE into HKC's alternative energy flagship. Several alternative energy assets currently belong to HKC Group that can be considered are listed below:

- (a) Phase I Siziwang Qi of Inner Mongolia – a 49.5 MW wind farm. This first phase of a potential 1,000 MW project is 100% wholly owned by HKC Group. The wind farm is currently under construction. Construction work for the foundations, control room and substation was completed. All 33 wind turbine units were hoisted in 2009 ready for the final connection to the grid and trial run in early 2010.
- (b) Mudanjiang and Muling of Heilongjiang – a 2 x 30 MW wind farm. HKC Group owns majority stakes of 86% and 86.68% in the two wind farms. The wind farms commenced full operations in September 2007, and are making steady revenue contributions to the HKC Group.
- (c) Danjinghe of Hebei – a 200 MW wind farm. This wind farm is a joint venture with CECIC. HKC Group owns a 40% effective equity interest in which 10% held indirectly via HKE and 30% held directly by HKC Group. The first phase, consisting of 40.5 MW, commenced commissioning in June 2009. Cost saving was achieved. First commission data indicated that the performance in 2009 was better than originally forecasted. Construction for the remaining 2 phases was completed end of 2009 ahead of original schedule by 12 months. Trial run and commissioning was targeted mid 2010.
- (d) Changma of Gansu – a 201 MW wind farm. This wind farm is a joint venture with CECIC. HKC Group owns a 40% interest. Construction was completed end of 2009. Trial run and commissioning was targeted mid 2010.
- (e) Linyi of Shandong – a 25 MW waste-to-energy power plant. The plant is a joint venture with CECIC. HKC Group owns 40% interest. The plant commenced full operations in September 2007, and is making steady revenue contributions to the HKC Group.

展望(續)

本集團另將積極物色策略夥伴，以鞏固香港新能源之資本基礎及為日後本集團之增長提升競爭優勢。此外，香港新能源將就由香港建設集團進一步注入其他替代能源資產，探討計劃及其可行性。此舉可使香港新能源完成轉化為香港建設替代能源旗艦之進程。現時屬於香港建設集團而可供考慮之多項替代能源資產載列如下：

- (a) 內蒙古四子王旗第一期一產能達49.5兆瓦之風力場。此為潛在產能達1,000兆瓦中之第一期項目，由香港建設集團全資擁有。該風力場現正興建中。風機基礎、監控室及變電站建設工程已完成。全部33組風機於二零零九年吊裝，準備與電網作最後連接，並將於二零一零年初調試。
- (b) 黑龍江牡丹江及穆稜一兩個產能各為30兆瓦之風力場。香港建設集團擁有該兩個風力場分別86%及86.68%之主要股權。該兩個風力場於二零零七年九月全面投產，為香港建設集團帶來穩定收入貢獻。
- (c) 河北單晶河一產能達200兆瓦之風力場。此風力場是與中節能合作之合營企業。香港建設集團擁有其中40%實際股本權益，其中10%透過香港新能源間接持有，30%乃香港建設集團直接持有。第一期產能為40.5兆瓦，已於二零零九年六月開始投入運作。成本減省已達到。初步營運數據顯示，二零零九年之表現較原先預測理想。餘下第二期工程已於二零零九年底完成，較原先計劃早12個月，目標為於二零一零年中開始調試及投入運作。
- (d) 甘肅昌馬一產能達201兆瓦之風力場。此風力場是與中節能合作之合營企業。香港建設集團擁有其中40%權益。有關興建工程已於二零零九年底完成，目標為於二零一零年中開始調試及投入運作。
- (e) 山東臨沂一產能達25兆瓦之垃圾發電廠。該發電廠是與中節能合作之合營企業。香港建設集團擁有其中40%權益。該發電廠於二零零七年九月全面投產，現正為香港建設集團帶來穩定收入貢獻。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK (CONTINUED)

Employees

As at the end of December 2009, the Group's operations in Hong Kong and mainland China employed a total of 66 employees. The Group had appointed technical consultants on contract terms for its alternative energy projects. All employees are remunerated according to the nature of their jobs, their individual performances, the Group's overall performance, and the prevailing marketing conditions.

展望(續)

僱員

於二零零九年十二月底，本集團就香港及中國內地之業務聘用合共66名僱員。本集團亦以合約形式就替代能源項目委任技術顧問。所有僱員薪酬按其工作性質、個人表現、本集團整體業績及當時市況而定。

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate Governance Practices

The Company is committed to good corporate governance principles and practices and its board of directors (the “Directors” or the “Board”) recognizes that it is essential to safeguard the interests of shareholders, customers and employees and uphold accountability, transparency and responsibility of the Company.

The Company has applied the principles and complied with the code provisions (the “Code Provisions”) and recommended best practices set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) during the year ended 31st December 2009, save for the deviations with considered reasons stated in the following relevant paragraphs.

Board of Directors

Board Composition

The Company has during the year ended 31st December 2009 maintained a balanced board. The Board currently comprises seven Directors with three Executive Directors, one Non-executive Director, and three Independent Non-executive Directors. Each Director possesses expertise and experience and provides checks and balances for safeguarding the interests of the Group and the shareholders as a whole. Biographical details of the Directors are set out in pages 28 to 31 of this Annual Report.

During the year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three Independent Non-executive Directors with at least one Independent Non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise. The independence of the Independent Non-executive Directors was assessed in accordance with the applicable Listing Rules. Each of the Independent Non-executive Directors has provided to the Company an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of them to be independent.

企業管治常規

本公司致力達致良好之企業管治原則及常規，而其董事會（「董事」或「董事會」）明白，有關原則及常規對保障股東、客戶及僱員之利益以及維持本公司問責性、透明度及責任方面攸關重要。

於截至二零零九年十二月三十一日止年度，本公司一直採納上述原則，並遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治常規守則（「企管守則」）之守則條文（「守則條文」）及建議最佳常規，惟若干具有合理理由之偏離情況除外，有關詳情載於下文相關段落。

董事會

董事會之組成

本公司於截至二零零九年十二月三十一日止年度全年維持平衡之董事會。董事會目前由七名董事組成，當中包括三名執行董事、一名非執行董事及三名獨立非執行董事。各董事均具備專業知識及經驗，可收相互制衡之效，以保障本集團及股東整體利益。董事之履歷詳情載於本年報第28至31頁。

董事會於整個年度均符合上市規則之規定，委任最少三名獨立非執行董事，當中最少一名為具備合適專業資格或會計或相關財務管理知識之獨立非執行董事。本公司根據適用上市規則評估獨立非執行董事之獨立性。本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立確認書。本公司認為，所有獨立非執行董事均為獨立人士。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board of Directors (continued)

Chairman and Chief Executive Officer

Under the Code Provision A.2.1., the roles of chairman and chief executive officer (“CEO”) should be separate and performed by different individuals. Under the current organization structure of the Company, the functions of CEO are performed by the Chairman, Mr. Oei Kang, Eric, with support from the Managing Director and the other Executive Director. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company, and has been effective in discharging its responsibilities satisfactorily and facilitating the Company’s operation and business development. The Board will review the structure from time to time to ensure it continues to meet the principle and will consider segregation of the roles of chairman and CEO if and when appropriate.

Responsibilities of Directors

The Board is responsible for the leadership and control of the Group and is collectively responsible for promoting the success of the Group by directing and supervising the Group’s affairs and formulating business strategies with a view to maximizing its financial performance and shareholders’ value.

All newly appointed Directors are given comprehensive documentations of the business operations of the Group and regulatory and statutory requirements as director together with briefing meetings with senior executives of the Group. Directors are provided with continuous updates on the latest changes in the Listing Rules, corporate governance practices and other relevant laws and regulations and are encouraged to participate in continuous professional development seminars to update their knowledge for discharging directors’ responsibilities.

The Company has arranged appropriate liability insurance to indemnify the Group’s Directors for their liabilities arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

董事會(續)

主席及行政總裁

根據守則條文第A.2.1條，主席及行政總裁(「行政總裁」)應獨立區分且由不同人士擔任。根據本公司目前之組織架構，行政總裁之職能由主席黃剛先生履行，並由董事總經理及其他執行董事提供支援。董事會認為，此架構將不會削弱董事會與本公司管理層之權力及職權平衡，且有效妥善地履行責任及有助本公司之營運及業務發展。董事會將不時檢討該架構以確保繼續符合原則，並考慮於適當時候分開主席及行政總裁之角色。

董事責任

董事會負責本集團之領導及監控工作，透過指導及監督本集團事務及制定業務策略擴大財務表現及股東價值，共同負責推動本集團邁向成功。

所有新委任之董事均獲發有關本集團業務運作之全套文件，及作為董事之規管及法定規定，並與本集團高級行政人員進行簡報會議。董事獲持續提供有關上市規則、企業管治常規守則以及其他相關法例及規例之最新變動更新資料，本公司亦鼓勵彼等參與持續專業發展研討會，以更新彼等對履行董事職責之知識。

本公司已安排適當責任保險，以彌償本集團董事因企業活動產生之責任。本公司每年檢討保險範圍。

Board of Directors (continued)

Delegation by the Board

The management, consisting of the Executive Directors of the Company along with other senior executives, is delegated with responsibilities for implementing the strategy and direction as adopted by the Board from time to time, and conducting the day-to-day operations of the Group. Executive Directors and senior executives meet regularly to review the performance of the businesses of various business units of the Group as a whole, co-ordinate overall resources and make financial and operation decision. The Board also gives clear directions as to their powers of management including circumstances where management should report back, and will review the delegation arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

Nomination, Appointment and Re-election of Directors

All new appointment of Directors and nomination of Directors proposed for re-election at the annual general meeting are first considered by the Nomination Committee. The Nomination Committee will assess the candidate or incumbent on criteria such as integrity, experience, skill and ability to commit time and effort to carry out the duties and responsibilities. The recommendations of the Nomination Committee will then be put to the Board for decision. Details of the role and function as well as a summary of the work performed by the Nomination Committee are set out under the heading of “Nomination Committee” below.

In accordance with the Company's articles of association, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) of the Directors shall retire from office by rotation but are eligible for re-election by shareholders at the annual general meeting provided that every Director is subject to retirement by rotation at least once every three years. New appointments to the Board are also subject to re-election by shareholders at the next following annual general meeting.

Under the Code Provision A.4.1, non-executive directors should be appointed for specific term and subject to re-election. However, all Non-executive Directors of the Company were appointed with no specific term, but are subject to aforesaid rotation requirement in the Company's articles of association. The rotating Directors who are subject to retirement and re-election at the 2010 annual general meeting are set out on page 34.

董事會(續)

董事會授權

管理層(包括本公司執行董事)連同其他高級行政人員，獲授權負責執行董事會不時採納之政策及方針，以推行本集團日常業務。執行董事與高級行政人員定期會面，整體審查本集團各業務單位之業務表現、調整整體資源以及作出財務及經營決定。董事會亦就管理權力提供清晰指引，包括管理層須作出匯報之情況，並定期審查授權安排以確保該等安排符合本集團需求。

提名、委任及重選董事

所有新委任之董事及於股東週年大會候任重選之董事提名均先經由提名委員會初步考慮。提名委員會將按誠信、經驗、技能以及履行職責付出之時間及努力等標準評估候選人或在任人。提名委員會之建議將於其後提交董事會以作決定。提名委員會之角色及職能以及所履行工作之概要載於下文「提名委員會」一節。

根據本公司之組織章程細則，當時三分之一之董事(或倘數目並非三(3)之倍數，則為最接近但不少於三分之一之數目)須於股東週年大會輪值退任，惟彼等符合資格獲股東重選連任，每名董事須至少每三年輪值退任一次。董事會之新委任董事亦須於下一屆股東週年大會由股東重選連任。

根據守則條文第A.4.1條，非執行董事須有固定任期及重選連任。然而，本公司全體非執行董事並無固定任期，惟須受上述本公司組織章程細則之輪值退任規定所規限。於二零一零年股東週年大會輪值退任及重選連任之董事載於第34頁。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board of Directors (continued)

Meetings of the Board and Board Committees

The Directors meet from time to time to discuss and exchange ideas on the affairs of the Company. The Board has set up three Board Committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee, for overseeing particular aspects of the Group's affairs.

During the year, the following meetings of the Board, the Audit Committee, the Nomination Committee and the Remuneration Committee were held and the attendance of the individual Directors at these meetings is set out in the table below:

董事會(續)

董事會及董事委員會會議

董事不時舉行會議，以討論本公司事務及交換意見。董事會亦已成立三個董事委員會，分別為審核委員會、提名委員會及薪酬委員會，以監察本集團各項事務。

年內，董事會、審核委員會、提名委員會及薪酬委員會曾舉行下列會議，各董事於該等會議之出席情況載於下表：

	Number of meetings attended/held			
	已出席／舉行會議數目			
Board	Audit	Remuneration	Nomination	
董事會	Committee	Committee	Committee	
董事會	審核委員會	薪酬委員會	提名委員會	
Executive Directors 執行董事				
Mr. OEI Kang, Eric 黃剛先生	5/5	2/2 (Note 附註)	1/1 (Note 附註)	1/1 (Note 附註)
Dr. YUNG Pak Keung, Bruce 容伯強博士 (appointed on 4th September 2009) (於二零零九年九月四日獲委任)	3/3	N/A 不適用	N/A 不適用	N/A 不適用
Mr. LEUNG Wing Sum, Samuel 梁榮森先生	5/5	2/2 (Note 附註)	1/1 (Note 附註)	1/1 (Note 附註)
Mr. TSANG Sai Chung, Kirk 曾細忠先生 (resigned on 4th September 2009) (於二零零九年九月四日辭任)	2/2	N/A 不適用	N/A 不適用	N/A 不適用
Mr. CHAN Kwok Fong, Joseph 陳國芳先生 (resigned on 4th September 2009) (於二零零九年九月四日辭任)	2/2	1/1 (Note 附註)	1/1 (Note 附註)	1/1 (Note 附註)
Non-executive Directors 非執行董事				
Mr. LIU Zhixin 劉志新先生	2/5	N/A 不適用	N/A 不適用	N/A 不適用
Independent Non-executive Directors 獨立非執行董事				
Mr. ZHANG Songyi 張頌義先生	4/5	2/2	2/2	2/2
Mr. TANG Siu Kui, Ernest 鄧兆駒先生	5/5	2/2	2/2	2/2
Mr. YU Hon To, David 俞漢度先生	5/5	2/2	2/2	2/2

Note: The Executive Directors attended the relevant meetings as invitees.

附註：執行董事以受邀請人身分出席有關會議。

Board of Directors (continued)

Meetings of the Board and Board Committees (continued)

Notices of not less than fourteen days are given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and committee meetings, reasonable notice is generally given. The agenda and accompanying board papers are dispatched to the Directors or committee members at least 3 days before the meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings. When directors or committee members are unable to attend a meeting, they are advised of the matters to be discussed and given an opportunity to make their views known to the Chairman prior to the meeting.

Minutes of the board meetings and committee meetings are recorded in sufficient detail the matters considered by the Board and the committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each board meeting and committee meeting are sent to the Directors for comments within a reasonable time after the date on which the meeting is held. All Directors have access to the company secretary who is responsible for ensuring that the board procedures are complied with and advising the Board on compliance matters.

Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries, all Directors confirmed that they have complied with the required standards set out in the Model Code during the year ended 31st December 2009.

The Company has also adopted a code for dealing in the Company's securities by relevant employees, who are likely to be in possession of unpublished price-sensitive information in relation to the securities of the Group, on no less exacting terms than the Model Code.

董事會(續)

董事會及董事委員會會議(續)

本公司就所有定期舉行之董事會會議發出不少於十四天通知，以向全體董事提供機會出席定期會議及將相關事項納入議程。就其他董事會及委員會會議而言，一般將會作出合理通知。應於舉行會議前最少三天向董事送交議程及董事會文件，以確保彼等有充足時間審閱該等文件並就會議作充分準備。倘董事或委員會成員未能出席會議，彼等將於會議舉行前得悉將予討論之事項以使彼等獲得機會向主席發表彼等之意見。

董事會及委員會會議之會議記錄均充分載列董事會及委員會所考慮事項之詳情及所達成之決策，包括董事之任何提問。各董事會及委員會會議之會議記錄草擬本於會議舉行日期後一段合理時間內寄交董事，以獲取意見。全體董事均可與公司秘書聯絡，公司秘書須負責確保已遵守董事會程序，並就合規事宜向董事會提供意見。

董事有權於履行彼等之職務時徵求獨立專業意見，費用由本公司承擔，彼等亦獲鼓勵個別聯絡及諮詢本公司高級管理層。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載董事進行證券交易的標準守則(「標準守則」)作為本身有關董事進行證券交易之操守守則。經作出具體查詢後，全體董事均確認，彼等於截至二零零九年十二月三十一日止年度一直遵守標準守則載列之規定標準。

本公司亦已採納相關僱員買賣本公司證券之守則，該等僱員可能擁有有關本集團證券之未公佈股價敏感資料。有關守則條款不會較標準守則寬鬆。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration Committee

The Company had established a Remuneration Committee with written terms of reference. The Remuneration Committee, chaired by an Independent Non-executive Director, comprises three members namely Mr. ZHANG Songyi, Mr. TANG Siu Kui, Ernest and Mr. YU Hon To, David, all of whom are Independent Non-executive Directors.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's remuneration policy and structure for Directors and senior management, and reviewing their remuneration packages. In arriving at its recommendations, the Remuneration Committee will consult with the Chairman and the CEO whenever it thinks fit and take into consideration factors such as the remuneration paid by comparable companies, skill, knowledge, time commitment and responsibilities of Directors.

During the year, the Remuneration Committee held two meetings and reviewed the remuneration policy and structure of Directors and the newly appointed Director. No Director was involved in deciding his own remuneration at the meetings of the Committee. The attendance records of each member are set out on page 20. Details of the Directors' remuneration for the year are set out in note 9 to the consolidated financial statements.

Nomination Committee

The Company had established a Nomination Committee with written terms of reference. The Nomination Committee, chaired by an Independent Non-executive Director, comprises three members namely Mr. ZHANG Songyi, Mr. TANG Siu Kui, Ernest and Mr. YU Hon To, David, all of whom are Independent Non-executive Directors. The Nomination Committee held two meetings during the year, the attendance details of each member are set out on page 20.

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board, identifying suitable candidates for directorship, assessing the independence of Independent Non-executive Directors, and making recommendations to the Board regarding any proposed appointment or re-appointment.

During the year, the work performed by the Nomination Committee includes assessing the qualification and experience of new candidate for directorship and making recommendation to the Board on such matter.

薪酬委員會

本公司已成立薪酬委員會，並制訂其書面職權範圍。薪酬委員會由一名獨立非執行董事擔任主席，包括三名成員張頌義先生、鄧兆駒先生及俞漢度先生，彼等均為獨立非執行董事。

薪酬委員會負責就本公司董事及高級管理層之薪酬政策及結構向董事會作出推薦建議，以及審閱彼等之薪酬組合。於達致其推薦建議時，薪酬委員會於其認為合適時諮詢主席及行政總裁，並考慮可比較公司所支付薪酬、董事之技術、知識、所付出時間及職責等因素。

年內，薪酬委員會曾舉行兩次會議，以檢討董事及新委任董事之薪酬政策及結構。董事概無於委員會會議參與釐定彼本身之薪酬。各成員之出席記錄載於第20頁。年內董事薪酬詳情載於綜合財務報表附註9。

提名委員會

本公司已成立提名委員會，並制訂其書面職權範圍。提名委員會由一名獨立非執行董事擔任主席，包括三名成員張頌義先生、鄧兆駒先生及俞漢度先生，彼等均為獨立非執行董事。提名委員會於年內曾舉行兩次會議，各成員之出席詳情載於第20頁。

提名委員會負責檢討董事會結構、規模及組成；物色適合擔任董事之候選人；評估獨立非執行董事之獨立性；以及就任何建議委任或重選連任向董事會作出建議。

年內提名委員會進行之工作包括評估董事新候選人之資格及經驗，並就有關事宜向董事會提供推薦意見。

Audit Committee

The Company had established an Audit Committee with written terms of reference which have been updated from time to time to align with the Code Provisions set out in the CG Code. The Audit Committee, chaired by an Independent Non-executive Director, comprises three members namely Mr. ZHANG Songyi, Mr. TANG Siu Kui, Ernest and Mr. YU Hon To, David, all of whom are Independent Non-executive Directors.

The principal responsibilities of the Audit Committee are to, inter alia, review and supervise the Group's financial reporting process, internal control and risk management procedures as well as oversee the adequacy of the accounting and financial reporting resources.

During the year, the Audit Committee held two meetings together with senior management and external auditor, the attendance details of each member are set out on page 20. The major work performed by the Audit Committee during the year included reviewing the interim and annual financial statements, the continuing connected transactions, the internal audit reports on the internal controls and risk management matters, as well as reviewing and recommending the re-appointment of external auditor.

Auditor's Remuneration

For the year ended 31st December 2009, the fees in respect of audit and non-audit services provided to the Group by the auditor amounted to approximately HK\$950,000 and HK\$1,320,000 respectively. The non-audit services mainly related to tax advisory services and corporate exercise.

審核委員會

本公司已成立審核委員會，並制訂其不時更新之書面職權範圍，貫徹企管守則所載守則條文。審核委員會由一名獨立非執行董事擔任主席，包括三名成員張頌義先生、鄧兆駒先生及俞漢度先生，彼等均為獨立非執行董事。

審核委員會之主要職責為(其中包括)審閱及監察本集團財務申報程序、內部監控、風險管理程序以及監察會計及財務申報資源是否足夠。

年內，審核委員會與高級管理層及外聘核數師曾舉行兩次會議，各成員之出席詳情載於第20頁。審核委員會年內主要進行之工作包括審閱中期及年度財務報表、持續關連交易、內部監控之內部審核報告、風險管理事宜，以及檢討外聘核數師之續聘及就此作出建議。

核數師酬金

截至二零零九年十二月三十一日止年度，核數師就向本集團提供審核及非審核服務收取費用分別約950,000港元及1,320,000港元。非審核服務主要與稅務顧問服務及企業活動有關。

CORPORATE GOVERNANCE REPORT

企業管治報告

Internal Controls

Internal control environment

The Group has had in place an integrated framework of internal controls which is consistent with the Committee of Sponsoring Organisations of the Treadway Commission's ("COSO") framework. Under the framework, the management is primarily responsible for the design, implementation and maintenance of internal controls while the Board and its audit committee oversee the actions of the management and monitor the effectiveness of the controls that have been put in place. The framework and activities taken are illustrated below:

內部監控

內部監控環境

本集團已設立與Committee of Sponsoring Organisations of the Treadway Commission(「COSO」)架構一致之內部監控綜合架構。根據該架構，管理層主要負責設計、實施及維持內部監控工作，而董事會及其審核委員會則負責監督管理層之行動及監察已設立之監控制度成效。該架構及所採取措施說明如下：

Framework area 架構範疇	Activities taken 所採取措施
Control Environment 監控環境	<ul style="list-style-type: none">• Management takes a hands-on approach and is fully committed to setting the controls environment ensuring that individuals are controls conscious• 管理層積極參與，致力建立監控環境，確保各人均具備監控意識• The Board has set up relevant committees to ensure regulations are complied with and internal controls are carried out properly• 董事會已設立相關委員會，以確保各項規例得以遵守，而內部監控得以妥善執行• Management closely monitors the organization structure and the responsibilities of individuals granting appropriate authorities for them to handle assigned tasks• 管理層密切監察組織結構及個人責任，作出適當授權，以便處理獲指派之工作• Performance evaluations and recruitment procedures are available to ensure individuals are competent• 設有表現評估及招聘程序，以確保個別人士表現稱職
Risk Assessment 風險評估	<ul style="list-style-type: none">• Management has established clear strategic direction and business objectives• 管理層設有清晰策略指引及業務目標• Formal risk assessment has been conducted to identify and analyse key risks associated with achieving the Group's objectives which form the basis for determining key control activities• 進行正式風險評估，以找出及分析跟達致本集團目標有關之主要風險，從而作為奠定主要監控活動之基礎
Control Activities 監控活動	<ul style="list-style-type: none">• Policies/procedures on key control activities are established to ensure management directives are carried out• 制定有關主要監控活動之政策／程序，以確保管理層之指示得以執行• Ranges of activities including approvals, authorization, verifications, recommendations, performance reviews, asset security and segregation of duties are identified and implemented• 識別及推行一系列行動，當中包括：批准、授權、核實、建議、表現審核、資產保護及職責劃分

Internal Controls (continued)

Internal control environment (continued)

內部監控(續)

內部監控環境(續)

Framework area 架構範疇	Activities taken 所採取措施
Information and Communication 資訊及通訊	<ul style="list-style-type: none">• Pertinent information is identified, captured, processed and reported• 識別、擷取、處理及匯報相關資料• Access to internal and external general information is available• 可獲取內部及外界一般資訊• Management maintains an open-door policy to allow communication taking place both across and vertically through the organization• 管理層維持公開政策，以容許組織內進行縱向及橫向之溝通
Monitoring 監察	<ul style="list-style-type: none">• Management closely monitors daily operations and the related controls• 管理層密切監察日常運作及有關監控• Internal audit function, the Internal Control and Risk Management (“ICRM”) department, with adequate resources and well qualified staff conducts annual internal controls review on major operating units and projects• 具備充足資源及優秀員工之內部監控及風險管理部門(「內部監控部」)作為內部審核職能，須每年審閱主要營運單位及項目之內部監控情況• External audit function ensures financial reporting and the related controls are proper and effective• 外聘審核職能須確保財務匯報及相關監控屬恰當及有效• External legal advisor, internal company secretary and in-house legal counsel function ensures the compliance of regulations, standards and listing rules• 外聘法律顧問、內部公司秘書及內部法律顧問須確保遵守有關規例、準則及上市規則

Risk assessment and management

Under the COSO framework, management identified the business objectives of the Group and defined the related risk categories impacting those objectives. Four risk categories were considered: business, operational, financial and compliance. A systematic “top-down” approach was adopted to identify, source and evaluate individual risks and the interrelationships between risks in the key areas under those four categories, to which high priorities and resources were given. Through the ICRM department’s review, risk mitigation actions were ensured to be taken, which included establishing or enhancing internal controls and procedures.

風險評估及管理

根據COSO架構，管理層界定本集團之業務目標，以及影響該等目標之相關風險類別。所考慮之四項風險類別為：業務、營運、財務及守規。採用「由上而下」之方法，有系統識別、找出及評估在該四項類別下主要範疇中之個別風險及其相互關係，以便優先及劃撥資源處理該風險。透過內部監控部之審查，確保得以進行減低風險之行動，其中包括建立或加強內部監控及程序。

CORPORATE GOVERNANCE REPORT

企業管治報告

Internal Controls (continued)

Control processes

The Board establishes and maintains a sound internal control system through the following major processes:

- (i) Systems and procedures are in place to identify and measure risks on an ongoing basis.
- (ii) An organization structure with defined lines of responsibility and delegation of authority is devised.
- (iii) Financial performance is analysed against budget with variances being accounted for and appropriate actions are taken to rectify deficiencies.
- (iv) Having been aware of the fact that all systems of internal control can only provide reasonable but not absolute assurance, the ICRM department is required to evaluate the adequacy and effectiveness of major controls over principal operations of the Group independently. Full access to the all data and every operation of the Group is granted to the ICRM department. A risk-based approach is adopted which concentrates on areas of significant risks or where significant changes have occurred. Major findings and recommendations, if any, are reported to the Board and the audit committee after review.

