



China Uptown Group Company Limited
中國上城集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

股份代號 Stock code: 2330

SOARING TO
NEW HEIGHTS

飆升至新高地

Annual Report 2011

年報



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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. CHEN Xian (*Chairman*)
Mr. LAU Sai Chung (*Chief Executive Officer*)
Mr. XIONG Jianrui
Ms. XIA Dan

Independent non-executive Directors

Mr. POON Lai Yin, Michael
Mr. CHAN Chun Fai
Mr. NG Kwok Chu, Winfield

AUDIT COMMITTEE

Mr. POON Lai Yin, Michael (*Chairman*)
Mr. CHAN Chun Fai
Mr. NG Kwok Chu, Winfield

REMUNERATION COMMITTEE

Mr. NG Kwok Chu, Winfield (*Chairman*)
Mr. POON Lai Yin, Michael
Mr. CHAN Chun Fai

NOMINATION COMMITTEE

Mr. CHAN Chun Fai (*Chairman*)
Mr. POON Lai Yin, Michael
Mr. NG Kwok Chu, Winfield

COMPANY SECRETARY

Mr. FU Lui

AUDITOR

SHINEWING (HK) CPA Limited

PRINCIPAL BANKERS

Citic Bank International Limited
The Industrial and Commercial Bank of China, Zhuhai Branch

LEGAL ADVISORS

As to Hong Kong Law

Li & Partners

As to PRC Law

Guangdong Zhongsheng Law Office

董事會

執行董事

陳賢先生 (*主席*)
劉世忠先生 (*行政總裁*)
熊劍瑞先生
XIA Dan女士

獨立非執行董事

潘禮賢先生
陳振輝先生
吳國柱先生

審核委員會

潘禮賢先生 (*主席*)
陳振輝先生
吳國柱先生

薪酬委員會

吳國柱先生 (*主席*)
潘禮賢先生
陳振輝先生

提名委員會

陳振輝先生 (*主席*)
潘禮賢先生
吳國柱先生

公司秘書

府磊先生

核數師

信永中和 (香港) 會計師事務所有限公司

主要往來銀行

中信銀行國際有限公司
中國工商銀行 (珠海市分行)

法律顧問

有關香港法律

李偉斌律師行

有關中國法律

廣東中晟律師事務所



Corporate Information 公司資料

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 1501, 15/F
Tower 1, Silvercord
30 Canton Road
Tsimshatsui
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Bank (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 75
Grand Cayman KY1-1107
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
18th Floor
Fook Lee Commercial Centre
Town Place
33 Lockhart Road
Wanchai
Hong Kong

COMPANY WEBSITE

www.chinauptown.com.hk

STOCK CODE

2330

註冊辦事處

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

總辦事處及主要營業地址

香港
九龍
尖沙咀
廣東道30號
新港中心第一期
15樓1501室

主要股份登記及過戶處

Butterfield Bank (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 75
Grand Cayman KY1-1107
Cayman Islands

香港之股份登記及過戶處

聯合證券登記有限公司
香港灣仔
駱克道33號
中央廣場
福利商業中心
18樓

公司網址

www.chinauptown.com.hk

證券代號

2330

Five Years Financial Summary

五年財務概要

Results	業績	Year ended 31 December		Six months ended 31 December	Year ended 30 June	
		截至十二月三十一日止年度	十二月三十一日止六個月	截至十二月三十一日止六個月	截至六月三十日止年度	截至六月三十日止年度
		2011	2010	2009	2009	2008
		二零一一年	二零一零年	二零零九年	二零零九年	二零零八年
Turnover (RMB'000)	營業額 (人民幣千元)	214,480	328,080	140,120	287,780	152,826
Profit (loss) attributable to owners of the Company (RMB'000)	本公司之擁有人應佔溢利(虧損) (人民幣千元)	22,529	(30,853)	(63,167)	(18,547)	(112,622)
Earnings (loss) per share (RMB cents)	每股溢利(虧損) (人民幣仙)					
– Basic	– 基本	2.64	(3.62)	(10.30)	(4.33)	(26.41)
– Diluted	– 攤薄	1.69	(3.62)	(10.30)	(4.33)	(26.41)
		At 31 December			At 30 June	
		於十二月三十一日			於六月三十日	
Assets and liabilities	資產及負債	2011	2010	2009	2009	2008
		二零一一年	二零一零年	二零零九年	二零零九年	二零零八年
Total assets (RMB'000)	資產總額 (人民幣千元)	1,737,392	1,491,124	1,416,902	247,020	279,400
Total liabilities (RMB'000)	負債總額 (人民幣千元)	(1,406,521)	(1,004,659)	(764,881)	(235,294)	(248,565)
Net asset value (RMB'000)	資產淨額 (人民幣千元)	330,871	486,465	652,021	11,726	30,835
Equity attributable to owners of the parent (RMB'000)	控股公司之擁有人應佔權益 (人民幣千元)	255,366	331,732	352,447	11,726	30,835
Non-controlling interests (RMB'000)	非控制權益 (人民幣千元)	75,505	154,733	299,574	–	–
Total equity	權益總額	330,871	486,465	652,021	11,726	30,835



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The review of the major business segments of the Group during the year is as follows:

Property Development

The Group currently holds a property development project – Zhongzhu Uptown in Zhuhai, Guangdong Province, the PRC. Zhongzhu Uptown was developed in two phases. More than 95% properties in Phase 1 of Zhongzhu Uptown were sold as at the report date. The pre-sale of Phase 2 of Zhongzhu Uptown began in late 2010, and continued during 2011 and 2012.

For year ended 31 December 2011, total revenue attributable to the property development business amounted to approximately RMB63,838,000 (2010: RMB156,488,000) which included sales of 32 units of residential properties and 9 units of commercial properties with 4,025 and 882 square metres respectively. Phase 2 of Zhongzhu Uptown has recently completed the buildings and exterior construction. The interior decoration is still under progress, and it is planned to begin the delivery in the second half of 2012. Despite the stringent control of the properties market in the PRC, more than half of the residential units were contracted for sales as at 31 December 2011. The average selling prices was significantly higher than Phase 1 as a result of the upsurge of properties price in Zhuhai in recent years.

Property Investment

Property investment business represents rental income and capital appreciation from investment properties held in the PRC and in Hong Kong. During the year, rental income amounted to approximately RMB7,057,000 (2010: RMB12,107,000). Less rental income was recorded as several units were pending to be leased after the previous tenants moved out. Net gain on change in fair value of investment properties amounted to approximately RMB12,999,000 (2010: RMB11,634,000).

At 31 December 2011, the investment properties comprises of an office premise in Hong Kong with gross floor area of approximately 836 square feet and the research and development centre in Shenzhen, the PRC with gross floor area of approximately 15,084 square metres. During the year, the Group disposed certain investment properties in Hong Kong amounted to approximately RMB43,935,000 with net gain on disposals of approximately RMB2,046,000. The management are of the view that by focusing its resources in the PRC property development and other high growth business the Group's result could be improved.

業務回顧

本集團在年內之主要業務分部回顧如下：

物業發展

本集團目前持有一項物業發展項目 – 中國廣東省珠海市之中珠上城。中珠上城分兩期發展。於報告日期，逾95%中珠上城第一期之物業已售出。中珠上城第二期於二零一零年底開始預售並在二零一一年及二零一二年繼續。

截至二零一一年十二月三十一日止年度，物業發展業務之總收入達約人民幣63,838,000元（二零一零年：人民幣156,488,000元），包括32個住宅物業單位及9個商用物業單位（分別為4,025平方米及882平方米）的銷售。中珠上城第二期現已完成大廈建設及外部工程，而內部裝修仍在進行中，計劃於二零一二年下半年開始交付。於二零一一年十二月三十一日，儘管中國嚴控房地產市場，仍有過半住宅單位已訂約出售。由於近年來珠海樓價上漲，平均銷售價顯著高於第一期。

物業投資

物業投資業務即持有於中國及香港之投資物業之租金收入及資本增值。年內，租金收入達約人民幣7,057,000元（二零一零年：人民幣12,107,000元）。所錄得的租金收入減少乃由於過往租戶搬出後若干單位待租所致。投資物業之公允值變動之淨收益約人民幣12,999,000元（二零一零年：人民幣11,634,000元）。

於二零一一年十二月三十一日，投資物業中，包括位於香港的寫字樓物業單位（總樓宇面積約836平方呎）及位於中國深圳之研發中心（總樓宇面積約15,084平方米）。年內，本集團出售位於香港的若干投資物業，共值約人民幣43,935,000元，出售事項收益淨額約為人民幣2,046,000元。管理層認為，透過將資源集中於中國物業發展及其他高增長業務，本集團之業績將得到改善。

Management Discussion and Analysis

管理層討論及分析

Trading

The Group's trading business represents distribution of electronic components, mobile phone modules and automation products. The total revenue from the trading business during the year amounted to RMB143,585,000 (2010: RMB159,485,000) amid the downturn of the overseas markets. Although the profit margin is relatively low from the trading business, the required financial and business resources are limited and the relevant risks can be mitigated by effective operational procedures and internal controls. The Group has taken various measures to diversify the product range with an objective to further enhance the profit margin and the improvements are noted in recent months.

Technology

The automation and mobile handset projects involve substantial capital investments and resources while market environment in the short-term to medium-term still remain uncertain and the competition is very keen. The Group has decided to move out of the mobile handset business due to keen competition but will continue to take a cautious and critical review on potential automation business opportunities, and will engage in projects only if the business risks can be certainly managed and controlled.

MARKET OUTLOOK AND PROSPECTS

In 2011, the Group faced increasingly complicated economic and market conditions in its property development business as a result of the tightening property market measure imposed by the PRC government. The management believes these policies could benefit the PRC properties market in the long-term. To overcome the excessive liquidity and ease inflation, the People's Bank of China further raised the required capital reserve ratio and interest rate in 2011. During the year, the "Price-restriction" and "Purchase-restriction" policies in Zhuhai also have adverse effect on the properties market.

貿易

本集團貿易業務包括電子元件、手機組件及自動化產品之分銷。年內，在海外市場呈現頹勢的情況下，貿易業務之總收入為人民幣143,585,000元（二零一零年：人民幣159,485,000元）。縱使貿易業務之利潤率相對偏低，但所需之財務與業務資源有限，而通過有效率的運作程序及內部監控，相關風險就可減低。因此，本集團已採取多個措施，把產品組合多元化，務求進一步改善利潤率，有關改善已於近幾個月顯現。

科技

自動化和手機項目涉及大量資本投資和資源，但短期至中期之市況仍見不明朗及競爭劇烈。由於手機業務競爭劇烈，故本集團決定放棄手機業務，惟將繼續採取謹慎的態度，並嚴格審視自動化項目的潛在商機，並僅於項目的商業風險可明確管理及控制時方參與其中。

市場前景及展望

二零一一年，本集團之物業發展業務受中國政府對物業市場施加緊縮政策影響而面對日益複雜之經濟及市場狀況。管理層相信，長遠來看，該等政策將令中國物業市場受惠。為克服流動性過剩及緩解通脹壓力，中國人民銀行於二零一一年進一步提高存款準備金率及利率。於年內，珠海之「限價」及「限購」政策亦對物業市場產生不利影響。



Management Discussion and Analysis 管理層討論及分析

In the 1st quarter of 2012, the PRC has started to gradually lower the required capital reserve ratio of banks. Though the Central Government still emphasizes that it will continue to closely monitor the property market, Zhuhai is one of the fastest growing cities with pleasant living environment. With the Hong Kong-Zhuhai-Macau Bridge and the railway transportation connecting the major cities in the Guangdong Province and the China Railway High-speed network via Guangzhou, the local economies and the properties market will be greatly enhanced. Looking into 2012, it is anticipated that the properties market will be more stable. After recent reduction of the reserve requirement ratio, the market has rebuilt its confidence in the economy. The Directors are optimistic about the future prospects of the property market in Zhuhai.

Regarding the Zhongzhu Uptown Phase 2, the remaining properties will continue its pre-sale in 2012. The pre-sale has generated a strong cash flow for our business, which greatly enable the Group to continue develop in the tight monetary control environment in the PRC and to explore other investment opportunities. The Group will closely monitor future market trends and respond to market changes in a prudent and pro-active manner by strengthening its corporate development and maintaining stringent financial discipline.

FINANCIAL REVIEW

For the year ended 31 December 2011, the Group achieved a turnover of approximately RMB214,480,000 (2010: RMB328,080,000) which represented a decrease of approximately 35%. The decrease in turnover is mainly due to majority units of Zhongzhu Uptown Phase 1 were sold in previous year while Phase 2 was still in pre-sale stage. Though more than 50% of the units in Phase 2 were contracted for sales, they were not recognised as turnover until being delivered to the purchasers. The management believes upon the delivery of properties of Phase 2 in late 2012, the turnover will be boosted.

於二零一二年第一季度，中國開始逐步放寬對銀行的存款準備金比率。儘管中央政府仍強調其會繼續密切監控物業市場，珠海仍是發展最快城市之一，居住環境優美。港珠澳大橋及鐵路運輸透過廣州銜接廣東省大部分城市及中國高速鐵路網絡完成後，將大大推動當地經濟及物業市場發展。展望二零一二年，預計物業市場相對將趨穩。近期存款準備金率下調後，市場對經濟重拾信心。董事對珠海之物業市場未來前景持樂觀態度。

至於中珠上城第二期，其餘下物業將於二零一二年繼續預售。預售將為我們的業務產生強勁的現金流，使本集團在中國的緊縮貨幣控制環境下得以持續發展及尋求其他投資機遇。本集團將密切注意未來的市場發展趨勢及以審慎和積極的態度應對市場變化，加強其企業發展及維持嚴格的財政紀律。

財務回顧

截至二零一一年十二月三十一日止年度，本集團之營業額約人民幣214,480,000元（二零一零年：人民幣328,080,000元），減少約35%。營業額減少主要由於中珠上城一期在上一年度已售出大部分單位而二期仍在預售階段。儘管二期過半單位已訂約待售，然而其須於交付買方後方會確認為營業額。管理層深信在二期物業於二零一二年年底交付後，營業額將提高。



Management Discussion and Analysis 管理層討論及分析

The profit attributable to owners of the Company was approximately RMB22,529,000 (2010: loss of RMB30,853,000). The profit is mainly attributable to the gain arising from the change in fair value of convertible bonds amounted to approximately RMB45,393,000 (2010: RMB14,860,000). Excluding the effect of change in fair value of the convertible bonds, a loss attributable to the owners of the Company of approximately RMB22,864,000 (2010: RMB45,713,000) was recorded which was mainly caused by the advertisement and other related costs for the pre-sale of Phase 2 of Zhongzhu Uptown amounted to approximately RMB12,926,000.

Liquidity and Financial Resources

In 2011, the Group's operating activities generated a net cash inflow of approximately RMB354,901,000 (2010: outflow of RMB169,570,000) which mainly represents receipts from Phase 2 of Zhongzhu Uptown pre-sales. At 31 December 2011, the total amount of bank balance and cash was approximately RMB228,991,000 (2010: RMB155,804,000), including restricted bank deposits of RMB92,298,000 (2010: RMB32,776,000).

At 31 December 2011, the total assets of the Group was approximately RMB1,737,392,000 (2010: RMB1,491,124,000), representing an increase of approximately 17%. The increase is mainly due to the construction of Zhongzhu Uptown Phase 2. At 31 December 2011, the Group's total borrowings decreased to approximately RMB99,357,000 (2010: RMB385,936,000) as a result of repayment of construction loan during the year.

At 31 December 2011, the gearing ratio, expressed as a percentage of total borrowings over net assets was 30% (2010: 79%). The current ratio was 1.3 (2010: 2.5).

本公司之擁有人應佔溢利約人民幣22,529,000元(二零一零年:虧損人民幣30,853,000元)。溢利主要來自可換股債券之公允值變動之收益,約人民幣45,393,000元(二零一零年:人民幣14,860,000元)。不包括可換股債券之公允值變動之影響,本公司之擁有人應佔虧損約人民幣22,864,000元(二零一零年:人民幣45,713,000元),主要由於廣告成本及其他有關預售中珠上城第二期的相關成本達約人民幣12,926,000元。

流動資金及財務資源

於二零一一年,本集團經營業務產生的現金流入淨額(主要指預售中珠上城二期的收入)為約人民幣354,901,000元(二零一零年:流出人民幣169,570,000元)。於二零一一年十二月三十一日,本集團的銀行結存及現金總額約人民幣228,991,000元(二零一零年:人民幣155,804,000元),包括有限制銀行存款人民幣92,298,000元(二零一零年:人民幣32,776,000元)。

於二零一一年十二月三十一日,本集團的總資產值為約人民幣1,737,392,000元(二零一零年:人民幣1,491,124,000元),增加約17%。增加主要由於中珠上城第二期之建造。於二零一一年十二月三十一日,由於年內償還建築工程貸款,本集團的總借貸減少至約人民幣99,357,000元(二零一零年:人民幣385,936,000元)。

於二零一一年十二月三十一日,本集團的負債率(以借貸總額除以資產淨額計算)為30%(二零一零年:79%)。流動比率為1.3(二零一零年:2.5)。



Management Discussion and Analysis

管理層討論及分析

Finance Costs

For the year ended 31 December 2011, the finance cost was approximately RMB24,525,000 (2010: RMB27,040,000). The charge comprises mainly of imputed interest expense on consideration payable in relating to the acquisition of the 50% interests in Zhuhai Zhongzhu Real Estate Development Co., Ltd. ("Zhuhai Zhongzhu") of approximately RMB18,491,000 (2010: RMB13,742,000) and interests expenses on convertible bonds of RMB5,318,000 (2010: RMB464,000). Since the convertible bonds was issued at 1 December 2010, a full year interest expenses was recorded in the current year. For the year ended 31 December 2010, it included interest expenses on bank borrowings due to Bank of China of approximately RMB12,211,000 which was fully repaid during year 2010 via refinancing by issuing 4% convertible bonds due 2013.

MATERIAL INVESTMENTS AND ACQUISITIONS

The acquisition of additional 25% equity interests in Zhuhai Zhongzhu was completed at 1 March 2011. Zhuhai Zhongzhu is engaged in the property development business in Zhuhai. The consideration for the acquisition was satisfied by the issue of convertible bonds in the principal amount of HK\$230,000,000 at zero coupon rate to Seaton Limited. Please refer to the circular dated 22 December 2010 for details of the acquisition.

CAPITAL STRUCTURE

The issued ordinary share capital of the Company at 31 December 2010 and 2011 was HK\$85,198,000 divided into 851,980,000 shares of HK\$0.10 each. At 31 December 2010 and 2011, the issued convertible redeemable preference shares was HK\$35,000,000 divided into 350,000,000 shares of HK\$0.10 each and the convertible redeemable preference A shares was HK\$11,000,000 divided into 110,000,000 shares of HK\$0.10 each. Up to 31 December 2011, none of the convertible redeemable preference shares and convertible redeemable preference A shares were converted into ordinary shares.

財務成本

截至二零一一年十二月三十一日止年度，財務成本約人民幣24,525,000元（二零一零年：人民幣27,040,000元）。費用主要包括收購珠海中珠房地產開發有限公司（「珠海中珠」）50%權益應付代價之估算利息開支約人民幣18,491,000元（二零一零年：人民幣13,742,000元）及可換股債券之利息開支人民幣5,318,000元（二零一零年：人民幣464,000元）。自可換股債券於二零一零年十二月一日發行以來，本年度已產生全年利息開支。截至二零一零年十二月三十一日止年度，有關開支包括應付中國銀行銀行貸款之利息開支約人民幣12,211,000元，其已於二零一零年透過發行於二零一三年到期票息率4厘之可換股債券再融資悉數償付。

重大投資及收購事項

收購珠海中珠25%額外權益於二零一一年三月一日完成。珠海中珠於珠海從事物業發展業務。收購之代價乃透過向成登有限公司發行本金額港幣230,000,000元零票息之可換股債券予以償付。有關收購之詳情請參閱日期為二零一零年十二月二十二日之通函。

資本結構

於二零一零年及二零一一年十二月三十一日，本公司的已發行普通股股本為港幣85,198,000元，分為851,980,000股每股港幣0.10元的股份。於二零一零年及二零一一年十二月三十一日，已發行可轉換可贖回優先股為港幣35,000,000元，分為350,000,000股每股港幣0.10元的股份及可轉換可贖回優先A股為港幣11,000,000元，分為110,000,000股每股港幣0.10元的股份。直至二零一一年十二月三十一日，可轉換可贖回優先股及可轉換可贖回優先A股仍未轉換為普通股。

Management Discussion and Analysis

管理層討論及分析

FOREIGN CURRENCY EXPOSURE

The Group mainly earns revenues and incurs costs in Renminbi, United States dollars and Hong Kong dollars. The Group's monetary assets and liabilities are denominated in Renminbi, United States dollars and Hong Kong dollars. The Group currently does not have a foreign currency hedging policy. However, the management will monitor foreign exchange exposure closely and consider the use of hedging instruments when the need arises.

CHARGE ON ASSETS

At 31 December 2011, certain of the Group's investment properties, properties under development and leasehold land and buildings with an aggregate net carrying value of approximately RMB995,884,000 (2010: RMB807,134,000) were pledged to banks for securing revolving loans, general banking facilities and banking facilities of construction loan granted to certain subsidiaries of the Company. At 31 December 2011, facilities amounts of approximately RMB99,357,000 (2010: RMB385,936,000) were utilised and approximately RMB810,000 (2010: RMB102,314,000) were unutilised and available for the Group's future financing.

SEGMENT INFORMATION

The details of segment information are set out in Note 10 to the consolidated financial statements of this report.

CAPITAL COMMITMENTS

The Group did not have any significant capital commitments as at 31 December 2011.

At the end of the year, the Group had the following commitments for properties under development:

外匯風險

本集團賺取的收入及產生的費用主要以人民幣、美元及港幣計算。本集團的貨幣資產及負債均以人民幣、美元及港幣結算。目前本集團並無任何外匯對沖政策。然而，管理層會密切監察外匯風險，並在有需要時考慮使用對沖工具。

資產抵押

於二零一一年十二月三十一日，本集團將其總賬面淨值約為人民幣995,884,000元（二零一零年：人民幣807,134,000元）的若干投資物業、在建物業及租賃土地及樓宇抵押給銀行，以獲取銀行提供給本公司若干附屬公司之循環貸款，一般銀行信貸及建築工程貸款。於二零一一年十二月三十一日，約人民幣99,357,000元（二零一零年：人民幣385,936,000元）的融資額已動用及約人民幣810,000元（二零一零年：人民幣102,314,000元）的融資額尚未動用，可撥作本集團日後使用。

分部資料

分部資料之詳情載於本報告綜合財務報表附註10。

資本承擔

於二零一一年十二月三十一日，本集團並無任何重大的資本承擔事項。

於年結日，本集團在建物業之承擔如下：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Contracted for but not provided in the consolidated financial statements	於綜合財務報表已簽約但未撥備	144,746	190,969
Authorised but not contracted for	已批准但未簽約	56,627	336,831



Management Discussion and Analysis

管理層討論及分析

EMPLOYEE AND REMUNERATION POLICIES

At 31 December 2011, the Group employed 53 full time employees (2010: 57) in Hong Kong and the PRC. The Group's emolument policies are formulated on the basis of market trends, future plans and the performance of individuals, which will be reviewed periodically. Apart from provident fund scheme and state-managed social welfare scheme, share options will also be awarded to employees according to assessment of individuals' performance.

LITIGATIONS AND CONTINGENT LIABILITIES

- (i) On 12 December 2009, the Company received a writ of summons from Global Tide Limited ("Global Tide"). Global Tide brought civil action in the High Court of the Hong Kong Special Administrative Region against the Company for compensation and damages of approximately HK\$8,834,000 (the "Claim") in relation to the disposal of its former wholly owned subsidiary, Magic Gain Investments Limited. Details of the Claim are set out in the announcement of the Company dated 16 December 2009. On 31 January 2012, Global Tide filed an amended statement of claim in the High Court. Pursuant to which the claim is revised and reduced to HK\$7,967,000. The Company decided to defend against the Claim and obtained legal advice in respect of the merits of the Claim. The directors of the Company expect that there will not be any material adverse financial effect on the earnings, net assets and liabilities of the Company and its subsidiaries.
- (ii) The Group had arranged for bank financing for certain purchasers of property units and provided guarantees to secure obligations of such purchasers for repayments during the year ended 31 December 2011. At 31 December 2011, the outstanding amount of the guarantees amounted to approximately RMB266,904,000 (2010: RMB22,980,000).

僱員及薪酬政策

於二零一一年十二月三十一日，本集團在香港及中國僱用53位（二零一零年：57位）全職僱員。本集團的薪酬政策乃依據市場趨勢、未來計劃及僱員的個人表現而制訂，並定期進行檢討。除提供公積金計劃及國家管理社會福利計劃外，購股權將根據對個別僱員表現的評估向僱員授出，以作獎勵。

訴訟及或然負債

- (i) 於二零零九年十二月十二日，本公司收到怡太有限公司（「怡太」）之訴訟狀。怡太就本公司出售其前全資附屬公司Magic Gain Investments Limited所產生之損失賠償及賠償金約港幣8,834,000元向香港特別行政區高等法院提出對本公司的民事訴訟（「索償」）。索償詳情載於本公司日期為二零零九年十二月十六日之公告。於二零一二年一月三十一日，怡太向高等法院遞交一份經修訂索償，據此，索償將修訂及減少為港幣7,967,000元。本公司決定對索償進行抗辯，並將就索償之理據尋求法律意見。本公司董事預計此訴訟不會對本公司及其附屬公司的收益、淨資產及負債構成任何重大不利之財務影響。
- (ii) 截至二零一一年十二月三十一日止年度，本集團已為若干物業單位買家安排銀行融資，並就該等買家還款之責任提供擔保。於二零一一年十二月三十一日擔保之未償還金額約人民幣266,904,000元（二零一零年：人民幣22,980,000元）。

Management Discussion and Analysis

管理層討論及分析

DIVIDEND

The Board does not recommend any payment of dividend for the year ended 31 December 2011.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank the shareholders for their continuous support to the Company and extend my appreciation to all management and staff members for their contribution and dedication throughout the year.

By Order of the Board
China Uptown Group Company Limited

Chen Xian
Chairman

Hong Kong, 29 March 2012

股息

董事會建議不派發截至二零一一年十二月三十一日止年度之股息。

致謝

本人謹代表董事會就股東一直以來對本公司之鼎力支持以及全體管理層與員工於年內之寶貴貢獻及努力致謝。

承董事會命
中國上城集團有限公司

陳賢
主席

香港，二零一二年三月二十九日



Biographical Details of Directors 董事簡介

EXECUTIVE DIRECTORS

Mr. Chen Xian, aged 48, was appointed as an executive Director and vice-chairman of the Company on 12 October 2007 and was redesignated as Chairman of the Company on 30 November 2007. He is also a director of several subsidiaries of the Company. Mr. Chen is one of the founders of a sizeable property development company in Zhuhai, the PRC and has been a member of the senior management of a subsidiary of that company. Mr. Chen was mainly responsible for the investment and development of real estate projects of such companies. Before joining those companies, Mr. Chen worked as a senior member of certain stated-owned companies and the local authority. He has more than 15 years of extensive experience in the investment and development of real estate projects. He holds a Master Degree of Business Administration from the Asia International Open University (Macau).

Mr. Chen has entered into a service contract with the Company without a fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Chen is entitled to an annual remuneration of HK\$1,560,000, which is covered by his service contract, with discretionary bonus payment as determined by the remuneration committee of the Company based on Mr. Chen's and the Company's performance. The remuneration package of Mr. Chen is determined by reference to his duties, responsibilities and expected time commitment to the Company's affairs.

Save as disclosed above, Mr. Chen is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Save as disclosed above, Mr. Chen did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this Report. As at the report date, save as to the 11,500,000 options granted to him, Mr. Chen was not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the Securities and Futures Ordinance (the "SFO").

執行董事

陳賢先生，四十八歲，於二零零七年十月十二日獲委任為本公司之副主席和執行董事及於二零零七年十一月三十日調任為本公司主席。彼亦為本公司部份附屬公司之董事。陳先生為中國珠海市一所具規模物業發展公司之創辦人之一及曾為該公司附屬公司的高級管理層成員，主要負責該等公司地產項目的投資及開發。於加入該等公司前，陳先生曾任若干國有企業及地方政府之高級管理人員。彼在地產項目的投資及開發方面擁有超過十五年的經驗。彼持有亞洲（澳門）國際公開大學商業行政學碩士學位。

陳先生已與本公司簽訂服務合約但無固定任期並須根據公司章程細則在本公司之股東週年大會上輪值退任及膺選連任。彼有權根據服務合約獲取年度酬金港幣1,560,000元及由本公司薪酬委員會按公司及其個人表現而決定的酌情花紅。該酬金乃基於陳先生之職務、責任及對公司業務投入時間而釐定。

除上述已披露者外，陳先生並無與本公司任何其他董事、高級管理人員、主要或控股股東有任何關係。除上述已披露者外，彼於本年報日之過往三年並無擔任於聯交所及任何其他證券交易所上市之任何其他公司之董事職務。於報告日期，除已獲授11,500,000份購股權外，彼並無於按證券及期貨條例（「證券及期貨條例」）第XV部所界定之本公司任何股份或相關股份中擁有權益。

Biographical Details of Directors 董事簡介

Mr. Lau Sai Chung, aged 56, was appointed as an independent non-executive Director on 15 September 2006 and was re-designated as executive Director on 30 November 2007. Mr. Lau was also appointed as chief executive officer of the Company on 30 November 2007. He is currently also a director of several subsidiaries of the Company. Mr. Lau holds a Bachelor degree in Commerce with major in Accounting from the University of Alberta, Canada and has over 20 years' experience in the field of banking and finance both in Hong Kong and North America. Mr. Lau is also a Fellow member of the Institute of Canadian Bankers and The Hong Kong Institute of Directors.

Mr. Lau has entered into a service contract with the Company without a fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Lau is entitled to an annual package of HK\$1,430,000, which is covered by his service contract, with discretionary bonus payment as determined by the remuneration committee of the Company based on Mr. Lau's and the Company's performance. The remuneration package of Mr. Lau is determined by reference to his duties, responsibilities and expected time commitment to the Company's affairs.

As at the report date, Mr. Lau has personal interest in 148,000 Shares, representing 0.02% of the issued share capital of the Company and he has also been granted 7,352,000 options.

Save as disclosed above, Mr. Lau is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Save as disclosed above, Mr. Lau did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this Report. As at the report date, Mr. Lau was not interested or deemed to be interested in any other shares or underlying shares of the Company pursuant to Part XV of the SFO.

劉世忠先生，五十六歲，於二零零六年九月十五日獲委任獨立非執行董事和於二零零七年十一月三十日調任為執行董事，劉先生亦於二零零七年十一月三十日獲委任為本公司的行政總裁。彼現時亦擔任本公司部份附屬公司的董事。彼持有加拿大阿爾伯塔大學商學學士學位（主修會計）及於香港及北美洲之銀行及金融方面擁有逾二十年的豐富經驗。劉先生亦是加拿大銀行家學會及香港董事學會的資深會員。

劉先生已與本公司簽訂服務合約但無固定任期並須根據公司章程細則在本公司之股東週年大會上輪值退任及膺選連任。彼有權根據服務合約獲取年度薪酬福利港幣1,430,000元及由本公司薪酬委員會按公司及其個人表現而決定的酌情花紅。該酬金乃基於劉先生之職務、責任及對公司業務投入時間而釐定。

於本報告日期，劉先生持有本公司148,000股股份（佔本公司已發行股本之0.02%）及已獲授7,352,000份購股權。

除上述已披露者外，劉先生並無與本公司任何其他董事、高級管理人員、主要或控股股東有任何關係。除上述已披露者外，彼於本年報日之過往三年並無擔任於聯交所及任何其他證券交易所上市之任何其他公司之董事職務。於報告日期，彼並無於按證券及期貨條例第XV部所界定之本公司任何其他股份或相關股份中擁有或被視作擁有權益。



Biographical Details of Directors 董事簡介

Mr. Xiong Jianrui, aged 47, was appointed as an executive Director on 31 December 2008. Mr. Xiong graduated with a bachelor degree in Information Engineering from Xi Bei Institute of Telecommunications Engineering in 1983. He is currently a director of several subsidiaries of the Company. Mr. Xiong has over 25 years experience in automation & control industry, and is extensively experienced in business investment in the PRC and Hong Kong. Mr. Xiong was a non-executive director of T S Telecom Technologies Limited, a company listed on the Growth Enterprise Market of the Stock Exchange ("GEM") (Stock Code: 8003) from 2 October 2007 to 28 December 2007. He was appointed as an executive director of the Company (formally known as Techwayson Holdings Limited) since 16 May 2003 and appointed as chairman on 30 March 2004. On 4 November 2005, due to his personal commitments, he resigned as an executive director and chairman of the Company.

Mr. Xiong has entered into a service contract with the Company without a fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Xiong is entitled to an annual remuneration of HK\$780,000, which is covered by his service contract, with discretionary bonus payment as determined by the remuneration committee of the Company based on Mr. Xiong's and the Company's performance. The remuneration package of Mr. Xiong is determined by reference to his duties, responsibilities and expected time commitment to the Company's affairs.

Save as disclosed above, Mr. Xiong is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Save as disclosed above, Mr. Xiong did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this Report. As at the report date, save as to the 7,500,000 options granted to him, Mr. Xiong was not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO.

熊劍瑞先生，四十七歲，於二零零八年十二月三十一日獲委任為執行董事。熊先生於一九八三年畢業於中國西北電訊工程學院，取得資訊工程學學士學位。熊先生現時為本公司部份附屬公司之董事。熊先生具有逾二十五年自動化及管理工作方面之經驗，且對中國及香港的業務投資非常熟悉。由二零零七年十月二日至二零零七年十二月二十八日期間，熊先生為大誠電訊科技有限公司（香港聯合交易所有限公司之創業板（「創業板」）上市公司，股份代號：8003）之非執行董事。熊先生由二零零三年五月十六日起獲委任為本公司（前稱德維森控股有限公司）之執行董事，並於二零零四年三月三十日獲委任為主席。二零零五年十一月四日，熊先生因須專注私人事務而辭任本公司執行董事及主席職位。

熊先生已與本公司簽訂服務合約但無固定任期並須根據公司章程細則在本公司之股東週年大會上輪值退任及膺選連任。彼有權根據服務合約獲取年度酬金港幣780,000元及由本公司薪酬委員會按公司及其個人表現而決定的酌情花紅。該酬金乃基於熊先生之職務、責任及對公司業務投入時間而釐定。

除上述已披露者外，熊先生並無與本公司任何其他董事、高級管理人員、主要或控股股東有任何關係。除上述已披露者外，彼於本年報日之過往三年並無擔任於聯交所及任何其他證券交易所上市之任何其他公司之董事職務。於本報告日期，除已獲授7,500,000份購股權外，彼並無於按證券及期貨條例第XV部所界定之本公司任何股份或相關股份中擁有權益。

Biographical Details of Directors 董事簡介

Ms. Xia Dan, aged 44, was appointed as a non-executive Director on 21 August 2007 and was re-designated as an executive Director on 12 October 2007. Ms. Xia was re-designated as a non-executive Director on 31 December 2008 and re-designated as executive Director on 27 October 2010. Before Ms. Xia was appointed as a non-executive Director on 21 August 2007, she had been a member of the senior management of a sizeable property development company in Zhuhai, the PRC and was responsible for its project investments analysis. Ms. Xia also worked for various companies in the PRC and North America and has over 18 years of extensive experience in strategic planning and marketing in the fields of construction, financial and foreign trading industries. Ms. Xia graduated from Shenyang University with a Bachelor of Science in Architecture and holds a Master Degree of Business Administration from the New York Institute of Technology. Ms. Xia is a member of The Hong Kong Institute of Directors. She is currently also a director of several subsidiaries of the Company.

Ms. Xia has entered into a service contract with the Company without a fixed term and is subject to the retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Ms. Xia is entitled to an annual remuneration of HK\$520,000, which is covered by her service contract, with discretion bonus payment as determined by the remuneration committee of the Company based on Ms. Xia's and the Company's performance. The remuneration package of Ms. Xia is determined by reference to her duties, responsibilities and expected time commitment to the Company's affairs.

As at the report date, Ms. Xia is the beneficial owner of Mega Edge International Limited which is a substantial shareholder of the Company holding 79,500,000 ordinary shares, representing 9.33% equity interest in the capital of the Company. Ms. Xia is deemed to be interested in 79,500,000 ordinary shares of the Company held by Mega Edge International Limited under Part XV of the SFO. As at the report date, Ms. Xia has also been granted 7,500,000 options.

Xia Dan女士，四十四歲，由二零零七年八月二十一日起已獲委任為本公司非執行董事及二零零七年十月十二日起已調任為本公司執行董事。Xia女士於二零零八年十二月三十一日起已調任為本公司非執行董事並於二零一零年十月二十七日起已調任為本公司執行董事。於二零零七年八月二十一日受聘為非執行董事前，彼曾為中國珠海市一所具規模物業發展公司的高級管理層成員，主要負責其項目投資分析。Xia女士亦曾任職於中國及北美洲的多間公司，在建築、財務及外貿行業方面擁有超過十八年的策略規劃及市場開拓經驗。彼畢業於瀋陽大學工學院，持有建築工程學士學位，及於New York Institute of Technology取得商業行政學碩士學位。Xia女士為香港董事學會成員，彼現時亦為本公司部份附屬公司之董事。

Xia女士已與本公司簽訂服務合約但無固定任期並須根據公司章程細則在本公司之股東週年大會上輪值退任及膺選連任。彼有權根據服務合約獲取年度酬金港幣520,000元及由本公司薪酬委員會按公司及其個人表現而決定的酌情花紅。該酬金乃基於Xia女士之職務、責任及對公司業務投入時間而釐定。

於本報告日期，Xia女士為Mega Edge International Limited之實益擁有人，該公司為本公司之一名主要股東，持有本公司79,500,000股普通股，約佔本公司股份權益9.33%。按證券及期貨條例第XV部之涵義，Xia女士被視為擁有本公司股份中由Mega Edge International Limited所持有的79,500,000股普通股之權益。於報告日期，Xia女士已獲授7,500,000份購股權。



Biographical Details of Directors 董事簡介

Save as disclosed above, Ms. Xia is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Save as disclosed above, Ms. Xia did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this Report. As at the report date, Ms. Xia was not interested or deemed to be interested in any other shares or underlying shares of the Company pursuant to Part XV of the SFO.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Poon Lai Yin, Michael, aged 40, was appointed as an independent non-executive Director on 29 November 2006. Mr. Poon is also the chairman and a member of the audit committee and a member of nomination committee and remuneration committee of the Company. Mr. Poon is a fellow member of Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. He holds a bachelor degree in administrative studies from York University in Canada and a masters degree in practicing accounting with Monash University in Australia. Mr. Poon worked for an international accounting firm and was responsible for providing business advisory and assurance services for listed companies. He has over 15 years of experience in financial reporting, business advisory, auditing, taxation, accounting, merger and acquisition. Mr. Poon had acted as an executive director and the chief financial officer of Hong Kong Life Group Holdings Limited (Stock Code: 8212), a company listed on the Growth Enterprise Market ("GEM") since October 2010 and June 2010 respectively and resigned as the chief financial officer and re-designated as a non-executive director on 12 July 2011. He resigned as non-executive director on 31 December 2011. Mr. Poon is also an independent non-executive director of Sino Dragon New Energy Holdings Limited (Stock Code: 395), a company listed on main board of Stock Exchange, since January 2010. He was previously an independent non-executive director of Sun International Resources Limited (formerly known as Sun International Group Limited, Stock Code 8029) and Enviro Energy International Holdings Limited ("Enviro") (Stock code: 1102), for the period from December 2006 to July 2008.

除上述已披露者外，Xia女士並無與本公司任何其他董事、高級管理人員、主要或控股股東有任何關係。除上述已披露者外，彼於本年報日之過往三年並無擔任於聯交所及任何其他證券交易所上市之任何其他公司之董事職務。於本報告日期，彼並無於按證券及期貨條例第XV部所界定之任何其他股份或相關股份中擁有或被視作擁有權益。

獨立非執行董事

潘禮賢先生，四十歲，於二零零六年十一月二十九日獲委任為獨立非執行董事。潘先生亦是審核委員會主席及成員及提名委員會和薪酬委員會之成員。彼為香港會計師公會資深會員、澳洲會計師公會會員；潘先生持有加拿大約克大學(York University)行政學學士學位及澳洲 Monash University 實務會計碩士學位。彼曾任職某國際會計師事務所，為多間上市公司提供業務顧問及審計服務。潘先生於財務報告、業務顧問、審計、稅務、會計及收購合併方面擁有逾十五年工作經驗。潘先生自二零一零年十月及二零一零年六月起分別擔任聯交所創業板(「創業板」)上市公司香港生命集團控股有限公司(股份代號：8212)之執行董事及財務總監，彼於二零一一年七月十二日辭任財務總監並調任非執行董事。彼於二零一一年十二月三十一日辭任非執行董事。潘先生自二零一零年一月起亦擔任一間聯交所主板上市之公司—中國龍新能源控股有限公司(股份代號：395)之獨立非執行董事。彼曾於二零零六年十二月至二零零八年七月為太陽國際資源有限公司(前稱太陽國際集團有限公司，股份代號：8029)及環能國際控股有限公司(「環能」)(股份代號：1102)之獨立非執行董事。

Biographical Details of Directors 董事簡介

Mr. Poon has not entered into any written service agreement with the Company and is appointed for a term of two years. However, he is subject to the retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Poon is entitled to an annual remuneration of HK\$180,000 without any bonus payment. The remuneration of Mr. Poon is not covered by any service contract. The remuneration package of Mr. Poon is determined by reference to performance of the Group and of Mr. Poon with reference to prevailing market conditions.

Save as disclosed above, Mr. Poon is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Save as disclosed above, Mr. Poon did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this Report. As at the report date, save as to the 700,000 options granted to him, Mr. Poon was not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO.

Mr. Chan Chun Fai, aged 46, was appointed as an independent non-executive Director on 30 June 2011. Mr. Chan is also the chairman and member of nomination committee and a member of audit committee and remuneration committee of the Company. Mr. Chan has over ten years' consultation experience in the property markets in Hong Kong and the People's Republic of China (the "PRC"). Mr. Chan is currently the Chief Executive Officer of Paragon Commercial Development Group, which is engaged in the business of property investments, and an executive director of Ritzy Paragon Retail Consultancy Company Limited, which is engaged in the business of provision of property market consultancy services. He worked as a property consultant director in DTZ Debenham Tie Leung (Shenzhen) Company Limited, a leading global real estate adviser, from year 2003 to 2008.

潘先生並無與本公司訂立書面服務協議，且其獲委任年期為兩年。然而，彼須根據公司章程細則在本公司之股東週年大會上輪值退任及膺選連任。彼有權獲取年度酬金港幣180,000元但並無任何花紅，潘先生之酬金並非由任何服務合約訂明支付。潘先生之薪酬待遇乃經參考本集團及潘先生之績效並根據現行市況而釐定。

除上述已披露者外，潘先生並無與本公司任何其他董事、高級管理人員、主要或控股股東有任何關係。除上述已披露者外，彼於本年報日之過往三年並無於本公司或其任何附屬公司擔任任何職位，亦無於任何其他於聯交所或任何其他證券交易所上市之公司擔任董事職務。於本報告日期，除已獲授700,000份購股權外，彼並無於按證券及期貨條例第XV部所界定之本公司任何股份或相關股份中擁有或被視作擁有權益。

陳振輝先生，四十六歲，於二零一一年六月三十日獲委任為獨立非執行董事。陳先生亦為本公司提名委員會主席及成員以及審核委員會及薪酬委員會成員。陳先生於香港及中華人民共和國（「中國」）物業市場擁有逾十年顧問經驗。陳先生現時為Paragon Commercial Development Group（從物業投資業務）之行政總裁，並為Ritzy Paragon Retail Consultancy Company Limited（從事提供物業市場顧問服務業務）之執行董事。自二零零三年至二零零八年，彼為DTZ戴德梁行（深圳）有限公司（領先全球之房地產顧問）之物業顧問總監。



Biographical Details of Directors 董事簡介

Mr. Chan has not entered into any written service agreement with the Company and is appointed for a term of two years. However, he is subject to the retirement by rotation and re-election at annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Chan is entitled to an annual remuneration of HK\$180,000 without any bonus payment. The remuneration of Mr. Chan is not covered by any service contract. The remuneration package of Mr. Chan is determined by reference to performance of the Group and of Mr. Chan with reference to prevailing market conditions.

Save as disclosed above, Mr. Chan is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Save as disclosed above, Mr. Chan did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this Report. As at the report date, save as to the 500,000 options granted to him, Mr. Chan was not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO.

Mr. Ng Kwok Chu, Winfield, aged 53, was appointed as an independent non-executive Director on 30 June 2011. Mr. Ng is also the chairman and member of remuneration committee and a member of audit committee and nomination committee of the Company. Mr. Ng has over twenty years' experience in consumer and commercial finance in the markets of Hong Kong and the PRC. Mr. Ng is currently an executive director of Sino Prosper State Gold Resources Holdings Limited (Stock Code: 766), a company listed on the Stock Exchange, since 29 June 2009 and China Netcom Technology Holdings Limited (Stock Code: 8071), a company listed on the GEM of the Stock Exchange since 16 October 2007. He is also an independent non-executive director of Long Success International (Holdings) Limited (Stock Code: 8017), a company listed on the GEM, since 3 January 2006. He was appointed as an independent non-executive director of the Company on 5 September 2006 and retired on 28 November 2008.