Annual internal control assessment

The Board is responsible for the Group's system of internal controls and for reviewing its effectiveness. The ICRM department conducts reviews of the effectiveness of the Group's system of internal controls, including those of its subsidiaries. The Board and the Audit Committee reviews the findings and recommendations of the ICRM department in the effectiveness after such reviews.

In respect of the year ended 31st December 2009, the Board considered the internal controls system effective and adequate.

Price-sensitive Information

With respect to procedures and internal controls for the handling and dissemination of price-sensitive information, the Group has performed the following actions:

- (i) Management and relevant personnel are made aware of the Group's obligations under the Listing Rules and the overriding principle that information which is expected to be price-sensitive and/or the subject of a major decision should be announced immediately.
- (ii) Management and relevant personnel are required to conduct the Group's affairs with close regard to the "Guide on Disclosure of Price-sensitive Information" issued by the Hong Kong Stock Exchange in 2002.
- (iii) Members of the Group's top management are identified and authorised to act as the Group's spokespersons and respond to external enquiries.

內部監控(續)

監控程序

董事會透過下列主要程序，建立及維持有效之內部監控制度：

- (i) 建立制度及程序，持續識別及計算風險。
- (ii) 制定具清晰職責及授權範圍之組織架構。
- (iii) 將財務表現與預算作比較分析，考慮當中差異，並採取適當行動以修訂不足之處。
- (iv) 於瞭解所有內部監控制度僅可提供合理而非絕對保證後，內部監控部須獨立評估主要營運之主要監控是否足夠及有效。內部監控部可全面掌握本集團所有數據及各運作情況，並採納以風險為基礎之方法，集中評估有重大風險或會出現重大變動之範疇。檢討後，如有重大發現及推薦意見，會向董事會及審核委員會匯報。

年度內部監控評估

董事會負責本集團之內部監控制度及檢討其效能。內部監控部審查本集團及其附屬公司之內部監控制度效能。進行有關檢討後，董事會及審核委員會審閱內部監控部之發現及建議。

就截至二零零九年十二月三十一日止年度而言，董事會認為，有關內部監控制度屬有效及足夠。

股價敏感資料

就有關處理及發放對股價敏感資料之程序及內部監控方面，本集團已採取下列措施：

- (i) 管理層及有關人員已得悉本集團於上市規則下之責任及凌駕原則，即時公佈預期會影響股價之敏感資料及／或用作重大決定之資料。
- (ii) 管理層及有關人員需恪守香港聯交所於二零零二年頒佈之「股價敏感資料披露指引」，以進行本集團之事務。
- (iii) 本集團已選定高級管理層成員，並授權彼等擔任本集團發言人，以回應外界提問。

Directors' Responsibility for the Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31st December 2009 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows. In preparing the financial statements, the Directors have adopted generally accepted accounting standards in Hong Kong and suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on the going concern basis.

The statement of the Company's auditor about their reporting responsibilities on the financial statements of the Company is set out in the Independent Auditor's Report on pages 50 to 51.

Communication with Shareholders

The Board believes regular and timely communication with shareholders forms part of the Group's effort to help our shareholders understand our business better. Copies of the annual reports and interim reports of the Company are distributed to its shareholders in accordance with statutory and regulatory requirements and also to interested parties recorded in the Company's mailing lists. The publications of the Company, including financial reports, circulars and announcements, are also available on the Company's website at www.hkenergy.com.hk.

The Company acknowledges that general meetings are good communication channel with the shareholders. At the general meeting, each substantially separate issue will be considered by a separate resolution, including the election of individual directors, and the poll procedures will be clearly explained. The Chairman of the Board and the Chairmen of the relevant Board Committees are available to attend the annual general meeting to inter-face with and answer questions from the shareholders.

董事於財務報表之責任

董事知悉彼等須負責編製截至二零零九年十二月三十一日止年度財務報表，真實及公平地反映本公司及本集團之業務狀況以及本集團之業績及現金流量。編製財務報表時，董事已採納並持續應用香港公認會計準則及適當之會計政策，作出審慎、公平及合理之判斷及評估，並按持續經營基準編製財務報表。

本公司核數師就彼等對本公司財務報表之申報責任聲明載於第50至51頁之獨立核數師報告書。

與股東之溝通

董事會相信，定期及適時與股東溝通為本集團致力協助股東更深入瞭解本集團業務其中一環。本公司根據法定及監管規定向股東及於本公司郵寄名單中記錄之有意人士寄發本公司年報及中期報告。本公司之刊物，包括財務報告、通函及公佈亦於本公司網站www.hkenergy.com.hk可供查閱。

本公司明白股東大會為與股東溝通之良好渠道。於股東大會，將以獨立決議案方式考慮各重大個別事項，包括選舉個別董事，本公司亦將清楚解釋按股數投票表決之程序。董事會主席及有關董事委員會主席均可出席股東週年大會，與股東交流並回答提問。

DIRECTORS AND MANAGEMENT EXECUTIVES

董事及行政管理人員



Managing Director – Dr. Bruce Yung
董事總經理 — 容伯強博士

Mr. Oei Kang, Eric

(Executive Director, Chairman & Chief Executive Officer)

Mr. Oei Kang, Eric, aged 39, has been appointed as Executive Director, Chairman and Chief Executive Officer of the Company since 10th April 2008. He also holds several directorships in other members of the Group. Mr. Oei was educated in the USA and obtained a Bachelor's Degree in Economics (with a minor in Electrical Engineering), and a Master's Degree in Business Administration. Earlier in his career, Mr. Oei worked with Peregrine Securities Ltd. and PCCW Limited in Hong Kong, the LG Group in Seoul and McKinsey & Co. in Los Angeles, USA. Mr. Oei is currently an Executive Director and the Chief Executive Officer of HKC (Holdings) Limited ("HKC"), the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the controlling shareholder of the Company. He is also a director of certain subsidiaries of HKC. Mr. Oei is also a director and a shareholder of Creator Holdings Limited, the controlling shareholder of HKC.

Dr. Yung Pak Keung, Bruce

(Executive Director & Managing Director)

Dr. YUNG Pak Keung, Bruce, aged 48, has been appointed as Executive Director and Managing Director of the Company since 4th September 2009. He also holds several directorships in other members of the Group. Reporting to the Chairman and Chief Executive Officer of the Group, Dr. YUNG oversees the operations of the Company, its subsidiaries and projects in the Mainland China. Dr. YUNG is a veteran in the energy industry with over 20 years working experience across Europe, Asia and in particular China during the last 10 years. Prior to joining the Group, Dr. YUNG was the Vice President of BP in China. Dr. YUNG has also held senior management positions in Entergy Power Group (the IPP arm of Entergy Power Corporation) in China and British Gas plc in the UK before joining BP. Dr. YUNG has a BSc(Hons) and a PhD degree in Chemical Engineering from University of Birmingham and a MBA from Henley Management College. He is a Corporate Member of the UK Institution of Chemical Engineers and Institution of Gas Engineers; and is an alumnus of the Advanced Management Program at Harvard Business School in the US. He is also a director of certain subsidiaries of HKC.

黃剛先生

(執行董事、主席兼行政總裁)

黃剛先生，三十九歲，自二零零八年四月十日起出任本公司執行董事、主席兼行政總裁職務，彼並於本集團其他成員公司出任董事職務。黃先生於美國升學，持有經濟學學士學位(副修電機工程)，以及持有工商管理碩士學位。黃先生曾任職於百富勤證券有限公司、香港電訊盈科有限公司、首爾(漢城) LG Group及美國洛杉磯McKinsey & Co.。黃先生現時為香港聯合交易所有限公司(「聯交所」)主板上市之香港建設(控股)有限公司(「香港建設」)(本公司之控股股東)之執行董事兼行政總裁，彼同時亦為香港建設之若干附屬公司的董事。黃先生是創達集團有限公司(香港建設之控股股東)之董事及股東。

容伯強博士

(執行董事兼董事總經理)

容伯強博士，四十八歲，自二零零九年九月四日起出任本公司執行董事兼董事總經理職務。彼於本集團其他成員公司出任董事職務。容博士負責本公司及其於國內分公司及投資項目之營運，其工作將直接向本集團主席兼行政總裁匯報。容博士乃資深的能源業專才，在歐亞地區累積逾20年豐富工作經驗，過去10年間更一直在中國工作。加入本集團前，容博士於英國石油公司國內分公司擔任副總裁。容博士加入英國石油公司前，亦曾任職於Entergy Power Corporation國內分公司(為Entergy Power Group之獨立電力生產業務)及英國燃氣公司(British Gas plc)擔任高級管理層職位。容博士持有英國伯明翰大學化學工程榮譽學士學位及哲學博士學位，並且在英國Henley Management College取得工商管理碩士學位。容博士為英國化學工程師學會及燃氣工程師學會之企業會員，並於美國哈佛商學院(Harvard Business School)修畢高級管理課程。彼同時亦為香港建設之若干附屬公司的董事。

DIRECTORS AND MANAGEMENT EXECUTIVES

董事及行政管理人員

Mr. Leung Wing Sum, Samuel

(Executive Director)

Mr. LEUNG Wing Sum, Samuel, aged 46, has been appointed as Executive Director and Chief Financial Officer of the Company since 1st December 2008. He joined the Group in April 2008 as Qualified Accountant of the Company. He also holds several directorships in other members of the Group. Mr. LEUNG is a certified practising accountant of CPA Australia. Mr. LEUNG obtained a Master's Degree in Business from RMIT University of Australia. He has over 20 years' experience in auditing and finance management with an international audit firm and other major conglomerates in Hong Kong. Prior to joining the Group, Mr. LEUNG was a director of internal control and risk management of HKC. He is currently also a director of certain subsidiaries of HKC.

Mr. Liu Zhixin

(Non-executive Director)

Mr. LIU Zhixin, aged 51, has been appointed as Non-executive Director of the Company since 10th April 2008. He also holds several directorships in other members of the Group. Mr. LIU graduated from the Department of Law of Peking University in China, majoring in economics law. Mr. LIU was the economist and director of the department of managers in China Textile News. Mr. LIU had also served as deputy general manager of New China Hong Kong Investment Company Limited and was responsible for major investment projects and consulting business in China. Mr. LIU is currently a director of certain subsidiaries of HKC.

Mr. Zhang Songyi

(Independent Non-Executive Director)

Mr. ZHANG Songyi, aged 54, has been appointed as Independent Non-executive Director of the Company since 10th April 2008. He is also a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Mr. ZHANG obtained a Juris Doctor degree from Yale University in 1985. Mr. ZHANG currently serves in senior management and advisory capacities in several companies, including acting as the chairman of Mandra Capital, a senior advisor of Morgan Stanley Asia Limited, a director of SINA Corporation which is a company listed on the NASDAQ Stock Market. Mr. ZHANG is currently a non-executive director of Lumena Resource Corp. and an independent non-executive director of China Longyuan Power Group Corporation Limited, the shares of both companies are listed on the Stock Exchange. He was a director of Suntech Power Holdings Co., Ltd., a company listed on the New York Stock Exchange, in the last three years.

梁榮森先生

(執行董事)

梁榮森先生，四十六歲，自二零零八年十二月一日起出任本公司執行董事兼首席財務官職務，彼於二零零八年四月加入本集團為合資格會計師，彼並於本集團其他成員公司出任董事職務。梁先生為澳洲執業會計師公會執業會計師。梁先生取得澳洲RMIT大學之商業碩士學位，並於一家國際核數師事務所及香港其他主要大型企業累積逾二十年核數及財務管理經驗。梁先生於加入本集團前，為香港建設之內部監控及風險管理董事。彼現時亦為香港建設之若干附屬公司的董事。

劉志新先生

(非執行董事)

劉志新先生，五十一歲，自二零零八年四月十日起出任本公司非執行董事職務，彼並於本集團其他成員公司出任董事職務。劉先生畢業於中國北京大學法律系主修經濟法。劉先生曾任中國紡織報社經濟師及經理部主任。劉先生亦曾任香港新中港投資有限公司副總經理，主要負責中國境內重大項目投資、諮詢業務。劉先生現時亦為香港建設之若干附屬公司的董事。

張頌義先生

(獨立非執行董事)

張頌義先生，五十四歲，自二零零八年四月十日起獲委任為本公司獨立非執行董事。彼同時亦為本公司審核委員會、提名委員會及薪酬委員會之成員。張先生於一九八五年取得耶魯大學法學博士學位。張先生現於數間公司擔任高級管理層的職務，其中包括為Mandra Capital的主席，摩根士丹利亞洲有限公司的高級顧問及一家於納斯達克證券市場上市的公司SINA Corporation的董事。張先生目前為聯交所上市公司旭光資源有限公司之非執行董事及龍源電力集團股份有限公司之獨立非執行董事。在過去三年，彼曾任Suntech Power Holdings Co., Ltd. (一家於紐約證券交易所上市的公司)的董事。

Mr. Tang Siu Kui, Ernest

(Independent Non-executive Director)

Mr. TANG Siu Kui, Ernest, aged 59 has been appointed as Independent Non-executive Director of the Company since 10th April 2008. He is also a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Mr. TANG is a solicitor in private practice and at present a partner and a consultant of two law firms respectively. Mr. TANG graduated from The University of Hong Kong with a Bachelor's Degree of Laws and is admitted as a solicitor in Hong Kong, England and Australia. He is also a China Appointed Attesting Officer by the Ministry of Justice of China.

Mr. Yu Hon To, David

(Independent Non-executive Director)

Mr. YU Hon To, David, aged 62, has been appointed as Independent Non-executive Director of the Company since 10th April 2008. He is also a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Mr. YU is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. He was formerly a partner of an international accounting firm with extensive experience in corporate finance. Mr. YU is a founder and director of MCL Capital Limited, which specializes in direct investment and financial advisory activities. Mr. YU is currently an independent non-executive director of TeleEye Holdings Limited (a company listed on the GEM Board of the Stock Exchange; stock code: 8051) as well as the following companies listed on the Main Board of the Stock Exchange, namely Great China Holdings Limited (stock code: 141), Haier Electronics Group Co., Limited (stock code: 1169), Media Chinese International Limited (which is also listed in Malaysia; Hong Kong stock code: 685, Malaysia stock code: 5090), One Media Group Limited (stock code: 426), Playmates Holdings Limited (stock code: 635), Synergis Holdings Limited (stock code: 2340), and VXL Capital Limited (stock code: 727). He was a former independent non-executive director of Hantec Investment Holdings Limited (now known as Cinda International Holdings Limited) (stock code: 111), and Shun Cheong Holdings Limited (stock code: 650), which are listed on the Stock Exchange, in the last three years. He was also an independent director of BALtrans Holdings Limited, which was listed on the Main Board with stock code: 562, but was delisted in April 2008.

鄧兆駒先生

(獨立非執行董事)

鄧兆駒先生，五十九歲，自二零零八年四月十日起獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、提名委員會及薪酬委員會之成員。鄧先生為私人執業律師，目前分別為兩間律師事務所的合夥人及顧問。鄧先生畢業於香港大學，持有法律學士學位，為香港、英國及澳洲認可律師，彼亦為中國司法部的中國委託公證人。

俞漢度先生

(獨立非執行董事)

俞漢度先生，六十二歲，自二零零八年四月十日起獲委任為本公司獨立非執行董事。彼同時亦為本公司審核委員會、提名委員會及薪酬委員會之成員。俞先生為英格蘭及威爾士特許會計師協會之資深會員及香港會計師公會會員。他曾為一間國際會計師行之合夥人，對於企業財務具有豐富經驗。俞先生為偉業融資有限公司之創辦人及董事，該公司專門從事直接投資及財務顧問工作。俞先生目前亦出任千里眼控股有限公司(該公司於聯交所創業板上市；股份代號：8051)，以及下列公司(該等公司均於聯交所主板上市)之獨立非執行董事，包括大中華集團有限公司(股份代號：141)、海爾電器集團有限公司(股份代號：1169)、世界華文媒體有限公司(此公司亦於馬來西亞上市；香港股份代號：685，馬來西亞股份代號：5090)、萬華媒體集團有限公司(股份代號：426)、彩星集團有限公司(股份代號：635)、新昌管理集團有限公司(股份代號：2340)及卓越金融有限公司(股份代號：727)。在過去三年，彼曾為聯交所上市的公司亨達國際控股有限公司(現已更改名稱為信達國際控股有限公司)(股份代號：111)及順昌集團有限公司(股份代號：650)之獨立非執行董事。彼曾為保昌控股有限公司(股份代號：562)之獨立董事，該公司曾於主板上市，但已於二零零八年四月除牌。

REPORT OF THE DIRECTORS

董事會報告書

The directors of the Company (the “Directors” or the “Board”) have pleasure in presenting to shareholders of the Company (the “Shareholders”) their report together with the audited financial statements of the Company and its subsidiaries (collectively the “Group”) for the year ended 31st December 2009.

Principal Activities and Geographical Analysis of Operations

The Company is an investment holding company. The principal activities of the Group are alternative energy business and software development business. The activities of its principal subsidiaries and associated companies are set out in pages 118 to 119 of the consolidated financial statements.

An analysis of the Group’s performance for the year ended 31st December 2009 by geographical and business segments is set out in note 5 to the consolidated financial statements.

Results and Appropriations

The results of the Group for the year ended 31st December 2009 are set out in the consolidated statement of comprehensive income on page 52.

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

The Board proposed to make a bonus issue of new shares of HK\$0.01 each to the Shareholders whose names appear on the register of members of the Company on a date which is tentatively set to be on 12th May 2010 (the “Record Date”) on the basis of 1 bonus share for every 10 ordinary shares to be held. The bonus shares will be issued and credited as fully paid upon issue and will rank pari passu in all respects with the existing shares with effect from the date of issue. The bonus issue will be funded by way of capitalisation of certain amount standing to the credit of the Company’s retained earnings and is conditional upon the approval of the Shareholders at the annual general meeting of the Company to be convened, and the granting by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) of the listing of, and permission to deal in, the new shares to be issued pursuant thereto.

本公司董事(「董事」或「董事會」)欣然向本公司股東(「股東」)提呈本公司及其附屬公司(統稱「本集團」)截至二零零九年十二月三十一日止年度之報告書及經審核財務報表。

主要業務及營業地區分析

本公司為投資控股公司。本集團主要從事替代能源業務及軟件開發業務。主要附屬公司及聯營公司之業務載於綜合財務報表第118至119頁。

截至二零零九年十二月三十一日止年度，本集團按地域及業務分部劃分之業績分析列於綜合財務報表附註5。

業績及分派

本集團截至二零零九年十二月三十一日止年度之業績載於第52頁綜合全面收入報表。

董事不建議就截至二零零九年十二月三十一日止年度派付末期股息(二零零八年：無)。

董事建議向於暫定為二零一零年五月十二日(「記錄日期」)之日子名列本公司股東登記冊之股東發行每股面值0.01港元之紅股，基準為將每持有10股普通股獲發一股紅股。紅股將予發行及於發行時入賬列作繳足股款，並自發行日期起在各方面與現有股份享有同等權益。發行紅股將以本公司保留溢利內若干金額撥充資本之方式撥付，並須待股東於即將召開之本公司股東週年大會批准，及香港聯合交易所有限公司(「聯交所」)批准將據此發行之新股份上市及買賣後，方告作實。

Results and Appropriations (continued)

The Board also proposed to make a bonus issue of warrants to the Shareholders whose names appear on the register of members of the Company on the Record Date on the basis of 1 bonus warrant for every 10 ordinary shares to be held. The subscription price of HK\$0.60 is determined based on a discount of approximately 25% to the average closing price of the ordinary shares of the Company for 5 consecutive trading days immediately prior to the date of the announcement of the Company dated 22nd March 2010.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group and the Company during the year are set out in note 15 to the consolidated financial statements.

Share Capital and Warrants

Details of movements in the share capital and warrants of the Company during the year are set out in note 22 to the consolidated financial statements.

Pre-Emptive Rights

There is no provision for pre-emptive rights under the Articles of Association of the Company and there is no restriction against such rights under the laws of the Cayman Islands.

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 23 to the consolidated financial statements.

Distributable Reserves

Distributable reserves of the Company as at 31st December 2009, calculated in accordance with the Companies Law of the Cayman Islands (as revised), amounted to HK\$241.81 million (2008: HK\$249.57 million).

Five-Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 120.

業績及分派(續)

董事會另建議向於記錄日期名列本公司股東名冊之合資格股東發行紅利認股權證，基準為將每持有10股普通股獲發一份紅利認股權證。認購價為0.60港元乃按普通股於緊接本公司日期為二零一零年三月二十二日之公佈日期前連續5個交易日平均收市價折讓約25%釐定。

物業、機器及設備

年內，本集團及本公司之物業、機器及設備變動詳情載於綜合財務報表附註15。

股本及認股權證

年內，本公司之股本及認股權證詳情載於綜合財務報表附註22。

優先認股權

本公司之組織章程細則並無有關優先認股權之條文，而開曼群島法例亦無對優先認股權有所限制。

儲備

年內，本公司及本集團之儲備變動詳情載於綜合財務報表附註23。

可供分派儲備

本公司於二零零九年十二月三十一日的可供分派儲備，按照開曼群島公司法(經修訂)計算為241,810,000港元(二零零八年：249,570,000港元)。

五年財務概要

本集團過去五個財政年度之業績以及資產及負債概要載於第120頁。

REPORT OF THE DIRECTORS

董事會報告書

Donations

During the year, the Group made no charitable and other donations (2008: HK\$2,500,000).

Directors

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

- # Mr. OEI Kang, Eric
(Chairman and Chief Executive Officer)
- # Dr. YUNG Pak Keung, Bruce (Managing Director)
(appointed on 4th September 2009)
- # Mr. LEUNG Wing Sum, Samuel
- * Mr. LIU Zhixin
- @ Mr. ZHANG Songyi
- @ Mr. TANG Siu Kui, Ernest
- @ Mr. YU Hon To, David
- # Mr. TSANG Sai Chung, Kirk
(resigned on 4th September 2009)
- # Mr. CHAN Kwok Fong, Joseph
(resigned on 4th September 2009)

- # Executive Director
- * Non-executive Director
- @ Independent non-executive Director

At the forthcoming annual general meeting, Mr. TANG Siu Kui, Ernest and Mr. YU Hon To, David will retire from office by rotation in accordance with Article 85 of the Articles of Association of the Company and being eligible, will offer themselves for re-election to serve for another term. Further, Dr. YUNG Pak Keung, Bruce who was newly appointed by the Board on 4th September 2009, will also retire from office in accordance with Article 84 and will offer himself for re-election as Director of the Company.

The Company has received from each Independent Non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange and the Company considered all of them to be independent.

捐款

年內，本集團並無作出慈善及其他捐款(二零零八年：2,500,000港元)。

董事

年內及於本報告日期之董事如下：

- # 黃剛先生
(主席兼行政總裁)
- # 容伯強博士(董事總經理)
(於二零零九年九月四日獲委任)
- # 梁榮森先生
- * 劉志新先生
- @ 張頌義先生
- @ 鄧兆駒先生
- @ 俞漢度先生
- # 曾細忠先生
(於二零零九年九月四日辭任)
- # 陳國芳先生
(於二零零九年九月四日辭任)

- # 執行董事
- * 非執行董事
- @ 獨立非執行董事

根據本公司組織章程細則細則85之規定，鄧兆駒先生及俞漢度先生將於應屆股東週年大會輪值告退，惟符合資格並願意應選連任。此外，根據組織章程細則細則84之規定，於二零零九年九月四日獲董事會新委任之容伯強博士亦將退任，並願意應選連任本公司董事。

本公司已根據聯交所證券上市規則(「上市規則」)第3.13條接獲各獨立非執行董事之年度獨立身份確認函，本公司認為全體獨立非執行董事均為獨立人士。

Directors' Service Contracts

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Share Option Schemes

The Company's existing share option scheme (the "HKE Option Scheme") was adopted on 27th May 2008. Particulars of the HKE Option Scheme are set out below:—

(a) Purpose

The principal purposes are to recruit and retain high calibre Eligible Persons (as defined below) and attract human resources that are valuable to the Group or any entity in which any member of the Group holds an equity interest ("Invested Entity" or "Invested Entities"), to recognise the significant contributions of the Eligible Persons to the growth of the Group or Invested Entities by rewarding them with opportunities to obtain ownership interest in the Company and to further motivate and give incentives to these Eligible Persons to continue to contribute to the long term success and prosperity of the Group or Invested Entities.

(b) Eligible Persons

Any employee (whether full time or part time), senior executive or officer, manager, director (including executive, non-executive and independent non-executive director) or consultant of any members of the Group or any Invested Entity who, in the sole discretion of the Board, have contributed or will contribute to the growth and development of the Group or any Invested Entity.

(c) Maximum number of shares available for issue

The total number of shares of the Company available for issue under the HKE Option Scheme is 76,353,475 shares which represent 9.87% of the issued share capital of the Company as at the date of this Annual Report.

董事服務合約

概無於應屆股東週年大會應選連任之董事與本公司或其任何附屬公司訂立本集團不可於一年內予以終止而毋須賠償之服務合約(法定賠償除外)。

購股權計劃

本公司現有購股權計劃(「香港新能源購股權計劃」)於二零零八年五月二十七日採納。香港新能源購股權計劃之詳情如下：

(a) 目的

主要目的為聘請及留聘優秀之合資格人士(定義見下文)以及吸引對本集團或旗下任何成員公司持有股本權益之任何實體(「投資實體」)有價值之人力資源、透過提供機會讓合資格人士取得本公司之擁有權權益，表揚彼等對本集團或投資實體之增長所作出重大貢獻，並進一步鼓勵及獎勵該等合資格人士繼續為本集團或投資實體之長遠成功作出貢獻。

(b) 合資格人士

董事會全權酌情認為任何曾經或將會對本集團或任何投資實體之增長及發展作出貢獻之本集團旗下任何成員公司或投資實體之全職或兼職僱員、高級行政人員或主要人員、經理、董事(包括執行董事、非執行董事及獨立非執行董事)或顧問。

(c) 可供發行股份之最高數目

根據香港新能源購股權計劃可供發行之本公司股份總數為76,353,475股，相當於本公司於本年報日期之已發行股本9.87%。

REPORT OF THE DIRECTORS

董事會報告書

Share Option Schemes (continued)

(d) Maximum entitlement of each Eligible Person

The total number of shares of the Company issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-month period to:

- (i) each Eligible Person must not exceed 1% of the shares of the Company in issue;
- (ii) a substantial shareholder or an Independent Non-executive Director of the Company must not exceed 0.1% of the shares of the Company in issue and not exceed HK\$5 million in aggregate value.