陳先生並無與本公司訂立任何書面服務協議，且其獲委任年期為兩年。然而，彼須根據本公司之章程細則於本公司股東週年大會上輪值退任及膺選連任。陳先生有權獲取年度酬金港幣180,000元但並無任何花紅。陳先生之酬金並非由任何服務合約訂明支付。陳先生之薪酬待遇乃經參考本集團及陳先生之績效並根據現行市況而釐定。

除上述已披露者外，陳先生與本公司任何董事、高級管理人員、主要股東或控股股東概無關連。除上述已披露者外，陳先生於本年報日期前三年內並無於本公司或其任何附屬公司擔任任何職位，亦無於任何其他於聯交所或任何其他證券交易所上市之公司擔任董事職務。於本年報日期，除已獲授之500,000份購股權外，陳先生並無於按證券及期貨條例第XV部所界定之本公司任何股份或相關股份中擁有或被視作擁有任何權益。

吳國柱先生，五十三歲，於二零一一年六月三十日獲委任為獨立非執行董事。吳先生亦為本公司薪酬委員會主席及成員以及審核委員會及提名委員會成員。吳先生於香港及中國市場之私人及企業融資方面擁有逾二十年之經驗。吳先生自二零零九年六月二十九日起擔任中盈國金資源控股有限公司（一間於聯交所上市之公司，股份代號：766）之執行董事及自二零零七年十月十六日起擔任中彩網通控股有限公司（一間於聯交所創業板上市之公司，股份代號：8071）之執行董事。彼自二零零六年一月三日起亦為百齡國際（控股）有限公司（一間於創業板上市之公司，股份代號：8017）之獨立非執行董事。彼曾於二零零六年九月五日獲委任為本公司之獨立非執行董事，並於二零零八年十一月二十八日退任。



Biographical Details of Directors 董事簡介

Mr. Ng has not entered into any written service agreement with the Company and is appointed for a term of two years. However, he is subject to the retirement by rotation and re-election at annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Ng is entitled to an annual remuneration of HK\$180,000 without any bonus payment. The remuneration of Mr. Ng is not covered by any service contract. The remuneration package of Mr. Ng is determined by reference to performance of the Group and of Mr. Ng with reference to prevailing market conditions.

Save as disclosed above, Mr. Ng is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Save as disclosed above, Mr. Ng did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange during the three years preceding the date of this Report. As at the report date, save as to the 500,000 options granted to him, Mr. Ng was not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO.

吳先生並無與本公司訂立任何書面服務協議，且其獲委任年期為兩年。然而，彼須根據本公司之章程細則於本公司股東週年大會上輪值退任及膺選連任。吳先生有權獲取年度酬金港幣180,000元但並無任何花紅。吳先生之酬金並非由任何服務合約訂明支付。吳先生之薪酬待遇乃經參考本集團及吳先生之績效並根據現行市況而釐定。

除上述已披露者外，吳先生與本公司任何董事、高級管理人員、主要股東或控股股東概無關連。除上述已披露者外，吳先生於本年報日期前三年內並無於本公司或其任何附屬公司擔任任何職位，亦無於任何其他於聯交所或任何其他證券交易所上市之公司擔任董事職務。於本年報日期，除已獲授之500,000份購股權外，吳先生並無於按證券及期貨條例第XV部所界定之本公司任何股份或相關股份中擁有或被視作擁有任何權益。



Corporate Governance Report 企業管治報告

The Board of Directors of the Company (the “Board”) and the management of the Company are committed to the maintenance of good corporate governance practices and procedures.

The Company has applied the principles and complied with the code provisions and, where applicable, the recommended practices of the Code on Corporate Governance Practices (“Code”) as set out in Appendix 14 to the Rules Governing the listing of securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the year ended 31 December 2011.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiry of all Directors, the Company confirms that all Directors have complied with the required standard set out in the Model Code during the year under review.

本公司董事會（「董事會」）及管理層致力達致高水準之企業管治慣例及程序。

於截至二零一一年十二月三十一日止年度內，本公司一直應用及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（「守則」）之原則及所有守則條文以及（在適用情況下）建議最佳常規。

董事進行證券交易之標準守則

本公司採納上市規則附錄十所載標準守則，作為董事進行證券交易的操守守則。於回顧年度，向全體董事作出明確查詢後，本公司確認全體董事已遵守標準守則所載之標準規定。

Corporate Governance Report

企業管治報告

COMPOSITION AND BOARD PRACTICES

The Board is collectively responsible for the oversight of the management of the business and affairs of the Group with the objective of enhancing shareholders value. As at 31 December 2011, the Board consists of seven Directors, comprising four executive Directors and three independent non-executive Directors. At least one of the independent non-executive Director possess appropriate professional accounting qualifications and financial management expertise, which complies with the requirement of the Listing Rules.

Executive Directors

Mr. CHEN Xian (*Chairman*)
 Mr. LAU Sai Chung (*Chief Executive Officer*)
 Mr. XIONG Jianrui
 Ms. XIA Dan

Independent Non-executive Directors

Mr. POON Lai Yin, Michael
 Mr. CHAN Chun Fai (*appointed on 30 June 2011*)
 Mr. NG Kwok Chu, Winfield (*appointed on 30 June 2011*)
 Mr. CHONG Yiu Chik (*resigned on 30 June 2011*)
 Mr. CHOI Kai Ming, Raymond (*resigned on 30 June 2011*)

The directors' biographical information are set out on pages 13 to 20 of this Annual Report. All executive Directors have given sufficient time and attention to the affairs of the Group. Each executive Director has sufficient experience to hold the position so as to carry out his duties effectively and efficiently. There is no relationship among the members of the Board of Directors.

The Board has delegated the executive Directors with authority and responsibility by handling the management functions and operations of the day-to-day business of the Company, while reserving certain key matters for the approval by the Board. The types of decisions to be taken by the Board include annual and interim period financial reporting and control, equity fund raising, declaration of interim dividend and making recommendation of final dividend or other distributions, notifiable transactions under Chapters 14 and 14A of the Listing Rules and making recommendation for capital reorganization or scheme arrangement of the Company.

董事會組成及董事會慣例

董事會負責集體監督管理本集團的業務及事宜，旨在提升股東價值。於二零一一年十二月三十一日，董事會合共由七名董事組成，當中包括四名執行董事及三名獨立非執行董事。至少一名獨立非執行董事具有所須的專業資歷或上市規則規定之會計或相關財務管理專業知識。

執行董事

陳賢先生 (主席)
 劉世忠先生 (行政總裁)
 熊劍瑞先生
 XIA Dan女士

獨立非執行董事

潘禮賢先生
 陳振輝先生 (於二零一一年六月三十日獲委任)
 吳國柱先生 (於二零一一年六月三十日獲委任)
 莊耀植先生 (於二零一一年六月三十日辭任)
 蔡繼明先生 (於二零一一年六月三十日辭任)

董事履歷詳情載於本年報第13至第20頁。所有執行董事均就本集團事務付出充足時間及心力。每名執行董事均具有其職位所需之足夠經驗，以有效執行彼之職務。董事會成員之間並無關係。

董事會已將處理本公司一切管理及日常營運工作轉授本公司之執行董事負責，惟若干重要事項仍需經董事會批准。需由董事會作出決定之類別包括年度及中期財務匯報及監控、股本集資、宣派中期股息及建議末期股息或其他分派、根據上市規則第十四及十四A章須予公佈之交易，以及就本公司之股本重組或計劃安排作出建議。



Corporate Governance Report

企業管治報告

The Board and each Director have separate and independent access to the Company's senior management. A Director who considers a need for independent professional advice in order to perform his duties as a Director may convene, or request the secretary of the Company to convene, a meeting of the Board to approve the seeking of independent legal or other professional advice.

The Company adopts the practice of holding meetings of the Board regularly for at least four times a year at approximately quarterly intervals. Ad-hoc meetings will also be convened if necessary to discuss the overall strategy as well as the operation and financial performance of the Group. Notice of meeting of the Board will be sent to all Directors at least 14 days prior to a regular board meeting. Reasonable notice will be given to Directors for ad-hoc board meetings. Directors may participate either in person or through electronic means of communications.

During the year, five meetings of the Board were held, Directors are provided with relevant information to make informed decisions. The attendance of Directors at the Board Meetings and the Board Committees' Meetings is set out in the table below:

董事會及各董事可自行接觸本公司之高級管理層。董事如認為需要獨立專業意見，以履行其為董事之責任，可召開或要求本公司之秘書召開董事會會議，批准徵求獨立法律或其他專業意見。

本公司採納定期（一年最少四次，約每季一次）舉行董事會會議的措施。倘需要討論整體策略以及本集團的經營及財務表現，亦會召開臨時董事會會議。董事會會議通告將於日常董事會舉行前最少十四天送發予所有董事。就臨時董事會會議而言，合理通告亦會給予董事。董事可親身或透過電子通訊方式出席會議。

年內已舉行五次董事會會議，董事已獲得相關資料以作出知情決定。董事會及董事委員會各成員之會議出席情況載列於下表：

Name of Directors 董事姓名		Meetings attended/Eligible to attend 出席會議／合資格出席之會議			
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Executive Directors	執行董事				
Mr. CHEN Xian	陳賢先生	5/5	-	-	-
Mr. LAU Sai Chung	劉世忠先生	5/5	-	-	-
Mr. XIONG Jianrui	熊劍瑞先生	5/5	-	-	-
Ms. XIA Dan	XIA Dan女士	5/5	-	-	-
Independent Non-executive Directors	獨立 非執行董事				
Mr. POON Lai Yin, Michael	潘禮賢先生	5/5	2/2	3/3	2/2
Mr. CHAN Chun Fai (appointed on 30 June 2011)	陳振輝先生 (於二零一一年六月三十日獲委任)	3/3	1/1	1/1	0/0
Mr. NG Kwok Chu, Winfield (appointed on 30 June 2011)	吳國柱先生 (於二零一一年六月三十日獲委任)	3/3	1/1	1/1	0/0
Mr. CHONG Yiu Chik (resigned on 30 June 2011)	莊耀植先生 (於二零一一年六月三十日辭任)	2/2	1/1	2/2	2/2
Mr. CHOI Kai Ming, Raymond (resigned on 30 June 2011)	蔡繼明先生 (於二零一一年六月三十日辭任)	2/2	1/1	2/2	2/2

Corporate Governance Report

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and Chief Executive Officer are segregated and are held by Mr. CHEN Xian and Mr. LAU Sai Chung respectively. The Chairman is responsible for the Group's strategic planning and the management of the operations of the Board, while the Chief Executive Officer takes the lead in the Group's operations and business development. There is a clear division of responsibilities between the Chairman and Chief Executive Officer of the Company which provides a balance of power and authority.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors are appointed for a term of two years and subject to re-election on retirement by rotation at the annual general meeting in accordance with the Company's articles of association (the "Articles"). One of the independent non-executive Directors has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10 of the Listing Rules. The Company has received the annual confirmation of independence from each of the independent non-executive Directors as required under Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent.

NOMINATION COMMITTEE

The Company established a Nomination Committee with written terms of reference in compliance with the code provision of the Code. The existing Nomination Committee has the following three members:

Independent non-executive Directors

Mr. CHAN Chun Fai (*Chairman*)
Mr. POON Lai Yin, Michael
Mr. NG Kwok Chu, Winfield

The Nomination Committee has adopted a written nomination procedure specifying the process and criteria for the selection and recommendation of candidates for directorship of the Company.

主席及行政總裁

主席及行政總裁之角色已予區分及已分別由陳賢先生及劉世忠先生出任。主席負責本集團之策略規劃及管理董事會運作，而行政總裁則領導本集團之經營及業務發展。本公司主席與行政總裁之間分工清晰，以確保權力及授權分佈均衡。

獨立非執行董事

獨立非執行董事任期兩年並須根據本公司之公司細則（「公司細則」）之規定於股東週年大會上輪值退任及膺選連任。根據上市規則第3.10條，其中一名獨立非執行董事必須具備適當的專業資格，或具備適當的會計或相關財務管理專長。本公司已收到各獨立非執行董事根據上市規則第3.13條發出之週年獨立性確認書。本公司認為全體獨立非執行董事均具備獨立身份。

提名委員會

本公司成立提名委員會並遵守守則條文訂立書面職權範圍。提名委員會現共有以下三名成員：

獨立非執行董事

陳振輝先生 (*主席*)
潘禮賢先生
吳國柱先生

提名委員會已採納書面提名程序，列明挑選及建議本公司董事候選人之過程及準則。



Corporate Governance Report 企業管治報告

The functions of the nomination committee are reviewing and supervising the structure, size and composition of the Board, identifying qualified individuals to become members of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on the appointment or re-appointment of Directors.

Potential new Directors are identified and submitted to the Nomination Committee for approval. The nomination of Directors should take into consideration the candidate's qualification, ability and potential contribution to the Company. A candidate to be appointed as an independent non-executive Director must also satisfy the independence criteria set out in Rule 3.13 of the Listing Rules.

During the year, two meetings were held by the Nomination Committee to consider the appointment of two independent non-executive Directors and to recommend the re-appointment of the Directors standing for re-election at the annual general meeting of the Company, to review its own size, structure as well as composition, and to assess the independence of independent non-executive Directors.

REMUNERATION COMMITTEE

The Company established a Remuneration Committee with the written terms of reference in compliance with the code provision of the Code. The Remuneration Committee has the following three members:

Independent non-executive Directors

Mr. NG Kwok Chu, Winfield (*Chairman*)
Mr. POON Lai Yin, Michael
Mr. CHAN Chun Fai

The principal responsibilities of the Remuneration Committee are making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management, and reviewing the specific remuneration packages of all executive Directors and senior management by reference to the corporate goals and objectives resolved by the Board from time to time.

提名委員會之功能為檢討及監督董事會之架構、規模及組成；物色合資格人士出任董事會成員；評估獨立非執行董事之獨立性，以及向董事會就委任或重選董事作出推薦建議。

物色到候任新董事後，均須提呈提名委員會審批。提名董事時須考慮候選人之資歷、能力及對本公司之潛在貢獻。獲委任為獨立非執行董事之候選人，亦須符合上市規則第3.13條所載之獨立性準則。

年內，提名委員會召開兩次會議，藉以考慮委任兩名獨立非執行董事及建議將於本公司股東週年大會上膺選連任之董事；檢討董事會之規模、架構及組成；以及評估獨立非執行董事之獨立性。

薪酬委員會

本公司成立薪酬委員會並遵守守則條文訂立書面職權範圍。薪酬委員會現共有以下三名成員：

獨立非執行董事

吳國柱先生 (*主席*)
潘禮賢先生
陳振輝先生

薪酬委員會之主要職責為就本公司全體董事及高級管理層之薪酬政策及架構向董事會提供建議，並參考董事會不時決議之企業目標及目的，審閱全體執行董事及高級管理層之具體薪酬方案。

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Details of the remuneration of Directors are set out in Note 17 to the consolidated financial statements. During the year, three meetings for Remuneration Committee were held for, inter alia, reviewing the remuneration policy and structure for as well as the remuneration packages of all Directors and the Senior Management and to review the remuneration package of two newly appointed Directors during the year. No Director was involved in deciding his own remuneration.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with the code provisions of the Code. As at the date of this report, the Audit Committee of the Company consists of the following members:

Independent non-executive Directors

Mr. POON Lai Yin, Michael (*Chairman*)
Mr. CHAN Chun Fai
Mr. NG Kwok Chu, Winfield

The chief responsibilities of the audit committee include making recommendations to the Board on the appointment, re-appointment and removal of the external auditors and to approve the remuneration and terms of engagement of the external auditors, and any questions of resignation or dismissal of such auditors; reviewing the interim and annual reports and accounts of the Group; and supervising the financial reporting process and effectiveness of internal control system of the Group.

During the year, two meetings were held by the Audit Committee to review and make recommendation to the Board for approval of the audited results of the Group for the year ended 31 December 2011 and the unaudited interim results for the six months ended 30 June 2011, to discuss the accounting policies and practices which may affect the Group with the management and the Company's auditors, to make recommendation on the re-appointment of external auditors for the approval of the shareholders in the annual general meeting of the Company, to review the fees charged by the external auditors; and to review the internal control system of the Group.

董事酬金之詳情載列於綜合財務報表附註17。年內，薪酬委員會召開了三次會議，藉以（其中包括）檢討本公司全體董事及高級管理層之薪酬政策、架構及薪酬組合以及年內新委任之兩名董事之薪酬組合。概無董事參予釐定本身之酬金。

審核委員會

本公司成立審核委員會並遵守守則條文訂立書面職權範圍。於本報告日期，本公司審核委員會包括以下成員：

獨立非執行董事

潘禮賢先生 (*主席*)
陳振輝先生
吳國柱先生

審核委員會主要負責就外聘核數師之委任、重聘及罷免向董事會作出建議，並審批外聘核數師之酬金及聘任條款，以及與該等核數師之辭任或罷免有關之任何事宜；審閱中期報告、年報及本集團賬目；以及監察財務申報程序及本集團內部監控系統是否有效。

年內，審核委員會召開兩次會議，藉以審閱並建議董事會批准本集團截至二零一一年十二月三十一日止年度之經審核業績及截至二零一一年六月三十日止六個月之未經審核中期業績，與管理層及本公司之核數師討論對本集團有影響之會計政策及實務、建議股東於股東週年大會上批准續聘外聘核數師、審閱外聘核數師支取之費用，以及檢討本集團之內部監控系統。



Corporate Governance Report

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AUDITOR'S REMUNERATION

The audit works of the Group for the year ended 31 December 2011 were performed by SHINEWING (HK) CPA Limited.

The total fee paid/payable in respect of the statutory audit and non-audit services provide by external auditors is set out in the following table:

核數師酬金

本集團截至二零一一年十二月三十一日止年度之核數工作由信永中和(香港)會計師事務所有限公司處理。

外聘核數師所提供之法定核數及非核數服務之已付／應付之費用總數載列於下表：

Services rendered	所提供服務	Fee paid/payable 已付／應付費用	
		For the year ended 31 December 2011 截至二零一一年 十二月三十一日 止年度 HK\$'000 千港元	For the year ended 31 December 2010 截至二零一零年 十二月三十一日 止年度 HK\$'000 千港元
SHINEWING (HK) CPA Limited	信永中和(香港)會計師事務所有限公司		
— Audit services	— 核數服務	1,000	950
— Non-audit services	— 非核數服務		
Very Substantial Acquisitions	非常重大收購事項	—	450
Interim review	中期審閱	500	480
Total fee paid/payable for the year	年內已付／應付之費用總數	1,500	1,880



Corporate Governance Report 企業管治報告

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the consolidated financial statements at the end of the reporting period which gives a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the consolidated financial statements for the year ended 31 December 2011, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the consolidated financial statements on a going concern basis. The statement by the auditors of the Company regarding their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 43 to 45 of this Annual Report.

INTERNAL CONTROLS

The Board has the overall responsibility for maintaining a sound and effective system of internal control and for reviewing its effectiveness, particularly in respect of the controls on financial, operational, compliance and risk management, to achieve the Company's business strategies and the Group's business operations. The Directors have adopted an internal control policy for the Group. The internal control is fundamental to the successful operation and day-to-day running of a business and to assists the Company in achieving its business objectives. The policy has been developed with the primary objective of providing general guidance and recommendations on a basic framework of internal control and risk management. The Company's internal control system comprises a well established organizational structure and policies and standards. Procedures have been designed to safeguard assets against unauthorized use or disposition, to ensure maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and to ensure compliance with applicable laws and regulations. The purpose of the Company's internal control is to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks or failure in operational systems and achievement of the Company's objective.

董事對綜合財務報表之責任

董事負責編製各期結日之綜合財務報表，對期內本集團事務、業績及現金流量提供真實及公平之意見。在編製截至二零一一年十二月三十一日止年度之綜合財務報表時，董事已貫徹採用合適之會計政策，作出審慎、公平而合理之判斷及推測，並按持續經營基準編製綜合財務報表。本公司核數師就本集團之綜合財務報表所申報之責任載於本年報第43至45頁之獨立核數師報告書。

內部監控

董事會有整體責任維持一套穩健而有效之內部監控系統，並特別就財務、運作、合規及風險管理之控制檢討其效率，以達到本公司之經營策略及本集團之業務運作。董事已為本集團採納一套內部監控政策。內部監控政策乃成功運作及日常業務運作之基礎，有助本公司達到其經營目標。所發展之政策，主要目的乃為基本內部監控框架及風險管理方面提供整體指引及建議。本公司之內部監控系統包括成熟組織架構及完善政策及準則。本公司已設計程序，以保障資產免受未經授權使用或處置之影響，確保為提供作內部使用或公開發放之可靠財務資料維持妥善會計記錄，並確保遵守適用之法律及法規。本公司之內部監控旨在就重大錯誤陳述或損失提供合理（惟並非絕對）保障，並管理（而非完全杜絕）運作系統失效之風險，以及達到本公司之目標。



Corporate Governance Report 企業管治報告

During the year, the Directors have conducted an annual review of the effectiveness of the system of internal control of the Group, covering all material controls, including financial, operational and compliance controls and risk management functions.

COMMUNICATION WITH SHAREHOLDERS

The Board makes its endeavour to maintain an ongoing and transparent communication with all shareholders and, in particular, use general meetings to communicate with shareholders and encourage their participation. The Company also uses various other means of communication with its shareholders, such as publication of annual and interim reports, announcements, circulars and additional information on the Group's business activities and development on the Company's website: www.chinauptown.com.hk.

年內，董事已就本集團內部監控系統之效率進行週年審查，當中包括所有重大監控，包括財務監控、運作監控、合規監控以及風險管理功能。

股東通訊

董事會致力不斷維持與全體股東之間具透明度的通訊，特別是以股東大會與股東溝通及鼓勵參與。本公司亦透過各種其他方式與股東通訊，包括刊登年報及中期報告、公佈、通函以及有關本集團業務活動及發展之其他資料於本公司之網站：www.chinauptown.com.hk。



Report of Directors 董事會報告

The directors of the Company are pleased to present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2011.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the "Group") are engaged in (i) property development; (ii) property investment; (iii) trading of electronic related components, mobile phone modules and automation products; and (iv) technology automation and handsets project. Details of the principal subsidiaries are set out in Note 47 to the consolidated financial statements.

An analysis of the Group's turnover by business segments and geographical segments for the year ended 31 December 2011 is set out in Note 10 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The Group's results for the year ended 31 December 2011 are set out in this annual report on pages 46 to 155. The directors of the Company do not recommend the payment of any dividend in respect of the year ended 31 December 2011.

FIVE YEARS FINANCIAL SUMMARY

A summary of the published results, assets and liabilities, and minority interests of the Group for the last five financial years, as extracted from the audited consolidated financial statements is set out on page 4 of this annual report. This summary does not form part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND PREPAID LEASE PAYMENTS

Details of movements in the property, plant and equipment, investment properties and prepaid lease payments of the Group during the year are set out in Notes 18 to 20 to the consolidated financial statements.