(e) Period within which the shares must be taken up under an option

An option must be exercised within 10 years from the date on which it is granted or such shorter period as the Board may specify at the time of grant.

(f) Minimum period, if any, for which an option must be held

At the time of the grant of an option, the Board must specify the minimum period(s), if any, for which an option must be held before it can be exercised.

(g) Period open for acceptance of an option and amount payable upon acceptance

An offer of the grant of an option shall remain open for acceptance for a period of 10 business days from the date of offer and a consideration of HK\$1.0 must be paid upon acceptance.

(h) Basis of determining the subscription price of an option

The exercise price must be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (ii) the average closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share.

購股權計劃(續)

(d) 各合資格人士之最高限額

於授出之任何十二個月期間，行使已授出購股權(不論已獲行使或尚未行使)時已發行及將向下列人士發行之本公司股份總數：

- (i) 每名合資格人士，不得超過本公司已發行股份1%；
- (ii) 主要股東或本公司獨立非執行董事，不得超過本公司已發行股份0.1%及總值5,000,000港元。

(e) 根據購股權須認購股份之期間

購股權須於授出日期起計10年或董事會可能於授出時指明之較短期間內行使。

(f) 持有購股權之最短期限(如有)

於購股權授出時，董事會須訂明其可行使前持有之購股權最短期限(如有)。

(g) 接納購股權之期限以及接納時應付之金額

提呈授出之購股權可自提呈日期起計十個營業日期間內可供接納，接納時須支付1.0港元代價。

(h) 釐定購股權認購價之基準

行使價須最少為以下較高者：(i)股份於授出日期在聯交所每日報價表所列收市價；(ii)股份緊接於授出日期前五個營業日在聯交所每日報價表所列平均收市價；及(iii)股份面值。

Share Option Schemes (continued)

(i) Remaining life

HKE Option Scheme has a life of 10 years and will expire on 27th May 2018 unless otherwise terminated in accordance with the terms of the HKE Option Scheme.

No options had been granted by the Company under the HKE Option Scheme since inception up to the year ended 31st December 2009.

Directors' Interests in Securities

At 31st December 2009, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept 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 (the "Model Code") set out in Appendix 10 to the Listing Rules adopted by the Company were as follows:

(i) Long positions in the shares and underlying shares of the Company:

Name of Director	Nature of interest	Number of Shares	Approximate percentage of the existing issued share capital of the Company 佔本公司現有已發行股本概約百分比
董事姓名	權益性質	股份數目	
Mr. OEI Kang, Eric 黃剛先生	Corporate 公司	666,883,510 ¹	86.3177%
	Personal 個人	1,190,848 ²	0.1541%
	Joint 共同	14,783,616 ³	1.9135%
Dr. YUNG Pak Keung, Bruce 容伯強博士	Joint 共同	400,000 ⁴	0.0518%
Mr. LIU Zhixin 劉志新先生	Personal 個人	4,992 ⁵	0.0006%

購股權計劃(續)

(i) 餘下年期

除非另行根據香港新能源購股權計劃之條款終止，否則香港新能源購股權計劃年期為十年，將於二零一八年五月二十七日屆滿。

自香港新能源購股權計劃開始至截至二零零九年十二月三十一日止年度，本公司並無據此授出任何購股權。

董事於證券之權益

於二零零九年十二月三十一日，各董事及本公司主要行政人員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部之股份、相關股份及債券中擁有登記於證券及期貨條例第352條規定存置的登記冊之權益及淡倉；或根據本公司採納之上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)規定須知會本公司及聯交所之權益及淡倉如下：

(i) 於本公司股份及相關股份之好倉：

REPORT OF THE DIRECTORS

董事會報告書

Directors' Interests in Securities (continued)

(i) Long positions in the shares and underlying shares of the Company: (continued)

Notes:

1. Since HKC (Holdings) Limited ("HKC") is held as to approximately 36.06% by Creator Holdings Limited ("Creator"), a company owned as to 50% by Mr. OEI Kang, Eric and as to the remaining 50% by his wife, Mrs. OEI Valonia Lau. Mr. OEI Kang, Eric is deemed to be interested in the same parcel of shares in which HKC is interested in the Company. The corporate interest of Mr. OEI Kang, Eric includes (i) an interest in 572,598,298 shares of the Company held by HKC; (ii) an interest in a zero coupon convertible note issued by the Company to HKC with a principle amount of RMB 73.5 million carrying rights to convert into 72,932,034 shares of the Company at the conversion price of HK\$1.1388 per share (subject to adjustment); (iii) an interest in 20,031,979 underlying shares in respect of warrants issued by the Company held by Creator; and (iv) an interest in 1,321,199 underlying shares in respect of warrants issued by the Company held by Genesis Capital Group Limited ("Genesis"), a company owned as to 50% by Mr. OEI Kang, Eric and as to the remaining 50% by his wife, Mrs. OEI Valonia Lau.
2. The personal interest of Mr. OEI Kang, Eric represents an interest in 1,190,848 underlying shares in respect of warrants issued by the Company.
3. The joint interest of Mr. OEI Kang, Eric represents an interest in 1,586,000 shares and an interest in 13,197,616 underlying shares in respect of warrants issued by the Company jointly held with his wife, Mrs. OEI Valonia, Lau.
4. The joint interest of Dr. YUNG Pak Keung, Bruce represents an interest in 400,000 shares of the Company jointly held with his wife.
5. The personal interest of Mr. LIU Zhixin represents an interest in 4,992 underlying shares in respect of warrants issued by the Company.

董事於證券之權益(續)

(i) 於本公司股份及相關股份之好倉：(續)

附註：

1. 由於香港建設(控股)有限公司(「香港建設」)由創達集團有限公司(「創達」)持有約36.06%，而創達由黃剛先生及彼之妻子劉慧女士分別擁有50%，故黃剛先生被視為於香港建設於本公司擁有權益之同一批股份中擁有權益。黃剛先生之公司權益包括(i)香港建設於本公司所持572,598,298股股份之權益；(ii)本公司所發行本金額為人民幣73,500,000元附帶權利可按換股價每股1.1388港元(可予調整)轉換為72,932,034股本公司股份之零息可換股票據之權益；(iii)創達所持本公司所發行認股權證有關之20,031,979股相關股份權益；及(iv)由黃剛先生及彼之妻子劉慧女士各自擁有50%權益之華創集團有限公司(「華創」)持有與本公司所發行認股權證有關之1,321,199股相關股份權益。
2. 黃剛先生之個人權益指於與本公司所發行認股權證有關之1,190,848股相關股份權益。
3. 黃剛先生之共同權益指由彼與妻子劉慧女士共同持有之1,586,000股股份權益及與本公司所發行認股權證有關之13,197,616股相關股份權益。
4. 容伯強博士之共同權益指由彼與妻子共同持有之400,000股本公司股份權益。
5. 劉志新先生之個人權益指於與本公司所發行認股權證有關之4,992股相關股份權益。

Directors' Interests in Securities (continued)**(ii) Long positions in the shares and underlying shares of associated corporation of the Company:****董事於證券之權益(續)****(ii) 於本公司相聯法團股份及相關股份之好倉：**

Name of associated corporation	Name of Director	Nature of interest	Number of Shares	Approximate percentage of the existing issued share capital of the associated corporation
相聯法團名稱	董事姓名	權益性質	股份數目	佔相聯法團現有已發行股本概約百分比
HKC (Holdings) Limited ("HKC") 香港建設(控股)有限公司 [「香港建設」]	Mr. OEI Kang, Eric 黃剛先生	Personal 個人	20,567,310 ¹	0.2189%
		Corporate 公司	3,734,927,743 ²	39.7516%
		Joint 共同	105,548,565 ³	1.1234%
	Family 家族	3,300,000 ⁴	0.0351%	
	Mr. LEUNG Wing Sum, Samuel 梁榮森先生	Personal 個人	5,720,000 ⁵	0.0609%
Mr. LIU Zhixin 劉志新先生	Personal 個人	8,322,397 ⁶	0.0886%	

Notes:

- The personal interest of Mr. OEI Kang, Eric represents an interest in 17,267,310 underlying shares in respect of warrants issued by HKC and an interest in 3,300,000 underlying shares in respect of options granted by HKC as detailed below.
- The corporate interest of Mr. OEI Kang, Eric represents an interest in 3,388,248,209 shares of HKC and an interest in 114,875,094 underlying shares in respect of warrants issued by HKC held by Creator, and an interest in 231,804,440 shares of HKC held by Genesis.
- The joint interest of Mr. OEI Kang, Eric represents an interest in 82,905,135 shares of HKC and an interest in 22,643,430 underlying shares in respect of warrants issued by HKC jointly held with his wife, Mrs. OEI Valonia Lau.
- The family interest of Mr. OEI Kang, Eric represents an interest in 3,300,000 underlying shares in respect of options granted by HKC to Mrs. OEI Valonia Lau.
- The personal interest of Mr. LEUNG Wing Sum, Samuel represents an interest in 5,720,000 underlying shares in respect of options granted by HKC as detailed below.
- The personal interest of Mr. LIU Zhixin represents an interest in 72,397 underlying shares in respect of warrants issued by HKC and an interest in 8,250,000 underlying shares in respect of options granted by HKC as detailed below.

附註：

- 黃剛先生之個人權益指於與香港建設所發行認股權證有關之17,267,310股相關股份權益及下文所詳述香港建設所授出購股權有關之3,300,000股相關股份權益。
- 黃剛先生之公司權益指於香港建設3,388,248,209股股份之權益、與香港建設所發行且由創達持有之認股權證有關之114,875,094股相關股份權益以及華創所持於香港建設231,804,440股股份權益。
- 黃剛先生之共同權益指彼與妻子劉慧女士共同持有於香港建設82,905,135股股份之權益，以及與香港建設所發行認股權證有關之22,643,430股相關股份權益。
- 黃剛先生之家族權益指與香港建設授出劉慧女士之購股權有關之3,300,000股相關股份權益。
- 梁榮森先生之個人權益指於與下文所詳述香港建設所授出購股權有關之5,720,000股相關股份權益。
- 劉志新先生之個人權益指與香港建設所發行認股權證有關之72,397股相關股份權益及於與下文所詳述香港建設所授出購股權有關之8,250,000股相關股份權益。

REPORT OF THE DIRECTORS

董事會報告書

Directors' Interests in Securities (continued)

(iii) Interest in share options of associated corporation of the Company:

Share options granted under the share option scheme of HKC adopted on 16th June 2006 ("HKC Option Scheme").

董事於證券之權益(續)

(iii) 於本公司相聯法團購股權之權益：

根據於二零零六年六月十六日採納之香港建設購股權計劃(「香港建設購股權計劃」)授出之購股權。

Name	Nature of interest	Number of outstanding share options at 31st December 2009 (Note)	Date of grant	Exercise period	Exercise price per share (Note) (HK\$)
姓名	權益性質	於二零零九年十二月三十一日未行使之購股權數目 (附註)	授出日期	行使期	每股行使價 (附註) (港元)
Mr. OEI Kang, Eric 黃剛先生	Personal 個人	618,750	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至 二零一六年十二月十四日	1.291
		1,031,250	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至 二零一六年十二月十四日	1.291
		330,000	1st February 2008 二零零八年二月一日	1st February 2009 to 31st January 2018 二零零九年二月一日至 二零一八年一月三十一日	1.505
		495,000	1st February 2008 二零零八年二月一日	1st February 2010 to 31st January 2018 二零一零年二月一日至 二零一八年一月三十一日	1.505
		825,000	1st February 2008 二零零八年二月一日	1st February 2011 to 31st January 2018 二零一一年二月一日至 二零一八年一月三十一日	1.505
	Family 家族	618,750	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至 二零一六年十二月十四日	1.291

Directors' Interests in Securities (continued)

(iii) Interest in share options of associated corporation of the Company: (continued)

董事於證券之權益(續)

(iii) 於本公司相聯法團購股權之權益：(續)

Name	Nature of interest	Number of outstanding share options at 31st December 2009 (Note)	Date of grant	Exercise period	Exercise price per share (Note) (HK\$)
姓名	權益性質	於二零零九年十二月三十一日未行使之購股權數目 (附註)	授出日期	行使期	每股行使價 (附註) (港元)
Mr. OEl Kang, Eric 黃剛先生	Family 家族	1,031,250	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至 二零一六年十二月十四日	1.291
		330,000	1st February 2008 二零零八年二月一日	1st February 2009 to 31st January 2018 二零零九年二月一日至 二零一八年一月三十一日	1.505
		495,000	1st February 2008 二零零八年二月一日	1st February 2010 to 31st January 2018 二零一零年二月一日至 二零一八年一月三十一日	1.505
		825,000	1st February 2008 二零零八年二月一日	1st February 2011 to 31st January 2018 二零一一年二月一日至 二零一八年一月三十一日	1.505
Mr. LEUNG Wing Sum, Samuel 梁榮森先生	Personal 個人	1,320,000	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至 二零一六年十二月十四日	1.291
		2,200,000	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至 二零一六年十二月十四日	1.291
		440,000	1st February 2008 二零零八年二月一日	1st February 2009 to 31st January 2018 二零零九年二月一日至 二零一八年一月三十一日	1.505

REPORT OF THE DIRECTORS

董事會報告書

Directors' Interests in Securities (continued)

(iii) Interest in share options of associated corporation of the Company: (continued)

董事於證券之權益(續)

(iii) 於本公司相聯法團購股權之權益：(續)

Name	Nature of interest	Number of outstanding share options at 31st December 2009 (Note)	Date of grant	Exercise period	Exercise price per share (Note) (HK\$)
姓名	權益性質	於二零零九年十二月三十一日未行使之購股權數目 (附註)	授出日期	行使期	每股行使價 (附註) (港元)
Mr. LEUNG Wing Sum, Samuel 梁榮森先生	Personal 個人	660,000	1st February 2008 二零零八年二月一日	1st February 2010 to 31st January 2018 二零一零年二月一日至 二零一八年一月三十一日	1.505
		1,100,000	1st February 2008 二零零八年二月一日	1st February 2011 to 31st January 2018 二零一一年二月一日至 二零一八年一月三十一日	1.505
Mr. LIU Zhixin 劉志新先生	Personal 個人	1,980,000	15th December 2006 二零零六年十二月十五日	15th December 2007 to 14th December 2016 二零零七年十二月十五日至 二零一六年十二月十四日	1.291
		3,300,000	15th December 2006 二零零六年十二月十五日	15th December 2008 to 14th December 2016 二零零八年十二月十五日至 二零一六年十二月十四日	1.291
		594,000	1st February 2008 二零零八年二月一日	1st February 2009 to 31st January 2018 二零零九年二月一日至 二零一八年一月三十一日	1.505
		891,000	1st February 2008 二零零八年二月一日	1st February 2010 to 31st January 2018 二零一零年二月一日至 二零一八年一月三十一日	1.505
		1,485,000	1st February 2008 二零零八年二月一日	1st February 2011 to 31st January 2018 二零一一年二月一日至 二零一八年一月三十一日	1.505

Directors' Interests in Securities (continued)

(iii) Interest in share options of associated corporation of the Company: (continued)

Note: In accordance with the HKC Option Scheme, the exercise price of the share options was adjusted from HK\$1.420 per share and HK\$1.656 per share to HK\$1.291 per share and HK\$1.505 per share respectively, and the total number of shares to be issued upon exercise of the outstanding share options was also adjusted correspondingly on 30th October 2009 as a result of the bonus issue of shares by HKC in October 2009.

Save as disclosed above, as at 31st December 2009, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules.

Directors' Right to Acquire Shares Or Debentures

Save as disclosed under the section headed "Directors' Interest in Securities" above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement that enabled the Directors of the Company or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Interests in Contracts of Significance

No contract of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' Interests in Competing Businesses

Mr. OEI Kang, Eric is an executive director of HKC and Dr. YUNG Pak Keung, Bruce, Mr. LEUNG Wing Sum, Samuel and Mr. LIU Zhixin are directors of certain subsidiaries of HKC. One of the business activities of HKC and its subsidiaries is alternative energy business.

Mr. ZHANG Songyi is a director and his associates are shareholders of GCL Solar Energy Holdings Inc. which is engaged in alternative energy business.

Save as disclosed above, none of the Directors or their respective associate(s) was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

董事於證券之權益(續)

(iii) 於本公司相聯法團購股權之權益：(續)

附註：按照香港建設購股權計劃，由於香港建設於二零零九年十月發行紅股，故於二零零九年十月三十日，購股權行使價由每股1.420港元及每股1.656港元分別調整至每股1.291港元及每股1.505港元，而尚未行使購股權獲行使時可予發行之股份總數亦相應作出調整。

除上文披露者外，於二零零九年十二月三十一日，概無董事或本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中擁有登記於證券及期貨條例第352條規定存置的登記冊之任何權益或淡倉；或根據上市規則所載標準守則規定須知會本公司及聯交所之任何權益或淡倉。

董事購買股份或債券之權利

除於上文「董事於證券之權益」一節披露者外，於本年內任何時間，本公司或其任何附屬公司概無訂立任何安排致使本公司董事或彼等各自之配偶或18歲以下子女可藉購入本公司或任何其他法人團體之股份或債券而獲益。

董事於重大合約之權益

於年終或年內任何時間，並無任何本公司或其附屬公司所訂立任何董事直接或間接擁有重大權益之重大合約。

董事在競爭業務之權益

黃剛先生為香港建設之執行董事，而容伯強博士、梁榮森先生及劉志新先生為香港建設若干附屬公司之董事。香港建設及其附屬公司其中一項業務為替代能源業務。

張頌義先生為GCL Solar Energy Holdings Inc.之董事，彼之聯繫人士為該公司之股東，該公司從事替代能源業務。

除上文披露者外，董事或彼等各自之聯繫人士概無於對本集團業務直接或間接構成或可能構成競爭之業務中擁有任何權益。

REPORT OF THE DIRECTORS

董事會報告書

Substantial Shareholders' Interests in Securities

At 31st December 2009, the following persons (other than a director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long positions in the shares and underlying shares of the Company

主要股東於證券之權益

於二零零九年十二月三十一日，以下人士(董事或本公司主要行政人員除外)於本公司之股份及相關股份中擁有登記於證券及期貨條例第336條規定存置的登記冊之權益或淡倉：

於本公司股份及相關股份之好倉

Name of Shareholder	Nature of interest	Number of shares	Approximate percentage of existing issued share capital of the Company 佔本公司現有已發行股本概約百分比
股東姓名／名稱	權益性質	股份數目	
HKC (Holdings) Limited ("HKC") 香港建設(控股)有限公司(「香港建設」)	Beneficial owner 實益擁有人	645,530,332 ¹	83.5538%
Creator (Holdings) Limited ("Creator") 創達集團有限公司(「創達」)	Corporate 公司	665,562,311 ²	86.1467%
Mrs. OEI Valonia Lau 劉慧女士	Family 家族	682,857,974 ³	83.3853%

Notes:

- The beneficial interest of HKC includes (i) an interest in 572,598,298 shares of the Company and (ii) an interest in a zero coupon convertible note issued by the Company with a principle amount of RMB73.5 million carrying rights to convert into 72,932,034 shares in the Company at the conversion price of HK\$1.1388 per share (subject to adjustment).
- Creator is beneficially interested in 36.06% of the issued share capital of HKC and thus, is deemed to be interested in the same parcel of shares in which HKC is interested. In addition, its corporate interest includes an interest in 20,031,979 underlying shares in respect of warrants issued by the Company held by Creator.
- Mrs. OEI Valonia Lau is deemed to be interested in the same parcel of shares in which Mr. OEI Kang, Eric is taken to be interested.

Save as disclosed above, as at 31st December 2009, the Company had not been notified by any person, other than directors and chief executive of the Company, who had interests or short positions in the shares and underlying shares of the Company which are required to be recorded in the register required to be kept under section 336 of Part XV of the SFO.

附註：

- 香港建設之實益權益包括於(i)本公司572,598,298股股份權益及(ii)本公司所發行本金額為人民幣73,500,000元附帶權利可按換股價每股1.1388港元(可予調整)轉換為72,932,034股本公司股份之零息可換股票據之權益。
- 創達實益擁有香港建設已發行股本之36.06%權益，因此被視為於香港建設擁有權益之同一批股份中擁有權益。此外，其公司權益包括與本公司發行由創達持有之認股權證有關之20,031,979股相關股份權益。
- 劉慧女士被視為於黃剛先生被當作擁有權益之同一批股份中擁有權益。

除上文披露者外，於二零零九年十二月三十一日，本公司並不知悉有任何人士(本公司董事及主要行政人員除外)於本公司之股份及相關股份中擁有登記於證券及期貨條例第XV部第336條規定存置的登記冊之權益或淡倉。

Connected Transactions

Details of the connected transactions entered into by the Group during the year are set out below:

- (i) On 21 May 2009, the Company's wholly owned subsidiary entered into an agreement to dispose of its 55% shareholding interest in Hong Kong Biomass Energy (BVI) Co., Limited (the "JV Co") to the other 45% shareholder, GeneHarbor (Hong Kong) Technologies Limited ("GeneHarbor"), at a cash consideration of HK\$23.1 million. As 45% shareholding interest in the JV Co was held by GeneHarbor and the JV Co was a non-wholly owned subsidiary of the Company, GeneHarbor was a connected person of the Company and the disposal constituted a discloseable and connected transaction for the Company under Rule 14.06(2) and Rule 14A.13(1)(a) of the Listing Rules and was subject to the reporting, announcement and independent shareholders approval requirements in Chapter 14A of the Listing Rules.
- (ii) On 20 November 2009, the Group (as the Purchaser), Hong Kong Construction (Hong Kong) Limited (as the Vendor) and HKC (Holdings) Limited (as the Vendor Guarantor) entered into a sale and purchase agreement, pursuant to which (a) the Group has agreed to acquire from the Vendor all the issued shares in the capital of HKE Danjinghe (BVI) Wind Power Limited ("Hold Co"); (b) the Vendor has agreed to assign to the Purchaser 25% of the shareholders' loan owed by HKE (Danjinghe) Wind Power Limited ("HKE (Danjinghe)") to the Vendor (the "Vendor Loan") immediately before completion of the transaction in the sum of approximately HK\$235.3 million; and (c) the Vendor has agreed to procure its wholly-owned subsidiary to assign to the Purchaser 25% of the shareholders' loan owed by HKE (Danjinghe) to that wholly-owned subsidiary (the "HKE (BVI) Loan") immediately before completion of the transaction in the sum of approximately HK\$50.2 million, for a consideration of RMB73.5 million (equivalent to approximately HK\$83.1 million).

The principal asset of Hold Co, an investment holding company, is its 25% beneficial interest in HKE (Danjinghe), which in turn holds a 40% beneficial interest in 中節能港建風力發電(張北)有限公司 (CECIC HKC Wind Power Company Limited) (the "Project Company"), a joint venture company incorporated in the PRC whose principal business is the development, construction and operation of wind farms in Danjinghe, Zhangbei, the PRC. Hence, the Purchaser has acquired an effective equity interest of 10% in the Project Company upon completion.

關連交易

本集團於年內所訂立之關連交易詳情載列如下：

- (i) 於二零零九年五月二十一日，本公司全資附屬公司訂立協議，以23,100,000港元之現金代價向另一名持有45%權益之股東基因港(香港)科技有限公司(「基因港」)出售其於香港生物質能源(BVI)有限公司(「合營企業」)之55%股權。由於基因港持有合營企業之45%股權，而合營企業為本公司之非全資附屬公司，因此基因港為本公司之關連人士，而出售事項構成上市規則第14.06(2)條及第14A.13(1)(a)條項下本公司之一項須予披露關連交易，須遵守上市規則第14A章項下申報、公告及獨立股東批准之規定。
- (ii) 於二零零九年十一月二十日，本集團(作為買方)、香港建設(香港)有限公司(作為賣方)與香港建設(控股)有限公司(作為賣方擔保人)訂立買賣協議，據此，(a)本集團同意向賣方收購香港新能源單晶河(BVI)風能有限公司(「持股公司」)股本中全部已發行股份；(b)賣方同意於緊接總額約235,300,000港元之交易完成前向買方轉讓香港新能源(單晶河)風能有限公司(「香港新能源(單晶河)」)結欠賣方之股東貸款之25%(「賣方貸款」)；及(c)賣方同意於緊接總額約50,200,000港元之交易完成前促使其全資附屬公司向買方轉讓香港新能源(單晶河)結欠該全資附屬公司之股東貸款之25%(「香港新能源(英屬處女群島)貸款」)，代價為人民幣73,500,000元(約相當於83,100,000港元)。

持股公司(一間投資控股公司)之主要資產為其於香港新能源(單晶河)之實益權益之25%，即持有中節能港建風力發電(張北)有限公司(「項目公司」)之實益權益之40%。項目公司為於中國註冊成立之中外合資企業，主要業務為在中國張北單晶河開發、興建及運營風力場。因此，於完成時，買方購入項目公司10%實際股本權益。

REPORT OF THE DIRECTORS

董事會報告書

Connected Transactions (continued)

(ii) (continued)

The Consideration shall be payable on completion by way of issue of the Convertible Note by the Purchaser to the Vendor (or any person nominated by the Vendor). The Conversion Price of HK\$1.1388 was determined based on the higher of (a) HK\$1.0 per share of the Company and (b) the average closing price per share of the Company as quoted on the daily quotation sheets of the Stock Exchange for five (5) trading days following the date of the announcement on 20 November 2009, with a premium of 30%, subject to adjustments. The Convertible Note will be non-interest bearing and its maturity date will be the third anniversary of the date of its issue.

The transactions therefore constitute a major transaction for the Company under Rule 14.06(3) of the Listing Rules. Since the Company was indirectly owned as to approximately 74.3% by HKC as at the date of the announcement on 20 November 2009, HKC and its associates are connected persons of the Company. The Vendor is an associate of HKC by reason of its being a wholly-owned subsidiary of HKC, and therefore a connected person of the Company. As such, the transactions also constituted a connected transaction of the Company under Rule 14A.13(1)(a) of the Listing Rules.

In addition, since HKE (Danjinghe), being an associate of HKC, is a connected person of the Company, the continued existence of 25% of the Vendor Loan and 25% of the HKE (BVI) Loan (becoming owed by HKE (Danjinghe) to the Company as a result of the assignment of those loans as part of the transactions) following completion also constitute the provision of financial assistance by the Company to a connected person under Rule 14A.13(2)(a)(i) of the Listing Rules. The Vendor Loan and the HKE (BVI) Loan are non-interest bearing.

Pursuant to the Listing Rules, the transactions were subject to the approval by the Company's independent shareholders at the extraordinary general meeting held on 30 December 2009. HKC and its associates had abstained from voting in respect of the resolution(s) approving the transactions, the sale and purchase agreement and the transactions contemplated thereunder.

關連交易 (續)

(ii) (續)

買方須於完成時以發行可換股票據之方式向賣方或賣方指定之任何人士支付代價。換股價1.1388港元為(a)每股本公司股份1.0港元或(b)於二零零九年十一月二十日之公佈日期後五(5)個交易日聯交所每日報價表所報每股本公司股份之平均收市價兩者中之較高者，另加30%溢價(可予調整)。可換股票據乃不付息，其到期日乃於其發行日期起計第三週年。

根據上市規則第14.06(3)條，該等交易因而構成本公司之主要交易。由於香港建設於二零零九年十一月二十日之公佈日期間接持有本公司約74.3%權益，故香港建設及其聯繫人士均為本公司之關連人士。賣方基於其為香港建設之全資附屬公司，故為香港建設之聯繫人士，因而成為本公司之關連人士。因此，根據上市規則第14A.13(1)(a)條，該等交易亦構成本公司之關連交易。

此外，由於作為香港建設聯繫人士之香港新能源(單晶河)是本公司之關連人士，根據上市規則第14A.13(2)(a)(i)條，於完成後，因轉讓有關貸款作為該等交易其中一環，令賣方貸款25%及香港新能源(英屬處女群島)貸款25%(成為由香港新能源(單晶河)結欠本公司)繼續存在，亦將構成本公司向關連人士提供財務資助。賣方貸款及香港新能源(英屬處女群島)貸款均不付息。

根據上市規則，該等交易於二零零九年十二月三十日舉行之股東特別大會獲本公司獨立股東批准，方可作實。香港建設及其聯繫人士已就批准該等交易、買賣協議及據此擬進行交易之決議案放棄表決。

Continuing Connected Transactions

On 14th August 2008, the Group entered into an Agreement for Office Space and Services Provision with HKC, in relation to the granting of a license to occupy and use the office space and the provision of management services by HKC to the Group, and the sharing of administrative expenses for the period from 1st August 2008 to 31st December 2010.

The entering into of the Agreement for Office Space and Services Provision and the transactions contemplated thereunder constitute continuing connected transactions (“Continuing Connected Transactions”) of the Company under Rule 14A.14 of the Listing Rules, of which the granting of the license and the provision of the management services are subject to the reporting and announcement requirements under the Listing Rules. The annual caps for the granting of the license and the provision of the management services under the Agreement for Office Space and Services Provision in respect of the year ended 31st December 2009 are HK\$1,527,000 and HK\$4,065,000 respectively.

Opinion from the Independent Non-executive Directors on the continuing connected transactions

In accordance with rule 14A.37 of the Listing Rules, the Independent Non-executive Directors of the Company have reviewed and approved the Continuing Connected Transactions and the Continuing Connected Transactions were carried out in accordance with the following principles:—

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms no less favourable than terms available from independent third parties;
- (c) in accordance with the terms of the relevant agreement governing the Continuing Connected Transactions; and
- (d) on a fair and reasonable basis and in the interest of the Company and its shareholders as a whole.

Report from the auditor on the continuing connected transactions

In accordance with rule 14A.38 of the Listing Rules, PricewaterhouseCoopers, the auditor of the Company, has performed certain agreed upon procedures in respect of the Continuing Connected Transactions and reported that the transactions entered into:—

- (a) were approved by the Board of the Company;
- (b) have been carried out in accordance with the terms of the relevant agreement governing the Continuing Connected Transactions; and
- (c) have not exceeded the relevant annual caps.

持續關連交易

於二零零八年八月十四日，本集團與香港建設訂立辦公室共用及服務供應協議，內容有關由香港建設向本集團授出特許權，以於二零零八年八月一日至二零一零年十二月三十一日期間佔用及使用辦公室及提供管理服務以及分擔行政開支。

根據上市規則第14A.14條，訂立辦公室共用及服務供應協議及據此擬進行之交易構成本公司之持續關連交易（「持續關連交易」），其中授出特許權及提供管理服務須遵守上市規則之申報及公告規定。就截至二零零九年十二月三十一日止年度，辦公室共用及服務供應協議項下授出特許權及提供管理服務之年度上限分別為1,527,000港元及4,065,000港元。

獨立非執行董事對持續關連交易之意見

根據上市規則第14A.37條，本公司獨立非執行董事已審閱及批准持續關連交易，並確認持續關連交易乃按以下原則進行：

- (a) 本集團一般日常業務中；
- (b) 不遜於獨立第三方提供之一般商業條款；
- (c) 根據規管持續關連交易之相關協議條款；及
- (d) 按公平合理基準且符合本公司及其股東整體利益。

核數師就持續關連交易發出之報告

根據上市規則第14A.38條，本公司核數師羅兵咸永道會計師事務所已就持續關連交易執行若干協定程序，並報告交易乃於以下情況訂立：

- (a) 經本公司董事會批准；
- (b) 根據監管持續關連交易之相關協議條款；及
- (c) 並無超出有關年度上限。

REPORT OF THE DIRECTORS

董事會報告書

Disclosure pursuant to Rules 13.20 and 13.22 of the Listing Rules

As mentioned in “Connected Transactions” above, the continued existence of 25% of the Vendor Loan and 25% of the HKE (BVI) Loan owed by HKE (Danjinghe) to the Company as a result of the assignment of those loans as part of the transactions contemplated under the sale and purchase agreement entered into by the Group on 20 November 2009, constituted the provision of financial assistance by the Company to a connected person under Rule 14A.13(2)(a)(i) of the Listing Rules. HKE (Danjinghe) is owned as to 25% by the Company and thus is an affiliated company of the Group. The Vendor Loan and the HKE (BVI) Loan are unsecured, interest free and have no definite repayment terms.

In accordance with the requirement under Rule 13.20 of the Listing Rules, HKE (Danjinghe) was indebted to the Group for the 25% of the Vendor Loan and the 25% of the HKE (BVI) Loan in an aggregate amount of HK\$71.42 million which represented approximately 18.03% of the Group's total assets value as at 31 December 2009.

In accordance with the requirement under Rule 13.22 of the Listing Rules, the pro forma combined balance sheet of the affiliated company and the Group's attributable interests in the affiliated company based on its latest financial statements available are presented below:

		Combined balance sheet 合併資產負債表 HK\$ million 百萬港元	Group's attributable interests 本集團應佔權益 HK\$ million 百萬港元
Assets	資產	297.6	74.4
Liabilities	負債	(285.7)	(71.4)
Net assets	資產淨值	11.9	3.0

Management Contract

Apart from the Agreement for Office Space and Services Provision dated 14th August 2008 described under “Continuing Connected Transactions” above and in note 28(a) to the consolidated financial statements, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Major Customers and Suppliers

During the year, the Group had 2 customers only and the percentages of the Group's sales attributable to the major customers are as follows:

Sales

- The largest customer 94%
- The remaining customer 6%

The Group purchases less than 30% of its goods and services from its 5 largest suppliers for the year.

None of the Directors, any of their associates, or Shareholders (which to the knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's customer noted above.

根據上市規則第13.20條及第13.22條作出之披露

誠如上文「關連交易」所述，根據上市規則第14A.13(2)(a)(i)條，因本集團於二零零九年十一月二十日所訂立之買賣協議項下擬進行交易其中一環之有關貸款轉讓，令賣方貸款25%及香港新能源(英屬處女群島)貸款25%繼續由香港新能源(單晶河)結欠本公司，構成本公司向關連人士提供財務資助。本公司持有香港新能源(單晶河)25%權益，因此為本集團之聯屬公司。賣方貸款及香港新能源(英屬處女群島)貸款為無抵押、免息及無固定還款期。

根據上市規則第13.20條之規定，香港新能源(單晶河)結欠本集團合共71,420,000港元之賣方貸款25%及香港新能源(英屬處女群島)貸款25%，相當於本集團於二零零九年十二月三十一日之資產總值約18.03%。

根據上市規則第13.22條之規定，聯屬公司之備考合併資產負債表及本集團應佔該聯屬公司權益，乃根據最近期財務報表呈列如下：

	Combined balance sheet 合併資產負債表 HK\$ million 百萬港元	Group's attributable interests 本集團應佔權益 HK\$ million 百萬港元
Assets	297.6	74.4
Liabilities	(285.7)	(71.4)
Net assets	11.9	3.0

管理合約

除上文「持續關連交易」所述日期為二零零八年八月十四日之辦公室共用及服務供應協議以及綜合財務報表附註28(a)所述者外，本公司於年內並無訂立或訂有任何有關本公司全部或任何重大部份業務之管理及行政合約。

主要客戶及供應商

年內，本集團僅有兩名客戶，主要客戶應佔本集團銷售額之百分比為如下：

銷售額：

- 最大客戶94%
- 餘下客戶6%

本集團於年內自其五大供應商購買之貨物及服務少於30%。

董事、彼等任何聯繫人士或股東(據董事所知擁有本公司已發行股本超過5%者)概無於上述本集團客戶中擁有任何權益。

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

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

Corporate Governance

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 17 to 27.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Specified employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with guidelines on no less exacting terms than the Model Code. A Code for Securities Dealings by Employees has also been adopted in this regard.

Retirement Benefits Schemes

Information on the Group's retirement benefits schemes is set out in note 10 to the consolidated financial statements.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

Review of the Annual Report by Audit Committee

The audit committee of the Company comprises three independent non-executive directors with written terms of reference in accordance with the requirements of the Listing Rules, and reports to the Board. The audit committee has reviewed the audited consolidated financial statements for the year ended 31st December 2009.

Auditor

The consolidated financial statements of the Company for the financial years ended 31st December 2006 and 2007 were audited by Messrs. Deloitte Touche Tohmatsu ("DTT"), the former auditor of the Company. DTT retired and did not seek for re-appointment at 2008 annual general meeting. Messrs. PricewaterhouseCoopers, were appointed as auditor of the Company at 2008 annual general meeting to fill the casual vacancy until the next annual general meeting the Company.

The consolidated financial statements for the years ended 31st December 2008 and 2009 have been audited by Messrs. PricewaterhouseCoopers who retire and, being eligible, offer themselves for reappointment. A resolution for the reappointment of Messrs. PricewaterhouseCoopers as auditor of the Company is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

OEI Kang, Eric
Chairman

Hong Kong, 22nd March 2010

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司概無於截至二零零九年十二月三十一日止年度購買、出售或贖回本公司任何上市股份。

企業管治

本公司之企業管治常規載於第17至27頁之企業管治報告。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載董事進行證券交易的標準守則作為其本身董事進行證券交易之操守守則。可能擁有本集團尚未公開之股價敏感資料之特定僱員，亦須遵守不遜於標準守則條款之指引。本公司亦已就此採納僱員買賣證券守則。

退休福利計劃

本集團之退休福利計劃資料載於綜合財務報表附註10。

足夠公眾持股量

根據本公司所獲公開資料及就董事所知，於本報告日期，本公司維持足夠公眾持股量，即根據上市規則規定，本公司已發行股份25%以上由公眾人士持有。

審核委員會審閱年報

本公司審核委員會包括三名獨立非執行董事，已根據上市規則規定制訂書面職權範圍，並須向董事會匯報。審核委員會已審閱本集團截至二零零九年十二月三十一日止年度之經審核綜合財務報表。

核數師

本公司截至二零零六年及二零零七年十二月三十一日止財政年度之綜合財務報表乃由本公司前核數師德勤·關黃陳方會計師行(「德勤」)進行審核。德勤已退任且並無於二零零八年股東週年大會尋求續聘。羅兵咸永道會計師事務所已於二零零八年股東週年大會獲委任為本公司核數師，以填補臨時空缺，直至本公司下屆股東週年大會為止。

本公司截至二零零八年及二零零九年十二月三十一日止年度之綜合財務報表已由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將告退並符合資格及願意獲續聘。有關續聘羅兵咸永道會計師事務所為本公司核數師之決議案將於應屆股東週年大會提呈。

代表董事會

黃剛
主席

香港，二零一零年三月二十二日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22nd Floor, Prince's Building
Central, Hong Kong

羅兵咸永道會計師事務所
香港中環
太子大廈二十二樓

TO THE SHAREHOLDERS OF HONG KONG ENERGY (HOLDINGS) LIMITED

(incorporated in Cayman Islands with limited liability)

致香港新能源(控股)有限公司股東

(於開曼群島註冊成立之有限公司)

We have audited the consolidated financial statements of Hong Kong Energy (Holdings) Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 52 to 119, which comprise the consolidated and company balance sheets as at 31st December 2009, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

本核數師(以下簡稱「我們」)已審核列載於第52至119頁香港新能源(控股)有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，此綜合財務報表包括於二零零九年十二月三十一日之綜合及公司資產負債表與截至該日止年度之綜合全面收入報表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

Directors' responsibility for the financial statements

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

董事就財務報表須承擔之責任

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

Auditor's responsibility

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

核數師之責任

我們之責任是根據我們之審核對該等綜合財務報表作出意見，並僅向整體股東報告，除此之外，本報告別無其他目的。我們不會就本報告之內容向任何其他人士負上或承擔任何責任。

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

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

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

Opinion

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 22nd March 2010

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

審核涉及執程序，以獲取有關財務報表所載金額及披露資料之審核憑證。所選定的程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關之內部控制，以設計適當審核程序，但並非為對公司之內部控制的效能發表意見。審核亦包括評價董事所採用會計政策之合適性及所作出會計估計之合理性，以及評價財務報表之整體列報方式。

我們相信，我們所獲得的審核憑證充足和適當地為我們之審核意見提供基礎。

意見

我們認為，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之事務狀況及 貴集團截至該日止年度之虧損及現金流量，並已按照香港《公司條例》之披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一零年三月二十二日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入報表

For the year ended 31st December 2009
截至二零零九年十二月三十一日止年度

		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
Revenue	收益	5	10,609	13,877
Cost of sales	銷售成本	7	(4,896)	(5,889)
Gross profit	毛利		5,713	7,988
Selling and distribution costs	銷售及分銷成本	7	(1,552)	(2,914)
Administrative expenses	行政費用	7	(36,161)	(50,964)
Other expenses	其他費用	6	(817)	(58,694)
Operating loss	經營虧損		(32,817)	(104,584)
Finance income	財務收入	8	443	3,074
Finance costs	融資成本	8	-	(160)
Finance income – net	財務收入 – 淨額	8	443	2,914
Gain on disposal of subsidiaries	出售附屬公司收益	29(b)	7,624	-
Excess of fair value of net assets acquired over cost of acquisition of an associated company	所收購資產淨值之公平值 超出收購一間聯營公司 成本之數額	11, 30	27,693	-
Share of loss of an associated company	應佔一間聯營公司虧損	18	(289)	-
Profit/(loss) before income tax	所得稅前溢利/(虧損)		2,654	(101,670)
Income tax (expense)/credit	所得稅(開支)/抵免	11	(14,336)	6,963
Loss for the year	本年度虧損		(11,682)	(94,707)
Other comprehensive income:	其他全面收入:			
Currency translation differences	匯兌換算差額		32	1,085
Other comprehensive income for the year, net of tax	本年度其他全面收入， 扣除稅項		32	1,085
Total comprehensive income for the year	本年度全面收入總額		(11,650)	(93,622)
Loss attributable to:	以下應佔虧損:			
Equity holders of the Company	本公司股東權益持有人		(10,431)	(89,720)
Minority interest	少數股東權益		(1,251)	(4,987)
			(11,682)	(94,707)
Total comprehensive income attributable to:	以下應佔全面收入總額:			
Equity holders of the Company	本公司股東權益持有人		(10,399)	(88,635)
Minority interest	少數股東權益		(1,251)	(4,987)
			(11,650)	(93,622)
Dividends	股息	14	-	-
Loss per share for loss attributable to the equity holders of the Company, expressed in HK cents per share – Basic and diluted	本公司股東權益持有人 應佔虧損之每股虧損， 以每股港仙呈列 – 基本及攤薄	13	(1.36)	(11.75)

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31st December 2009
於二零零九年十二月三十一日

	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
ASSETS			
Non-current assets			
Property, plant and equipment	15	442	762
Construction in progress	16	3,311	–
Intangible assets	17	5,539	35,557
Investment in associated companies	18	208,076	–
Deferred income tax assets	25	–	203
Total non-current assets		217,368	36,522
Current assets			
Trade and other receivables	20	6,457	2,383
Cash and cash equivalents	21	172,226	289,095
Total current assets		178,683	291,478
Total assets		396,051	328,000
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	22	7,726	7,635
Reserves	23	299,288	301,176
Equity attributable to equity holders of the Company		307,014	308,811
Minority interest		–	13,913
Total equity		307,014	322,724
LIABILITIES			
Non-current liabilities			
Convertible note	24	76,007	–
Deferred income tax liabilities	25	4,643	1,709
Total non-current liabilities		80,650	1,709
Current liabilities			
Other payables	26	8,387	3,520
Current income tax liabilities		–	47
Total current liabilities		8,387	3,567
Total liabilities		89,037	5,276
Total equity and liabilities		396,051	328,000
Net current assets		170,296	287,911
Total assets less current liabilities		387,664	324,433

OEI Kang, Eric
LEUNG Wing Sum, Samuel
Directors

黃剛
梁榮森
董事

BALANCE SHEET

資產負債表

As at 31st December 2009
於二零零九年十二月三十一日

		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
ASSETS	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司之投資	19	21,307	24,823
Current assets	流動資產			
Other receivables	其他應收款	20	52	157
Amounts due from subsidiaries	應收附屬公司款項	19	221,990	42,777
Cash and cash equivalents	現金及現金等價物	21	154,981	257,742
Total current assets	流動資產總值		377,023	300,676
Total assets	資產總值		398,330	325,499
EQUITY	權益			
Capital and reserves attributable to equity holders of the Company	本公司權益持有人應佔股本及儲備			
Share capital	股本	22	7,726	7,635
Reserves	儲備	23	241,811	249,570
Total equity	權益總額		249,537	257,205
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Convertible note	可換股票據	24	76,007	–
Deferred income tax liability	遞延所得稅負債	25	1,163	–
Total non-current liabilities	非流動負債總額		77,170	–
Current liabilities	流動負債			
Amounts due to subsidiaries	應付附屬公司款項	19	66,799	66,836
Other payables	其他應付款	26	4,824	1,458
Total current liabilities	流動負債總額		71,623	68,294
Total liabilities	負債總額		148,793	68,294
Total equity and liabilities	權益及負債總額		398,330	325,499
Net current assets	流動資產淨值		305,400	232,382
Total assets less current liabilities	資產總值減流動負債		326,707	257,205

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st December 2009
截至二零零九年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司股東權益持有人應佔						Minority interest	Total equity
		Share capital	Share premium	Exchange reserve	Special reserve	Retained earnings	Total	少數股東 權益	權益 總額
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	特別儲備 HK\$'000 千港元	保留盈利 HK\$'000 千港元	總額 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at 1st January 2008	於二零零八年一月一日結餘	7,635	175	-	(6,774)	396,410	397,446	-	397,446
Loss for the year	本年度虧損	-	-	-	-	(89,720)	(89,720)	(4,987)	(94,707)
Other comprehensive income:	其他全面收入：								
Currency translation differences	匯兌換算差額	-	-	1,085	-	-	1,085	-	1,085
Total comprehensive income for the year	本年度全面收入總額	-	-	1,085	-	(89,720)	(88,635)	(4,987)	(93,622)
Transfer to retained earnings	轉撥至保留盈利	-	-	-	6,774	(6,774)	-	-	-
Contribution from a minority shareholder	少數股東注資	-	-	-	-	-	-	18,900	18,900
Balance at 31st December 2008	於二零零八年十二月三十一日 結餘	7,635	175	1,085	-	299,916	308,811	13,913	322,724

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st December 2009

截至二零零九年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司股東權益持有人應佔							
		Share capital	Share premium	Exchange reserve	Other reserves	Retained earnings	Total	Minority interest	Total equity
		股本	股份溢價	匯兌儲備	其他儲備	保留盈利	總額	少數股東權益	權益總額
		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
Balance at 1st January 2009	於二零零九年一月一日結餘	7,635	175	1,085	-	299,916	308,811	13,913	322,724
Loss for the year	本年度虧損	-	-	-	-	(10,431)	(10,431)	(1,251)	(11,682)
Other comprehensive income:	其他全面收入：								
Currency translation differences	匯兌換算差額	-	-	32	-	-	32	-	32
Total comprehensive income for the year	本年度全面收入總額	-	-	32	-	(10,431)	(10,399)	(1,251)	(11,650)
Exercise of bonus warrants	行使紅利認股權證	91	2,626	-	-	-	2,717	-	2,717
Convertible note – equity component, net of tax	可換股票據 – 權益部份，扣除稅項	-	-	-	5,885	-	5,885	-	5,885
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	(12,662)	(12,662)
Balance at 31st December 2009	於二零零九年十二月三十一日結餘	7,726	2,801	1,117	5,885	289,485	307,014	-	307,014

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31st December 2009
截至二零零九年十二月三十一日止年度

		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
Cash flows from operating activities	經營業務之現金流量			
Cash used in operations	營業所用現金	29(a)	(25,474)	(37,923)
Income tax paid	已付所得稅		(50)	(10)
Income tax refunded	退還所得稅		26	251
Net cash used in operating activities	經營業務所用現金淨額		(25,498)	(37,682)
Cash flows from investing activities	投資活動之現金流量			
Interest received	已收利息		566	2,979
Acquisition of intangible assets	收購無形資產		(172)	(17,573)
Purchase of property, plant and equipment	購入物業、機器及設備		(186)	(179)
Payment made for the addition to construction in progress	添置在建工程之付款		(6,495)	–
Proceeds from	所得款項來自			
– disposal of subsidiaries	– 出售附屬公司	29(b)	18,999	–
– disposal of property, plant and equipment	– 出售物業、機器及設備		15	93
– disposal of construction in progress	– 出售在建工程		3,184	–
Investment in an associated company	投資於一間聯營公司		(110,010)	–
Net cash used in investing activities	投資活動所用現金淨額		(94,099)	(14,680)
Cash flows from financing activities	融資活動之現金流量			
Contribution from minority shareholders	少數股東之投入		–	4,725
Repayment of bank and other loans	償還銀行及其他貸款		–	(8,580)
Proceeds from issuance of bonus warrants	發行紅利認股權證所得款項		2,717	–
Interest paid	已付利息		–	(187)
Net cash generated from/(used in) financing activities	融資活動所得/(所用)現金淨額		2,717	(4,042)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額		(116,880)	(56,404)
Cash and cash equivalents as at 1st January	於一月一日之現金及現金等價物		289,095	344,558
Exchange gains on cash and cash equivalents	現金及現金等價物之匯兌收益		11	941
Cash and cash equivalents at 31st December	於十二月三十一日之現金及現金等價物		172,226	289,095

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 General information

Hong Kong Energy (Holdings) Limited (“the Company” or “HKE”) is an exempted company incorporated in the Cayman Islands with limited liability. The address of the registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The immediate holding company is Noble Quest Enterprises Limited, a company incorporated in British Virgin Islands. The ultimate holding company is HKC (Holdings) Limited (“HKC”), a company incorporated in Bermuda and listed in Hong Kong.

The Company and its subsidiaries (collectively “the Group”) are principally engaged in alternative energy business and software development business. The Group has operations mainly in Mainland China.

The consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$ thousand or HK\$'000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 22nd March 2010.

2 Summary of significant accounting policies

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

In June 2009, the Group changed the functional currency of the Company from Hong Kong dollars to Renminbi. The details and impact on the financial statements are described in Note 2.3(a) below.

2.1 Basis of preparation

The consolidated financial statements of Hong Kong Energy (Holdings) Limited have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). They have been prepared under the historical cost convention.

1 一般資料

香港新能源(控股)有限公司(「本公司」或「香港新能源」)為於開曼群島註冊成立的獲豁免有限公司，註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

股份於香港聯合交易所有限公司主板上市。直屬控股公司為於英屬處女群島註冊成立之Noble Quest Enterprises Limited。最終控股公司為於百慕達註冊成立並於香港上市之香港建設(控股)有限公司(「香港建設」)。

本公司及其附屬公司(合稱「本集團」)主要從事替代能源業務及軟件開發業務。本集團主要於中國內地進行業務。

除另有指明外，綜合財務報表以千港元(「千港元」)為單位呈列。綜合財務報表已於二零一零年三月二十二日獲董事會批准刊發。

2 主要會計政策概要

編製綜合財務報表所採納之主要會計政策載列如下。除另有說明外，該等政策已於所有呈報年度內貫徹應用。

於二零零九年六月，本集團將本公司之功能貨幣由港元改為人民幣。詳情及對財務報表之影響載於下文附註2.3(a)。

2.1 編製基準

香港新能源(控股)有限公司之綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」)編製。該等綜合財務報表按歷史成本慣例編製。

2 Summary of significant accounting policies

(continued)

2.1 Basis of preparation (continued)

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

In 2009, the Group adopted the following amendments which are relevant to its consolidated financial statements.

(a) Amendments effective in 2009

- HKAS 1 (Revised), "Presentation of financial statements". The revised standard prohibits the presentation of items of income and expense (that is "non-owner changes in equity") in the statement of changes in equity, requiring "non-owner changes in equity" to be presented separately from owner changes in equity. All "non-owner changes in equity" are required to be shown in a performance statement.

Entities can choose whether to present one performance statement (the consolidated statement of comprehensive income) or two statements (the consolidated income statement and consolidated statement of comprehensive income).

The Group has elected to present one performance statement: a consolidated statement of comprehensive income. The consolidated financial statements have been prepared under the revised disclosure requirements.

2 主要會計政策概要(續)

2.1 編製基準(續)

遵照香港財務報告準則編製財務報表，須採用若干重大會計估計。管理層亦須在應用本集團會計政策的過程中作出判斷。涉及較多判斷或較複雜的範疇，或假設及估計對綜合財務報表有重大影響的範疇於附註4披露。

於二零零九年，本集團採納下列與其綜合財務報表有關之修訂。

(a) 於二零零九年生效之修訂

- 香港會計準則第1號(經修訂)「財務報表之呈報」。該項經修訂準則禁止於權益變動表呈列收入及開支項目(有關「非擁有人權益變動」)，並規定將「非擁有人權益變動」與擁有人權益變動分開呈列。所有「非擁有人權益變動」須於業績報表內呈列。

實體可選擇呈列一份業績報表(綜合全面收入報表)或兩份報表(綜合損益表及綜合全面收入報表)。

本集團已選擇呈列一份業績報表：一份綜合全面收入報表。綜合財務報表已根據經修訂披露規定編製。

2 Summary of significant accounting policies

(continued)

2.1 Basis of preparation (continued)

(a) Amendments effective in 2009 (continued)

- HKFRS 8, “Operating segments”. HKFRS 8 replaces HKAS 14, “Segment reporting”. It requires a “management approach” under which segment information is presented on the same basis as that used for internal reporting purposes. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (the “CODM”). The CODM makes strategic decisions.
- Amendment to HKFRS 7, “Financial instruments: disclosures”. The amendment increases the disclosure requirements about fair value measurement and amends the disclosure about liquidity risk. The amendment introduces a three-level hierarchy for fair value measurement disclosures about financial instruments and requires some specific quantitative disclosures for those instruments classified in the lowest level in the hierarchy. These disclosures will help to improve comparability between entities about the effects of fair value measurements. In addition, the amendment clarifies and enhances the existing requirements for the disclosure of liquidity risk primarily requiring a separate liquidity risk analysis for derivative and non-derivative financial liabilities. It also requires a maturity analysis for financial assets where the information is needed to understand the nature and context of liquidity risk.