本公司董事謹此欣然提呈本集團截至二零一一年十二月三十一日止年度之董事會報告及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司。本公司及其附屬公司(「本集團」)之主要業務為(i)物業發展；(ii)物業投資；(iii)電子相關元件、手機組件及自動化產品貿易；及(iv)技術自動化及手機項目。有關本公司主要附屬公司的詳情載於綜合財務報表附註47。

本集團截至二零一一年十二月三十一日止年度營業額業務分類及地區分類的分析載於綜合財務報表附註10。

業績及股息

本集團截至二零一一年十二月三十一日止年度之業績載於本年報第46至155頁。本公司董事不建議派發任何二零一一年十二月三十一日止年度股息。

五年財務摘要

本集團過去五個財政年度已公佈之業績、資產及負債及少數股東權益概要(節錄自經審核綜合財務報表)載於本年報第4頁。此概要並不構成經審核綜合財務報表之部份。

物業、機器及設備，投資物業及租賃預付款項

本集團於年內之物業、機器及設備，投資物業及租賃預付款項之變動詳情載於綜合財務報表附註18至20。



Report of Directors 董事會報告

ORDINARY SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's ordinary share capital and share options are set out in Notes 36 and 40 to the consolidated financial statements.

REDEEMABLE CONVERTIBLE PREFERENCE SHARES

Details of the redeemable convertible preference shares issued by the Company during the year are set out in Note 37 to the consolidated financial statements.

CONVERTIBLE BONDS

Details of the convertible bonds issued by the Company during the year are set out in Note 35 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

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

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares.

RESERVES

Details of movement in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 49 of this annual report.

普通股本及購股權

本公司之普通股本及購股權變動詳情載於綜合財務報表附註36及40。

可轉換可贖回優先股

本公司於年內發行之可轉換可贖回優先股之詳情載於綜合財務報表附註37。

可換股債券

本公司於年內已發行之可換股債券之詳情載於綜合財務報表附註35。

優先購買權

根據本公司之公司細則及開曼群島法例，並無有關優先購買權之規定，以致本公司必須向其現有股東按持股比例發行本公司之新股份。

購買、出售或贖回上市證券

於截至二零一一年十二月三十一日止年度，本公司或其任何附屬公司概無購入、出售或贖回任何本公司股份。

儲備

本集團於年內之儲備變動詳情載於本年報第49頁之綜合權益變動表中。

Report of Directors

董事會報告

DISTRIBUTABLE RESERVES

At the end of the reporting period, the Company did not have any reserves available for cash/in specie dividend distribution to shareholders of the Company.

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers during the year is as follows:

可供分派儲備

於期結日，本公司概無現金／實物可用作股息分派予本公司股東之儲備。

主要客戶及供應商

年內，本集團主要客戶應佔銷售額及供應商應佔採購額詳情如下：

		Percentage of the Group's total 佔本集團總額百分比	
		Sales 銷售額	Purchases 採購額
The largest customer	最大客戶	27%	—
Five largest customers in aggregate	五大客戶總計	64%	—
The largest supplier	最大供應商	—	53%
Five largest suppliers in aggregate	五大供應商總計	—	62%

Mr. Chen Xian, the Chairman and executive Director, was indirectly holding approximately 9% of the issued share capital in one of the five largest customers. Save as disclosed above, at no time during the year, none of the Directors, their associates or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the Company's share capital) had any beneficial interest in the major customers and suppliers disclosed above.

主席及執行董事陳賢先生於五大客戶其中一名間接持有約9%已發行股本。除上文所披露者外，董事、彼等之聯繫人士或根據董事所知擁有本公司股本5%以上之任何股東概無於年內任何時間擁有上述主要客戶及供應商之任何權益。

DIRECTORS

The Directors of the Company during the year and up to the report date are:

Executive Directors

Mr. CHEN Xian (Chairman)
Mr. LAU Sai Chung (Chief Executive Officer)
Mr. XIONG Jianrui
Ms. XIA Dan

董事

以下為年內及截至本報告日期之本公司董事：

執行董事

陳賢先生 (主席)
劉世忠先生 (行政總裁)
熊劍瑞先生
XIA Dan女士

Independent Non-executive Directors

Mr. POON Lai Yin, Michael
Mr. CHAN Chun Fai (appointed on 30 June 2011)
Mr. NG Kwok Chu, Winfield (appointed on 30 June 2011)
Mr. CHONG Yiu Chik (resigned on 30 June 2011)
Mr. CHOI Kai Ming, Raymond (resigned on 30 June 2011)

獨立非執行董事

潘禮賢先生
陳振輝先生 (於二零一一年六月三十日獲委任)
吳國柱先生 (於二零一一年六月三十日獲委任)
莊耀植先生 (於二零一一年六月三十日辭任)
蔡繼明先生 (於二零一一年六月三十日辭任)



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Mr. LAU Sai Chung and Mr. POON Lai Yin, Michael shall retire from office by rotation at the forthcoming annual general meeting pursuant to article 87(1) of the Articles, and being eligible, offer themselves for re-election at the annual general meeting.

In addition, Mr. CHAN Chun Fai and Mr. NG Kwok Chu, Winfield shall retire from office as Directors at the annual general meeting pursuant to articles 86(3) of the Articles, and being eligible, offer themselves for re-election at the annual general meeting.

BIOGRAPHIES OF DIRECTORS

Biographical details of the directors of the Company are set out on pages 13 to 20 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company without fixed term. Each of the executive Directors may receive a discretionary bonus, the amount of which will be determined by the Board of Directors as its absolute discretion having regard to the operation results of the Company.

No Director of the Company proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the Company within one year without payment other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No Director of the Company had a significant beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any its subsidiaries was a party at any time during the year ended 31 December 2011.

INDEPENDENCE CONFIRMATION

The Company has received, from each of the independent non-executive Directors, namely Mr. POON Lai Yin, Michael, Mr. CHAN Chun Fai, and Mr. NG Kwok Chu, Winfield, an annual confirmation of their independence pursuant to the Listing Rules and the Company considers all of the independent non-executive Directors are independent.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors of the Company and the highest paid individuals of the Group are set out in Note 17 to the consolidated financial statements.

劉世忠先生及潘禮賢先生須根據公司細則第87(1)條細則於應屆股東週年大會上輪值退任董事職務，並合乎資格，願意於股東週年大會上膺選連任。

此外，陳振輝先生及吳國柱先生須根據公司細則第86(3)條細則於股東週年大會上退任董事職務，並合乎資格，願意於股東週年大會上膺選連任。

董事簡歷

本公司董事簡歷詳情載於本年報第13至20頁。

董事服務合約

每位執行董事已與本公司簽訂服務協議並沒有固定任期。各執行董事或可酌情收取花紅，有關金額將由董事會全權酌情按本公司之經營業績而釐定。

本公司並無與擬於應屆股東週年大會上重選連任之本公司董事訂立任何不可由本公司於一年內無償終止（法定補償除外）之服務合約。

董事合約權益

於本公司或其任何附屬公司截至二零一一年十二月三十一日止年度內任何時間訂立與本集團業務有重大關連之任何合約中，本公司董事概無擁有任何直接或間接之重大實益權益。

確認獨立性

本公司已接獲各獨立非執行董事（即潘禮賢先生、陳振輝先生及吳國柱先生）按照上市規則發出之獨立性年度確認書，而本公司認為全體獨立非執行董事屬獨立人士。

董事及五位最高薪人士酬金

本公司董事及本集團最高薪人士的酬金詳情載於綜合財務報表附註17。

Report of Directors

董事會報告

EVENT AFTER THE REPORTING PERIOD

Details of the event after the reporting period are set out in Note 43 to the consolidated financial statements.

CONNECTED TRANSACTION

Details of the related party and connected party transactions are set out in Note 46 to the consolidated financial statements.

EMOLUMENT POLICY

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

DIRECTORS' INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

At 31 December 2011, the interests and short positions of the Directors or the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (1) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (2) which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (3) which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") to be notified to the Company and the Stock Exchange, were as follows:

報告期結日後事項

報告期結日後事項之詳情於綜合財務報表附註43刊載。

關連交易

關連人士交易及關連交易之詳情於綜合財務報表附註46刊載。

薪酬政策

本公司董事之酬金乃根據本公司之經營業績、個人表現及可比較市場數據由薪酬委員會釐定。

本公司董事於股份及相關股份的權益及淡倉

於二零一一年十二月三十一日，本公司之董事或主要行政人員於本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中擁有(1)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文被視為或當作擁有之權益或淡倉）；或(2)須記入根據證券及期貨條例第352條須設立的登記冊的權益及淡倉；或(3)根據上市公司董事進行證券交易的標準守則（「標準守則」）而須通知本公司及聯交所之權益及淡倉如下：

Name of Director	董事姓名	Number of Shares held		Number of options held		Total	Approximate percentage of total issued ordinary Shares
		Personal Interest	Corporate Interest	Personal Interest	Personal Interest		
		個人權益	公司權益	個人權益	個人權益	總數	普通股份合計之概約百分比
Ms. XIA Dan (Note)	XIA Dan女士(附註)	-	79,500,000	3,500,000	-	83,000,000	9.74
Mr. Chen Xian	陳賢先生	-	-	3,500,000	-	3,500,000	0.41
Mr. LAU Sai Chung	劉世忠先生	148,000	-	3,352,000	-	3,500,000	0.41
Mr. Xong Jianrui	熊劍瑞先生	-	-	3,500,000	-	3,500,000	0.41
Mr. Poon Lai Yin, Michael	潘禮賢先生	-	-	200,000	-	200,000	0.02



Report of Directors 董事會報告

Note: Ms. Xia Dan ("Ms. Xia") is taken to be interested in 79,500,000 shares held by Mega Edge International Limited which is 100% owned by Ms. Xia. By virtue of the SFO, Ms. Xia is deemed to have interest of the Shares held by Mega Edge International Limited.

Save as disclosed above, at 31 December 2011, none of the Directors and chief executive of the Company nor their associates had any interest or short position in shares, underlying shares or debentures of the Company or its associated corporations which were recorded in the register required to be kept under 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders

At 31 December 2011, so far as was known to the Directors, the following persons (other than the Directors or the chief executive of the Company) has interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of division 2 and 3 of Part XV of the SFO, or which were recorded in the register of substantial shareholder required to be kept by the Company under section 336 of the SFO.

(i) Long position in ordinary Shares

附註：Xia Dan女士(「Xia女士」)被視為擁有Mega Edge International Limited所持有79,500,000股股份之100%權益。根據證券及期貨條例，Xia女士被視為擁有Mega Edge International Limited所持股份之權益。

除上文所披露者外，於二零一一年十二月三十一日，本公司董事及主要行政人員以及彼等的聯繫人士概無於本公司或其相聯法團的股份、相關股份或債券中擁有須記入根據證券及期貨條例第352條規定須存置之登記冊或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

主要股東

於二零一一年十二月三十一日，董事獲悉以下人士(除本公司董事或主要行政人員外)於本公司股份或相關股份中擁有權益或淡倉，而根據證券及期貨條例第XV部第2及3分部須向本公司披露，或記入本公司根據證券及期貨條例第336條之規定須存置之主要股東登記冊內。

(i) 於普通股之好倉

Substantial Shareholders	Capacity and nature of interest	Number of Shares held	Approximate percentage of total issued ordinary Shares
主要股東	身份及權益性質	所持股份數目	普通股股份合計之概約百分比
Mega Edge International Limited (note)	Registered Shareholder		
Mega Edge International Limited (附註)	註冊股東	79,500,000	9.33
Ms. Wong Sio Leng	Registered Shareholder		
黃少玲女士	註冊股東	115,000,000	13.50
Mr. Ho Man Hung	Registered Shareholder		
何敏雄先生	註冊股東	224,800,000	26.39

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董事會報告

Note: Mega Edge International Limited, which is 100% owned by Ms. Xia Dan, an executive Director of the Company. By virtue of the SFO, Ms. Xia is deemed to have interest of Shares held by Mega Edge International Limited.

附註：本公司之執行董事Xia Dan女士於Mega Edge International Limited擁有100%實益控制權。根據證券及期貨條例，Xia女士被視為擁有Mega Edge International Limited所持股份之權益。

(ii) Long position in underlying shares

(ii) 於相關股份之好倉

Name	Capacity and nature of interest	Number of underlying Shares held	Approximate percentage of total issued ordinary Shares
名稱	身份及權益性質	所持相關股份數目	普通股股份合計之概約百分比
<i>Preference shares:</i>			
<i>優先股股份：</i>			
Best Contact Holdings Limited ("Best Contact") (Notes 1 and 2)	Beneficial owner		
Best Contact Holdings Limited ("Best Contact") (附註1及2)	實益擁有着	357,894,737	42.01
Mr. Xu Deliang (Note 2)	Interest of a controlled corporation		
Xu Deliang先生 (附註2)	受控制公司之權益	357,894,737	42.01
<i>Convertible bonds:</i>			
<i>可換股債券：</i>			
Seaton Limited (Note 3)	Beneficial owner		
成登有限公司 (附註3)	實益擁有着	283,425,754	33.27
Leading Front Limited (Note 3)	Interest of a controlled corporation		
Leading Front Limited (附註3)	受控制公司之權益	283,425,754	33.27
Mr. Ho Man Hung (Note 3)	Interest of a controlled corporation		
何敏雄先生 (附註3)	受控制公司之權益	283,425,754	33.27
Zilver Yuan Investment Partners Ltd. ("Zilver Yuan") (Note 4)	Beneficial owner		
銀元投資有限公司 ("銀元") (附註4)	實益擁有着	271,186,440	31.83
Bank of China Group Investment Limited ("BOCGI") (Note 4)	Interest of a controlled corporation		
中銀集團投資有限公司 ("中銀集團投資") (附註4)	受控制公司之權益	271,186,440	31.83
Bank of China Limited ("BOC") (Note 4)	Interest of a controlled corporation		
中國銀行股份有限公司 ("中國銀行") (附註4)	受控制公司之權益	271,186,440	31.83
Central Huijin Investment Ltd. ("Huijin") (Note 4)	Interest of a controlled corporation		
中央匯金投資有限責任公司 ("匯金") (附註4)	受控制公司之權益	271,186,440	31.83



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Notes:

1. The Company entered into a subscription and option agreement on 26 May 2006 with Weina and through such agreement and the exercise of option by the Company, Weina is interested in 350,000,000 convertible redeemable preference shares of the Company and has the right to convert the aforesaid shares in 350,000,000 Shares (based on its initial conversion price). On 2 June 2009, the Company and Weina entered into a first supplemental agreement to extend the conversion period for the aforesaid shares for a further 12 months from the expiry date of the conversion period under the subscription and option agreement. By a second supplemental agreement dated 23 October 2009, the conversion period shall be extended automatically for a period of 12 months with effect from each expiry date of the said conversion period unless (i) Weina serves a written notice on the Company notifying its intention of not extending the said conversion period for a further 12 months not later than 7 days prior to the expiry date of the said conversion period, and (ii) the Company agrees not to extend the said conversion period for a further 12 months upon receiving such notice. It is also agreed that the convertible redeemable preference shares shall become transferable. On 25 May 2010, Weina transferred 225,000,000 convertible redeemable preference shares to Best Contact. On 31 August 2010, Weina further transferred 50,000,000 convertible redeemable preference shares to certain individuals. On 17 March 2011, Weina further transferred 75,000,000 convertible redeemable preference shares to Best Contact.

Moreover, the Company entered into a sale and purchase agreement on 17 November 2006 with Weina Holdings Limited and through such agreement, Weina (as designated by Weina Holdings Limited) is interested in 110,000,000 convertible redeemable preference A shares of the Company and has the right to convert the aforesaid preference A shares into 110,000,000 Shares. Weina Group Limited owns the entire issued share capital of Weina and is therefore deemed to have interests in the underlying Shares in which Weina is interested. By a supplemental agreement dated 23 October 2009, the conversion period for the aforesaid preference A shares is extended for a further 12 months from the expiry date of the conversion period; the said conversion period shall be extended automatically for a period of 12 months with effect from each expiry date of the said conversion period unless (i) Weina serves a written notice on the Company notifying its intention of not extending the said conversion period for a further 12 months not later than 7 days prior to the expiry date of the said conversion period, and (ii) the Company agrees not to extend the said conversion period for a further 12 months upon receiving such notice. It is also agreed that the convertible redeemable preference A shares

附註：

1. 本公司已於二零零六年五月二十六日與榮瀚簽訂一份認購及選擇認股權協議，而透過協議及本公司行使選擇認股權，榮瀚擁有本公司350,000,000股可轉換可贖回優先股股份權益及有權將該等股份轉換為350,000,000股普通股股份（根據初步換股價）。於二零零九年六月二日，本公司與榮瀚訂立首份補充協議，將上述股份之兌換期間由認購及選擇認股權協議項下兌換期間之屆滿日期延長另外12個月。根據日期為二零零九年十月二十三日之第二份補充協議，兌換期間將由上述兌換期間之屆滿日期起自動延長12個月，除非(i)榮瀚於上述兌換期間屆滿日期前至少7日向本公司發出書面通知，指出其無意將上述兌換期間延長另外12個月，及(ii)本公司於收到上述通知後同意不會將上述兌換期間延長另外12個月。亦協定可轉換可贖回優先股股份將可轉讓他人。於二零一零年五月二十五日，榮瀚轉讓225,000,000股可轉換可贖回優先股股份至Best Contact。於二零一零年八月三十一日，榮瀚進一步轉讓50,000,000股可轉換可贖回優先股股份至若干個別人士。於二零一一年三月十七日，榮瀚進一步轉讓75,000,000股可轉換可贖回優先股股份至Best Contact。

同時，本公司已於二零零六年十一月十七日與榮瀚集團有限公司簽訂一份買賣協議，透過協議，榮瀚（由榮瀚集團有限公司指定）擁有本公司110,000,000股可轉換可贖回優先A股股份權益及有權將該等優先A股股份轉換為110,000,000股股份。榮瀚集團有限公司持有榮瀚之全部已發行股本，因此被視為於榮瀚所持相關股份中擁有權益。根據日期為二零零九年十月二十三日之補充協議，上述優先A股股份之兌換期間由兌換期間之屆滿日期延長另外12個月；上述兌換期間將由上述兌換期間之屆滿日期起自動延長12個月，除非(i)榮瀚於上述兌換期間屆滿日期前至少7日向本公司發出書面通知，指出其無意將上述兌換期間延長另外12個月，及(ii)本公司於收到上述通知後同意不會將上述兌換期間延長另外12個月。亦協定可轉換可贖回優先A股



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shall become transferable. On 25 May 2010, Weina transferred 5,000,000 convertible redeemable preference A shares to Best Contact. On 31 August 2010, Weina further transferred 70,000,000 convertible redeemable preference A shares to certain individuals. On 17 March 2011, Weina further transferred 35,000,000 convertible redeemable preference A shares to Best Contact.

In accordance with the terms and conditions of the convertible redeemable preference shares and the convertible redeemable preference A shares, the conversion price of the convertible redeemable preference shares and the convertible redeemable preference A shares will be adjusted as a result of the issue of the Convertible Bonds to HK\$0.38.

2. Best Contact is legally and beneficially owned by Mr. Xu Deliang. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Mr. Xu Deliang is an independent third party of the substantial Shareholders and Directors.
3. On 3 December 2010, the Company entered into an acquisition agreement with Seaton Limited and through such agreement and the exercise of the conversion right of the convertible bonds, Seaton Limited is interested in 283,425,754 shares of the company (based on its initial conversion price). The acquisition was completed and the convertible bonds were issued on 1 March 2011. Reference is made to the announcement of the Company dated 7 March 2012, the conversion price of the convertible bonds was adjusted HK\$0.73035 with effective from 1 March 2012. Based on the adjusted conversion price, an aggregate number of 314,917,505 ordinary shares of the Company can be converted.

Seaton Limited is 100% owned by Leading Front Limited and Leading Front Limited is 100% owned by Mr. Ho Man Hung. Accordingly, Mr. Ho Man Hung and Leading Front Limited are deemed to be interested in the relevant convertible bonds issued by the Company to Seaton Limited.

股份將可轉讓。於二零一零年五月二十五日，榮瀚轉讓5,000,000股可轉換可贖回優先A股股份予Best Contact。於二零一零年八月三十一日，榮瀚進一步轉讓70,000,000股可轉換可贖回優先A股股份至若干個別人士。於二零一一年三月十七日，榮瀚進一步轉讓35,000,000股可轉換可贖回優先A股股份至Best Contact。

根據可轉換可贖回優先股股份及可轉換可贖回優先A股股份之條款及條件，可轉換可贖回優先股股份及可轉換可贖回優先A股股份之換股價將會因發行可換股債券調整至港幣0.38元。

2. Best Contact由Xu Deliang先生合法及實益擁有。就董事所知、所悉及所信並作出一切合理查詢，Xu Deliang先生為主要股東及董事之獨立第三方。
3. 於二零一零年十二月三日，本公司與成登有限公司訂立收購協議，而透過該協議及行使可換股債券的轉換權，成登有限公司於公司的283,425,754股股份中擁有權益（根據初步換股價）。收購已經完成，而可換股債券已於二零一一年三月一日發行。謹此提述本公司於二零一二年三月七日刊發的公告，可換股債券的換股價自二零一二年三月一日起調整為港幣0.73035元。根據經調整換股價，本公司合共314,917,505股普通股可予轉換。

成登有限公司由Leading Front Limited全資擁有，而Leading Front Limited則由何敏雄先生全資擁有。因此，何敏雄先生及Leading Front Limited被視為於本公司向成登有限公司發行的相關可換股債券中擁有權益。



Report of Directors 董事會報告

4. On 19 September 2010, the Company entered into a subscription agreement with Zilver Yuan and through such agreement and the exercise of the conversion right of the convertible bonds, Zilver Yuan is interested in 271,186,440 shares of the company (based on its initial conversion price). The subscription is completed and the convertible bonds are issued on 1 December 2010.

Zilver Yuan is 100% owned by BOCGI and BOCGI is 100% owned by BOC. Huijin owned 67.53% capital of BOC. Accordingly, Huijin, BOC, BOCGI are deemed to be interested in the relevant convertible bonds issued by the Company to Zilver Yuan.

4. 於二零一零年九月十九日，本公司與銀元訂立認購協議，而透過該協議及行使可換股債券的轉換權，銀元於公司的271,186,440股股份中擁有權益（根據初步換股價）。認購已經完成，而可換股債券已於二零一零年十二月一日發行。

銀元由中銀集團投資全資擁有，而中銀集團投資則由中國銀行全資擁有。匯金則擁有中國銀行資本的67.53%。因此，匯金、中國銀行、中銀集團投資被視為於本公司向銀元發行的相關可換股債券中擁有權益。

Save as disclosed above, no person had registered interest in the share capital of the Company that was required to be disclosed under Division 2 and 3 of the Part XV of the SFO and the Listing Rules.

Save for the shareholders as disclosed herein, the Directors are not aware of any persons, who, at 31 December 2011, were entitled to exercise or control the exercise of 5% or more of the voting power at the general meeting of the Company and were also, a practicable matter, able to direct or influence the management of the Company.

SHARE OPTION SCHEME

A share option scheme was adopted on 20 January 2003 and terminated on 30 November 2009, (the "Old Scheme"). A new share option scheme was adopted by the shareholders of the Company at the annual general meeting of the Company held on 30 November 2009 (the "New Scheme"). The purpose of the New Scheme is to enable the Company to grant share options to participants who, in the sole discretion of the Board, have made or may make contribution to the Group or any invested entity as well as to provide incentives and help to the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct interest in attaining the long term business objectives of the Group.