2 主要會計政策概要(續)

2.1 編製基準(續)

(a) 於二零零九年生效之修訂(續)

- 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號取代香港會計準則第14號「分部報告」，並規定採用「管理方針」，即分部資料須按照與內部報告所採用相同基準呈列。經營分部須與提交予主要營運決策人(「主要營運決策人」)的內部報告一致之基準呈報。主要營運決策人負責作出策略決定。
- 香港財務報告準則第7號「金融工具：披露」修訂本。該修訂本提高有關公平值計量之披露規定，並修訂有關流動資金風險之披露。該修訂本對金融工具公平值計量披露引入三層結構披露規定，並要求對屬最低層次之金融工具作出若干特定量化披露。該等披露有助提高實體之間公平值計量影響之可比較性。此外，該修訂闡明並加強流動資金風險之現有披露規定，主要要求對衍生及非衍生金融負債進行單獨流動資金風險分析。該修訂亦規定，倘需要資料瞭解流動資金風險之性質及範圍，則須對金融資產進行到期日分析。

2 Summary of significant accounting policies

(continued)

2.1 Basis of preparation (continued)

(a) *Amendments effective in 2009 (continued)*

- “Improvements to HKFRSs” (issued in October 2008). The improvements include 35 amendments across 20 different standards that largely clarify the required accounting treatment where previous practice had varied. The adoption of the improvements in the current year did not have any significant impact on the Group’s consolidated financial statements.

2 主要會計政策概要(續)

2.1 編製基準(續)

(a) 於二零零九年生效之修訂(續)

- 「香港財務報告準則之改進」(於二零零八年十月頒佈)。此等改進包括35項修訂本，牽涉20項不同準則，當中主要釐清更改過往做法之規定會計處理法。於本年度採納此等改進不會對本集團綜合財務報表造成任何重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies

(continued)

2.1 Basis of preparation (continued)

(b) *Standards, amendments and interpretations to existing standards that are not yet effective for the year ended 31st December 2009 and have not been early adopted by the Group*

New or revised standards, interpretations and amendments

新訂或經修訂準則、詮釋及修訂

HKAS 24 (Revised) 香港會計準則第24號(經修訂)	“Related party disclosures” 「關連人士之披露」	1st January 2011 二零一一年一月一日
HKAS 27(Revised) 香港會計準則第27號(經修訂)	“Consolidated and separate financial statements” 「綜合及獨立財務報表」	1st July 2009 二零零九年七月一日
HKAS 32 (Amendment) 香港會計準則第32號(修訂本)	“Classification of rights issue” 「供股分類」	1st February 2010 二零一零年二月一日
HKAS 39 (Amendment) 香港會計準則第39號(修訂本)	“Eligible hedge items” 「合資格對沖項目」	1st July 2009 二零零九年七月一日
HK(IFRIC)-Int 14 (Amendment) 香港(國際財務報告詮釋委員會) — 詮釋第14號(修訂本)	“Prepayments of a minimum funding requirement” 「最低資金規定之預付款」	1st January 2011 二零一一年一月一日
HK(IFRIC)-Int 17 香港(國際財務報告詮釋委員會) — 詮釋第17號	“Distribution of non-cash assets to owners” 「向擁有人分派非現金資產」	1st July 2009 二零零九年七月一日
HK(IFRIC)-Int 18 香港(國際財務報告詮釋委員會) — 詮釋第18號	“Transfer of assets from customers” 「來自客戶之資產轉讓」	1st July 2009 二零零九年七月一日
HK(IFRIC)-Int 19 香港(國際財務報告詮釋委員會) — 詮釋第19號	“Extinguishing financial liabilities with equity instruments” 「以權益工具抵銷金融負債」	1st July 2010 二零一零年七月一日
HKFRS 1 (Revised) 香港財務報告準則第1號(經修訂)	“First-time adoption of HKFRSs” 「首次採納香港財務報告準則」	1st July 2009 二零零九年七月一日
HKFRS 3 (Revised) 香港財務報告準則第3號(經修訂)	“Business combinations” 「業務合併」	1st July 2009 二零零九年七月一日
HKFRS 9 香港財務報告準則第9號	“Financial Instruments” 「金融工具」	1st January 2013 二零一三年一月一日
HKFRS 1 (Amendment) 香港財務報告準則第1號(修訂本)	“Additional exemptions for first-time adopters” 「首次採納之額外豁免」	1st January 2010 二零一零年一月一日
HKFRS 2 (Amendment) 香港財務報告準則第2號(修訂本)	“Group cash-settled share-based payment transaction” 「集團現金結算股份付款交易」	1st January 2010 二零一零年一月一日
HKFRSs Amendments 香港財務報告準則(修訂本)	Improvements to HKFRSs 2009 二零零九年度香港財務報告準則之改進	1st July 2009 or 1st January 2010 二零零九年七月一日或 二零一零年一月一日

2 主要會計政策概要(續)

2.1 編製基準(續)

(b) *截至二零零九年十二月三十一日止年度尚未生效而本集團亦無提早採納之準則、修訂及現有準則之詮釋*

Effective for
accounting
periods beginning
on or after
於以下日期或之後
開始之會計期間生效

2 Summary of significant accounting policies

(continued)

2.1 Basis of preparation (continued)

- (b) *Standards, amendments and interpretations to existing standards that are not yet effective for the year ended 31st December 2009 and have not been early adopted by the Group (continued)*

The Group has not early adopted the above standards, amendments and interpretations and is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the financial statements will result.

2.2 Consolidation

- (a) *Subsidiaries*

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

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

2 主要會計政策概要(續)

2.1 編製基準(續)

- (b) *截至二零零九年十二月三十一日止年度尚未生效而本集團亦無提早採納之準則、修訂及現有準則之詮釋(續)*

本集團並無提早採納上述準則、準則修訂及詮釋，故未能指出採納該等準則、修訂及詮釋會否對本集團的會計政策及財務報表呈列方式帶來重大變動。

2.2 綜合基準

- (a) *附屬公司*

附屬公司(包括特殊目的實體)為所有本集團有權規管其財務及營運政策之公司，一般擁有其過半數表決權之股權。現時可行使或可轉換潛在表決權是否存在及其影響，將於評定本集團是否控制另一公司時予以考慮。

附屬公司於其控制權轉移至本集團當日起全面綜合入賬，於控制權終止當日起不再綜合入賬。

2 Summary of significant accounting policies

(continued)

2.2 Consolidation (continued)

(a) Subsidiaries (continued)

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

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary in the consolidated financial statements to ensure consistency with the policies adopted by the Group.

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

2 主要會計政策概要(續)

2.2 綜合基準(續)

(a) 附屬公司(續)

本集團使用收購會計法就本集團所收購之附屬公司列賬。收購成本為所獲資產、所發行之股本工具及所產生或承擔之負債於交易當日的公平值，加上直接歸屬收購事項之成本。在商業合併過程中收購之可辨別資產、所承擔負債及或然負債，均於收購當日按其公平值作出初步計量，而毋須計及任何少數股東權益。收購成本超出本集團應佔所收購可辨別資產淨值之公平值之差額乃列作商譽。倘收購成本低於所收購附屬公司資產淨值之公平值，則有關差額將直接在綜合全面收入報表內確認。

集團內公司間之交易、結餘及集團內公司間進行交易之未變現收益均予對銷。除非交易提供證據顯示所轉讓資產有所減值，否則未變現虧損亦會對銷。於綜合財務報表內附屬公司之會計政策已經作出必要修改，以確保與本集團採用之會計政策一致。

在本公司之資產負債表，於附屬公司之投資按成本扣除減值虧損撥備列賬。附屬公司之業績由本公司按已收及應收股息入賬。

2 Summary of significant accounting policies

(continued)

2.2 Consolidation (continued)

(b) Transactions with minority interests

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

(c) Investment in associated companies

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

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

2 主要會計政策概要(續)

2.2 綜合基準(續)

(b) 少數股東權益交易

本集團應用之政策視與少數股東之交易為與本集團外界人士進行之交易。本集團因向少數股東出售而產生的損益於綜合全面收入報表記錄。向少數股東購買所產生商譽，即已付代價與應佔有關購入附屬公司資產淨值賬面值之差額。

(c) 於聯營公司之投資

聯營公司為本集團對其有重大影響力但無控制權之公司，一般附帶有20%至50%投票權之股權。於聯營公司之投資以權益會計法入賬，初期按成本確認。本集團於聯營公司之投資包括收購時已識別之商譽(扣除任何累計減值虧損)。

本集團應佔收購後聯營公司之溢利或虧損於綜合全面收入報表內確認，而應佔收購後儲備之變動則於儲備賬內確認。投資賬面值會根據累計之收購後儲備變動而作出調整。如本集團應佔一家聯營公司之虧損等於或超過其於該聯營公司之權益(包括任何其他無抵押應收款)，則本集團不會確認進一步虧損，除非本集團已代聯營公司承擔責任或作出付款。

2 Summary of significant accounting policies

(continued)

2.2 Consolidation (continued)

(c) Investment in associated companies (continued)

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

Dilution gains and losses arising in investments in associated companies are recognised in the consolidated statement of comprehensive income.

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

2.3 Foreign currency translation

(a) Functional and presentation currency

Following the disposal of the pilot project in Hong Kong for production of cellulosic ethanol, management considers there is a shift of operational and financial focus to the Company's PRC operations. Therefore the Company's functional currency has changed from Hong Kong dollars to Renminbi with effect from June 2009. The consolidated financial statements are presented in Hong Kong dollars to facilitate analysis of the financial information of the Group, which is listed in Hong Kong. The change of functional currency has no significant financial impact to both the Group and the Company.

2 主要會計政策概要(續)

2.2 綜合基準(續)

(c) 於聯營公司之投資(續)

本集團與其聯營公司之間交易的未變現收益按本集團於聯營公司權益的數額對銷。除非交易時有證據顯示所轉讓資產出現減值，否則未變現虧損亦會對銷。聯營公司之會計政策於有需要時更改，以確保本集團採納之會計政策貫徹一致。

於聯營公司投資之攤薄收益及虧損於綜合全面收入報表確認。

在本公司之資產負債表內，於聯營公司之投資按成本扣除減值虧損撥備列賬。聯營公司之業績由本公司按已收及應收股息入賬。

2.3 外幣換算

(a) 功能及呈報貨幣

繼出售於香港之纖維素乙醇生產試驗項目後，管理層認為，本公司之經營及財務重心已轉移至中國業務，故已將本公司之功能貨幣由港元改為人民幣，自二零零九年六月起生效。綜合財務報表乃以港元呈列，以方便分析於香港上市之本集團之財務資料。更改功能貨幣對本集團及本公司均無重大財務影響。

2 Summary of significant accounting policies

(continued)

2.3 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

(c) Group companies

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

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

2 主要會計政策概要(續)

2.3 外幣換算(續)

(b) 交易及結餘

外幣交易均按交易或估值(如有關項目需重新計量)當日之現行匯率換算為功能貨幣。因該等交易結算及按結算日之匯率換算以外幣計值之貨幣資產及負債而產生之匯兌損益，均於綜合全面收入報表確認。

(c) 集團公司

集團旗下所有實體如持有與呈報貨幣不一致之功能貨幣(其中並無任何公司持有通脹嚴重之經濟體系之貨幣)，其業績和財務狀況均按以下方法換算為呈報貨幣：

- (i) 每項資產負債表之資產及負債均按照該資產負債表結算日之匯率換算；
- (ii) 每項綜合全面收入報表之收入和開支均按照平均匯率換算為呈報貨幣，但若此平均匯率未能合理地反映各交易日之匯率所帶來之累計影響，則按照各交易日之匯率換算此等收入和開支；及
- (iii) 所有產生之匯兌差異均確認為權益之個別部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies

(continued)

2.3 Foreign currency translation (continued)

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

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

2.4 Property, plant and equipment

Property, plant and equipment, comprising leasehold improvement, plant and machinery, motor vehicles and furniture, fixtures and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation of property, plant and equipment is calculated using the straight-line method, to write off their cost over their estimated useful lives or remaining useful lives for those second-hand assets and the estimated useful lives are as follows:

Leasehold improvements	5 years
Furniture, fixtures and equipment	5 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

2 主要會計政策概要(續)

2.3 外幣換算(續)

於綜合賬目時，換算海外業務投資淨額而產生之匯兌差異，均列入股東權益賬內。當出售部份海外業務時，此等於權益入賬之匯兌差異將於綜合全面收入報表內確認為出售收益或虧損之一部份。

因收購海外公司而產生之商譽及公平值調整，均視作該海外公司之資產及負債處理，並以結算日之匯率換算。

2.4 物業、機器及設備

物業、機器及設備包括租賃物業裝修、廠房及機器、汽車以及傢俬、裝置及設備，按以往成本減累計折舊及累計減值虧損列賬。以往成本包括直接因收購有關項目而動用之開支。

物業、機器及設備使用直線法計算折舊，於估計可使用年期或二手資產之剩餘可使用年期內撇減其成本。有關估計可使用年期載列如下：

租賃物業裝修	5年
傢俬、裝置及設備	5年
汽車	5年

每個結算日均會檢討資產之餘值及可使用年期，如有需要會作出調整。

2 Summary of significant accounting policies

(continued)

2.4 Property, plant and equipment (continued)

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

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income/expenses in the consolidated statement of comprehensive income.

2.5 Construction in progress

All direct and indirect costs relating to the construction of property, plant and equipment including borrowing costs during the construction period are capitalised as the costs of the assets, which are classified as construction in progress. No depreciation is provided on construction in progress.

2.6 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Separately recognised goodwill is tested for impairment at every reporting date based on the higher of value in use and fair value less costs to sell. The goodwill is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

2 主要會計政策概要(續)

2.4 物業、機器及設備(續)

其後成本僅於與該項目有關的未來經濟利益很有可能流入本集團及項目成本能夠可靠計量時，方計入資產賬面值或確認為一項獨立資產(視適用情況而定)。已置換之部件之賬面值已剔除確認。所有其他維修及保養費用於產生財政期間在綜合全面收入報表扣除。

當資產之賬面值超過預計可收回款額時，資產賬面值即時撇減至其可收回款額(附註2.7)。

出售盈虧按比較所得款項與賬面值釐定，於綜合全面收入報表內其他收入／開支確認。

2.5 在建工程

所有與物業、機器及設備之建造相關之直接及間接成本，包括建造期間之借貸成本，均資本化為資產成本，分類為在建工程。並無就在建工程作出任何折舊撥備。

2.6 無形資產

(a) 商譽

商譽指收購成本高出收購當日本集團所佔收購附屬公司可辨認資產淨值公平值之金額。收購附屬公司產生之商譽計入無形資產。獨立確認之商譽於每個報告日期根據使用價值或公平值之較高者減銷售成本進行減值測試。商譽按成本減累計減值虧損列賬。商譽減值虧損不會撥回。計算出售企業之盈虧應包括與該企業出售相關之商譽賬面值。

2 Summary of significant accounting policies

(continued)

2.6 Intangible assets (continued)

(a) Goodwill (continued)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

(b) Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The customer relationships have a finite useful life and are carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method over their estimated useful lives of 5 years.

(c) Software technology know-how

Software technology know-how acquired in a business combination is recognised at fair value at the acquisition date. The software technology know-how has a finite useful life and is carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method over its estimated useful life of 5 years.

(d) Biomass technology

Separately acquired biomass technology has a finite useful life and is carried at cost less accumulated amortisation and impairment, if any. Amortisation is calculated using the straight-line method over its estimated useful life of 5 years.

(e) Computer software

Separately acquired computer software has a finite useful life and is carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method over its estimated useful life of 5 years.

2 主要會計政策概要(續)

2.6 無形資產(續)

(a) 商譽(續)

商譽會就減值測試目的分配至現金產生單位，分配至預期可根據經營分部確認之商譽產生之業務合併中得益之該等現金產生單位或多組現金產生單位。

(b) 客戶關係

於業務合併過程中獲得之客戶關係按收購當日之公平值確認。客戶關係之使用年期有限，按成本減累計攤銷及減值列賬。攤銷乃按其估計使用年期五年以直線法計算。

(c) 軟件技術知識

於業務合併過程中獲得之軟件技術知識按收購當日之公平值確認。軟件技術知識之使用年期有限，按成本減累計攤銷及減值列賬。攤銷乃按其估計使用年期五年以直線法計算。

(d) 生物質技術

個別獲得之生物質技術使用年期有限，按成本減累計攤銷及減值(如有)列賬。攤銷乃按其估計使用年期五年以直線法計算。

(e) 電腦軟件

個別獲得之電腦軟件使用年期有限，按成本減去累計攤銷及減值入賬。攤銷乃按其估計使用年期五年以直線法計算。

2 Summary of significant accounting policies

(continued)

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

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

2.8 Financial asset

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

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

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

(b) *Loans and receivables*

Loans and receivables are classified as "trade and other receivables" and "cash and cash equivalents" in the balance sheet. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

2 主要會計政策概要(續)

2.7 於附屬公司、聯營公司及非金融資產之投資減值

具有無限可使用年期之資產(如商譽)毋須攤銷，但須每年進行減值測試。就攤銷資產而言，則須於事件或情況有變化而顯示可能不可回收其賬面值時，進行減值檢討。資產賬面值高出其可收回之金額確認為減值虧損。可收回金額指資產之公平值減出售成本及使用價值兩者較高之金額。於評核減值時，資產按以可分開辨認現金流量(即現金產生單位)最小單位進行分組。倘商譽以外之資產出現減值，於每個呈報日期審閱就撥回減值之可能性。

2.8 金融資產

本集團將其金融資產分類如下：按公平值在損益表列賬以及貸款及應收款。分類方式視乎購入金融資產目的而定。管理層在初步確認時決定其金融資產的分類。

(a) *按公平值在損益表列賬之金融資產*

按公平值在損益表列賬之金融資產為持作買賣之金融資產。倘購入之主要目的是在短期內出售，則該金融資產於此類別分類。除非指定作對沖，否則衍生工具將分類為持作買賣。此類別資產分類為流動資產。

(b) *貸款及應收款*

貸款及應收款於資產負債表分類為「應收賬款及其他應收款」及「現金及現金等價物」。該等資產計入流動資產，惟到期日超過結算日後12個月者除外。該等資產分類為非流動資產。

2 Summary of significant accounting policies

(continued)

2.8 Financial asset (continued)

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

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

For the purposes of assessing the fair value of unlisted securities, the Group established fair value by using valuation techniques. These include the use of recent arm’s length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

2 主要會計政策概要(續)

2.8 金融資產(續)

一般金融資產買賣乃於買賣日期(即本集團承諾買賣有關資產當日)確認入賬。對於所有非按公平值在損益表列賬之金融資產，投資初步按公平值加交易成本確認。按公平值在損益表列賬之金融資產，初步按公平值確認，交易成本於綜合全面收入報表支銷。金融資產於收取投資現金流量的權利屆滿或已經轉讓且本集團已轉讓擁有權絕大部份風險和回報時，解除確認金融資產。按公平值在損益表列賬之金融資產其後以公平值列賬。貸款及應收款其後以實際利率法按攤銷成本計量。

因為「按公平值在損益表列賬之金融資產」類別的公平值變動而產生的盈虧，於產生期間在綜合全面收入報表列作其他收入／開支。按公平值在損益表列賬之金融資產所得股息收入，於本集團收取款項之權利確定時，於綜合全面收入報表確認，作為其他收入之一部份。

為評估非上市證券之公平值，本集團利用重估技術設定公平值。這些技術包括利用近期公平原則交易、參考大致相同之其他工具、貼現現金流量分析及期權定價模式，並提高使用市場數據投入而盡可能減少依賴實體特定之數據投入。

本集團在每個結算日評估是否有客觀證據證明金融資產或一組金融資產已經減值。

2 Summary of significant accounting policies

(continued)

2.9 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the provision is recognised in the consolidated statement of comprehensive income within other expenses. When a trade receivable is uncollectible, it is written off against other expenses in the consolidated statement of comprehensive income. Subsequent recoveries of amounts previously written off are credited to other income in the consolidated statement of comprehensive income. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

2.10 Other payables

Other payables are initially measured at fair value and subsequently measured at amortised cost.

2 主要會計政策概要(續)

2.9 應收賬款及其他應收款

應收賬款及其他應收款初期按公平值確認，其後以實際利率法按攤銷成本減減值撥備計算。應收賬款及其他應收款之減值撥備於出現客觀證據證明本集團無法按應收款之原有條款收回所有金額時確認。倘債務人出現重大財政困難，而有可能破產或進行財務重組，且逾期或拖欠還款(逾期超過30日)，則視為應收賬款減值跡象。撥備金額為資產賬面值與估計未來現金流量之現值(按原實際利率貼現計算)之差額。撥備金額於綜合全面收入報表內其他開支確認。當應收賬款不能收回時，將在綜合全面收入報表內其他開支中撇銷。先前已撇銷之金額在其後撥回時乃計入綜合全面收入報表之其他收入。倘預期應收賬款及其他應收款可於一年或以內(如仍在正常經營週期中，則可較長時間)，即分類為流動資產，否則將呈列為非流動資產。

2.10 其他應付款

其他應付款初期按公平值確認，其後按攤銷成本計量。

2 Summary of significant accounting policies

(continued)

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.12 Share capital

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

2.13 Current and deferred income tax

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

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

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

2 主要會計政策概要(續)

2.11 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款、其他原到期日為三個月或以下之短期高流通性投資，以及銀行透支。銀行透支在資產負債表中列作流動負債項目下借款。

2.12 股本

普通股分類為權益。發行新股份或購股權增加之直接應佔成本，於權益中列為所得款項之扣減項目(扣除稅項)。

2.13 當期及遞延所得稅

年內稅項開支指當期及遞延稅項。稅項於綜合全面收入報表確認，惟以與該等直接在權益確認的項目有關者為限。在該情況下，稅項亦會於權益確認。

當期所得稅開支以本公司附屬公司及聯營公司營運及產生應課稅收入所在國家於結算日已頒佈或實質頒佈之稅法為基準計算。管理層定期根據有待詮釋的適用稅務規例，評估報稅情況，並會於適當情況下根據預期將向稅局繳付之金額作出撥備。

遞延所得稅就資產及負債之稅基與綜合財務報表所示賬面值之間的暫時差額，以負債法作出全數撥備。然而，倘於非業務合併的交易中初次確認資產或負債而產生遞延所得稅，而交易當時並無影響會計處理及應課稅溢利或虧損，則不會將遞延所得稅入賬。遞延所得稅按結算日前已實施或實際實施並在變現有關遞延所得稅資產或清償遞延所得稅負債時預期將會適用之稅率(及法例)釐定。

2 Summary of significant accounting policies

(continued)

2.13 Current and deferred income tax (continued)

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

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

2.14 Convertible note

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

When the note is converted, the relevant equity component and the carrying amount of the liability component at the time of conversion are transferred to share capital and share premium for shares issued. When the note is redeemed, the relevant equity portion is transferred to retained profits.

2 主要會計政策概要(續)

2.13 當期及遞延所得稅(續)

遞延所得稅資產乃就可能存在未來應課稅溢利而就此可使用暫時差異而確認。

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

2.14 可換股票據

本集團發行之複合金融工具包括可供購股權持有人選擇兌換為股本之可換股票據，而將予發行股份之數量不會隨公平值變動而改變。

複合金融工具之負債部份初步按無股本兌換權之同類負債之公平值確認。權益部份初步按複合金融工具之整體公平值與其負債部份公平值間之差額予以確認。任何應計直接交易成本按負債部份及權益部份之初步賬面值比例分配至負債及權益部份。

經初步確認後，複合金融工具之負債部份採用實際利率法按攤銷成本計量。除獲兌換或屆滿外，複合金融工具之權益部份於初步確認後不會重新計量。

當票據獲兌換時，相關權益部份及在兌換時負債部份之賬面值轉撥至股本及所發行股份之股份溢價賬。當票據被贖回時，相關權益部份則轉撥至保留溢利。

2 Summary of significant accounting policies

(continued)

2.15 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

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

(b) Defined contribution plans

The Group operates a mandatory provident fund scheme (“MPF”) and employee pension schemes established by municipal government in the People’s Republic of China (“PRC”) for the eligible employees in Hong Kong and the PRC respectively.

The Group’s and the employees’ contributions to the MPF comply with the related statutory requirements. The Group has no further payment obligations once the contributions have been paid. The Group’s contributions to the MPF are expensed as incurred and are not reduced by contributions forfeited by those employees who leave MPF prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The assets of MPF are held separately from those of the Group in independently administered funds.

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2 主要會計政策概要(續)

2.15 僱員福利

(a) 僱員應享假期

僱員應享之年假乃於僱員有權享有時確認。本公司將會就因僱員截至結算日之服務年資而產生之年假之估計責任計算撥備。

僱員應享病假及產假於僱員放假時方會確認。

(b) 定額供款計劃

本集團設有強制性公積金計劃(「強積金」)及由中華人民共和國(「中國」)市政府成立之僱員退休金計劃，分別供香港及中國之合資格僱員參與。

本集團及僱員均按有關法例要求對強積金作出供款。支付供款後，本集團將無進一步付款責任。本集團對強積金之供款於產生時列作開支，而不會扣減僱員於全數享有供款前不再參與強積金而被沒收之供款。倘出現現金退款或未來款項扣減，預付供款將確認為資產。強積金之資產與本集團資產分開，由獨立管理之基金管理。

2.16 撥備

當本集團因已發生之事件而產生現有的法律或推定責任、很有可能需要流出資源以償付責任，並且能可靠地估計有關金額時，則會確認撥備。

2 Summary of significant accounting policies

(continued)

2.16 Provisions (continued)

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

2.17 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities. Revenue is shown net of business tax within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- (i) Revenue from provision for software development service is recognised when the services are rendered.
- (ii) Interest income is recognised on a time proportion basis using the effective interest method.
- (iii) Dividend income is recognised when the right to receive payment is established.

2.18 Operating leases

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

2 主要會計政策概要(續)

2.16 撥備(續)

撥備按預期履行責任所需開支之現值，以可反映現時市場評估之貨幣時間價值及責任的特定風險之稅前比率計量。時間過去產生之撥備升幅確認為利息開支。

2.17 收益確認

收益指本集團在日常業務過程中提供服務的已收或應收代價公平值。收益在扣除營業稅後列賬。

當收益金額能夠可靠計量、未來經濟利益很有可能流入有關實體，而本集團每項活動均符合下文所述之具體條件時，本集團便會確認收益。除非與銷售有關的所有或然事項均已解決，否則收益金額不被視為能夠可靠計量。本集團會根據其往績並考慮客戶類別、交易種類和每項安排的特點作出估計。

- (i) 來自提供軟件開發服務之收益乃於提供有關服務後確認。
- (ii) 利息收入以實際利率法按時間比例確認。
- (iii) 股息收入於確立收款之權利時確認。

2.18 經營租賃

資產擁有權之絕大部份風險及回報歸於出租者之租賃，均歸類為經營租賃。根據經營租賃支付之款項在扣除自出租者收取之任何優惠後，於租賃期內以直線法在綜合全面收入報表扣除。

2 Summary of significant accounting policies

(continued)

2.19 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

2.20 Dividend distribution

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

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk and liquidity risk. The Group's major financial instruments include trade and other receivables, cash and cash equivalents, other payables and a convertible note. Details of these financial instruments are disclosed in the respective notes.

It is the policy of the Group not to enter into derivative transactions for speculative purposes.

2 主要會計政策概要(續)

2.19 或然負債

或然負債乃因過去事件而可能產生之責任，而僅視乎日後會否出現一項或多項非本集團可完全控制之不明朗事件而確認。因過去事件而產生之現有責任，由於不大可能需要流出經濟資源或未能就該責任之金額作可靠估計而未有確認。

或然負債不會被確認，但會於財務報表附註披露。倘情況有變導致可能出現經濟資源流出時，或然負債將確認為撥備。

2.20 派付股息

向本公司股東派付之股息於本公司股東批准派付股息之期間在本集團之財務報表中確認為負債。

3 財務風險管理

3.1 財務風險因素

本集團業務涉及多類財務風險：外匯風險、信貸風險及流動資金風險。本集團之主要金融工具包括應收賬款及其他應收款、現金及現金等價物、其他應付款及可換股票據。該等金融工具之詳情於各附註披露。

本集團之政策為不會就投機進行衍生交易。

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

The Board of Directors focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

(a) Foreign exchange risk

The Group operates mainly in Hong Kong and Mainland China and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to United States dollars ("US dollars") and Hong Kong dollars.

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

As at 31st December 2009, if US dollars and Hong Kong dollars had strengthened/weakened by 5% against Renminbi respectively, with all other variables held constant, the Group's profit before income tax would have been HK\$106,000 and HK\$7,524,000 higher/lower respectively.

(b) Credit risk

The Group is exposed to credit risk in its cash and cash equivalents and trade and other receivables.

The carrying amount of cash and cash equivalents and trade and other receivables represent the Group's maximum exposure to credit risk in relation to its financial assets.

To manage the credit risk associated with cash and cash equivalents, most of the deposits are mainly placed with certain state-owned banks in the PRC which are high-credit-quality financial institutions and banks with high credit rankings in Hong Kong.

3 財務風險管理(續)

3.1 財務風險因素(續)

董事會關注未能預測之金融市場，力求減低對本集團財務表現之潛在負面影響。董事會就管理各項風險進行檢討及議定政策，現概述如下。

(a) 外匯風險

本集團主要於香港及中國內地經營業務，面對主要為美元及港元等多種外幣之外匯風險。

本集團現時並無任何外匯對沖政策。然而，本集團管理層密切監察外匯風險，並於有需要時考慮對沖重大外匯風險。

於二零零九年十二月三十一日，倘美元及港元兌人民幣升值／貶值5%，而所有其他因素維持不變，本集團之所得稅前溢利將分別增加／減少106,000港元及7,524,000港元。

(b) 信貸風險

本集團面對現金及現金等價物以及應收賬款及其他應收款信貸風險。

現金及現金等價物以及應收賬款及其他應收款之賬面值，指本集團就其金融資產面對之最高信貸風險。

為管理現金及現金等價物之相關信貸風險，大部份存款主要存放於若干中國國有銀行，即高信貸質素之財務機構，以及於香港獲高信貸評級之銀行。

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

To manage the credit risk associated with trade and other receivables, the Group adopts risk control to assess the credit quality, determine credit limits and approve credits of the customer and debtors, taking into account their financial position and past experience. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The Group is mainly engaged in the software development business and trade receivables are mainly derived from a few major customers who have good credit history. In order to minimise the credit risk, management continuously monitors the level of exposure to ensure that corrective actions are taken promptly to lower the risk exposure. Accordingly, the directors believe that adequate credit provision has been made during the year.

(c) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its current obligations when they fall due. The Group measures and monitors its liquidity through the maintenance of prudent ratios regarding the liquidity structure of the overall assets, liabilities, loans and commitments of the Group. The Group also maintains a conservative level of liquid assets to ensure the availability of sufficient cash flows to meet any unexpected and material cash requirements in the course of ordinary business.

Given the Group's cash position as at 31st December 2009, the Group is able to meet its current obligations and capital commitments which fall due within the next twelve months. Apart from internal sources of funding, the Group is actively seeking funds to finance its future capital expenditure commitment from external sources, and if necessary, financial support from its parent company. In addition, the timing of incurring capital expenditure is under the control of the Group.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

為管理應收賬款及其他應收款之相關信貸風險，本集團已採納風險控制，經考慮客戶及債務人之財務狀況及過往經驗後，評估彼等之信貸質素、釐定信貸額及批准信貸。本集團已制定監察程序，以確保採取跟進行動收回逾期債務。

本集團主要從事軟件開發業務，應收賬款主要來自數名信貸記錄良好之主要客戶。為降低信貸風險，管理層持續監察風險水平，藉以確保迅速採取正確措施減低所承受風險。因此，董事相信，本年度已作出充分信貸撥備。

(c) 流動資金風險

流動資金風險為本集團未能履行其到期即期責任之風險。本集團就整體資產、負債、貸款及承擔之流動資金維持審慎的比率，從而計量及監察其流動資金。本集團亦維持流動資產於穩健水平，以確保具備充裕之現金流量應付日常業務中任何未能預測的重大現金需求。

基於本集團於二零零九年十二月三十一日之現金狀況，本集團有能力應付其現時之責任及於未來十二個月到期之資本承擔。除以內部資源提供資金外，本集團正積極向外尋求資金撥付其未來資金開支承擔，或於有需要時向其母公司獲取財務資助。此外，投入資本開支之發生時間受本集團控制。

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

The following table details the Group's contractual maturity for its financial liabilities at the balance sheet date. The table has been drawn up with reference to the undiscounted cash flows of financial liabilities based on the earliest date on which the Group is required to pay. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

		No later than 1 year 一年內 HK\$'000 千港元	Later than 1 year but no later than 5 years 遲於一年但 不遲於五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Group	本集團			
At 31st December 2009	於二零零九年 十二月三十一日			
Other payables	其他應付款	8,387	–	8,387
Convertible note	可換股票據	–	83,055	83,055
At 31st December 2008	於二零零八年 十二月三十一日			
Other payables	其他應付款	3,520	–	3,520
Company	本公司			
At 31st December 2009	於二零零九年 十二月三十一日			
Other payables	其他應付款	4,824	–	4,824
Convertible note	可換股票據	–	83,055	85,055
At 31st December 2008	於二零零八年 十二月三十一日			
Other payables	其他應付款	1,458	–	1,458

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

下表詳列本集團於結算日財務負債之合約到期日。下表乃參考本集團須付款之最早日期財務負債之未貼現現金流量編製。由於貼現影響不大，故於十二個月內到期之結餘相等於其賬面值。

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綜合財務報表附註

3 Financial risk management (continued)

3.2 Capital risk management

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

The Group monitors capital by reviewing the capital structure. The capital structure of the Group consists of debt and equity attributable to equity holders of the Company, as shown in the consolidated balance sheet. The Group considers the cost and the risk associated with the capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, raise new debt financing, issue new shares, share option and warrants or conduct share buy-backs.

3.3 Fair value estimation

The fair value of financial instruments that are not in an active market is determined by using valuation techniques. The Group makes reference to professional valuations where necessary and uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date.

The carrying value less impairment provision of trade and other receivables and the carrying value of other payables approximate their fair values due to their short maturities.

4 Critical accounting estimates and judgements

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

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

3 財務風險管理(續)

3.2 資本風險管理

本集團管理資本之宗旨為維持本集團繼續持續經營業務之能力，為股東提供回報及為其他權益持有人帶來利益，並維持最佳資本架構從而減少資金成本。

本集團透過審閱資本架構監控資本。誠如綜合資產負債表所示，本集團之資本架構包括債務及本公司股東權益持有人應佔權益。本集團考慮資金成本及風險。為維持或調整資本架構，本集團或會調整向股東支付之股息金額、籌集新債務融資、發行新股份、購股權及認股權證或進行股份購回。

3.3 公平值估計

並非在活躍市場買賣之金融工具公平值乃使用估值方式釐定。本集團於有需要時會參考專業估值及採用多種方法，並按各結算日存在之市況作出假設。

賬面值減應收賬款及其他應收款減值撥備以及其他應付款之賬面值與其公平值相若，乃由於其短期到期之性質所致。

4 重大會計估計及判斷

本集團根據以往經驗及其他因素(包括對未來事件所作出在有關情況下相信屬合理之預測)，不斷對估計及判斷作出評估。

本集團對未來作出估計及假設。顧名思義，所得出之會計估計甚少與有關實際結果相同。導致下一個財政年度資產及負債賬面值出現重大調整風險之估計及假設在下文論述。

4 Critical accounting estimates and judgements

(continued)

(a) Estimated impairment of intangible assets

The Group tests whether intangible assets have suffered any impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with the accounting policy. The calculations use pre-tax cash flow projections based on the next five financial years.

Estimates of sales, profit margin (before interest, tax, depreciation and amortization expenses) and operating cash outflows are based on the business unit's past performance and management expectations for future development of the market and the business. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

An impairment charge of HK\$817,000 arose in the software development business during the year, resulting in the carrying amount of the cash generating unit being written down to its recoverable amount. If the budgeted sales used in the value-in-use calculation for the software development business had been 1% lower than management's estimates at 31st December 2009, the Group would have recognised a further impairment of HK\$205,000.

If the estimated pre-tax discount rate applied to the discounted cash flows for the software development business had been 1% higher than management's estimates, the Group would have recognised a further impairment of HK\$38,000.

(b) Income taxes/deferred taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for potential tax exposures based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the income tax and deferred tax provision in the period in which such determination is made.

4 重大會計估計及判斷(續)

(a) 無形資產之估計減值

根據會計政策，當事件或情況變動顯示賬面值可能無法收回時，本集團會對無形資產有否出現任何減值進行檢測，且採用未來五個財政年度之稅前現金流量預測計算。

銷售、溢利率(未扣除利息、稅項、折舊及攤銷支出)及經營現金流出按業務單位過往表現以及管理層對市場及業務日後發展之預測計算。使用之貼現率為可反映相關分部指定風險之稅前利率。

年內，軟件開發業務產生減值開支817,000港元，導致現金產生單位賬面值撇減至其可收回金額。倘計算軟件開發業務使用值所採用之預算銷售低於管理層於二零零九年十二月三十一日之估計1%，本集團將會確認進一步減值205,000港元。

倘軟件開發業務貼現現金流量所用估計稅前貼現率高於管理層之估計1%，本集團將會確認進一步減值38,000港元。

(b) 所得稅／遞延稅項

本集團須於多個司法權區繳納所得稅。釐定所得稅撥備時須作出重大判斷。於日常業務過程中，有許多交易及計算之最終稅項未能準確釐定。本集團根據有否額外稅項到期之估計而就可能須交納之稅項確認負債。若該等事項之最終稅項與最初記錄之金額不同，有關差額將影響最終釐定稅項期間內之所得稅及遞延稅項撥備。

4 Critical accounting estimates and judgements

(continued)

(c) Allowances for bad and doubtful debts

The policy for allowance of bad and doubtful debts of the Group is based on the evaluation of collectability and ageing analysis of receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the creditworthiness and the past collection history of each customer.

5 Segment information

The chief operating decision maker has been identified as the directors of the Company (the "Directors"). The Directors review the Group's internal reporting in order to assess performance, allocate resources and make strategic decisions. The Directors have determined that the operating segments are the same as the business segments previously identified under HKAS 14, "Segment Reporting". The reportable operating segments are alternative energy and software development.

The Directors assess the performance of operating segments based on a measure of segment results. This measurement basis excludes the effects of non-recurring expenditure from the operating segments, such as gain on disposal of subsidiaries, excess of fair value of net assets acquired over cost of acquisition of an associated company and provision for impairment losses. Other information provided to the Directors is measured in a manner consistent with that in the financial statements.

Total segment assets exclude deferred tax assets and corporate assets which are centrally managed. This is part of the reconciliation to total consolidated balance sheet assets.

4 重大會計估計及判斷(續)

(c) 呆賬及呆壞賬撥備

本集團之呆賬及呆壞賬撥備政策乃根據應收款之可收回程度及賬齡分析評估以及管理層之判斷釐定。於評估該等應收款之最終變現能力時，須作出大量判斷，包括每名客戶之信譽及過往收賬記錄。

5 分部資料

主要營運決策人已識別為本公司董事(「董事」)。董事審閱本集團之內部報告，以評估表現、分配資源及作出策略決定。董事認為，經營分部與早前根據香港會計準則第14號「分部報告」劃分之業務分部相同。可呈報經營分部為替代能源及軟件開發。

董事按分部業績評估經營分部表現。該計算基準不包括經營分部非經常性開支之影響，例如出售附屬公司之收益、所收購資產淨值之公平值超出收購一間聯營公司成本之數額及減值虧損撥備。向董事提供之其他資料乃按與財務報表一致之方式計算。

分部資產總值不包括中央管理之遞延稅項資產及企業資產。此乃綜合資產負債表資產總值之其中部份對賬。

5 Segment information (continued)

The segment information provided to the Directors for the reportable segments for the years ended 31st December 2009 and 2008 is as follows:

5 分部資料(續)

就可呈報分部向董事提供截至二零零九年及二零零八年十二月三十一日止年度之分部資料如下：

		2009 二零零九年			2008 二零零八年		
		Alternative energy 替代能源 HK\$'000 千港元	Software development 軟件開發 HK\$'000 千港元	Total reportable segments 可呈報 分部總計 HK\$'000 千港元	Alternative energy 替代能源 HK\$'000 千港元	Software development 軟件開發 HK\$'000 千港元	Total reportable segments 可呈報 分部總計 HK\$'000 千港元
Revenue	收益	-	10,609	10,609	-	13,877	13,877
Segment results	分部業績	(5,369)	(3,135)	(8,504)	(11,879)	(8,034)	(19,913)
Provision for impairment losses	減值虧損撥備	-	(817)	(817)	-	(58,694)	(58,694)
Gain on disposal of subsidiaries	出售附屬公司收益	7,624	-	7,624	-	-	-
Share of loss of an associated company	應佔一間聯營公司虧損	(289)	-	(289)	-	-	-
Excess of fair value of net assets acquired over cost of acquisition of an associated company	所收購資產淨值之公平值超出收購一間聯營公司成本之數額	27,693	-	27,693	-	-	-
Finance income – net	財務收入－淨額	8	106	114	1	330	331
Profit/(loss) before income tax	所得稅前溢利／(虧損)	29,667	(3,846)	25,821	(11,878)	(66,398)	(78,276)
Income tax (expense)/credit	所得稅(開支)／抵免	(14,862)	526	(14,336)	-	5,871	5,871
Profit/(loss) for the year	本年度溢利／(虧損)	14,805	(3,320)	11,485	(11,878)	(60,527)	(72,405)
Depreciation	折舊	-	512	512	9	1,167	1,176
Amortisation	攤銷	2,456	2,023	4,479	4,200	6,170	10,370
Provision for impairment losses – goodwill	減值虧損撥備 – 商譽	-	-	-	-	42,044	42,044
Provision for impairment losses – customer relationship and software technology know-how	減值虧損撥備 – 客戶關係及軟件技術知識	-	817	817	-	16,650	16,650

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 Segment information (continued)

The segment assets as at 31st December 2009 and 2008 are as follows:

Total segment assets	分部資產總值	217,863	20,985	238,848
Total segment assets include:	分部資產總值包括：			
Investment in associated companies	於聯營公司之投資	208,076	-	208,076
Additions to non-current assets	添置非流動資產	6,495	358	6,853

5 分部資料(續)

於二零零九年及二零零八年十二月三十一日之分部資產如下：

2009 二零零九年			2008 二零零八年		
Alternative energy	Software development	Total reportable segments	Alternative energy	Software development	Total reportable segments
替代能源	軟件開發	分部總計	替代能源	軟件開發	分部總計
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元	千港元	千港元
			43,914	24,933	68,847
			-	-	-
			31,500	166	31,666

A reconciliation of profit/(loss) for the year of reportable segments to profit/(loss) for the year of the Group is provided as follows:

可呈報分部本年度溢利／(虧損)與本集團本年度溢利／(虧損)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/(loss) for the year of reportable segments	可呈報分部本年度溢利／(虧損)	11,485	(72,405)
Unallocated amounts – corporate expenses	未分配金額－企業開支	(23,167)	(22,302)
Loss for the year	本年度虧損	(11,682)	(94,707)

Reportable segments assets are reconciled to total assets as follows:

可呈報分部資產與資產總值對賬如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total segment assets	分部資產總值	238,848	68,847
Deferred income tax assets	遞延所得稅資產	-	203
Corporate assets	企業資產		
- cash and cash equivalents	- 現金及現金等價物	156,967	258,560
- others	- 其他	236	390
Total assets	資產總值	396,051	328,000

5 Segment information (continued)

The total non-current assets (excluding deferred tax assets) by geographical location are detailed below:

Hong Kong	香港
The PRC	中國
Japan	日本
Total non-current assets	非流動資產總值

For the years ended 31st December 2009 and 2008, the Group's revenue for reportable segments is solely from external customers and is attributable to the Japan market.

For the year ended 31st December 2009, the Group has one customer with revenue exceeding 10% of the Group's total revenue (2008: one customer). Revenue from that customer amounted to HK\$10,013,000 (2008: HK\$13,281,000). These revenues are attributable to software development.

6 Other expenses

Provision for impairment losses on	減值虧損撥備
– goodwill	– 商譽
– customer relationship and software technology know-how	– 客戶關係及軟件技術知識

5 分部資料(續)

按地區劃分之非流動資產總值(不包括遞延稅項資產)詳列如下:

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
335	27,300
217,033	9,001
–	18
217,368	36,319

截至二零零九年及二零零八年十二月三十一日止年度，本集團可呈報分部之收益僅來自外界客戶及源自日本市場。

截至二零零九年十二月三十一日止年度，本集團有一名客戶所佔收益超逾本集團總收益之10%(二零零八年：一名客戶)。來自此名客戶之收益為10,013,000港元(二零零八年：13,281,000港元)。收益源自軟件開發業務。

6 其他開支

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
–	42,044
817	16,650
817	58,694

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 Expenses by nature

7 按性質劃分之開支

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Auditor's remuneration	核數師酬金	950	1,219
Amortisation of intangible assets (Note 17)	無形資產攤銷(附註17)	4,529	10,390
Depreciation of property, plant and equipment (Note 15)	物業、機器及設備折舊(附註15)	512	1,176
Net exchange losses	匯兌虧損淨額	57	377
Loss on disposal of property, plant and equipment	物業、機器及設備出售虧損	-	4
Employee benefit expenses (including directors' emoluments) (Note 10)	僱員福利開支(包括董事酬金)(附註10)	16,457	17,662
Operating lease rental	經營租賃租金	1,140	1,563
Research and development expenditure	研究及開發費用	323	6,870
Corporate expenses	企業開支	1,647	2,982
Donations	捐款	-	2,500
Legal and professional fees	法律及專業費用	5,437	7,578
Management service fee	管理服務費	5,875	4,216
Other expenses	其他開支	5,682	3,230
		42,609	59,767

8 Finance income and costs

8 財務收入及融資成本

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Finance costs:	融資成本：		
- interest expenses on bank borrowings wholly repayable within 5 years	- 須於五年內全部償還之銀行借款利息開支	-	(160)
Finance income:	財務收入：		
- interest income on bank deposits	- 銀行存款利息收入	443	3,074
Finance income - net	財務收入-淨額	443	2,914

9 Directors' and senior management's remuneration

(a) Directors' emoluments

The remuneration of every Director for the year ended 31st December 2009 is set out below:

Name of Director	董事姓名
OEI Kang, Eric	黃剛
YUNG Pak Keung, Bruce ⁽¹⁾	容伯強 ⁽¹⁾
TSANG Sai Chung, Kirk ⁽²⁾	曾細忠 ⁽²⁾
CHAN Kwok Fong, Joseph ⁽²⁾	陳國芳 ⁽²⁾
LIU Zhixin	劉志新
LEUNG Wing Sum, Samuel	梁榮森
ZHANG Songyi	張頌義
TANG Siu Kui, Ernest	鄧兆駒
YU Hon To, David	俞漢度

Notes:

(1) Appointed on 4th September 2009

(2) Resigned on 4th September 2009

9 董事及高級管理層酬金

(a) 董事酬金

各董事於截至二零零九年十二月三十一日止年度之酬金如下：

Fees 袍金	Salary & other benefits 薪金及其他福利	Employer's contribution to pension scheme 退休金計劃之僱主供款	Total 總計
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
75	1,320	12	1,407
24	1,158	5	1,187
51	739	9	799
51	739	8	798
75	–	–	75
75	1,600	12	1,687
150	–	–	150
150	–	–	150
150	–	–	150
801	5,556	46	6,403

附註：

(1) 於二零零九年九月四日獲委任

(2) 於二零零九年九月四日辭任

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 Directors' and senior management's remuneration (continued)

(a) Directors' emoluments (continued)

The remuneration of every Director for the year ended 31st December 2008 is set out below:

Name of Director	董事姓名	Fees 袍金 HK\$'000 千港元	Salary & other benefits 薪金及其他福利 HK\$'000 千港元	Employer's contribution to pension scheme 退休金計劃之僱主供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
OEI Kang, Eric ⁽¹⁾	黃剛 ⁽¹⁾	54	700	7	761
TSANG Sai Chung, Kirk ⁽¹⁾	曾細忠 ⁽¹⁾	54	700	7	761
CHAN Kwok Fong, Joseph ⁽¹⁾	陳國芳 ⁽¹⁾	54	700	7	761
LIU Zhixin ⁽¹⁾	劉志新 ⁽¹⁾	55	–	–	55
LEUNG Wing Sum, Samuel ⁽²⁾	梁榮森 ⁽²⁾	6	100	1	107
CHEN Libo ⁽³⁾	陳立波 ⁽³⁾	36	708	4	748
ZHANG Songyi ⁽¹⁾	張頌義 ⁽¹⁾	109	–	–	109
TANG Siu Kui, Ernest ⁽¹⁾	鄧兆駒 ⁽¹⁾	109	–	–	109
YU Hon To, David ⁽¹⁾	俞漢度 ⁽¹⁾	109	–	–	109
KOO Ming Kown ⁽⁵⁾	顧明均 ⁽⁵⁾	–	–	–	–
CHUI Kam Wai ⁽⁴⁾	徐錦偉 ⁽⁴⁾	–	–	–	–
John Quinto FARINA ⁽⁴⁾	John Quinto FARINA ⁽⁴⁾	–	–	–	–
LIU Xue Qing ⁽⁶⁾	劉學慶 ⁽⁶⁾	–	146	2	148
YEOH Teck Hooi ⁽⁴⁾	楊德輝 ⁽⁴⁾	45	–	1	46
CHAM Yau Nam ⁽⁵⁾	湛祐楠 ⁽⁵⁾	56	–	–	56
LEUNG Wai Hung ⁽⁵⁾	梁惠雄 ⁽⁵⁾	56	–	–	56
CHOI Man Chau, Michael ⁽⁵⁾	蔡文洲 ⁽⁵⁾	56	–	–	56
		799	3,054	29	3,882

Notes:

- (1) Appointed on 10th April 2008
- (2) Appointed on 1st December 2008
- (3) Appointed on 10th April 2008 and resigned on 30th September 2008
- (4) Resigned on 2nd February 2008
- (5) Resigned on 10th April 2008
- (6) Appointed on 2nd February 2008 and resigned on 10th April 2008

9 董事及高級管理層酬金(續)

(a) 董事酬金(續)

各董事於截至二零零八年十二月三十一日止年度之酬金如下：

Name of Director	董事姓名	Fees 袍金 HK\$'000 千港元	Salary & other benefits 薪金及其他福利 HK\$'000 千港元	Employer's contribution to pension scheme 退休金計劃之僱主供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
OEI Kang, Eric ⁽¹⁾	黃剛 ⁽¹⁾	54	700	7	761
TSANG Sai Chung, Kirk ⁽¹⁾	曾細忠 ⁽¹⁾	54	700	7	761
CHAN Kwok Fong, Joseph ⁽¹⁾	陳國芳 ⁽¹⁾	54	700	7	761
LIU Zhixin ⁽¹⁾	劉志新 ⁽¹⁾	55	–	–	55
LEUNG Wing Sum, Samuel ⁽²⁾	梁榮森 ⁽²⁾	6	100	1	107
CHEN Libo ⁽³⁾	陳立波 ⁽³⁾	36	708	4	748
ZHANG Songyi ⁽¹⁾	張頌義 ⁽¹⁾	109	–	–	109
TANG Siu Kui, Ernest ⁽¹⁾	鄧兆駒 ⁽¹⁾	109	–	–	109
YU Hon To, David ⁽¹⁾	俞漢度 ⁽¹⁾	109	–	–	109
KOO Ming Kown ⁽⁵⁾	顧明均 ⁽⁵⁾	–	–	–	–
CHUI Kam Wai ⁽⁴⁾	徐錦偉 ⁽⁴⁾	–	–	–	–
John Quinto FARINA ⁽⁴⁾	John Quinto FARINA ⁽⁴⁾	–	–	–	–
LIU Xue Qing ⁽⁶⁾	劉學慶 ⁽⁶⁾	–	146	2	148
YEOH Teck Hooi ⁽⁴⁾	楊德輝 ⁽⁴⁾	45	–	1	46
CHAM Yau Nam ⁽⁵⁾	湛祐楠 ⁽⁵⁾	56	–	–	56
LEUNG Wai Hung ⁽⁵⁾	梁惠雄 ⁽⁵⁾	56	–	–	56
CHOI Man Chau, Michael ⁽⁵⁾	蔡文洲 ⁽⁵⁾	56	–	–	56
		799	3,054	29	3,882

附註：

- (1) 於二零零八年四月十日獲委任
- (2) 於二零零八年十二月一日獲委任
- (3) 於二零零八年四月十日獲委任及於二零零八年九月三十日辭任
- (4) 於二零零八年二月二日辭任
- (5) 於二零零八年四月十日辭任
- (6) 於二零零八年二月二日獲委任及於二零零八年四月十日辭任

9 Directors' and senior management's remuneration (continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include five directors (2008: five) whose emoluments are reflected in the analysis presented above.

10 Employee benefit expenses

Wages, salaries and other benefits	工資、薪金及其他福利
Provision for unused annual leave	未使用年假撥備
Pension costs – defined contribution plan (Note a)	退休金成本 – 定額供款計劃(附註a)
Charged to consolidated statement of comprehensive income (Note 7)	在綜合全面收入報表扣除 (附註7)

Notes:

- (a) The Group operates the MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$20,000. Contributions to the scheme vest immediately. The Group's contribution to the employee pension scheme in the PRC is at a percentage in compliance with the requirements of respective municipal governments.
- (b) Contributions totaling HK\$123,000 (2008: HK\$107,000) were payable under the MPF scheme at 31st December 2009.