除上文所披露者外，概無任何人士於本公司股本中擁有登記權益而須根據證券及期貨條例第XV部第2及3分部及上市規則之規定作出披露。

除本文所披露之股東外，董事並不知悉有任何人士於二零一一年十二月三十一日，有權於本公司股東大會上行使或控制行使5%或以上表決權，及實際上可直接管理本公司或影響本公司之管理。

購股權計劃

本公司於二零零三年一月二十日採納一項購股權計劃（「舊計劃」），並於二零零九年十一月三十日終止該項舊計劃。新購股權計劃已於本公司二零零九年十一月三十日舉行之股東週年大會上經本公司股東批准採納（「新計劃」）。新計劃旨在令本公司可向董事會全權酌情決定為對本集團或任何被投資實體作出或可能作出貢獻之參與者授予購股權，以及給予獎勵並協助本集團保留現有僱員及招聘額外僱員，並向其提供直接利益，為達致本集團之長遠業務目標而努力。

Report of Directors

董事會報告

Particulars of the movement of the options held by each of the Directors, the employees of the Company in aggregate granted under the Old Scheme and New Scheme during the year ended 31 December 2011, were as follows:

截至二零一一年十二月三十一日止年度內，根據舊計劃及新計劃授予本公司董事及僱員之購股權變動詳情載列如下：

Category of participants	Date of grant	Exercise period	Exercise price per share	Number of share options 購股權數目			
				Held at 1 January 2011	Lapsed during the year	Granted during the year	Held at 31 December 2011
持有人	授予日期	行使期	每股股份行使價 HK\$ 港元	於二零一一年一月一日持有	於年內失效	於年內授予	於二零一一年十二月三十一日持有
Share options granted under the Old Scheme							
於舊計劃下授出之購股權							
Mr. Chen Xian 陳賢先生	21.8.2009	21.8.2009 – 20.8.2012	1.18	3,500,000	-	-	3,500,000
Mr. Lau Sai Chung 劉世忠先生	21.8.2009	21.8.2009 – 20.8.2012	1.18	3,352,000	-	-	3,352,000
Mr. Xiong Jianrui 熊劍瑞先生	21.8.2009	21.8.2009 – 20.8.2012	1.18	3,500,000	-	-	3,500,000
Ms. Xia Dan Xia Dan女士	21.8.2009	21.8.2009 – 20.8.2012	1.18	3,500,000	-	-	3,500,000
Mr. Poon Lai Yin, Michael 潘禮賢先生	21.8.2009	21.8.2009 – 20.8.2012	1.18	200,000	-	-	200,000
Mr. Choi Kai Ming, Raymond 蔡繼明先生	21.8.2009	21.8.2009 – 20.8.2012	1.18	348,000	348,000	-	-
Mr. Chong Yiu Chik 莊耀植先生	21.8.2009	21.8.2009 – 20.8.2012	1.18	348,000	348,000	-	-
Employee 僱員	21.8.2009	21.8.2009 – 20.8.2012	1.18	3,200,000	-	-	3,200,000
Share options granted under the New Scheme							
於新計劃下授出之購股權							
Other eligible participants 其他合資格參與者	19.2.2010	19.2.2010 – 18.2.2013	0.88	10,000,000	-	-	10,000,000
Total 合共				27,948,000	-	-	27,252,000



Report of Directors 董事會報告

At 31 December 2011, the total number of outstanding share options under the Old Scheme and the New Scheme were 17,252,000 share options and 10,000,000 share options respectively.

RIGHTS TO ACQUIRE COMPANY'S SECURITIES

Other than as disclosed under the sections "Share Option Scheme" and "Directors' Interests and Short Positions in the Shares and Underlying Shares of the Company" above, at no time during the year was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

No Director or the management shareholders of the Company and their respective associates (as defined under the Listing Rules) had interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules, during the year and up to the date of this report.

MANAGEMENT CONTRACTS

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.

CORPORATE GOVERNANCE

In the opinion of the directors of the Company, the Company has complied throughout the year ended 31 December 2011 with the Code of Best Practice (the "Code") as set out in Appendix 14 of the Listing Rules.

於二零一一年十二月三十一日，在舊計劃及新計劃下分別授出17,252,000股購股權及10,000,000股購股權。

購買公司股份的權利

除上文「購股權計劃」及「本公司董事於股份及相關股份之權益及淡倉」等節所披露者外，本公司或其任何附屬公司或其任何同系附屬公司於年內任何時間概無參與訂立任何安排，讓董事或本公司行政總裁或彼等各自之聯繫人士（定義見上市規則）擁有任何權利認購本公司或其任何相聯法團（定義見證券及期貨條例）之證券或藉購入本公司或任何其他法人團體之股份或債券而獲取利益。

董事在競爭業務之權益

於年內及截至本報告日期，根據上市規則，本公司董事或管理股東及彼等各自的聯繫人士（定義見上市規則）概無於與本集團業務直接或間接競爭或可能競爭之業務中擁有權益。

管理合約

年內並無訂立或存在任何有關本集團業務之全部或任何重大部份之管理及行政合同。

企業管治

本公司董事認為，本公司於截至二零一一年十二月三十一日止年度內已遵守上市規則附錄十四之最佳應用守則（「守則」）。

Report of Directors

董事會報告

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge or its Directors as at the date of this report, the Company has maintained sufficient public float as required under the Listing Rules.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with the requirements as set out in the Listing Rules for the purposes of reviewing and supervising the financial reporting process and internal controls of the Group. The audit committee currently comprises Mr. POON Lai Yin, Michael (Chairman), Mr. CHAN Chun Fai and Mr. NG Kwok Chu, Winfield. The audit committee has reviewed and discussed with the management and the external auditors the financial reporting matters including the annual results for the year ended 31 December 2011.

AUDITORS

A resolution for the re-appointment of SHINEWING (HK) CPA Limited as auditors of the Company will be proposed at the forthcoming annual general meeting of the Company.

On Behalf of the Board

CHEN Xian
Chairman

Hong Kong, 29 March 2012

公眾持股量

於本報告日期，根據本公司可以得悉之公開資料所示及根據董事所知，本公司已維持上市規則所規定之公眾持股量。

審核委員會

本公司已成立審核委員會並遵守上市規則的要求訂立書面職權範圍，其目的為審閱及監督本集團之財務申報程序及內部監控。審核委員會目前由潘禮賢先生（主席）、陳振輝先生及吳國柱先生組成。審核委員會已與管理層及外聘核數師審閱及討論財務申報事宜，包括截至二零一一年十二月三十一日止年度之業績。

核數師

本公司將於應屆股東週年大會上提呈一項決議案，以續聘信永中和（香港）會計師事務所有限公司為本公司之核數師。

代表董事會

陳賢
主席

香港，二零一二年三月二十九日



Independent Auditor's Report 獨立核數師報告



SHINEWING (HK) CPA Limited
43/F., The Lee Gardens
33 Hysan Avenue
Causeway Bay, Hong Kong

**TO THE MEMBERS OF
CHINA UPTOWN GROUP COMPANY LIMITED**
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of China Uptown Group Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 46 to 155, which comprise the consolidated statement of financial position as at 31 December 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**DIRECTORS' RESPONSIBILITY FOR THE
CONSOLIDATED FINANCIAL STATEMENTS**

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

致中國上城集團有限公司全體股東

(於開曼群島註冊成立之有限公司)

本核數師已審核列載於第46至155頁中國上城集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，其中包括於二零一一年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。



Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見並僅向閣下呈報，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。我們已根據香港會計師公會頒佈之香港核數準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否存在任何重大錯誤陳述。

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審核程序，但目的並非對公司內部控制的有效性發表意見。審核亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證能充足和適當地為我們的審核意見提供基礎。



Independent Auditor's Report 獨立核數師報告

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2011 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Wong Hon Kei, Anthony

Practising Certificate Number: P05591

Hong Kong

29 March 2012

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 貴集團於二零一一年十二月三十一日的事務狀況，及 貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例的披露規定妥為編製。

信永中和（香港）會計師事務所有限公司

執業會計師

黃漢基

執業證書號碼：P05591

香港

二零一二年三月二十九日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

		Notes 附註	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Turnover	營業額	9	214,480	328,080
Cost of sales	銷售成本		(203,138)	(377,729)
Gross profit (loss)	毛利 (損)		11,342	(49,649)
Other operating income	其他營運收入	9	8,537	6,384
Change in fair value of investment properties	投資物業公允值之變動	19	12,999	11,634
Change in fair value of convertible bonds	可換股債券公允值之變動	35	45,393	14,860
Gain on extinguishment of consideration payable	抵銷應付代價之收益	38	6,006	–
Selling and distribution costs	銷售及分銷成本		(15,116)	(10,922)
Administrative expenses	行政費用		(23,510)	(30,816)
Equity-settled share-based payment expenses	以權益結算之以股份為基礎的支付開支	40	–	(4,315)
Loss on debt restructuring	債務重組之虧損	33	–	(18,049)
Finance costs	財務成本	11	(24,525)	(27,040)
Profit (loss) before taxation	除稅前溢利 (虧損)		21,126	(107,913)
Income tax (expense) credit	所得稅 (支出) 收入	12	(2,935)	46,494
Profit (loss) for the year	年內溢利 (虧損)	13	18,191	(61,419)
Exchange differences arising on translation of financial statements of foreign operations and total other comprehensive income for the year	因換算外國業務財務報表產生的匯兌差額及年內其他全面收入總額		11,905	5,823
Total comprehensive income (expense) for the year	年內全面收入 (支出) 總額		30,096	(55,596)
Profit (loss) for the year attributable to:	年內應佔溢利 (虧損) :			
Owners of the Company	本公司之擁有人		22,529	(30,853)
Non-controlling interests	非控制性權益		(4,338)	(30,566)
			18,191	(61,419)
Total comprehensive income (expense) for the year attributable to:	年內應佔全面收入 (支出) 總額 :			
Owners of the Company	本公司之擁有人		34,434	(25,030)
Non-controlling interests	非控制性權益		(4,338)	(30,566)
			30,096	(55,596)
Earnings (loss) per share	每股盈利 (虧損)	15		
Basic	基本		RMB2.64 cents 人民幣2.64仙	RMB(3.62 cents) 人民幣(3.62仙)
Diluted	攤薄		RMB1.69 cents 人民幣1.69仙	RMB(3.62 cents) 人民幣(3.62仙)



Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2011
於二零一一年十二月三十一日

		Notes 附註	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	18	31,619	34,315
Investment properties	投資物業	19	162,025	183,830
Prepaid lease payments	租賃預付款項	20	240	246
Goodwill	商譽	21	184,231	184,231
Available-for-sale investments	可供出售投資	22	–	–
			378,115	402,622
Current assets	流動資產			
Inventories	存貨	23	3,540	12,701
Properties under development	在建物業	24	971,642	737,095
Properties held for sale	待售物業	25	64,762	129,220
Trade and other receivables	貿易及其他應收賬款	26	62,400	42,265
Prepaid lease payments	租賃預付款項	20	6	6
Held-to-maturity investments	持有至到期日投資	27	–	–
Held-for-trading investments	持作交易用途之投資	28	219	1,211
Income tax recoverable	可收回所得稅		27,717	–
Restricted bank deposits	有限制銀行存款	29	92,298	32,776
Bank balances and cash	銀行結存及現金	30	136,693	123,028
			1,359,277	1,078,302
Assets classified as held for sale	分類為持作銷售之資產	31	–	10,200
			1,359,277	1,088,502
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	32	919,642	401,808
Income tax payable	應付所得稅		1,176	945
Bank borrowings	銀行貸款	34	99,357	35,936
			1,020,175	438,689
Net current assets	流動資產淨額		339,102	649,813
Total assets less current liabilities	總資產減流動負債		717,217	1,052,435

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2011

於二零一一年十二月三十一日

			2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Capital and reserves	股本及儲備			
Ordinary share capital	普通股股本	36	81,232	81,232
Convertible redeemable preference shares	可轉換可贖回優先股	37	184,653	184,653
Reserves	儲備		(10,519)	65,847
Equity attributable to owners of the Company	本公司之擁有人應佔權益		255,366	331,732
Non-controlling interests	非控制性權益		75,505	154,733
Total equity	權益總額		330,871	486,465
Non-current liabilities	非流動負債			
Bank borrowings	銀行貸款	34	–	350,000
Convertible bonds	可換股債券	35	311,260	184,391
Consideration payable	應付代價	38	44,645	–
Deferred taxation	遞延稅項	39	30,441	31,579
			386,346	565,970
			717,217	1,052,435

The consolidated financial statements on pages 46 to 155 were approved and authorised for issue by the board of directors on 29 March 2012 and are signed on its behalf by:

第46至155頁之綜合財務報表於二零一二年三月二十九日獲董事會批准及授權刊發，並由下列董事代表簽署：

Mr. Chen Xian
陳賢先生
Director
董事

Mr. Lau Sai Chung
劉世忠先生
Director
董事



Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

Attributable to owners of the Company
本公司之擁有人應佔

		Ordinary	Convertible	Capital	Share	Exchange	General	Other	Accumulated	Non-	Total	Total	
		share	redeemable										preference
		capital	Share	reserve	reserve	reserve	reserve	reserve	losses	interests			
			premium	shares						Total	Non-	Total	
				可轉換						非控制性			
				可贖回						權益			
		普通股股本	股份溢價	優先股	資本儲備	購股權儲備	換算儲備	一般儲備	其他儲備	累計虧損	總額	總額	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
					(Note (a))		(Note (b))	(Note (c))					
					(附註(a))		(附註(b))	(附註(c))					
At 1 January 2010	於二零一零年一月一日	81,232	386,529	184,653	13,841	10,063	(5,996)	5,887	-	(323,762)	352,447	299,574	652,021
Loss for the year and total comprehensive expense for the year	年內虧損及年內全面開支總額	-	-	-	-	-	5,823	-	-	(30,853)	(25,030)	(30,566)	(55,596)
Recognition of equity-settled share-based payments	以權益結算之以股份為基礎的支付確認	-	-	-	-	4,315	-	-	-	-	4,315	-	4,315
Dividends paid to non-controlling interests of a subsidiary	支付予附屬公司非控制性權益之股息	-	-	-	-	-	-	-	-	-	-	(114,275)	(114,275)
Transfers	轉讓	-	-	-	-	-	-	3,600	-	(3,600)	-	-	-
At 31 December 2010	於二零一零年十二月三十一日	81,232	386,529	184,653	13,841	14,378	(173)	9,487	-	(358,215)	331,732	154,733	486,465
Profit for the year and total comprehensive income for the year	年內溢利及年內全面收入總額	-	-	-	-	-	11,905	-	-	22,529	34,434	(4,338)	30,096
Reversal of dividend paid to non-controlling interests of a subsidiary in prior year	過往年度支付予附屬公司非控制性權益之股息撥回	-	-	-	-	-	-	-	-	-	-	403	403
Cancellation of equity-settled share-based payments	取消以權益結算之以股份為基礎的支付	-	-	-	-	(390)	-	-	-	390	-	-	-
Acquisition of non-controlling interests	收購非控制性權益	-	-	-	-	-	-	-	(110,800)	-	(110,800)	(75,293)	(186,093)
At 31 December 2011	於二零一一年十二月三十一日	81,232	386,529	184,653	13,841	13,988	11,732	9,487	(110,800)	(335,296)	255,366	75,505	330,871

Notes:

- (a) The capital reserve represents the effect of the reorganisation of the Group through which the Company became the holding company of all group companies comprising the Group and capitalisation of shareholders' loans by a subsidiary.
- (b) As stipulated by regulations in the People's Republic of China (the "PRC"), certain subsidiaries in the PRC are required to appropriate 10% of their after-tax profit (after offsetting prior year losses) to a general reserve fund until the balance of the fund reaches 50% of its registered capital and thereafter any further appropriation is optional. The general reserve fund can be utilised to offset prior year losses, or for conversion into registered capital on the condition that the general reserve fund shall be maintained at a minimum of 25% of the registered capital after such utilisation.
- (c) The other reserve represents the difference between the consideration paid and the carrying values of non-controlling interests acquired during the year ended 31 December 2011.

附註：

- (a) 資本儲備包括本集團因重組（本公司因而成為組成本集團之所有集團公司之控股公司）及將一間附屬公司之股東貸款資本化所產生之影響。
- (b) 按中華人民共和國（「中國」）法規規定，某些國內附屬公司須從其除稅後溢利（經抵銷過去年度之虧損）中撥出10%列入一般儲備，直至該儲備達至其註冊資本之50%，而其後之撥款則可隨意作出。一般儲備金可用作抵銷過去年度之虧損，或轉至註冊資本，惟需在作出該等使用後，一般儲備金最少仍維持於註冊資本25%之水平。
- (c) 其他儲備指截至二零一一年十二月三十一日止年度之已付代價與所收購非控制性權益之賬面值之差額。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
OPERATING ACTIVITIES	經營活動		
Profit (loss) before taxation	除稅前溢利 (虧損)	21,126	(107,913)
Adjustments for:	調整項目:		
Amortisation of prepaid lease payments	租賃預付款項之攤銷	6	6
Change in fair value of convertible bonds	可換股債券之 公允值變動	(45,393)	(14,860)
Change in fair value of held-for-trading investments	持作交易用途之 投資之公允值變動	960	(736)
Change in fair value of investment properties	投資物業公允值之變動	(12,999)	(11,634)
Depreciation of property, plant and equipment	物業、機器及設備折舊	1,904	2,023
Discount received on early settlement of consideration payable	就提早償還應付代價 收取之折扣	(982)	(4,704)
Equity-settled share-based payment expenses	以權益結算之以股份為 基礎的支付開支	-	4,315
Finance costs	財務成本	24,525	27,040
Gain on disposal of investment properties	出售投資物業之收益	(1,281)	-
Gain on disposal of investment property under held for sale	出售持作銷售投資 物業之收益	(765)	-
Gain on disposal of property, plant and equipment	出售物業、機器及 設備之收益	-	(50)
Impairment loss recognised in respect of properties held for sale	待售物業之 減值虧損	3,430	28,600
Impairment loss recognised in respect of trade receivables	貿易應收賬款之 減值虧損	49	1,811
Impairment loss recognised in respect of other receivables	其他應收賬款之 減值虧損	1,000	-
Gain on extinguishment of consideration payable	抵銷應付代價之收益	(6,006)	-
Interest income	利息收入	(1,652)	(487)
Loss on debt restructuring	債務重組之虧損	-	18,049
Reversal of impairment loss recognised in respect of inventories	存貨之減值虧損撥回	(58)	(372)
Reversal of impairment loss recognised in respect of properties held for sale	待售物業之 減值虧損撥回	(6,904)	-
Reversal of bad debts directly written off	直接撇銷之壞賬撥回	(1,691)	-
Written back of other payables	其他應付賬款撥回	(52)	-
Operating cash flows before movements in working capital	計算營運資金變動前之 營業現金流量	(24,783)	(58,912)
Decrease (increase) in inventories	存貨減少 (增加)	8,847	(12,329)
Increase in properties under development	在建物業增加	(216,706)	(351,314)
Decrease in properties held for sale	待售物業減少	67,932	175,906
Increase in trade and other receivables	貿易及其他應收賬款增加	(19,925)	(15,790)
Increase in trade and other payables	貿易及其他應付賬款增加	571,324	185,005
Payment for provision for claim	索償撥備付款	-	(60,700)
Cash from (used in) operations	經營活動之現金流入 (流出)	386,689	(138,134)
Enterprise income tax paid	已付企業所得稅	(31,788)	(18,869)
Land appreciation tax paid	已付土地增值稅	-	(1,139)
Withholding tax paid	已付預扣稅	-	(11,428)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營活動之現金流入 (流出) 淨額	354,901	(169,570)



Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
INVESTING ACTIVITIES	投資活動		
Increase in restricted bank deposit	有限制銀行存款增加	(59,522)	(32,776)
Repayment of consideration payables	償還應付代價	(19,651)	(102,879)
Purchase of property, plant and equipment	添置物業、機器及設備	(94)	(109)
Interest received	利息收入	1,652	487
Proceed from disposal of investment property under held for sale, net of transaction costs	出售持作銷售投資物業所得款項，扣除交易成本	10,965	-
Proceeds from disposal of investment properties, net of transaction costs	出售投資物業所得款項，扣除交易成本	35,016	-
Decrease in pledged bank deposits	已抵押銀行存款減少	-	12,609
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項	-	100
NET CASH USED IN INVESTING ACTIVITIES	投資活動之現金流出淨額	(31,634)	(122,568)
FINANCING ACTIVITIES	融資活動		
Repayment of bank borrowings	償還銀行貸款	(285,294)	(83,734)
Interest paid	已付利息	(23,728)	(22,356)
New bank borrowings raised	新增銀行貸款	-	355,100
Proceeds from issue of convertible bonds	發行可換股債券所得款項	-	136,000
Transaction costs arising from the issue of convertible bonds	發行可換股債券產生之交易費	-	(3,500)
Dividend paid to non-controlling interests	支付予非控制性權益之股息	-	(114,275)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資活動之現金(流出)流入淨額	(309,022)	267,235
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物之增加(減少)淨額	14,245	(24,903)
EFFECT ON FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	(580)	(974)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	於年初之現金及現金等價物	123,028	148,905
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	於年終之現金及現金等價物，其中包括銀行結存及現金	136,693	123,028

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

1. GENERAL

China Uptown Group Company Limited (the “Company”) is incorporated in the Cayman Islands as an exempt company with limited liability. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

Other than the subsidiaries established in the People’s Republic of China (the “PRC”) whose functional currency is Renminbi (“RMB”), the functional currency of the Company and the remaining subsidiaries are Hong Kong dollars (“HK\$”).

The Group adopted RMB as its presentation currency as the directors of the Company consider that the major operations are in the PRC and it is appropriate to present the consolidated financial statements in RMB.

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are set out in Note 47.