9 董事及高級管理層酬金(續)

(b) 五名酬金最高人士

年內，本集團五名酬金最高人士包括五名(二零零八年：五名)董事，其酬金詳情載於上文分析。

10 僱員福利開支

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
16,317	17,369
17	183
123	110
16,457	17,662

附註：

- (a) 本集團按照香港強制性公積金計劃條例之規定設立一項強積金計劃。該計劃是為根據香港僱傭條例受僱之僱員而設。強積金計劃是由獨立信託人管理之定額供款退休金計劃。根據強積金計劃，僱主和僱員均須按照僱員相關入息之5%向計劃作出供款，但每月之相關入息上限為20,000港元。計劃供款隨即悉數歸於僱員。本集團於中國向僱員退休金計劃作出之供款乃按照相關市政府規定之百分率作出。
- (b) 合共123,000港元(二零零八年：107,000港元)之供款須根據強積金計劃於二零零九年十二月三十一日向基金支付。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 Income tax (expense)/credit

No provision for Hong Kong profits tax has been made as the Group has no assessable profit for the year (2008: Nil). Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

11 所得稅(開支)／抵免

由於本集團年內並無應課稅溢利，故並無就香港利得稅作出撥備(二零零八年：無)。海外利得稅乃根據年內估計應課稅溢利，按本集團營運所在國家之當時適用稅率計算。

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Current income tax	當期所得稅		
– Overseas tax credit/(expense)	– 海外稅項抵免／(開支)	23	(37)
– Over provision in prior years	– 以往年度超額撥備	–	1,092
* Deferred income tax expense in respect of excess of fair value of net assets acquired over cost of acquisition of an associated company (Note 30)	* 所收購資產淨值之公平值超出收購一間聯營公司成本之數額遞延所得稅開支(附註30)	(12,385)	–
Deferred income tax (expense)/credit, net (Note 25)	遞延所得稅(開支)／抵免淨額(附註25)	(1,974)	5,908
Income tax (expense)/credit	所得稅(開支)／抵免	(14,336)	6,963

* Deferred income tax was provided for the excess of the fair value of the net assets acquired over the cost of acquisition of an associated company based on a tax rate of 25%. On a net basis, the excess of the fair value of the net assets acquired over the cost of acquisition is HK\$15,308,000, being the fair value gain of the net assets acquired of HK\$27,693,000 less attributable deferred income tax of HK\$12,385,000.

* 遞延所得稅乃就所收購資產淨值之公平值超出收購一間聯營公司成本之數額按稅率25%計提撥備。以淨額為基準下，所收購資產淨值之公平值超出收購成本之數額為15,308,000港元，即所收購資產淨值之公平值收益27,693,000港元減應佔遞延所得稅12,385,000港元。

11 Income tax (expense)/credit (continued)

The tax on the Group's profit/(loss) before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit/(loss) before income tax:	所得稅前溢利／(虧損)	2,654	(101,670)
Add: share of loss of an associated company	加：應佔一間聯營公司虧損	289	—
Less: excess of fair value of net assets acquired over cost of acquisition of an associated company (Note 30)	減：所收購資產淨值之公平值超出收購 一間聯營公司成本之數額(附註30)	(27,693)	—
		(24,750)	(101,670)
Tax calculated at the domestic rates applicable to profits/(loss) in the respective countries	按有關國家之溢利／(虧損)所適用 國內稅率計算之稅項	4,435	18,864
Expenses not deductible for taxation purpose	不可扣稅之開支	(5,244)	(7,543)
Income not subject to tax	毋須課稅收入	1,335	453
Tax losses not recognised	未確認之稅項虧損	—	(5,903)
Deferred income tax expense in respect of excess of fair value of net assets acquired over cost of acquisition of an associated company (Note 30)	所收購資產淨值之公平值超出 收購一間聯營公司成本之 數額之遞延所得稅開支 (附註30)	(12,385)	—
Withholding tax arising from acquisition of an associated company (Note 25)	因收購一間聯營公司而產生之 預扣稅(附註25)	(2,477)	—
Over provision in prior years	以往年度超額撥備	—	1,092
Income tax (expense)/credit	所得稅(開支)／抵免	(14,336)	6,963

The weighted average applicable tax rate was 17.9% (2008: 18.6%).

Deferred income tax expense of HK\$1,163,000 arising from the equity component on convertible note was charged directly to equity (2008: Nil).

J.I.C. (Macao Commercial Offshore) Company Limited, a wholly owned subsidiary of the Company, is exempted from Macao Complementary Tax in accordance with the Macao Decree Law No. 58/99/M.

12 Loss attributable to equity holders of the company

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$16,270,000 (2008: HK\$72,900,000).

11 所得稅(開支)／抵免(續)

本集團所得稅前溢利／(虧損)之稅項，與採用加權平均稅率而適用於合併企業溢利之理論稅項差額如下：

加權平均適用稅率為17.9%(二零零八年：18.6%)。

可換股票據權益部份所產生之遞延所得稅開支1,163,000港元乃直接計入權益(二零零八年：無)。

根據澳門法令第58/99/M號，本公司全資附屬公司捷誠(澳門離岸商業服務)有限公司獲豁免繳納澳門所得補充稅。

12 本公司股東權益持有人應佔虧損

於本公司財務報表處理之本公司股東權益持有人應佔虧損為16,270,000港元(二零零八年：72,900,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 Loss per share

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares on issue during the year.

Loss attributable to equity holders of the Company (HK\$ thousand)	本公司股東權益持有人應佔虧損 (千港元)
Weighted average number of ordinary shares on issue	已發行普通股加權平均數
Basic loss per share (HK cents per share)	每股基本虧損(每股港仙)

(b) Diluted

Diluted loss per share for the year ended 31st December 2009 is equal to the basic loss per share as the bonus warrants and convertible note outstanding during the year had anti-dilutive effects on the basic loss per share.

Diluted loss per share for the year ended 31st December 2008 has not been disclosed as there were no dilutive potential shares in issue for the year ended 31st December 2008.

14 Dividends

No dividend was proposed and paid for the year ended 31st December 2009 (2008: Nil).

13 每股虧損

(a) 基本

每股基本虧損乃按本公司股東權益持有人應佔虧損除年內已發行普通股加權平均數計算。

	2009 二零零九年	2008 二零零八年
	(10,431)	(89,720)
	765,863,051	763,534,755
	(1.36)	(11.75)

(b) 攤薄

由於截至二零零九年十二月三十一日止年度之發行在外紅利認股權證及可換股票據對每股基本虧損具反攤薄影響，故每股攤薄虧損相等於每股基本虧損。

由於截至二零零八年十二月三十一日止年度並無具潛在攤薄影響之已發行股份，故並無披露每股攤薄虧損。

14 股息

截至二零零九年十二月三十一日止年度，並無建議亦無派付任何股息(二零零八年：無)。

15 Property, plant and equipment

15 物業、機器及設備

Group		Leasehold improvement	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
本集團		租賃物業裝修 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	傢俬、 裝置及設備 HK\$'000 千港元	汽車 HK\$'000 千港元	總計 HK\$'000 千港元
At 1st January 2008	於二零零八年一月一日					
Cost	成本	1,050	161	725	293	2,229
Accumulated depreciation and impairment	累計折舊及減值	-	(161)	(193)	(90)	(444)
Net book amount	賬面淨值	1,050	-	532	203	1,785
Year ended 31st December 2008	截至二零零八年十二月三十一日止年度					
Opening net book amount	年初賬面淨值	1,050	-	532	203	1,785
Exchange differences	匯兌差額	32	-	28	11	71
Additions	添置	27	-	152	-	179
Disposals	出售	-	-	(95)	(2)	(97)
Depreciation (Note 7)	折舊(附註7)	(779)	-	(287)	(110)	(1,176)
Closing net book amount	年終賬面淨值	330	-	330	102	762
At 31st December 2008	於二零零八年十二月三十一日					
Cost	成本	1,109	-	609	212	1,930
Accumulated depreciation and impairment	累計折舊及減值	(779)	-	(279)	(110)	(1,168)
Net book amount	賬面淨值	330	-	330	102	762
Year ended 31st December 2009	截至二零零九年十二月三十一日止年度					
Opening net book amount	年初賬面淨值	330	-	330	102	762
Exchange differences	匯兌差額	21	-	-	-	21
Additions	添置	176	-	10	-	186
Disposals	出售	(15)	-	-	-	(15)
Depreciation (Note 7)	折舊(附註7)	(232)	-	(178)	(102)	(512)
Closing net book amount	年終賬面淨值	280	-	162	-	442
At 31st December 2009	於二零零九年十二月三十一日					
Cost	成本	1,283	-	521	212	2,016
Accumulated depreciation and impairment	累計折舊及減值	(1,003)	-	(359)	(212)	(1,574)
Net book amount	賬面淨值	280	-	162	-	442

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Property, plant and equipment (continued)

15 物業、機器及設備(續)

Company		Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
本公司		廠房及機器	傢俬、裝置及設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1st January 2008	於二零零八年一月一日				
Cost	成本	161	257	90	508
Accumulated depreciation	累計折舊	(161)	(184)	(90)	(435)
Net book amount	賬面淨值	–	73	–	73
Year ended 31st December 2008	截至二零零八年十二月三十一日止年度				
Opening net book amount	年初賬面淨值	–	73	–	73
Disposals	出售	–	(65)	–	(65)
Depreciation	折舊	–	(8)	–	(8)
Closing net book amount	年終賬面淨值	–	–	–	–
At 31st December 2008 and 2009	於二零零八年及二零零九年十二月三十一日				
Cost	成本	–	–	–	–
Accumulated depreciation	累計折舊	–	–	–	–
Net book amount	賬面淨值	–	–	–	–

16 Construction in progress

16 在建工程

		Total
		總計
		HK\$'000
		千港元
At 1st January 2008 and 2009	於二零零八年及二零零九年一月一日	–
Additions	添置	6,495
Disposals	出售	(3,184)
At 31st December 2009	於二零零九年十二月三十一日	3,311

17 Intangible assets

17 無形資產

		Computer software	Customer relationship	Software technology know-how 軟件技術 知識	Biomass technology	Goodwill	Total
		電腦軟件 HK\$'000 千港元	客戶關係 HK\$'000 千港元	知識 HK\$'000 千港元	生物質技術 HK\$'000 千港元	商譽 HK\$'000 千港元	總計 HK\$'000 千港元
At 1st January 2008	於二零零八年一月一日						
Acquisition of subsidiaries	收購附屬公司	-	18,110	12,739	-	42,044	72,893
Net book amount	賬面淨值	-	18,110	12,739	-	42,044	72,893
Year ended 31st December 2008	截至二零零八年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	-	18,110	12,739	-	42,044	72,893
Additions	添置	248	-	-	17,325	-	17,573
Non-cash contribution from a minority shareholder	一名少數股東之非現金投入	-	-	-	14,175	-	14,175
Amortisation (Note 7)	攤銷(附註7)	(20)	(3,622)	(2,548)	(4,200)	-	(10,390)
Impairment loss (Note 6)	減值虧損(附註6)	-	(10,273)	(6,377)	-	(42,044)	(58,694)
Closing net book amount	年終賬面淨值	228	4,215	3,814	27,300	-	35,557
At 31st December 2008	於二零零八年十二月三十一日						
Cost	成本	248	18,110	12,739	31,500	42,044	104,641
Accumulated amortisation and impairment	累計攤銷及減值	(20)	(13,895)	(8,925)	(4,200)	(42,044)	(69,084)
Net book amount	賬面淨值	228	4,215	3,814	27,300	-	35,557
Year ended 31st December 2009	截至二零零九年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	228	4,215	3,814	27,300	-	35,557
Additions	添置	172	-	-	-	-	172
Disposal of subsidiaries	出售附屬公司	-	-	-	(24,844)	-	(24,844)
Amortisation (Note 7)	攤銷(附註7)	(65)	(1,054)	(954)	(2,456)	-	(4,529)
Impairment loss (Note 6)	減值虧損(附註6)	-	-	(817)	-	-	(817)
Closing net book amount	年終賬面淨值	335	3,161	2,043	-	-	5,539
At 31st December 2009	於二零零九年十二月三十一日						
Cost	成本	420	18,110	12,739	-	-	31,269
Accumulated amortisation and impairment	累計攤銷及減值	(85)	(14,949)	(10,696)	-	-	(25,730)
Net book amount	賬面淨值	335	3,161	2,043	-	-	5,539

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 Intangible assets (continued)

The intangible assets of customer relationship and software technology know-how resulted from the acquisition of software business on 31st December 2007. The recoverable amount of the software business unit has been determined based on a value-in-use calculation. The value-in-use calculation uses pre-tax cash flow based on financial budgets approved by management covering five year period projections. Cash flow beyond four years (2008: five years) was extrapolated based on a discount rate of 17.79% (2008:17.79%) taking into account the risk level of the business unit and with no annual growth. Other key assumptions relate to estimation of sales, profit margin and operating cash outflows, which are based on the business unit's past performance and management's expectations for future development of the market and the business. An impairment loss of HK\$817,000 (2008: HK\$16,650,000) was recognised for the year ended 31st December 2009.

17 無形資產(續)

客戶關係與軟件技術知識之無形資產來自於二零零七年十二月三十一日收購之軟件業務。軟件業務單位之可收回金額乃根據使用價值計算法釐定。使用價值計算法使用稅前現金流，根據管理層批准涵蓋五年期之財務預算作依據，現金流量則按貼現率17.79%(二零零八年：17.79%)推算四年(二零零八年：五年)後預測，並已計及業務單位之風險水平及並無年度增長。其他主要假設與銷售、溢利率及經營現金流出使用之估算相關，並以業務單位之過往表現及管理層對未來市場及業務發展之預期作依據。於截至二零零九年十二月三十一日止年度確認減值虧損817,000港元(二零零八年：16,650,000港元)。於截至二零零九年十二月三十一日止年度確認減值虧損817,000港元(二零零八年：16,650,000港元)。

18 Investments in associated companies

18 於聯營公司之投資

		Group 本集團	
		2009 二零零九年	2008 二零零八年
		HK\$'000 千港元	HK\$'000 千港元
Group's share of net assets	本集團應佔資產淨值	149,040	—
Amount due from an associated company (Note)	應收一間聯營公司款項(附註)	71,421	—
Deferred income tax liabilities in respect of excess of fair value of net assets acquired over cost of acquisition of an associated company (Note 30)	所收購資產淨值之公平值超出收購一間 聯營公司成本之數額之遞延所得稅 負債(附註30)	(12,385)	—
		208,076	—

Note:

Amount due from an associated company is unsecured, interest free and not repayable within next twelve months. The carrying amount is denominated in Renminbi and approximates its fair value.

附註：

應收一間聯營公司款項為無抵押、免息及毋須於未來12個月償還。賬面值以人民幣計值，與其公平值相若。

18 Investments in associated companies (continued)

The following financial information, after making adjustments to conform to the Group's significant accounting policies, represented the Group's aggregate share of assets, liabilities, revenue and results of associated companies, all of which are unlisted, is summarised below:

Assets	資產
Liabilities	負債
Net assets	資產淨值
Revenue	收益
Loss for the year	本年度虧損

Particulars of the associated companies are set out on page 119.

18 於聯營公司之投資(續)

下列財務資料(經調整以與本集團主要會計政策一致)乃本集團合共應佔聯營公司(全部均為非上市)之資產、負債、收益及業績，並概述如下：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Assets	430,400	—
Liabilities	(281,360)	—
Net assets	149,040	—
Revenue	—	—
Loss for the year	(289)	—

聯營公司之詳情載於第119頁。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 Investments in subsidiaries

19 於附屬公司之投資

		Company 本公司	
		2009 二零零九年	2008 二零零八年
		HK\$'000 千港元	HK\$'000 千港元
Unlisted shares, at cost	未上市股份，按成本	82,623	82,623
Provision for impairment	減值撥備	(61,316)	(57,800)
		21,307	24,823
Amounts due from subsidiaries	應收附屬公司款項	221,990	42,777
Amounts due to subsidiaries	應付附屬公司款項	(66,799)	(66,836)
		176,498	764

The balances with subsidiaries are unsecured, interest free and have no fixed terms of repayment. Their carrying amounts approximate their fair values.

附屬公司之結餘為無抵押、免息及無固定還款期限。賬面值與其公平值相若。

The carrying amounts of the amounts due from subsidiaries are denominated in Hong Kong dollars.

應收附屬公司款項之賬面值乃以港元計值。

The carrying amounts of the amounts due to subsidiaries are mainly denominated in Hong Kong dollars.

應付附屬公司款項之賬面值乃主要以港元計值。

Particulars of the principal subsidiaries are set out on pages 118 to 119.

主要附屬公司之詳情載於第118頁至第119頁。

20 Trade and other receivables

	Group 本集團		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
Trade receivables	867	1,686	-	-
Other receivables	5,590	697	52	157
	6,457	2,383	52	157

At 31st December 2009 and 2008, the ageing analysis of trade receivables is as follows:

Less than 30 days

少於三十日

The Group's policy is to allow credit periods ranging from 30 days to 90 days to its trade customers. There were no trade receivables being past due as of 31st December 2009 and 2008.

The carrying amount of the Group's trade and other receivables are denominated in the following currencies:

Hong Kong dollars	港元
Japanese Yen	日圓
Renminbi	人民幣
US dollars	美元

At 31st December 2009 and 2008, the carrying amount of the Company's other receivables are denominated in Hong Kong dollars.

All trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral as security.

20 應收賬款及其他應收款

於二零零九年及二零零八年十二月三十一日，應收賬款之賬齡分析如下：

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
867	1,686

本集團之政策為向其貿易客戶提供介乎30日至90日之信貸期。於二零零九年及二零零八年十二月三十一日，概無已逾期之應收賬款。

本集團應收賬款及其他應收款之賬面值乃以下列貨幣計值：

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
66	161
-	298
5,524	238
867	1,686
6,457	2,383

於二零零九年及二零零八年十二月三十一日，本公司其他應收款之賬面值乃以港元計值。

所有應收賬款及其他應收款並無包括已減值資產。於報告日期面對最高信貸風險為上述各類應收款之賬面值。本集團並無持有任何抵押品作擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Cash and cash equivalents

21 現金及現金等價物

		Group 本集團		Company 本公司	
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cash at bank and in hand	銀行及手頭現金	35,446	66,364	29,903	45,334
Short-term bank deposits	短期銀行存款	136,780	222,731	125,078	212,408
		172,226	289,095	154,981	257,742

		Group 本集團		Company 本公司	
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
(a) Placed in banks in the PRC:	於中國各銀行存置：				
– denominated in Renminbi	– 以人民幣結算	13,555	11,937	–	–
– denominated in Hong Kong dollars	– 以港元結算	1,847	11,903	–	–
– denominated in US dollars	– 以美元結算	1,212	2,004	–	–
– denominated in Macau dollars	– 以澳門元結算	8	37	–	–
(b) Placed in banks in Hong Kong:	於香港各銀行存置：				
– denominated in Hong Kong dollars	– 以港元結算	155,115	262,298	154,946	257,707
– denominated in US dollars	– 以美元結算	35	35	35	35
(c) Placed in bank in Japan:	於日本各銀行存置：				
– denominated in Japanese Yen	– 以日圓結算	422	854	–	–
(d) Cash in hand	手頭現金	32	27	–	–
		172,226	289,095	154,981	257,742

21 Cash and cash equivalents (continued)

The effective interest rates at the balance sheet date were as follows:

	2009 二零零九年			2008 二零零八年		
	HK\$ 港元	US\$ 美元	RMB 人民幣	HK\$ 港元	US\$ 美元	RMB 人民幣
Short-term bank deposits 短期銀行存款	0.28%	–	1.35%	0.01%–1.2%	0.05%	0.36%–1.71%

The maximum exposure to credit risk at the reporting date is the carrying value of the cash and cash equivalents stated above.

The short-term bank deposits of the Group and the Company have original maturities of three months or less.

21 現金及現金等價物(續)

於結算日之實際利率如下：

於報告日期面對之最高信貸風險為上文所述之現金及現金等價物賬面值。

本集團及本公司短期銀行存款之原到期日為三個月或以下。

22 Share capital

22 股本

	Ordinary shares of HK\$0.01 each 每股面值0.01港元之普通股		Non-redeemable convertible preference shares of HK\$0.01 each (Note (a)) 每股面值0.01港元之 不可贖回可換股優先股(附註(a))		Total 總計 HK\$'000 千港元	
	Number of shares 股份數目	HK\$'000 千港元	Number of shares 股份數目	HK\$'000 千港元		
Authorised: At 31st December 2008 and 2009	法定： 於二零零八年及 二零零九年 十二月三十一日	2,000,000,000	20,000	600,000,000	6,000	26,000
Issued and fully paid: At 31st December 2008	已發行及繳足： 於二零零八年十二月 三十一日	763,534,755	7,635	–	–	7,635
Exercise of bonus warrants (Note (b))	行使紅利認股權證 (附註(b))	9,057,454	91	–	–	91
At 31st December 2009	於二零零九年 十二月三十一日	772,592,209	7,726	–	–	7,726

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 Share capital (continued)

Notes:

- (a) The preference shares are not redeemable and the holders are not entitled to vote. At any time after allotment, each holder of preference shares is entitled to convert all or a portion of his/her preference shares into fully paid ordinary shares at the initial conversion rate of 1 ordinary share for every 1.03 preference shares, provided that for the purposes of ensuring the continued listing of the Company's ordinary shares on the Stock Exchange after the conversion of the preference shares, no holder of preference shares should be entitled to exercise the conversion rights if, the Company's ordinary shares issued upon conversion together with any ordinary shares of the Company then in issue would result in the minimum prescribed percentage of the Company's ordinary shares in public hands (as defined in the Rules Governing the Listing of Securities on the Stock Exchange from time to time) not being satisfied. On any payment of dividend or distributions (other than a distribution on winding up), the preference shares should rank pari passu with the ordinary shares. No preference shares were issued as of 31st December 2009 and 2008.
- (b) On 14th May 2009, the Company issued 76,353,475 warrants on the basis of one warrant for every ten existing shares of the Company held by the shareholders ("Bonus Warrants"). The holders of Bonus Warrants are entitled to subscribe at any time during 14th May 2009 to 13th May 2011 for fully paid shares at a subscription price of HK\$0.3 per share. For the year ended 31st December 2009, 9,057,454 new ordinary shares of HK\$0.01 each were issued upon the exercise of 9,057,454 units of bonus warrants. As at 31st December 2009, 67,296,021 units of bonus warrants remained outstanding.

22 股本(續)

附註：

- (a) 優先股不可贖回，其持有人無權表決。優先股各持有人於配發後之任何時間，有權按每1.03股優先股兌換為1股普通股之初步換股比率，將其全部或部份優先股兌換為繳足普通股，惟為確保優先股獲兌換後，本公司之普通股繼續於聯交所上市，故倘本公司於換股時發行普通股連同本公司當時已發行任何普通股，導致未能達到公眾持有本公司普通股所規定之最低百分比(定義見聯交所證券上市規則不時之規定)，則優先股持有人不得行使換股權。就支付股息或分派(清盤時分派除外)而言，優先股與普通股均享有同等權益。於二零零九年及二零零八年十二月三十一日，並無發行任何優先股。
- (b) 於二零零九年五月十四日，本公司按股東每持有十股本公司現有股份獲發一份認股權證之基準，發行76,353,475份認股權證(「紅利認股權證」)。紅利認股權證持有人有權於二零零九年五月十四日至二零一一年五月十三日期間內，隨時按認購價每股0.3港元認購繳足股款股份。截至二零零九年十二月三十一日止年度，9,057,454股每股面值0.01港元之新普通股因9,057,454份紅利認股權證獲行使而發行。於二零零九年十二月三十一日，有67,296,021份紅利認股權證仍未行使。

23 Reserves

23 儲備

Group	本集團	Share premium 股份溢價 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Special reserve (Note) 特別儲備 (附註) HK\$'000 千港元	Convertible note – equity component, net of tax 可換股 票據－權益 部份， 扣除稅項 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1st January 2008	於二零零八年一月一日 結餘	175	–	(6,774)	–	396,410	389,811
Transfer to retained earnings	轉至保留盈利	–	–	6,774	–	(6,774)	–
Currency translation differences	匯兌換算差額	–	1,085	–	–	–	1,085
Loss for the year	本年度虧損	–	–	–	–	(89,720)	(89,720)
Balance at 31st December 2008	於二零零八年 十二月三十一日結餘	175	1,085	–	–	299,916	301,176
Balance at 1st January 2009	於二零零九年一月一日 結餘	175	1,085	–	–	299,916	301,176
Exercise of bonus warrants	行使紅利認股權證	2,626	–	–	–	–	2,626
Issue of convertible note (Note 24)	發行可換股票據 (附註24)	–	–	–	7,048	–	7,048
Tax on equity component on convertible note (Note 25)	可換股票據權益部份 之稅項(附註25)	–	–	–	(1,163)	–	(1,163)
Currency translation differences	匯兌換算差額	–	32	–	–	–	32
Loss for the year	本年度虧損	–	–	–	–	(10,431)	(10,431)
Balance at 31st December 2009	於二零零九年 十二月三十一日結餘	2,801	1,117	–	5,885	289,485	299,288

Note: The special reserve of the Group represented the difference between the nominal value of shares of subsidiaries acquired and the nominal value of the shares issued by the Company.

附註：本集團之特別儲備指所收購附屬公司股份面值與本公司已發行股份面值之差額。

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綜合財務報表附註

23 Reserves (continued)

Company	本公司	Share premium 股份溢價 HK\$'000 千港元	Special reserve (Note) 特別儲備 (附註) HK\$'000 千港元	Convertible note-equity component, net of tax 可換股 票據—權益 部份， 扣除稅項 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1st January 2008	於二零零八年一月一日結餘	175	98,709	—	223,586	322,470
Loss for the year	本年度虧損	—	—	—	(72,900)	(72,900)
Balance at 31st December 2008	於二零零八年十二月三十一日結餘	175	98,709	—	150,686	249,570
Balance at 1st January 2009	於二零零九年一月一日結餘	175	98,709	—	150,686	249,570
Exercise of bonus warrants	行使紅利認股權證	2,626	—	—	—	2,626
Issue of convertible note (Note 24)	發行可換股票據 (附註24)	—	—	7,048	—	7,048
Tax on equity component on convertible note (Note 25)	可換股票據權益部份之稅項(附註25)	—	—	(1,163)	—	(1,163)
Loss for the year	本年度虧損	—	—	—	(16,270)	(16,270)
Balance at 31st December 2009	於二零零九年十二月三十一日結餘	2,801	98,709	5,885	134,416	241,811

Note: The special reserve of the Company was related to an acquisition prior to 1st January 2001 and continued to be held in reserves.

附註：本公司之特別儲備與於二零零一年一月一日前一項收購事項有關，並繼續留在儲備中。

24 Convertible note

The Company issued a non-interest bearing convertible note to HKC (Holdings) Limited, its parent company, at a par value of RMB73.5 million (equivalent to HK\$83.1 million) on 30th December 2009. The note matures three years from the issue date at its nominal value of RMB73.5 million (equivalent to HK\$83.1 million) or can be converted into shares at the holder's option on any business day during the conversion period at HK\$1.1388 per share. The values of the liability component and the equity conversion component were determined at issuance of the note.

The fair value of the liability component, included in non-current liabilities, was calculated using a market interest rate for an equivalent non-convertible bond. The residual amount, representing the value of the equity conversion option, is included in reserves, net of income taxes (note 23).

24 可換股票據

本公司於二零零九年十二月三十日向其母公司香港建設(控股)有限公司發行面值為人民幣73,500,000元(相當於83,100,000港元)之不付息可換股票據。有關票據自發行日期起計滿三週年到期，其面值為人民幣73,500,000元(相當於83,100,000港元)，或持有人可選擇於換股期內任何營業日按每股1.1388港元之價格兌換為股份。負債部份及兌換權益部份之價值已於發行票據時釐定。

負債部份之公平值已計入非流動負債，乃按同類不可兌換債券之市場利率計算。扣除所得稅後，餘額為股本兌換權之價值，並已計入儲備(附註23)。

24 Convertible note (continued)

The convertible note recognised in the balance sheet is calculated as follows:

Face value of convertible note	可換股票據面值
Equity component of convertible note (Note 23)	可換股票據權益部份(附註23)
Liability component of convertible note	可換股票據負債部份

The fair value of the liability component of the convertible note at 31st December 2009 amounted to HK\$76,007,000. The fair value is calculated using cash flows discounted at a rate based on the borrowing rate of 3%.

25 Deferred taxation

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

The offset amounts are as follows:

Deferred income tax assets	遞延所得稅資產
Deferred income tax liabilities	遞延所得稅負債
Deferred tax liabilities, net	遞延稅項負債淨額

24 可換股票據(續)

於結算日已確認之可換股票據計算如下：

Group and Company 本集團及本公司 2009 二零零九年 HK\$'000 千港元
83,055
(7,048)
76,007

於二零零九年十二月三十一日，可換股票據負債部份之公平值為76,007,000港元。公平值按以借款利率3厘貼現之現金流計算。

25 遞延稅項

倘有可依法強制執行之權利將即期稅項資產與當期稅項負債抵銷，而遞延稅項資產及負債與同一稅務機構或其他稅務機構徵收之所得稅有關，且本集團擬按淨額基準清償結餘時，則會抵銷遞延稅項資產及負債。

抵銷數額如下：

		Group 本集團		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
Deferred income tax assets	遞延所得稅資產	-	203	-	-
Deferred income tax liabilities	遞延所得稅負債	(4,643)	(1,709)	(1,163)	-
Deferred tax liabilities, net	遞延稅項負債淨額	(4,643)	(1,506)	(1,163)	-

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綜合財務報表附註

25 Deferred taxation (continued)

The gross movement on the deferred taxation is as follows:

25 遞延稅項(續)

遞延稅項的總變動如下：

		Group 本集團		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
At 1st January	於一月一日	(1,506)	(7,414)	-	-
(Charged)/credited to consolidated statement of comprehensive income	在綜合全面收入報表(扣除)/計入	(1,974)	5,908	-	-
Charged directly to equity	在權益直接扣除	(1,163)	-	(1,163)	-
At 31st December	於十二月三十一日	(4,643)	(1,506)	(1,163)	-

25 Deferred taxation (continued)

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

25 遞延稅項(續)

在並無計及於同一個稅務司法權區之抵銷結餘前，年內之遞延所得稅資產及負債變動如下：

Group	本集團	Withholding tax arising from acquisition of an associated company 因收購一間聯營公司而產生之預扣稅 HK\$'000 千港元	Convertible note 可換股票據 HK\$'000 千港元	Fair value adjustment on intangible assets 無形資產公平值調整 HK\$'000 千港元	Tax losses 稅務虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st January 2008	於二零零八年一月一日	-	-	(7,414)	-	(7,414)
Credited to consolidated statement of comprehensive income	在綜合全面收入報表計入	-	-	5,705	203	5,908
At 31st December 2008	於二零零八年十二月三十一日	-	-	(1,709)	203	(1,506)
At 1st January 2009	於二零零九年一月一日	-	-	(1,709)	203	(1,506)
(Charged)/credited to consolidated statement of comprehensive income	在綜合全面收入報表(扣除)/計入	(2,477)	-	706	(203)	(1,974)
Charged directly to equity	在權益直接扣除	-	(1,163)	-	-	(1,163)
At 31st December 2009	於二零零九年十二月三十一日	(2,477)	(1,163)	(1,003)	-	(4,643)

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25 Deferred taxation (continued)

25 遞延稅項(續)

Company	本公司	Convertible note 可換股票據 HK\$'000 千港元
At 1st January 2008 and 2009 Charged directly to equity	於二零零八年及二零零九年一月一日 在權益直接扣除	– (1,163)
At 31st December 2009	於二零零九年十二月三十一日	(1,163)

The Group did not recognise deferred income tax assets of HK\$547,166 (2008: HK\$459,408) in respect of losses amounting to HK\$3,135,321 (2008: HK\$2,784,291) that can be carried forward against future taxable income. These tax losses have no expiry dates except tax losses of HK\$351,030 (2008: Nil) which will expire at various dates up to and including 2014.

本集團並無就虧損3,135,321港元(二零零八年: 2,784,291港元)確認遞延所得稅資產547,166港元(二零零八年: 459,408港元)用以結轉抵銷日後應課稅收入。該等稅項虧損並無到期日,惟351,030港元(二零零八年: 無)之稅項虧損則將於截至二零一四年止之不同日期屆滿。

26 Other payables

The carrying amounts of the Group's other payables are denominated in the following currencies:

26 其他應付款

本集團其他應付款之賬面值以下列貨幣計值:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Hong Kong dollars	港元	6,556	2,357
Renminbi	人民幣	1,810	865
Japanese Yen	日圓	21	298
		8,387	3,520

At 31st December 2009 and 2008, the carrying amount of the Company's other payables are denominated in Hong Kong dollars.

於二零零九年及二零零八年十二月三十一日,本公司其他應付款之賬面值乃以港元計值。

27 Commitments

(a) Capital commitments

Capital expenditure at the balance sheet date but not yet incurred was as follows:

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 expenditure in respect of alternative energy projects:	有關替代能源項目之資本開支：		
Contracted but not provided for	已訂約但並未撥備	67,030	396,795
Authorised but not contracted for (Note)	已授權但未訂約(附註)	309,303	—
Capital injection in an associated company in respect of alternative energy project:	就替代能源項目向一間聯營公司作出注資：		
Contracted but not provided for	已訂約但並未撥備	—	110,014
		376,333	506,809

Note:

Contracts worth HK\$309,303,000 were originally classified under the category “Contracted but not provided for” as of 31st December 2008. Due to the project deferral, certain payment conditions became invalid and accordingly the original contracts became ineffective during the year ended 31st December 2009. New contract terms and conditions are under negotiation, Hence, the amount has been reclassified as “Authorised but not contracted for” as of the balance sheet date 31st December 2009.

(b) Commitments under operating leases

The aggregate future minimum lease payments under non-cancellable operating leases in respect of land and buildings were as follows:

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
No later than 1 year	一年內	9,246	6,613
Later than 1 year and no later than 5 years	於一年後但不遲於五年	—	8,843
		9,246	15,456

27 承擔

(a) 資本承擔

於結算日已承擔但尚未產生之資本開支如下：

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 expenditure in respect of alternative energy projects:	有關替代能源項目之資本開支：		
Contracted but not provided for	已訂約但並未撥備	67,030	396,795
Authorised but not contracted for (Note)	已授權但未訂約(附註)	309,303	—
Capital injection in an associated company in respect of alternative energy project:	就替代能源項目向一間聯營公司作出注資：		
Contracted but not provided for	已訂約但並未撥備	—	110,014
		376,333	506,809

附註：

合約價值309,303,000港元原來分類為於二零零八年十二月三十一日之「已訂約但並未撥備」類別。由於項目延誤，於截至二零零九年十二月三十一止年度，若干付款條款作廢，原來合約因而失效。現時正就新合約條款及條件進行磋商。因此，該金額乃重新分類為於二零零九年十二月三十一資產負債表內「已授權但未訂約」項目。

(b) 根據經營租賃之承擔

根據有關土地及樓宇之不可註銷經營租賃之未來最低租金總額如下：

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
No later than 1 year	一年內	9,246	6,613
Later than 1 year and no later than 5 years	於一年後但不遲於五年	—	8,843
		9,246	15,456

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28 Related-party transactions

Other than the transactions and balances disclosed elsewhere in these financial statements, the Group entered into transactions with the following related parties for the years ended 31st December 2009 and 2008.

- (a) Management services fee of HK\$5,875,000 (2008: HK\$3,159,000) was paid to the ultimate holding company, of which HK\$5,592,000 (2008: HK\$2,099,000) is subject to the annual caps under continuing connected transactions between the Group and HKC.
- (b) Office rental of HK\$141,000 (2008: Nil) was paid to a fellow subsidiary. The office rental was charged at terms pursuant to agreements which were agreed by both parties.
- (c) Property management fee of HK\$47,000 (2008: Nil) was paid to a fellow subsidiary. The property management fee was charged at terms pursuant to agreements which were agreed by both parties.
- (d) During 2008, recharge of office expense of HK\$1,243,000 was paid to Zastron Precision-Tech Limited, a fellow subsidiary wholly owned by a previous shareholder of the Company.

(e) Key management compensation

Salaries and other benefits	薪金及其他福利
Directors' fees	董事袍金
Pension cost – defined contribution scheme	退休金成本 – 定額供款計劃

28 關連人士交易

除於此等財務報表其他章節披露之交易及結餘外，於截至二零零九年及二零零八年十二月三十一日止年度，本集團曾與以下關連人士進行交易。

- (a) 已向最終控股公司支付管理服務費5,875,000港元(二零零八年：3,159,000港元)，當中5,592,000港元(二零零八年：2,099,000港元)須遵守本集團與香港建設進行之持續關連交易項下之年度上限。
- (b) 已向一間同系附屬公司支付辦公室租金141,000港元(二零零八年：無)。辦公室租金根據訂約雙方協定之協議條款扣除。
- (c) 已向一間同系附屬公司支付物業管理費47,000港元(二零零八年：無)。物業管理費根據訂約雙方協定之協議條款扣除。
- (d) 於二零零八年，已向 Zastron Precision-Tech Limited(一間本公司前股東全資擁有之同系附屬公司)支付辦公室開支1,243,000港元。

(e) 主要管理層成員之補償

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	5,556	3,054
	801	799
	46	29
	6,403	3,882

29 Notes to consolidated cash flow statement

(a) Reconciliation of operating loss to net cash used in operations

29 綜合現金流量表附註

(a) 經營虧損與經營業務所用現金淨額之對賬

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit/(loss) before income tax	所得稅前溢利／(虧損)	2,654	(101,670)
Finance costs	融資成本	–	160
Finance income	財務收入	(443)	(3,074)
Depreciation and amortisation	折舊及攤銷	5,041	11,566
Loss on disposal of property, plant and equipment	出售物業、機器及設備虧損	–	4
Impairment losses on intangible assets	無形資產減值虧損	817	58,694
Gain on disposal of subsidiaries	出售附屬公司收益	(7,624)	–
Excess of fair value of net assets acquired over cost of acquisition of an associated company	所收購資產淨值之公平值超出收購一間聯營公司成本之數額	(27,693)	–
Share of loss of an associated company	應佔一間聯營公司虧損	289	–
Operating loss before working capital changes	營運資金變動前經營虧損	(26,959)	(34,320)
(Increase)/decrease in trade and other receivables	應收賬款及其他應收款(增加)／減少	(4,193)	241
Increase/(decrease) in other payables	其他應付款增加／(減少)	5,678	(3,844)
Cash used in operations	經營所用現金	(25,474)	(37,923)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 Notes to consolidated cash flow statement

(continued)

(b) Disposal of subsidiaries

On 21st May 2009, HKE (Biomass) Holdings Limited, a company incorporated in the British Virgin Islands and a wholly owned subsidiary of the Company, entered into an agreement to dispose of its 55% equity interest in Hong Kong Biomass Energy (BVI) Co., Limited, a company incorporated in the British Virgin Islands, to the minority shareholder, GeneHarbor (Hong Kong) Technologies Limited, at a cash consideration of HK\$23,100,000. A gain on disposal of HK\$7,624,000 resulted.

29 綜合現金流量表附註(續)

(b) 出售附屬公司

於二零零九年五月二十一日，本公司於英屬處女群島註冊成立之全資附屬公司香港新能源(生物質)控股有限公司訂立一份協議，以現金代價23,100,000港元向少數股東基因港(香港)科技有限公司，出售其於英屬處女群島註冊成立之香港生物質能源(BVI)有限公司55%股本權益，並帶來出售收益7,624,000港元。

		2009 二零零九年 HK\$'000 千港元
Net assets disposed	所出售資產淨值	
Intangible assets	無形資產	24,844
Trade and other receivables	應收賬款及其他應收款	4
Cash and cash equivalents	現金及現金等價物	4,101
Trade and other payables	應付賬款及其他應付款	(811)
Minority interest	少數股東權益	(12,662)
		<hr/>
		15,476
Gain on disposal of subsidiaries	出售附屬公司收益	7,624
		<hr/>
Consideration	代價	23,100
Satisfied by:	以下列方式支付：	
Cash consideration	現金代價	23,100
Cash and bank balances disposed of	所出售現金及銀行結餘	(4,101)
		<hr/>
		18,999
		<hr/> <hr/>

29 Notes to consolidated cash flow statement

(continued)

(c) Analysis of net inflow of cash and cash equivalents in respect of disposal of subsidiaries

Cash consideration	現金代價
Cash and bank balances disposed of	所出售現金及銀行結餘

(d) Non-cash transaction

The significant non-cash transaction was related to the acquisition of an associated company as described in note 30.

30 Business combination

On 30th December 2009, the Group completed the acquisition of 100% equity interest in HKE Danjinghe (BVI) Wind Power Limited (“HKE Danjinghe”). HKE Danjinghe was acquired from HKC, its parent company. The principal asset of HKE Danjinghe is its 10% effective interest in an associated company. The consideration is satisfied by the issuance of convertible note with a par value of RMB73.5 million (equivalent to HK\$83.1 million) with details described in note 24.

At the acquisition date, the fair value of the net assets and liabilities in HKE Danjinghe equalled HK\$110,748,000 and consequently there is an excess of fair value of net assets acquired over cost of acquisition of the associated company which is recognised in the consolidated statement of comprehensive income.

29 綜合現金流量表附註(續)

(c) 有關出售附屬公司之現金及現金等價物流入淨額分析

2009
二零零九年
HK\$'000
千港元

23,100
(4,101)

18,999

(d) 非現金交易

誠如附註30所述，重大非現金交易與收購一間聯營公司有關。

30 業務合併

於二零零九年十二月三十日，本集團完成收購香港新能源單晶河(BVI)風能有限公司(「香港新能源單晶河」)全部股本權益。香港新能源單晶河乃自其母公司香港建設購入。香港新能源單晶河之主要資產為其於一間聯營公司之10%實際權益。代價乃透過發行面值為人民幣73,500,000元(約相當於83,100,000港元)之可換股票據支付，詳情載於附註24。

於收購日期，香港新能源單晶河資產淨值與負債淨額之公平值相等於110,748,000港元，而所收購資產淨值之公平值超出收購一間聯營公司成本之數額，已於綜合全面收入報表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 Business combination (continued)

Details of net assets acquired are as follows:

30 業務合併(續)

所收購資產淨值之詳情如下：

		HK\$'000 千港元
Purchase consideration – convertible note (Note 24)	購買代價—可換股票據(附註24)	83,055
Fair value of net assets acquired (see below)	所收購資產淨值之公平值(見下文)	<u>(110,748)</u>
Excess of fair value of net assets acquired over cost of acquisition of an associated company (Note 11)	所收購資產淨值之公平值超出收購一間聯營公司成本之數額(附註11)	(27,693)
Deferred tax liabilities (Note 11)	遞延稅項負債(附註11)	<u>12,385</u>
Excess of fair value of net assets acquired over cost of acquisition of an associated company, net of tax (Note 11)	所收購資產淨值之公平值超出收購一間聯營公司成本之數額，扣除稅項(附註11)	<u>(15,308)</u>

The identifiable assets and liabilities arising from the acquisition are as follows:

自收購產生之可識別資產及負債如下：

		Acquiree's carrying amount 被收購方 之賬面值 HK\$'000 千港元	Acquiree's fair value amount 被收購方 之公平值 HK\$'000 千港元
Interest in an associated company	於一間聯營公司之權益	61,200	110,740
Amount due from immediate holding company	應收直屬控股公司款項	<u>8</u>	<u>8</u>
Net assets acquired	所收購資產淨值	<u>61,208</u>	<u>110,748</u>
Fair value of net assets acquired	所收購資產淨值之公平值		110,748
Excess of fair value of net assets acquired over cost of acquisition of an associated company (Note 11)	所收購資產淨值之公平值超出收購一間聯營公司成本之數額(附註11)		<u>(27,693)</u>
Total purchase consideration – convertible note (Note 24)	總購買代價—可換股票據(附註24)		<u>83,055</u>

30 Business combination (continued)

Since the date of acquisition, HKE Danjinghe did not contribute any revenue and profit to the Group. If the acquisition had occurred on 1st January 2009, there would not have been a material effect on the Group's revenue and loss for the year.

There was no acquisition in the year ended 31st December 2008.

31 Events after the balance sheet date

- (a) On 22nd March 2010, the Company proposed to make a bonus issue of new shares of HK\$0.01 each to the qualifying shareholders on the basis of 1 bonus share for every 10 ordinary shares to be held. There is no financial effect to the Company and the Group upon the grant of such bonus issue of new shares.
- (b) On 22nd March 2010, the Company proposed to make a bonus issue of warrants to its shareholders on the basis of 1 bonus warrant for every 10 ordinary shares held. The subscription price of HK\$0.60 is determined based on a discount of approximately 25% to the average closing price of the ordinary shares of the Company for 5 consecutive days from 15th March 2010 to 19th March 2010. There is no financial effect to the Company and the Group upon the grant of such bonus warrants.

32. Comparative figures

Certain comparative figures as set out in the consolidated financial statements and the related notes thereto have been reclassified to confirm with the current year's presentations which has changed largely due to the adoption of new accounting standards.

30 業務合併(續)

自收購日期以來，香港新能源單晶河概無為本集團帶來任何收益及溢利。倘若收購已於二零零九年一月一日進行，則不會對本集團年內收益及虧損造成重大影響。

於截至二零零八年十二月三十一日止年度並無進行收購。

31 結算日後事項

- (a) 於二零一零年三月二十二日，本公司建議向合資格股東發行每股面值0.01港元之紅股，基準為每持有10股普通股獲發一股紅股。授出有關紅股發行後對本公司及本集團並無財務影響。
- (b) 於二零一零年三月二十二日，本公司建議向股東發行紅利認股權證，基準為每持有10股普通股獲發一份紅利認股權證。認購價為0.60港元乃按本公司普通股於二零一零年三月十五日至二零一零年三月十九日連續5日平均收市價折讓約25%釐定。授出有關紅利認股權證對本公司及本集團並無財務影響。

32 比較數字

於綜合財務報表及綜合財務報表有關附註所載之若干比較數字已重列，以符合本年度之呈報方式，此舉主要由於採納新會計準則，導致本年度之呈報方式有變動。

PRINCIPAL SUBSIDIARIES AND ASSOCIATED COMPANIES

主要附屬公司及聯營公司

Principal subsidiaries and associated companies

Listed below are the principal subsidiaries and associated companies which, in the opinion of the directors, principally affect the result and/or net assets of the Group.

主要附屬公司及聯營公司

下表載列董事認為對本集團業績及／或資產淨值有重大影響之主要附屬公司及聯營公司。

Name 名稱	Place of incorporation/ operation and kind of legal entity 註冊成立／經營地點 及法律實體類型	Principal activities 主要業務	Issued share capital/Paid up registered capital 已發行股本／ 實付註冊資本	Percentage of equity/ Paid up registered capital held 所持權益／實 付註冊 資本百分比
Principal subsidiaries		主要附屬公司		
J.I.C. Enterprises (Hong Kong) Limited# 捷誠電子貿易(香港)有限公司#	Hong Kong 香港	Inactive 暫無營業	HK\$500,000 500,000港元	100%
J.I.C. (Macao Commercial Offshore) Company Limited 捷誠(澳門離岸商業服務)有限公司	Macao 澳門	Inactive 暫無營業	HK\$97,500 97,500港元	100%
Namtek Japan Company Limited# (Note) (附註)	Japan 日本	Provision of sales co-ordination and marketing services to fellow subsidiaries 向同系附屬公司提供銷售協調及市場策劃服務	JPY1,000,000 1,000,000日圓	0%
Shenzhen Namtek Company Limited## 深圳南迪電子技術有限公司##	the PRC/Wholly foreign-owned enterprise 中國／外商獨資企業	Solution provider for software development 軟件開發之解決方案供應商	US\$800,000 800,000美元	100%
Best Whole Holdings Limited+ 保希控股有限公司+	Hong Kong 香港	Investment holding 投資控股	HK\$1 1港元	100%
Joy Holdings Limited#	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1 1美元	100%
港能新能源四子王旗風能有限公司##	the PRC/Sino-foreign equity joint venture 中國／中外合資企業	Wind power project in Siziwang Qi, Inner Mongolia 內蒙古四子王旗之風力發電項目	RMB8,824,056 人民幣8,824,056元	100%
Hong Kong New Energy (Si Zi Wang Qi II) Wind Power Limited+ 香港新能源(四子王旗二期)風能有限公司+	Hong Kong 香港	Investment holding 投資控股	HK\$1,000 1,000港元	100%

Principal subsidiaries and associated companies

(continued)

主要附屬公司及聯營公司(續)

Name 名稱	Place of incorporation/ operation and kind of legal entity 註冊成立／經營地點 及法律實體類型	Principal activities 主要業務	Issued share capital/Paid up registered capital 已發行股本／ 實付註冊資本	Percentage of equity/ Paid up registered capital held 所持權益／實 付註冊 資本百分比
Principal subsidiaries (continued)				
主要附屬公司(續)				
Hong Kong New Energy Si Zi Wang Qi II (BVI) Wind Power Limited ^{##} 香港新能源四子王旗二期(BVI) 風能有限公司 ^{##}	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1 1美元	100%
HKE (Da He) Holdings Limited ⁺ 香港新能源(大河)控股有限公司 ⁺	Hong Kong 香港	Investment holding 投資控股	HK\$1 1港元	100%
HKE Da He (BVI) Holdings Limited ^{##} 香港新能源大河(BVI)控股 有限公司 ^{##}	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1 1美元	100%
HKE (Wind Power) Holdings Limited [#] 香港新能源(風電)控股有限公司 [#]	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1 1美元	100%
HKE (Services) Limited 香港新能源(管理)有限公司	Hong Kong 香港	Human resources management 人力資源管理	HK\$1 1港元	100%
HKE Danjinghe (BVI) Wind Power Limited ^{##Δ} 香港新能源單晶河(BVI)風能 有限公司 ^{##Δ}	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1,000 1,000美元	100%

Associated companies

聯營公司

CECIC HKC Wind Power Company Limited ^{##Δ□} 中節能港建風力發電(張北) 有限公司 ^{##Δ□}	the PRC/Sino-foreign equity joint venture 中國／中外合資企業	Wind power project in Danjinghe, Zhangbei 於張北縣單晶河進行 風力發電項目	RMB545,640,000 人民幣 545,640,000元	10%
CECIC HKE Wind Power Co., Limited ^{##Δ□} 中節能港能風力發電(張北) 有限公司 ^{##Δ□}	the PRC/Sino-foreign equity joint venture 中國／中外合資企業	Wind power project in Lunaobao, Zhangbei 於張北縣線腦包進行 風力發電項目	RMB323,260,000 人民幣 323,260,000元	30%

Note: Namtek Japan Company Limited has applied for voluntary liquidation and is liquidated on 25th December 2009.

附註：Namtek Japan Company Limited已申請主動清盤，並已於二零零九年十二月二十五日完成清盤程序。

Remarks:

備註：

+ Interest held by subsidiaries
Not audited by PricewaterhouseCoopers
Δ Newly set up or acquired in 2009
□ Unofficial English transliterations or translations for identification purposes only

+ 權益由附屬公司持有
並非由羅兵咸永道會計師事務所審核
Δ 於二零零九年新成立或收購
□ 非正式英文字譯或翻譯，僅供識別

FIVE-YEAR FINANCIAL SUMMARY

五年財務資料概要

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Consolidated statement of comprehensive income	綜合全面收入報表					
Revenue	收益	10,609	13,877	654,010	504,297	458,498
Profit/(loss) before income tax	所得稅前溢利/(虧損)	2,654	(101,670)	217,559	28,794	37,964
Income tax credit/(expense)	所得稅抵免/(支出)	(14,336)	6,963	10,903	(601)	(583)
Profit/(loss) for the year	本年度溢利/(虧損)	(11,682)	(94,707)	228,462	28,193	37,381
Minority interest	少數股東權益	1,251	4,987	-	-	-
Profit/(loss) attributable to equity holders of the Company	本公司股東權益持有人應佔溢利/(虧損)	(10,431)	(89,720)	228,462	28,193	37,381
Consolidated balance sheet	綜合資產負債表					
Net current assets	流動資產淨值	170,296	287,911	330,182	47,575	28,310
Non-current assets	非流動資產	217,368	36,522	74,678	129,934	149,840
Non-current liabilities	非流動負債	(80,650)	(1,709)	(7,414)	(8,525)	(22,088)
Net assets including minority interest	資產淨值(包括少數股東權益)	307,014	322,724	397,446	168,984	156,062
Share capital	股本	7,726	7,635	7,635	7,635	7,635
Reserves	儲備	299,288	301,176	389,811	161,349	148,427
Minority interest	少數股東權益	-	13,913	-	-	-
Total equity	股東權益總額	307,014	322,724	397,446	168,984	156,062
		2009 二零零九年 HK cents 港仙	2008 二零零八年 HK cents 港仙	2007 二零零七年 HK cents 港仙	2006 二零零六年 HK cents 港仙	2005 二零零五年 HK cents 港仙
Earnings/(loss) per share – basic	每股盈利/(虧損) – 基本	(1.36)	(11.75)	29.92	3.69	4.90
Dividend per share – attributable to the year	每股股息 – 一年度應佔	Nil	Nil	Nil	Nil	4.0
Return on total equity (Note)	股東權益總額回報率(附註)	(3.4%)	(27.8%)	57.5%	16.7%	24.0%

Note:

附註：

Return on total equity represents the current year's profit/loss for the year expressed as a percentage of the closing total equity for the year concerned.

股東權益總額回報率為本年度溢利/虧損相對有關年度年終股東權益總額之百分比。

green
energy

environment

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