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

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

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
Hong Kong Accounting Standard (“HKAS”) 24 (as revised in 2009)	Related Party Disclosures
Amendments to HKAS 32	Classification of Rights Issues
Amendments to HK(IFRIC) – Interpretation (“Int”) 14	Prepayments of a Minimum Funding Requirement
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments

1. 一般資料

中國上城集團有限公司(「本公司」)乃於開曼群島註冊成立之受豁免有限公司。本公司股份在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司之註冊辦事處及主要營業地址已於本年報中的「公司資料」一節披露。

除在中華人民共和國(「中國」)成立之附屬公司之功能貨幣為人民幣(「人民幣」)外，本公司及餘下附屬公司之功能貨幣為港元(「港元」)。

由於董事認為本公司主要在中國經營業務且以人民幣呈列綜合財務報表乃屬恰當，因此本集團採納人民幣為其呈列貨幣。

本公司之主要活動為投資控股，而附屬公司之主要活動已列載於附註47。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已採用香港會計師公會(「香港會計師公會」)頒佈之以下新訂及經修訂香港財務報告準則。

香港財務報告準則(修訂本)	香港財務報告準則之改進(於二零一零年頒佈)
香港財務報告準則第1號(修訂本)	香港財務報告準則第7號對首次採納者披露比較資料之有限豁免
香港會計準則(「香港會計準則」)第24號(二零零九年經修訂)	關連人士披露事項
香港會計準則第32號(修訂本)	供股之分類
香港(國際財務報告詮釋委員會)–詮釋第14號(修訂本)	最低資本規定之預付款項
香港(國際財務報告詮釋委員會)–詮釋第19號	以股本工具抵銷財務負債



Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

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

The directors of the Company anticipate that the application of the above new and revised HKFRSs has had no material impact on the Group's financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ¹
Amendments to HKFRS 1	First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans ²
Amendments to HKFRS 7	Disclosures – Transfers of Financial Assets ¹ Disclosures – Offsetting Financial Assets and Financial Liabilities ² Mandatory Effective Date of HKFRS 9 and Transition Disclosures ³
HKFRS 9	Financial Instruments ³
HKFRS 10	Consolidated Financial Statements ²
HKFRS 11	Joint Arrangements ²
HKFRS 12	Disclosure of Interests in Other Entities ²
HKFRS 13	Fair Value Measurement ²
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income ⁵
Amendments to HKAS 12	Deferred Tax – Recovery of Underlying Assets ⁴
HKAS 19 (as revised in 2011)	Employee Benefits ²
HKAS 27 (as revised in 2011)	Separate Financial Statements ²
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ²
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ⁶
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine ²

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本公司董事預計，應用上述新訂及經修訂香港財務報告準則並無對本集團本年度及過往年度之財務表現及狀況及／或綜合財務報表所載披露造成任何重大影響。

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第1號（修訂本）	嚴重高通脹及剔除首次採納者之固定日期 ¹
香港財務報告準則第1號（修訂本）	首次採納香港財務報告準則 – 政府貸款 ²
香港財務報告準則第7號（修訂本）	披露 – 轉讓財務資產 ¹ 披露 – 抵銷財務資產及財務負債 ² 香港財務報告準則第9號之強制性生效日期及過渡性披露 ³ 財務工具 ³
香港財務報告準則第9號	綜合財務報表 ²
香港財務報告準則第10號	聯合安排 ²
香港財務報告準則第11號	其他實體權益之披露 ²
香港財務報告準則第12號	公允值計量 ²
香港財務報告準則第13號	其他全面收入項目之呈列 ⁵ 遞延稅項 – 潛在資產之恢復 ⁴ 僱員福利 ²
香港會計準則第1號（修訂本）	獨立財務報表 ²
香港會計準則第12號（修訂本）	投資聯營公司及合營企業 ²
香港會計準則第19號（於二零一一年經修訂）	抵銷財務資產及財務負債 ⁶
香港會計準則第27號（於二零一一年經修訂）	露天礦場生產期之剔除成本 ²
香港會計準則第28號（於二零一一年經修訂）	
香港會計準則第32號（修訂本）	
香港（國際財務報告詮釋委員會）— 詮釋第20號	

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

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

- 1 Effective for annual periods beginning on or after 1 July 2011.
- 2 Effective for annual periods beginning on or after 1 January 2013.
- 3 Effective for annual periods beginning on or after 1 January 2015.
- 4 Effective for annual periods beginning on or after 1 January 2012.
- 5 Effective for annual periods beginning on or after 1 July 2012.
- 6 Effective for annual periods beginning on or after 1 January 2014.

Amendments to HKFRS 7 Disclosures – Transfers of Financial Assets

The amendments to HKFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.

The directors of the Company anticipate that the application of the amendments to HKFRS 7 will affect the Group's disclosures regarding transfers of financial assets in the future.

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify existing application issues relating to the offsetting requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

- 1 於二零一一年七月一日或之後開始之年度期間生效。
- 2 於二零一三年一月一日或之後開始之年度期間生效。
- 3 於二零一五年一月一日或之後開始之年度期間生效。
- 4 於二零一二年一月一日或之後開始之年度期間生效。
- 5 於二零一二年七月一日或之後開始之年度期間生效。
- 6 於二零一四年一月一日或之後開始之年度期間生效。

香港財務報告準則第7號（修訂本）「披露－轉讓財務資產」

香港財務報告準則第7號之修訂增加涉及財務資產轉讓之交易之披露規定。該等修訂旨在就於財務資產被轉讓而轉讓人保留該資產一定程度之持續風險承擔時，提高風險承擔之透明度。該等修訂亦要求於該期間內財務資產轉讓並非均衡分佈時作出披露。

本公司董事預計，應用香港財務報告準則第7號之該等修訂將對本集團日後有關財務資產轉讓之披露造成影響。

香港會計準則第32號（修訂本）「抵銷財務資產及財務負債」以及香港財務報告準則第7號（修訂本）「披露－抵銷財務資產及財務負債」

香港會計準則第32號（修訂本）澄清與抵銷規定有關之現有應用問題。尤其為修訂澄清「現時擁有於法律上可強制執行之抵銷權」及「同時變現及結算」之涵義。

香港財務報告準則第7號（修訂本）規定實體就具有可強制執行之統一淨額結算協議或類似安排項下之財務工具而披露與抵銷權及相關安排（如抵押品過賬規定）有關之資料。



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

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities (Continued)

The amended offsetting disclosures are required for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- HKFRS 9 requires all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港會計準則第32號（修訂本）「抵銷財務資產及財務負債」以及香港財務報告準則第7號（修訂本）「披露－抵銷財務資產及財務負債」（續）

經修訂抵銷披露需要自二零一三年一月一日或之後開始之年度期間及該等年度期間之中期期間作出。披露亦應就所有可比較期間具有可追溯效力。然而，香港會計準則第32號（修訂本）於二零一四年一月一日或之後開始之年度期間方才生效，且需要可追溯應用。

香港財務報告準則第9號「財務工具」

於二零零九年頒佈之香港財務報告準則第9號引入了有關財務資產分類及計量之新規定。於二零一零年修訂之香港財務報告準則第9號包括有關財務負債分類及計量以及取消確認之規定。

香港財務報告準則第9號之主要規定載述如下：

- 香港財務報告準則第9號規定，在香港會計準則第39號「財務工具：確認及計量」範圍內的所有已確認財務資產其後將按攤銷成本或公允值計量。尤其是，以旨在收取合同現金流的業務模式持有及僅為支付未償還本金及本金利息的合同現金流而擁有的債務投資，一般於其後會計期間結束時按攤銷成本計量。所有其他債務投資及權益投資於其後會計期間結束時均按公允值計量。此外，根據香港財務報告準則第9號，實體可能不可撤回地選擇在其他全面收入中呈列股本投資（並非持作交易用途）之其後公允值變動，且一般只在損益中確認股息收入。

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

HKFRS 9 Financial Instruments (Continued)

- The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

The directors of the Company anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號「財務工具」（續）

- 香港財務報告準則第9號對財務負債分類與計量之最重大影響與由財務負債（指定為按公允值計入損益）之信貸風險變動引起之財務負債公允值變動之呈報處理有關。具體而言，根據香港財務報告準則第9號，對於指定為以公允值計入損益賬之財務負債，除非於其他全面收益確認該項負債信貸風險變動之影響會導致或擴大損益賬之會計錯配，否則該項負債之信貸風險變動引起之財務負債之公允值變動金額須於其他全面收益呈列。財務負債之信貸風險所導致之公允值變動其後不會重新分類至損益賬。而之前根據香港會計準則第39號之規定，指定為按公允值計入損益之財務負債之所有公允值變動金額均於損益中呈列。

本公司董事預期，於日後採納香港財務報告準則第9號可能對呈報有關本集團之財務資產及財務負債構成重大影響。就本集團之財務資產而言，本集團於完成詳細檢討前，不大可能提供該影響之合理估計。



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

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements and HK(SIC) – Int 12 *Consolidation – Special Purpose Entities*. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures* and HK (SIC) – Int 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

有關綜合賬目、聯合安排、聯營公司及披露之新訂及經修訂準則

於二零一一年六月，已經頒佈有關綜合賬目、聯合安排、聯營公司及披露之五項準則組合，包括香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第27號（於二零一一年經修訂）及香港會計準則第28號（於二零一一年經修訂）。

該五項準則之主要規定概述如下。

香港財務報告準則第10號取代香港會計準則第27號「綜合及獨立財務報表」有關處理綜合財務報表及香港（常務詮釋委員會）詮釋第12號「合併－特殊目的實體」有關之部分。香港財務報告準則第10號包含控制權之新定義，其中包括三個元素：(a)有權控制投資對象，(b)自參與投資對象營運所得浮動回報之承擔或權利，及(c)能夠運用其對投資對象之權力以影響投資者回報金額。香港財務報告準則第10號已就複雜情況之處理方法加入詳細指引。

香港財務報告準則第11號取代香港會計準則第31號「於合營企業之權益」及香港（常務詮釋委員會）詮釋第13號「共同控制實體－合營方之非貨幣供款」。香港財務報告準則第11號處理受兩方或多方共同控制之合營安排應如何分類。根據香港財務報告準則第11號，合營安排分類為共同經營或合營企業，視參與安排各方之權利及責任而定。相對而言，根據香港會計準則第31號，合營安排分為三個類別：共同控制實體、共同控制資產及共同控制業務。

此外，根據香港財務報告準則第11號，合營企業須採用權益會計法入賬；而根據香港會計準則第31號，共同控制實體可採用權益會計法或比例會計法入賬。

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

New and revised standards on consolidation, joint arrangements, associates and disclosures (Continued)

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structure entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The directors of the Company anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013. The application of these five standards may have significant impact on amounts reported in the consolidated financial statements. The application of HKFRS 10 may result in the Group no longer consolidating some of its investees, and consolidating investees that were not previously consolidated (e.g. the Group's investment in associates may become the Group's subsidiaries based on the new definition of control and the related guidance in HKFRS 10). However, the directors of the Company have not yet performed a detailed analysis of the impact of the application of these standards and hence have not yet quantified the extent of the impact.

HKFRS 13 Fair Value Measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 *Financial Instruments: Disclosures* will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

有關綜合賬目、聯合安排、聯營公司及披露之新訂及經修訂準則（續）

香港財務報告準則第12號為一項披露準則，適用於在附屬公司、聯合安排、聯營公司及／或未綜合結構實體擁有權益之實體。一般而言，香港財務報告準則第12號之披露規定一般較現行準則之規定更為全面。

該五項準則於二零一三年一月一日或之後開始之年度期間生效，可予提早應用，惟所有該五項準則須同一時間予以提早應用。

本公司董事預期，本集團將會就二零一三年一月一日開始之年度期間之綜合財務報表採納該五項準則。應用該五項準則可能對綜合財務報表所呈報金額構成重大影響。應用香港財務報告準則第10號可能導致本集團不再綜合計入其若干投資對象賬目，而綜合計入過往未曾綜合計入之投資對象賬目（如根據控制權之新定義及香港財務報告準則第10號之相關指引，本集團於聯營公司之投資可能成為本集團之附屬公司）。然而，本公司董事尚未就應用該等準則之影響進行詳細分析，因此未能量化計算該影響之程度。

香港財務報告準則第13號「公允值之計量」

香港財務報告準則第13號確立有關公允值計量及公允值計量之披露之單一指引。該準則界定公允值、確立計量公允值之框架以及有關公允值計量之披露規定。香港財務報告準則第13號之範圍廣泛，其適用於其他香港財務報告準則規定或允許公允值計量及有關公允值計量披露之財務工具項目及非財務工具項目，惟特定情況除外。一般而言，香港財務報告準則第13號之披露規定一般較現行準則之規定更為全面。例如，現時僅規限香港財務報告準則第7號「*財務工具：披露*」項下之財務工具之三級公允值等級之量化及定性披露，將因香港財務報告準則第13號擴大至涵蓋該範疇內所有資產及負債。



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

HKFRS 13 Fair Value Measurement (Continued)

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors of the Company anticipate that HKFRS 13 will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the new standard may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the time basis.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）(續)

香港財務報告準則第13號「公允值之計量」(續)

香港財務報告準則第13號於二零一三年一月一日或之後開始之年度期間生效，並可提早應用。

本公司董事預期，本集團將會就二零一三年一月一日開始之年度期間之綜合財務報表採納香港財務報告準則第13號，應用該項新準則可能會影響綜合財務報表內所呈報之金額及導致綜合財務報表內有更全面之披露。

香港會計準則第1號（修訂本）「其他全面收入項目之呈列」

香港會計準則第1號（修訂本）保留可於一個單一報表內或於兩個獨立而連續之報表內呈列損益及其他全面收入之選擇權。然而，香港會計準則第1號（修訂本）規定須於其他全面收入部分作出額外披露，將其他全面收入項目分為兩類：(a)其後將不會重新分類至損益之項目；及(b)其後在符合特定條件時可重新分類至損益之項目。其他全面收入項目之所得稅須按時間基準分配。

香港會計準則第1號（修訂本）於二零一二年七月一日或之後開始之年度期間生效。於日後會計期間應用該等修訂時，其他全面收入項目之呈列將作出相應修改。

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

Amendments to HKAS 12 Deferred Tax – Recovery of Underlying Assets

The amendments to HKAS 12 provide an exception to the general principles in HKAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 *Investment Property* are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The amendments to HKAS 12 are effective for annual periods beginning on or after 1 January 2012. The directors of the Company anticipate that the application of the amendments to HKAS 12 in future accounting periods may result in adjustments to the amounts of deferred tax liabilities recognised in prior years regarding the Group's investment properties of which the carrying amounts are presumed to be recovered through sale. The Group is in the process of quantifying the potential financial impact on deferred tax recognised for investment properties that are measured using the fair value model.

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

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港會計準則第12號（修訂本）「遞延稅項－潛在資產之恢復」

香港會計準則第12號（修訂本）規定香港會計準則第12號一般原則之例外情況，遞延稅項資產和遞延稅項負債之計量應反映該企業預計收回資產賬面值的方式而引致之稅務後果。特別是，在此項修訂下，根據香港會計準則第40號「投資物業」以公允值計量之投資物業，除非在若干特定情況下被駁回，否則在計算遞延稅項時其價值假定從出售收回。

香港會計準則第12號（修訂本）於二零一二年一月一日或之後開始之年度期間生效。本公司董事預計，於未來會計期間應用香港會計準則第12號（修訂本）或會致令對過往年度就本集團投資物業（假定其賬面值將透過銷售予以收回）確認之遞延稅項負債金額作出調整。本集團現正就以公允值模式計量之投資物業確認之遞延稅項之潛在財務影響作評估。

本公司董事預計，除上文所述者外，應用其他新訂及經修訂準則、修訂本或詮釋不會對本集團之業績及財務狀況產生重大影響。



Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
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3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

3. 重大會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例所規定之適用披露。

綜合財務報表乃根據歷史成本慣例編製，惟投資物業及若干財務工具按公允值計量（如下文會計政策所闡釋）。歷史成本通常基於交換資產時提供對價的公允值。

主要會計政策載列如下。

綜合基準

綜合財務報表綜合計算本公司及受本公司控制之實體（其附屬公司）之財務報表。當本公司有權支配一間實體的財務及經營決策，藉此從其業務得益，即視為有控制權。

於年內購入或售出之附屬公司業績，由收購生效日期起或截至出售生效日期止（視適用情況而定）計入綜合全面收益表。

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

集團內公司間之交易、結餘、收入及支出於綜合賬目時悉數抵銷。

於附屬公司之非控制性權益與本集團之權益分開呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in existing subsidiaries

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

Goodwill

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

For the purposes of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

3. 重大會計政策 (續)

綜合基準 (續)

全面收入總額分配至非控制性權益

即使附屬公司的全面收支總額導致非控制性權益產生虧絀結餘，其仍歸屬於本公司擁有人及非控制性權益。

本集團於現有附屬公司之擁有權權益出現變動

本集團並無導致其失去附屬公司之控制權之於現有附屬公司之擁有權權益變動，將會以權益交易入賬。本集團之權益及非控制性權益之賬面值已作出調整，以反映彼等於附屬公司之相關權益之變動。非控制性權益經調整之金額與已付或已收代價之公允值之差額將直接於權益確認，並計入本公司擁有人。

商譽

收購業務後所產生之商譽按成本減累計減值虧損（如有）列賬，並於綜合財務狀況表內分開呈列。

就減值測試而言，商譽會被分配予預期會受惠於合併協同效益之各現金產生單位（或現金產生單位組別）。



Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

Investments in subsidiaries

Investments in subsidiaries are included in the Company's statement of financial position at cost less any identified impairment loss, if any.

Property, plant and equipment

Property, plant and equipment, including leasehold land (classified as finance leases) and buildings held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3. 重大會計政策 (續)

商譽 (續)

獲分配商譽之現金產生單位會按年或(更常見)有跡象顯示有關單位可能出現減值時進行測試。就於報告期內進行收購所產生商譽而言，獲分配商譽之現金產生單位會於該期結日前進行減值測試。倘現金產生單位之可收回金額少於該單位賬面值時，減值虧損會首先分配至減少該單位獲分配之任何商譽賬面值，繼而以該單位內各資產之賬面值為基準按比例分配至該單位內其他資產。任何商譽減值虧損於綜合全面收益表之損益賬直接確認。商譽確認之減值虧損不會於其後期間撥回。

於出售有關現金產生單位時，在釐定其出售損益時須計入應佔商譽。

附屬公司之投資

附屬公司之投資已包括在本公司之財務狀況表內，按成本值扣除已識別減值虧損(如有)列賬。

物業、機器及設備

物業、機器及設備，包括用於生產或商品或服務供應或以管理為目的之租賃土地(分類為融資租賃)及樓宇，按成本扣減其後累計折舊及累計減值虧損(如有)列入綜合財務狀況表內。

物業、機器及設備項目乃於扣減其估計剩餘價值後確認折舊，以於其估計可使用年內以直線法撇銷成本計算。估計可使用年期、剩餘價值及折舊方法於各期結日檢討，而任何估計變動的影響按預期基準入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties include land held for undetermined future use, which is regarded as held for capital appreciation purpose.

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

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the item is derecognised.

The Group transfers a property from investment properties to properties held for sale when there is a change of intention to sell the property in the ordinary course of business rather than to hold the property to earn rentals or/and for capital appreciation. The property is transferred at fair value at the date of transfer.

3. 重大會計政策 (續)

物業、機器及設備 (續)

物業、機器及設備乃於出售後或預期持續使用該資產將不會產生未來經濟利益時取消確認。出售或停止使用一項物業、機器及設備所產生之損益乃按出售所得款項與資產賬面值之差額計算，並於損益表內確認。

投資物業

投資物業乃持有作賺取租金及／或資本增值之物業。投資物業包括持作待日後用途土地，該土地被視作資本增值用途。

投資物業首次按成本(包括所有直接支出)計算。於首次確認後，投資物業按公允值計算。投資物業公允值變動所產生之收益或虧損於產生期內在損益表中入賬。

投資物業於出售時或當永久停止使用或預期不再帶來未來經濟利益時取消確認。因物業取消確認產生之任何收益或虧損(按出售所得款項淨額與資產賬面值之差額計算)乃於項目取消確認之期內列入損益表。

當有意轉向在日常業務過程中銷售物業而非持有物業賺取租金或／及用作資本增值時，本集團會將一個項目由投資物業轉撥至待售物業。該物業於轉撥日期按公允值轉撥。



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綜合財務報表附註

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截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Prepaid lease payments

Payment for obtaining land use rights is considered as operating lease payment. Land use rights are stated at cost less accumulated amortisation and accumulated impairment losses, amortisation is charged to consolidated statement of comprehensive income over the period of the rights using the straight-line method.

Properties under development

Properties under development are stated at the lower of cost and net realisable value.

Cost comprises the costs of land use rights, construction costs, borrowing costs capitalised and other direct development expenditure.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to completion and applicable selling expenses.

On completion, the properties are transferred to properties held for sale.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value.

Cost comprises the costs of land use rights, construction costs, borrowing costs capitalised and other direct development expenditure attributable to the unsold properties.

Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business less all estimated selling expenses at the end of the reporting period, or by management estimates based on prevailing market conditions.

3. 重大會計政策 (續)

租賃預付款項

獲得土地使用權之付款被視為經營租賃付款。土地使用權按成本扣減累計攤銷及累計減值虧損列賬，攤銷以直線法計入期內之綜合全面收益表。

在建物業

在建物業按成本及可變現淨值兩者中的較低者列賬。

成本包括土地使用權成本、建築成本、資本化借貸成本及其他直接發展開支。

可變現淨值由日常業務中所估計之售價減去估計完成成本及適用銷售費用。

完成後，物業會轉為待售物業。

待售物業

待售物業按成本及可變現淨值兩者中的較低者列賬。

成本包括未售出物業所佔土地使用權成本、建築成本、資本化借貸成本及其他直接發展開支。

可變現淨值的決定主要參考由日常業務中物業銷售之收入減去所有估計於期結日或管理層根據當時的市場情況估計之銷售費用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into one of the four categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 重大會計政策 (續)

存貨

存貨按成本及可變現淨值兩者中的較低者列賬。成本按加權平均法計量列賬。存貨之可變現淨值指存貨之估計售價扣減一切估計完成成本及銷售所需成本。

財務工具

當一間集團實體成為有關工具合約條文之訂約方時，財務資產及財務負債會在綜合財務狀況表確認入賬。

財務資產及財務負債首先以公允值計量。首次確認時，因收購或發行財務資產及財務負債（按公允值列入損益賬之財務資產或財務負債除外）產生之直接交易成本將視乎情況加入或扣除財務資產或財務負債之公允值。收購按公允值列入損益賬之財務資產或財務負債產生之直接交易成本，即時在損益表確認。

財務資產

本集團之財務資產分類為四類之一，包括按公允值計入損益（「按公允值計入損益」）之財務資產、貸款及應收款項、持有至到期日投資及可供出售財務資產。有關分類取決於財務資產之性質及目的，並於首次確認時釐定。所有財務資產之日常買賣，於交易日確認或終止確認。日常買賣乃指購買或出售根據有關市場規則或慣例設定之時限內交付之財務資產。



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綜合財務報表附註

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截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

Financial assets at fair value through profit or loss

Financial assets at FVTPL represent financial assets held for trading.

A financial asset is classified as held for trading if:

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

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in administrative expenses or other operating income in the consolidated statement of comprehensive income.

3. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

實際利率法

實際利率法乃計算財務資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃將估計日後現金收入（包括所有支付或收取構成整體實際利率之費用及利率差價、交易成本及其他溢價或折價）按財務資產之預期使用年期，或較短期間（倘合適）實際貼現至初步確認之淨賬面值之利率。

債務工具之利息收入乃按實際利率基準確認，惟該等分類為按公允值計入損益之財務資產除外，其利息收益於淨損益列賬。

按公允值計入損益之財務資產

按公允值計入損益之財務資產指持作交易之財務資產。

倘財務資產屬下列情況，則分類為持作交易：

- 購入之主要目的為於不久將來出售；或
- 是一組已確定之財務工具投資組合之一部分，由該集團集合管理，且有一個最近之短期獲利回吐實際格局；或
- 是一個衍生工具，並非指定為和有效之對沖工具。

按公允值計入損益之財務資產均以公允值計量，重新計量產生之公允值變動乃於產生期間在損益表中直接確認。淨收益或虧損確認入賬損益，不包括任何經財務資產所得之股息或利息，並計入綜合全面收益表內之行政費用或其他營運收入。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

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

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has positive intention and ability to hold to maturity. The Group designated investments in a trust fund as held-to-maturity investments. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments. The Group designated investments in unlisted equity securities as available-for-sale financial assets.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment of financial assets below).

3. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

貸款及應收款項

貸款及應收款項指有固定或可指定還款及其於活躍市場並無報價之非衍生性財務資產。於初步確認後，貸款及應收款項（包括貿易及其他應收賬款、有限制銀行存款以及銀行結存及現金）均以實際利率法按攤銷成本計算後扣除任何已識別減值虧損（已在下文會計政策之財務資產減值列載）。

持有至到期日投資

持有至到期日投資為非衍生性財務資產，且有固定或可決定之還款及固定到期日，而本集團管理層有明確意向及能力持有至到期日。本集團指定信託投資為持有至到期日投資。於初次確認後，持有至到期日投資乃按實際利率法計算之攤銷成本列賬，扣除任何已識別減值虧損（已在下文會計政策之財務資產減值列載）。

可供出售財務資產

可供出售財務資產為已指定或並無列作按公允值計入損益之財務資產、貸款及應收款項或持有至到期日投資之非衍生項目。本集團指定非上市股本證券的投資為可供出售財務資產。

就可供出售權益投資而言，倘並無於活躍市場之報價及其公允值無法可靠計算且與該等非上市股本工具掛鈎並須以交付該等無報價股本工具之方式結算之衍生工具，於期結日，可供出售股本投資按成本值減任何已識別減值虧損計量（已在下文會計政策之財務資產減值列載）。



Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011

截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

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

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

3. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

財務資產減值

除按公允值計入損益者外，財務資產均於期結日進行檢討，以釐定是否出現減值客觀證據。財務資產在初步確認後，當有客觀證據證明當一個或多個事件發生，對該財務資產的估計未來現金流量有所影響，財務資產將被視作減值。

就可供出售權益投資而言，其投資公允值出現重大或長期減損至低於其成本，即視作減值的客觀證據。

就所有其他財務資產而言，客觀的減值證據包括：

- 發行者或交易對方出現重大財務困難；或
- 違反合約，如拖欠或無力支付利息及本金；或
- 借款方有可能破產或展開債務重組；或
- 由於財務困難，財務資產不再有活躍市場。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets' original effective interest rate.

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

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

3. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

財務資產減值 (續)

就貿易及其他應收賬款等若干類別財務資產而言，個別評估時獲評為未有減值之資產另外將進行集體減值評估。有關應收款項組合減值之客觀證據可包括本集團過往收取款項之經驗、延誤付款數目增加，以及與拖欠應收款項相關之國家或本地經濟狀況顯著變動。

就按攤銷成本入賬之財務資產而言，已確認之減值虧損金額為資產之賬面值與按財務資產之原實際利率折現後之估計未來現金流量之現值兩者之間的差額。

就按成本入賬之財務資產而言，減值虧損之金額計算為資產之賬面值及預期未來現金流量的現值（以當前市場類似之財務資產回報率進行折現）的差額。該等減值虧損將不會於往後期間撥回。

除於撥備賬扣減賬面值之貿易及其他應收賬款外，所有財務資產之賬面值乃經減值虧損直接扣除。撥備賬之賬面值變動將於損益確認。當貿易及其他應收賬款被視為無法收回時，會於撥備賬撇銷。其後撥回先前撇銷之款額則計入損益。

當一項可供出售財務資產被視作將減值時，先前於其他全面收入確認之累計盈虧會重新分類至發生減值期間之損益。



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綜合財務報表附註

For the year ended 31 December 2011

截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Impairment losses on available-for-sale equity investments will not be reversed through profit or loss. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in other reserve.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

3. 重大會計政策 (續)

財務工具 (續)

財務資產 (續)

財務資產減值 (續)

就以攤銷成本列值之財務資產而言，倘減值虧損款額於往後期間減少，而有關減少與確認減值虧損後發生之事項客觀相關，則早前確認之減值虧損將透過損益撥回，惟資產於減值撥回當日之賬面值不得超出並無確認減值應有之攤銷成本。

可供出售權益投資之減值虧損不會透過損益撥回。出現減值虧損後之公允值增加直接於其他全面收入確認及於其他儲備累計。

財務負債和股本工具

集團實體所發行財務負債及股本工具乃根據所訂立合約安排之內容及財務負債和股本工具之定義分類為財務負債或股本。

股本工具

股本工具為證明於本集團資產經扣除其所有負債後之資產剩餘權益之任何合約。本集團發行之股本工具乃以已收所得款項扣除直接發行成本確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Effective interest method

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

Interest expense is recognised on an effective interest basis other than those financial liability classified as at FVTPL, of which the interest expense is included in net gains or losses.

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL are those designated at FVTPL on initial recognition.

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

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

3. 重大會計政策 (續)

財務工具 (續)

財務負債和股本工具 (續)

實際利率法

實際利率法乃計算財務負債的攤銷成本及按相關期間攤分利息開支的方法。實際利率乃按財務負債的預計年期或適用的較短期間，準確貼現估計未來現金付款（包括所有已支付或已收取構成整體實際利率之一部分之費用、交易成本及其他溢價或折價）至初步確認之賬面淨值的利率。

利息開支乃按實際利率基準確認，惟分類為按公允值計入損益之財務負債除外，其利息開支於淨損益列賬。

按公允值計入損益之財務負債

本集團按公允值計入損益之財務負債可於初步確認後指定為按公允值計入損益。

於下列情況，財務負債（持作交易之財務負債除外）可於初步確認後指定為按公允值計入損益賬：

- 有關指定對銷或大幅減少可能出現不一致之計量或確認歧異；或
- 根據本集團既定風險管理或投資策略管理組成一組財務資產或財務負債或兩者其中部分之財務負債，並按公允值基準評估其表現，且有關分類之資料乃按該基準由內部提供；或
- 財務負債組成包含一項或以上嵌入式衍生工具之合約其中部分，且香港會計準則第39號准許整份合併合約（資產或負債）指定為按公允值計入損益賬。



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綜合財務報表附註

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截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

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

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

Other financial liabilities

Other financial liabilities including trade and other payables, bank borrowings and consideration payable are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

Convertible bonds designated as at fair value through profit or loss

Convertible bonds issued by the Group (including related embedded derivatives) are designated at fair value through profit or loss on initial recognition. At the end of the reporting period subsequent to initial recognition, the entire convertible bonds are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Convertible redeemable preference shares

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends on preference share capital are classified as equity and recognised as distributions within equity.

3. 重大會計政策 (續)

財務工具 (續)

財務負債和股本工具 (續)

按公允值計入損益之財務負債 (續)

按公允值計入損益之財務負債乃按公允值計算，而重新計量產生之公允值變動則直接於產生期間於損益確認。於損益確認之收益或虧損淨值不包括財務負債之任何已付利息。

其他財務負債

其他財務負債(包括貿易及其他應付賬款、銀行貸款及應付代價)乃隨後採用實際利率法按已攤銷成本計量。

股本工具

本公司發行的股本工具乃按已收所得款項扣除直接發行成本計賬。

指定為按公允值計入損益之可換股債券

本集團發行的可換股債券(包括相關附帶衍生工具)於初步確認時指定為按公允值列入損益賬。於期結日及初步確認後，全部可換股債券按公允值計量，並於公允值出現變動的期間直接在損益表確認。

可轉換可贖回優先股

當優先股股本為不可贖回或只可按本公司選擇贖回，且任何股息乃酌情派付時，優先股股本則歸類為權益。優先股股本之股息歸類為權益並確認為權益分派。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Convertible redeemable preference shares (Continued)

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. The liability is recognised in accordance with the Group's policy for interest-bearing borrowings and accordingly dividends thereon are recognised on an accrual basis in the consolidated statement of comprehensive income as part of finance costs.

For convertible preference shares which have a cumulative, non-discretionary fixed dividend payable to the holders, the fair value of the obligation to distribute the dividend is recognised as liability.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the revenue recognition policy.

3. 重大會計政策 (續)

財務工具 (續)

財務負債和股本工具 (續)

可轉換可贖回優先股 (續)

當優先股股本為可於指定日期贖回或可按股東選擇贖回，或當股息並非酌情派付時，優先股股本則歸類為負債。負債乃根據本集團之計息借貸之政策及按累計基準經綜合全面收益表確認之有關股息確認為部分財務成本。

當可轉換優先股持有人可享有累計及非酌情派付固定股息時，派付股息之責任之公允值獲確認為負債。

財務擔保合同

財務擔保合同為合同發行者根據某項債務工具原有或經修改條款，因某特定債務人於到期日未能償還款項而須支付特定款項以補償合同持有者招致損失的一項合同。

由本集團發行而非指定為按公允值計入損益表的財務擔保合同，於首次確認時以其公允值減發行財務擔保合同應佔的直接交易成本列賬。於首次確認後，本集團以下列較高者計量財務擔保合同：(i)根據香港會計準則第37號《撥備、或然負債及或然資產》釐定的合同項下需承擔的金額；及(ii)首次確認金額減去根據收益確認政策而確認的累計攤銷（如適用）。



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綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

3. 重大會計政策 (續)

財務工具 (續)

終止確認

僅於資產現金流量之合約權利屆滿時，或將財務資產及其所有權之絕大部分風險及回報轉讓予另一實體時，本集團方會終止確認該等財務資產。倘本集團並未轉讓亦未保留所有權之絕大部分風險及回報，並繼續控制已轉讓資產，則本集團會繼續以持續參與之程度為限確認資產及相關負債款項。倘本集團保留所轉讓財務資產所有權的絕大部分風險及回報，則本集團會繼續確認財務資產及就已收取之所得款項確認有抵押借貸。

於全面終止確認財務資產時，該項資產賬面值與已收及應收代價及於其他全面收益中確認及於權益中累計的累計盈虧的兩者差額會於損益內確認。

當且僅當本集團的責任獲解除、獲註銷或屆滿時，本集團方會終止確認財務負債。被終止確認的財務負債的賬面值與已付及應付代價兩者的差額於損益內確認。

撥備

當本集團在因過往事件導致現時產生承擔，並很可能須償付有關承擔，且能就有關承擔之數額作出可靠估計時，則予以確認撥備。撥備經計量及考慮與承擔有關的風險及不確定因素後，按於期結日償付現有承擔所須代價的最佳估計而計量。倘撥備以預計用以償付現有承擔的現金流量計量，則其賬面值為現金流量的現值（倘貨幣時間價值之影響屬重大）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

3. 重大會計政策 (續)

除商譽以外之有形資產減值虧損 (見以上有關商譽之會計政策)

本集團於各期結日檢討其有形資產之賬面值，以釐定其資產是否可能已出現減值虧損現象。倘出現有關跡象，則會估計該資產之可收回金額，以釐定減值虧損 (如有) 程度。

可收回金額是公允值減去銷售成本與使用價值兩者中之較高者。在評估使用價值時，估計未來現金流量乃以可反映當時市場對貨幣時間價值及資產特有風險評估 (估計未來現金流量尚未就此作出調整) 的除稅前貼現率貼現至現值。

倘本集團估計某項資產 (或現金產生單位) 之可收回金額低於其賬面值，則該項資產之賬面值須減低至其可收回金額。減值虧損即時於損益內確認。

倘減值虧損其後撥回，則資產之賬面值會增加至其經修訂估計可收回金額，惟所增加之賬面值不可超過往年並無就該資產確認減值虧損而已釐定之賬面值。減值虧損撥回即時確認為收入。



Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011

截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying value and fair value less costs to sell.

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and equivalents consist of cash and short-term deposits as defined above.

Bank deposits which are restricted to its use are included in "restricted bank deposits". Restricted bank deposits are excluded from cash and cash equivalents in the consolidated statement of cash flows.

Revenue recognition

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

(i) Sales of goods

Revenue from sales of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered and title has passed.

3. 重大會計政策 (續)

持作出售之非流動資產

倘若非流動資產的賬面值主要透過銷售交易而非持續使用而收回，該非流動資產則將分類為持作出售之非流動資產。是項條件僅於銷售極可能達成而該非流動資產可於現況下即時出售時方算符合。管理層必須致力促成出售，並預期由把該資產分類為持作出售之非流動資產之日起計一年內完成銷售方符合確認資格。

分類為持作出售之非流動資產乃按其過往的賬面值及公允值減出售成本兩者的較低者計量。

現金及現金等價物

綜合財務狀況表內銀行結存及現金包括銀行及手頭現金及到期日為三個月或以下的短期存款。就綜合現金流量表而言，現金及現金等價物包括上文所定義之現金及短期存款。

受限制使用的銀行存款於「有限制銀行存款」中入賬。有限制銀行存款並無列入綜合現金流量表中的現金及現金等價物。

收益確認

收益按日常業務過程中就銷售貨品之已收或應收代價之公允值，減去相關銷售稅項計量。

(i) 貨品銷售

貨品銷售的收益於所有權的風險及回報轉移時確認，一般與貨品交付及所有權之轉移同時發生。

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綜合財務報表附註

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截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

(ii) Sales of properties

Revenue from sales of properties in the ordinary course of business is recognised when the risks and rewards of properties are transferred to the purchasers, which is when the construction of the relevant properties have been completed, the properties have been delivered to the purchasers and collectability of related receivables is reasonably assured.

Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the consolidated statement of financial position under receipts in advance.

(iii) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Equity-settled share-based payment transactions

Share options granted to directors and employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

3. 重大會計政策 (續)

收益確認 (續)

(ii) 物業銷售

於日常業務過程中銷售物業的收入在物業的風險及回報轉讓至買方，即有關物業竣工後並將物業交付買家，且能合理確保可收回有關應收款時，方予確認。

於收入確認日期前就出售物業收取的按金及分期付款已計入綜合財務狀況表的預收賬款中。

(iii) 利息收入

財務資產所產生的利息收入於經濟利益有可能流入本集團且收入金額能可靠計量時確認。利息收入是按時間基準，並參照未償還本金額及按所適用的實際利率計算，而實際利率為可將透過財務資產的預期年期內的現金收入精確地貼現至於初步確認的該資產賬面淨值的利率。

以權益結算之以股份為基礎的支付交易

授予董事及僱員之購股權

所獲服務公允值乃參考購股權授出日期之公允值所釐定，於歸屬期間按直線法支銷，權益（購股權儲備）相應增加。

於期結日，本集團修訂其預期最終歸屬之估計購股權數目。於歸屬期內修訂原先估計之影響（如有）乃於損益內確認（以令累計開支可反映經修訂估計），並對購股權儲備作出相應調整。



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綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity-settled share-based payment transactions (Continued)

Share options granted to directors and employees (Continued)

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

Share options granted to business associates

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

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

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

3. 重大會計政策 (續)

以權益結算之以股份為基礎的支付交易 (續)

授予董事及僱員之購股權 (續)

購股權獲行使時，先前於購股權儲備中確認之金額將轉移至股份溢價。當購股權於歸屬日期後遭沒收或於屆滿日仍未獲行使，則先前於購股權儲備中確認之金額將轉撥至累積虧損。

授予業務夥伴之購股權

為換取貨品或服務而發行的購股權按收到的貨品或服務的公允值計量，除非有關公允值無法可靠計量，在此情況下收到的貨品或服務參考授出的購股權的公允值計量。當本集團取得貨品或對手方提供服務時，貨品或服務的公允值確認為開支，並在權益（購股權儲備）作出相應增加，除非貨品或服務符合資格確認為資產。

借貸成本

因收購、興建或生產需要長時間籌備方可供其擬定用途或銷售之合資格資產所產生之直接借貸成本，計入該等資產之成本中，直至該等資產已大致上可供其擬定用途或銷售。

所有其他借貸成本於產生期間的損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

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

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

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

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

3. 重大會計政策 (續)

稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按年內應課稅溢利計算。應課稅溢利與綜合全面收益表所報溢利不同，乃由於前者不包括其他年度之應課稅或可扣稅收入或開支，並且不包括毋須課稅或不可扣稅項目。本集團之即期稅項負債乃按期結日已實施或實際已實施之稅率計算。

遞延稅項指就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之差額確認。遞延稅項負債一般會就所有應課稅暫時差額確認，而遞延稅項資產乃於可能出現應課稅溢利以抵銷可扣稅之暫時差異確認。倘暫時性差異源自商譽或初步確認不影響應課稅溢利或會計溢利之交易（業務合併除外）中其他資產及負債，則不會確認該等資產及負債。

遞延稅項負債乃按於附屬公司之投資所產生應課稅暫時差額確認，惟若本集團可控制暫時差額之撥回，且暫時差額有可能於可見將來不會撥回之情況除外。從與該等投資相關的可扣除暫時差額產生的遞延稅項資產只有達到一定的程度才可確認，即有足夠的課稅利潤來應對能夠利用暫時差額利益並預期以後有所回轉。



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綜合財務報表附註

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截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. 重大會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值於期結日檢討，並於可能不再有足夠應課稅溢利恢復該項資產全部或部分之情況下調減。

遞延稅項資產和負債是按預期於償還負債或變現資產期間使用的稅率計算，基於期結日前已制定或實際制定的稅率（及稅法）為準。

當擁有可依法強制執行權利以即期稅項資產抵銷即期稅項負債，及當有關權利涉及由同一稅務當局徵收之所得稅，以及本集團計劃按淨額基準結算其即期稅項資產及負債時，遞延稅項資產及負債則互相抵銷。

遞延稅項負債和資產的計量反映了稅項結果符合公司期望在期結日內彌補或結算資產和負債的賬面值的做法。

即期及遞延稅項在損益內確認，除了涉及需要在其他全面收益中或直接在權益中確認的項目，在這種情況下，即期及遞延稅項亦在其他全面收益中或直接在各自權益中確認。就因對業務合併進行初始會計處理而產生之即期稅項或遞延稅項而言，稅務影響乃計入業務合併之會計處理中。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income and accumulated in equity and will be reclassified from equity to profit or loss on disposal of the foreign operation. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange translation reserve (attributed to non-controlling interests as appropriate).

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

3. 重大會計政策 (續)

外幣

編製個別集團實體之財務報表時，以該實體功能貨幣（即實體主要經營之經濟環境之貨幣）以外貨幣（外幣）進行之交易乃按其功能貨幣於交易日期當時之匯率入賬。於期結日，以外幣列值之貨幣項目以結算當日之匯率重新換算。按公允值列賬且按外幣列值之非貨幣項目，乃按釐定公允值當日匯率重新換算。以外幣歷史成本計算之非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目時產生之匯兌差額均於彼等產生期間內於損益賬中確認，惟組成本公司海外業務之投資淨額部分之貨幣項目所產生之匯兌差額除外，在此情況下，有關匯兌差額乃確認為其他全面收益及於權益中累計，並於出售海外業務時由權益重新分類為損益。以公允值列賬之非貨幣項目經重新換算後產生之匯兌差額於該期間列作損益。

就呈列綜合財務報告而言，本集團海外業務之資產及負債均按各期結日適用之匯率換算為本集團之呈列貨幣（即：人民幣）。收入及開支項目乃按年度平均匯率換算。所產生匯兌差額（如有）均於其他全面收益確認並於匯兌儲備項下之權益（歸屬於非控制性權益（如適用））中累計。

因於二零零五年一月一日或之後收購海外業務而對所購入之可識別資產作出之商譽及公允值調整被視為該海外業務之資產及負債，按期結日適用之匯率換算。所產生之匯兌差額在匯兌儲備項下之權益中確認。



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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit costs

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

Leasing

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

The Group as lessor

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

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

3. 重大會計政策 (續)

退休福利成本

員工提供服務而獲得國家管理之退休福利計劃及強制性公積金計劃付款，均確認為支出。

租約

當租約條款將所有權的絕大部分風險及回報轉讓予承租人時，該等租約即分類為融資租約。所有其他租約分類為經營租約。

本集團作為出租人

經營租約的租金收入按相關租約年限以直線法於損益表確認。

本集團作為承租人

經營租約的應付租金乃按有關租約之年限以直線法確認為開支。

租賃土地及樓宇

倘租賃包括土地及樓宇，本集團需要考慮其風險與報酬是否全部轉移至本集團並把每項資產劃分為經營租賃或融資租賃，惟倘兩者明顯為經營租賃，則全部租賃均分類為經營租賃。尤其是，最小應付租金（包括任何一次性預付款）在租賃期開始時，需按出租方從租賃土地、樓宇所獲取利益的公允值的比例分派。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasehold land and building (Continued)

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Critical judgement in applying the entity's accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the directors have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

3. 重大會計政策 (續)

租賃土地及樓宇 (續)

租金能夠可靠的分配時，經營租賃的土地利益應在綜合財務狀況表中列為「租賃預付款項」，按直線基準在租賃期間攤銷，惟不包括分類及入賬列為公允值項下的投資物業。當租金不能夠在土地和樓宇間可靠的分配時，整項租賃視為融資租賃，並作為物業、機器及設備列賬。

4. 重大會計判斷及估計不明朗因素的主要來源

於應用本集團的會計政策（如附註3所述）時，本公司董事須對未能實時自其他來源取得的資產及負債賬面值作出判斷、估計及假設。估計及有關假設乃以過往經驗及被視為相關的其他因素為基礎。實際結果可能會與該等估計有所不同。

估計及相關假設乃按持續基準審閱。會計估計的修訂乃於估計被修訂的期間（倘修訂僅影響該期間），或於修訂期間及未來期間（倘修訂影響本期間及未來期間）確認。

應用實體會計政策時之關鍵判斷

以下為本公司董事在應用實體會計政策時所作不涉及估計（見下文）的重大判斷，有關判斷對在綜合財務報表中確認的金額影響最大。



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4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgement in applying the entity's accounting policies (Continued)

Legal title of buildings

As detailed in Notes 18 and 19, certain of the Group's buildings have not been granted legal title from the relevant government authorities yet. Although, the Group has not obtained the relevant legal title, the directors of the Company having regard to the legal opinion have recognised the buildings on the grounds that they expect the legal title to be obtained in the near future with no major difficulties and the Group in substance are controlling these buildings.

Litigation claim

As detailed in Note 44(a), the Company received a writ of summons from an independent third party which brought civil action against the Company for compensation and damages in relation to the disposal of its former wholly owned subsidiary, Magic Gain Investments Limited. With reference to the legal advice, the directors of the Company expect that there will not be any material adverse financial effect on the earnings, net assets and liabilities of the Company and its subsidiaries and no provision for claim has been made for both years.

Key sources of estimation uncertainty

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

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. The determination of the useful lives and residual values involve management's estimation. The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

應用實體會計政策時之關鍵判斷 (續)

建築物的合法所有權

誠如附註18和19所詳述者，本集團的若干建築物沒有向有關政府當局獲得合法所有權。雖然本集團並沒有得到有關的合法所有權，但本公司董事參考法律意見後均認為建築物的合法所有權將於不久的將來可在沒有重大困難下獲得，所以本集團實質上是控制這些建築。

訴訟索償

誠如附註44(a)所詳述者，本公司收悉一名獨立第三方之訴訟狀，該名獨立第三方就關於出售本公司前全資附屬公司Magic Gain Investments Limited引致之損害向本公司提出民事索償。經參考法律意見，本公司董事預計此訴訟不會對本公司及其附屬公司之收益、淨資產及負債造成任何重大負面財務影響，故本公司於該兩個年度並無作出索償撥備。

估計不明朗之主要來源

以下為有關未來之主要假設及於期結日估計不明朗因素之其他主要來源，彼等可能有重大風險導致下個財政年度內之資產及負債之賬面值作出重大調整。

物業、機器及設備折舊

物業、機器及設備考慮到他們的估計剩餘價值後以直線方法按估計可使用年限折舊。在釐定可用年期和剩餘價值涉及管理層的估計。本集團每年評估物業、機器及設備的剩餘價值和可用年期，如果期望不同於原先的估計，這種差異可能影響年內之折舊並在日後期間改變估計。

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4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. Details of impairment testing on goodwill are set out in Note 21(b).

Impairment loss recognised in respect of property, plant and equipment

The impairment loss for property, plant and equipment are recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy. The recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations. These calculations require the use of estimates such as the future revenue and discount rates. No impairment was provided for both years.

PRC land appreciation tax

The Group is subject to land appreciation tax in the PRC. The provision of the land appreciation tax is based on management's best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual land appreciation tax liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its land appreciation tax calculation and payments with the tax authorities for its property development projects. The final outcome could be different from the amounts that were initially recorded.

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗之主要來源 (續)

商譽減值估算

釐定商譽有否減值時，須要對已獲分配商譽的現金產生單位使用價值作出估計。本集團計算使用價值時，須要估計預期該現金產生單位日後所產生的現金流量及合適折現率，方可計算其現值。若日後的實際現金流量少於預期，則可能出現重大減值虧損。商譽減值測試詳情載於附註21(b)。

物業、機器及設備減值虧損

根據本集團之會計政策，就物業、機器及設備之賬面值超過彼等之可收回金額之金額，確認物業、機器及設備之減值虧損。物業、機器及設備之可收回金額乃根據使用價值計算予以釐定。該等計算要求使用估計，例如未來收入及貼現率。該兩個年度內概無計提任何減值撥備。

中國土地增值稅

本集團須支付中國的土地增值稅。土地增值稅之撥備乃基於管理層根據相關中國稅務法律及規管之要求之理解所作出之最佳估算。實際土地增值稅項負債需待發展物業完成後由稅務當局決定。本集團仍未為其物業發展項目完成其土地增值稅之計算及支付。最後實際結果可能與最初紀錄金額有所不同。



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4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Estimated net realisable value of properties held for sale

Management determines the net realisable value of properties held for sale by using prevailing market data such as most recent sales transactions and internal estimates of cost based on quotes from contractors. These estimates require judgement as to the anticipated sale prices by reference to recent sales transactions in nearby locations, rate of new property sales, marketing costs (including price discounts required to stimulate sales), the legal and regulatory framework and general market conditions. At 31 December 2011, the carrying amount of properties held for sale was approximately RMB64,762,000 (2010: RMB129,220,000), net of impairment loss of RMB25,124,000 (2010: RMB28,598,000).

Estimated net realisable value of properties under development

In determining whether allowances should be made to the Group's properties under development, the directors of the Company takes into consideration the current market environment and the estimated market value (i.e. the estimated selling price less estimated costs to sell) less estimated costs to completion of the properties. An allowance is made if the estimated market value is less than the carrying amount. If the actual net realisable value of properties under development is less than expected as a result of a change in market condition and/or significant variation in the budgeted development cost, material provision for impairment losses may result. No impairment was provided for both years.

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗之主要來源 (續)

待售物業之估計可變現淨值

管理層採用當時市場數據如最新銷售交易及由內部以承建商所報成本編製估算而釐定待售物業的可變現淨值。此等估算須根據附近地點的近期銷售交易、新物業銷售率、推廣費用(包括促銷的價格折扣)及法律和監管架構及一般市況,從而判斷出預期的銷售價格。於二零一一年十二月三十一日,待售物業賬面值約人民幣64,762,000元(二零一零年:人民幣129,220,000元),扣除減值虧損人民幣25,124,000元(二零一零年:人民幣28,598,000元)。

在建物業之估計可變現淨值

釐定本集團之在建物業是否需要撥備,本公司董事考慮此等物業之最近市場狀況及估計此物業之市值(相同於估計銷售價減估計銷售費用)減估計完成此物業之成本。若物業之估計市值低於其賬面值,則須作出撥備。倘由於市場狀況之改變致使在建物業之實際可變現值少於預期及/或預期發展成本有重大變動,則減值虧損可能作出重大撥備。該兩個年度內概無計提任何減值撥備。

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4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Estimated fair value of investment properties

Investment properties are carried at fair value in the consolidated statement of financial position at the end of each reporting period. The fair value was based on valuations on these properties conducted by an independent firm of professional valuers using property valuation techniques which involve certain assumptions of market conditions. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment properties and corresponding adjustments to the amount of gain or loss reported in the consolidated statement of comprehensive income.

Impairment loss recognised in respect of trade receivables

The Group performs ongoing credit evaluations of its customers and adjusts credit limits based on payment history and the customer's current credit-worthiness, as determined by the review of their current credit information. The Group continuously monitors collections and payments from its customers and maintains a provision for estimated credit losses based upon its historical experience. Credit losses have historically been within the Group's expectations and the Group will continue to monitor the collections from customers and maintain an appropriate level of estimated credit losses. At 31 December 2011, the carrying amount of trade receivables was approximately RMB24,242,000 (2010: RMB27,434,000), net of impairment loss of approximately RMB5,187,000 (2010: RMB5,678,000).

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗之主要來源 (續)

投資物業公允值估算

投資物業於各期結日之公允值已於綜合財務狀況表反映。公允值之計算乃基於獨立估值師利用涉及特定市場情況假設作出之評估。該等假設之有利或不利之轉變可導致本集團投資物業之轉變及綜合全面收益表所報告之收益或虧損金額之調整。

貿易應收賬款之減值虧損

本集團對其客戶持續進行信用評估，並根據付款記錄及客戶當前之信貸情況（通過審核其當前信貸資料而釐定）調整信用額度。本集團持續監察收款及其客戶之付款情況，並根據過往經驗保持一定撥備以應付預計之信貸虧損。信貸虧損一直符合本集團預期，並將持續監察向客戶收款之情況，以及保持適當之預計信貸虧損水平。於二零一一年十二月三十一日，貿易應收賬款之賬面值約為人民幣24,242,000元（二零一零年：人民幣27,434,000元），扣除減值虧損約人民幣5,187,000元（二零一零年：人民幣5,678,000元）。



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4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated selling prices. The cost of inventories is written down to the net realisable value when there is objective evidence that the cost of inventories may not be recoverable. The amount written off to the consolidated statement of comprehensive income is the difference between the carrying value and net realisable value of inventories. In determining whether the cost of inventories can be recovered, significant judgements are required. In making this judgement, the Group evaluates, amongst other factors, the duration and extent and the means by which the amount will be recovered. These estimates are based on the current market and past experience in sales of similar products. It could change significantly as a result of changes in customer preferences and competitor actions in response to changes in market condition.

At 31 December 2011, the carrying amount of inventories was approximately RMB3,540,000 (2010: RMB12,701,000). No impairment was provided for both years.

Fair values of convertible bonds

The fair values of the convertible bonds involve assumptions on the Company's credit spread, discount rate, expected credit rating and future cash flows. Should these assumptions change, there would be material changes to the valuation. At 31 December 2011, the fair value of convertible bonds was approximately RMB311,260,000 (2010: RMB184,391,000), with change in fair value of convertible bonds of approximately RMB45,393,000 (2010: RMB14,860,000) recognised in the consolidated statement of comprehensive income.

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗之主要來源 (續)

存貨之可變現淨值

存貨按成本與可變現淨值之較低者入賬。存貨之可變現淨值為日常業務過程中之估計售價，扣減估計完成成本及估計售價。當有客觀證據顯示存貨成本不可收回時，存貨成本乃撇減至可變現淨值。於綜合全面收入報表撇銷的數額為存貨賬面值及可變現淨值之間的差額。釐定存貨的成本能否收回時需要作出重大判斷。作出判斷時，本集團亦須評估（其中包括）盡力收回數額的期限及範圍等因素。此等估計乃根據現行市場及過往出售同類產品之經驗而作出。若客戶喜好改變，及競爭對手因應市場狀況改變而採取行動，將可能導致此等估計出現重大變動。

於二零一一年十二月三十一日，存貨之賬面值約為人民幣3,540,000元（二零一零年：人民幣12,701,000元）。該兩個年度內概無計提任何減值撥備。

可換股債券之公允值

可換股債券之公允值涉及對本公司之信貸息差、貼現率、預期信貸評級及未來現金流量之假設。倘該等假設出現變動，會令估值出現重大變動。於二零一一年十二月三十一日，可換股債券公允值約人民幣311,260,000元（二零一零年：人民幣184,391,000元）及可換股債券公允值之變動約人民幣45,393,000元（二零一零年：人民幣14,860,000元）乃於綜合全面收益表確認。

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4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

At 31 December 2011, the Group had unused tax losses of approximately RMB43,071,000 (2010: RMB60,878,000) available for offset against future profits. No deferred tax asset in relation to these unused tax losses has been recognised in the Group's consolidated statement of financial position due to the unpredictability of future profit streams. In cases where there are future profits generated to utilise the tax losses, a material deferred tax asset may arise, which would be recognised in the consolidated statement of comprehensive income for the year in which such profits are recorded.

5. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of net debt, which includes bank borrowings as disclosed in Note 34 and convertible bonds as disclosed in Note 35, net of restricted bank deposits as disclosed in Note 29, bank balances and cash as disclosed in Note 30 and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the directors of the Company, the Group will balance its overall capital structure through new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

4. 重大會計判斷及估計不明朗因素的主要來源 (續)

估計不明朗之主要來源 (續)

所得稅

本集團須繳納若干司法管轄區的所得稅。釐定所得稅撥備時需要作出最大估計。許多交易及計算所涉及的最終稅項未能於日常業務明確釐定。倘該等事件的最終稅務結果與初始紀錄的金額不同，該等差額將影響作出有關釐定期間的所得稅及遞延稅撥備。

於二零一一年十二月三十一日，本集團有未動用稅項虧損約人民幣43,071,000元（二零一零年：人民幣60,878,000元）可用作抵銷未來溢利。由於未來溢利來源之不可預測性是以有關未動用稅項虧損之遞延稅項資產沒有於本集團綜合財務狀況表內確認。倘有未來溢利使用到可動用稅項虧損，則可能產生重大遞延稅項資產並於錄得該溢利所屬年度之綜合全面收益表內確認。

5. 資本風險管理

本集團資本管理之主要目標為保障旗下實體能持續經營業務，並透過更完善平衡債務及權益，為股東帶來最大回報。本集團之資本管理方法跟上年維持不變。

本集團之資本結構包括債務淨額（包括於附註34披露之銀行借貸及於附註35披露之可換股債券，扣除附註29披露之有限制銀行存款及於附註30披露之銀行結存及現金以及本公司之擁有人應佔權益（由已發行股本及儲備組成）。

本公司董事定期檢討資本架構。作為此檢討之一部分，本公司董事考慮資本之成本及與各類別股本相關之風險。根據本公司董事之推薦，本集團將透過發行新股、購回股份以及發行新債務或贖回現有債務而達致整體資本架構之平衡。



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6. FINANCIAL INSTRUMENTS

Categories of financial instruments

6. 財務工具

財務工具類別

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Financial assets	財務資產		
Available-for-sale investments	可供出售投資	–	–
Held-to-maturity investments	持有至到期日投資	–	–
FVTPL – held-for-trading investments	按公允值計入損益 – 持作交易用途之投資	219	1,211
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款 (包括現金及現金等價物)	255,521	183,423
		255,740	184,634
Financial liabilities	財務負債		
Amortised cost	攤銷成本	178,072	500,468
FVTPL – designated as at FVTPL	按公允值計入損益 – 指定為按公允值計入損益	311,260	184,391
		489,332	684,859

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade and other receivables, held-for-trading investments, restricted bank deposits, bank balances and cash, trade and other payables, bank borrowings, convertible bonds and consideration payable. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

7. 財務風險管理目標及政策

本集團之主要財務工具包括貿易及其他應收賬款、持作交易用途之投資、有限制銀行存款、銀行結存及現金、貿易及其他應付賬款、銀行借貸、可換股債券及應付代價。財務工具之詳情於各相關附註披露。有關該等財務工具之風險包括市場風險（貨幣風險、利率風險及其他價格風險）、信貸風險及流動資金風險。如何減輕該等風險之政策載列如下。管理層會管控該等風險承擔，確保適時有效地實施適當措施。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Market risk

(i) Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 67% (2010: 49%) of the Group's sales for the year ended 31 December 2011 are denominated in currencies other than the functional currency of the group entity making the sales, whilst almost 68% (2010: 41%) of costs for the year ended 31 December 2011 are denominated in currencies other than the group entity's functional currency.

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

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in currencies other than the respective functional currencies of the relevant group entities at the reporting date are as follows:

7. 財務風險管理目標及政策 (續)

市場風險

(i) 貨幣風險

本公司部分附屬公司擁有外幣買賣業務，令本集團面對貨幣風險。截至二零一一年十二月三十一日止年度本集團約67%銷售（二零一零年：49%）以計價貨幣以外的功能貨幣所產生，截至二零一一年十二月三十一日止年度約68%之成本（二零一零年：41%）為以計價貨幣以外的功能貨幣所產生。

現時，本集團並無任何外幣對沖政策。然而，管理層監察外幣風險，並於必要時考慮對沖重大外幣風險承擔。

於報告日以相關集團實體各自功能貨幣以外之貨幣計值之本集團貨幣資產及貨幣負債之賬面值如下：

		US\$ 美元	
		2011 二零一一年	2010 二零一零年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Assets	資產	9,563	12,418
Liabilities	負債	8,634	20,703



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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis

The Group is mainly exposed to US\$.

The following table details the Group's sensitivity to a 5% (2010: 5%) increase and decrease in RMB against the relevant foreign currencies. 5% (2010: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2010: 5%) change in foreign currency rates.

A positive number below indicates an increase in profit/a decrease in loss for the year where RMB strengthen 5% (2010: 5%) against the relevant currency. For a 5% (2010: 5%) weakening of RMB against the relevant currency, there would be an equal and opposite impact on the profit or loss for the year.

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Impact on profit or loss for the year	對年內損益之影響	(39)	346

This is mainly attributable to the exposure on outstanding bank balances and cash, trade and other receivables and trade and other payables denominated in US\$ at the end of the reporting period.

7. 財務風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

敏感度分析

本集團主要面對美元的貨幣風險。

下表詳列本集團因應對人民幣兌相關外幣升值及減值5% (二零一零年: 5%) 之敏感度。5% (二零一零年: 5%) 乃向主要管理人員內部呈報外幣風險之敏感度比率, 並代表管理層對外幣匯率合理可能變動之評估。敏感度分析僅包括以外幣計算之尚未平倉貨幣項目, 並於期結日調整其兌換以反映外幣匯率之5% (二零一零年: 5%) 變動。

下列正數表示人民幣兌相關貨幣出現人民幣升值5% (二零一零年: 5%) 所導致之年內溢利增加/虧損減少。倘人民幣兌相關貨幣出現人民幣貶值5% (二零一零年: 5%), 將會對年內溢利或虧損造成相等及相反之影響。

這主要是期結時面對以美元計算未償付的銀行結存及現金、貿易及其他應收賬款以及貿易及其他應付賬款。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Market risk (Continued)

(ii) Interest rate risk

The interest income is derived from the Group's current and fixed deposits that carry interest at the respective banking deposit rate of the banks located in the PRC and Hong Kong.

The Group's cash flow interest rate risk relates primarily to variable-rate bank deposits (see Note 30 for details of these deposits) and variable-rate borrowings (see Note 34 for details of these borrowings). It is the Group's policy to keep its borrowings at floating rate of interests so as to minimise the fair value interest rate risk.

The Group's bank deposits are short-term in nature and the exposure of the interest rate risk is minimal and no sensitivity to interest rate risk is presented.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of base lending rate stipulated by the People's Bank of China and the Hong Kong Interbank Offered Rate.

Sensitivity analysis

As of 31 December 2011, it is estimated that a general 50 basis point increase or decrease in interest rates, with all other variables held constant, would decrease or increase (2010: increase or decrease) the Group's profit (2010: loss) for the year and accumulated losses by approximately RMB381,000 (2010: RMB1,708,000).

The above sensitivity analysis has been determined assuming that a change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The 50 basis point increase or decrease represents directors' assessment of a reasonably possible change in interest rates. The analysis was performed on the same basis for the year ended 31 December 2010.

7. 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險

利息收入主要來自本集團之活期及定期存款之利息，有關利率為於中國及香港之銀行存款利率。

本集團之現金流利率風險主要與可變利率銀行存款（該等存款詳見附註30）及可變利率借貸（該等借貸詳情見附註34）有關。本集團之政策保持以浮動利率借貸，從而盡量減低其公允值利率風險。

本集團之銀行存款為短期性質，本集團面對之利率風險甚微而且並無其他利率風險呈報。

本集團就財務負債面對之利率風險已於本附註流動資金風險管理部分中披露。本集團之現金流利率風險主要來自由中國人民銀行規定之基本借貸利率及香港銀行同業拆息利率。

敏感度分析

於二零一一年十二月三十一日，估計利率每上升或下降50個基點而所有其他變數不變，會使本集團之年度溢利（二零一零年：虧損）及累計虧損減少或增加（二零一零年：增加或減少）約人民幣381,000元（二零一零年：人民幣1,708,000元）。

上述敏感度分析乃假設利率變動於期結日發生而釐定，並應用於該日存在之財務工具之利率風險承擔。50基點上升或下降代表董事對利率合理可能變動之評估。分析乃按與截至二零一零年十二月三十一日止年度相同之基準進行。



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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Market risk (Continued)

(iii) Other price risk

The Group is exposed to equity price risk through its convertible bond and investment in listed equity securities. The Group's exposure to other price risk for investment in listed equity securities is minimal and no sensitivity analysis to other price risk is presented.

Equity price risk on convertible bonds

The Group is required to estimate the fair value of the conversion option component of the convertible bonds at the end of the reporting period which therefore exposed the Group to equity security price risk.

Equity price sensitivity

The sensitivity analyses below have been determined based on the exposure to equity price risk at the reporting dates. If the stock price inputted to the valuation model had been 5% (2010: 5%) higher/lower while all other variables were held constant, the profit for the year ended 31 December 2011 would increase or decrease by approximately RMB3,763,000 (2010: RMB7,157,000), principally as a result of the changes in fair value of the convertible bonds.

Credit risk

At 31 December 2011 and 2010, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to the failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in Note 44.

The Group reviews the recoverable amount of each individual trade and other receivables at the end of each reporting period to ensure that adequate impairment losses have been made for irrecoverable amounts.

7. 財務風險管理目標及政策 (續)

市場風險 (續)

(iii) 其他價格風險

本集團因持有可換股債券及上市股本證券投資而面對股本價格風險。本集團面對上市股本證券投資之價格風險甚微而且並無其他價格風險分析呈報。

可換股債券之股本價格風險

本集團須於期結日估計可換股債券的兌換權部份的公允值，因此令本集團承受股本證券價格風險。

股本價格敏感度

下列敏感度分析乃根據於報告日期所承受股本價格風險而釐定。倘輸入估值模式的股價上升/下跌5% (二零一零年：5%)，而所有其他變數保持不變，則截至二零一一年十二月三十一日止年度的溢利將會增加或減少約人民幣3,763,000元 (二零一零年：人民幣7,157,000元)，主要是由於可換股債券的公允值變動所致。

信貸風險

於二零一一年及二零一零年十二月三十一日，本集團因對手方未能履行責任而可能面臨財務虧損的最高信貸風險，乃因綜合財務狀況表中所述各項已確認財務資產的賬面值及於附註44中所披露之有關由本集團發行之財務擔保之或然負債而產生。

本集團於報告完結日持續監察各個別貿易及其他應收賬款之可收回金額以確保對不可收回之款項已作出足夠虧損減值。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in the PRC including Hong Kong. At 31 December 2011, the Group has concentration of credit risk as 39% (2010: 65%) and 88% (2010: 81%) of the total trade receivables was due from the Group's largest customer and the five largest customers, respectively.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies and authorised banks in the PRC with high-credit ratings.

For properties that are pre-sold but development has not been completed, the Group typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for an amount up to 70% of the purchase price of the individual property. If a purchaser defaults on the payment of its mortgage during the period of guarantee, the bank holding the mortgage may demand the Group to repay the outstanding loan and any interest accrued thereon. As the mortgage loans are secured by the properties with current market price higher than the guaranteed amounts, the management considers it would recover any loss incurred arising from the guarantee provided by the Group.

Liquidity risk

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

7. 財務風險管理目標及政策 (續)

信貸風險 (續)

就此，本公司董事認為本集團之信貸風險已大幅減少。

本集團之集中信貸風險（按地域計算）主要來自中國（包括香港）。於二零一一年十二月三十一日，本集團就本集團之最大單一客戶及最大五位客戶之貿易應收賬款之集中信貸風險各自分別為39%（二零一零年：65%）及88%（二零一零年：81%）。

因交易對手為獲國際信貸評級機構評為高級信貸評級之銀行及於中國有高級信貸評級之已授權銀行信貸評級良好，本集團之信貸風險有限。

就已預售但尚未竣工之物業，本集團一般就客戶之按揭貸款借款向銀行提供擔保，以助其獲得購買物業之資金，惟有關金額最高為個別物業購買價之70%。如果買家於擔保期內未能就其按揭付款，批出按揭之銀行可要求本集團償還未償之貸款及任何相關累計利息。由於按揭貸款乃採用現行市值較擔保金額為高之物業作抵押，管理層認為其可抵償本集團由於提供擔保而產生之任何虧損。

流動資金風險

在管理流動資金風險的過程中，本集團會監控並維持管理層認為足夠的現金及現金等價物，以為本集團的營運提供資金並降低現金流動的影響。管理層會監控銀行貸款之利用及確保貸款契約之遵從。



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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise the rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

Liquidity tables

		At 31 December 2011 於二零一一年十二月三十一日					
		On demand or within 1 year 按要求或 一年內 RMB'000 人民幣千元	More than 1 year but less than 2 years 超過一年 但兩年內 RMB'000 人民幣千元	More than 2 years but less than 5 years 超過兩年 但五年內 RMB'000 人民幣千元	More than 5 years 超過五年 RMB'000 人民幣千元	Total undiscounted cash flows 未貼現之 現金流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
Non-derivative financial liabilities	非衍生財務負債						
Trade and other payables	貿易及其他應付賬款	34,070	-	-	-	34,070	34,070
Bank borrowings	銀行貸款	107,149	-	-	-	107,149	99,357
Consideration payable	應付代價	1,254	50,177	-	-	51,431	44,645
Convertible bonds	可換股債券	5,190	134,503	186,509	-	326,202	311,260
Financial guarantee contracts	財務擔保合同	266,904	-	-	-	266,904	-
		414,567	184,680	186,509	-	785,756	489,332

7. 財務風險管理目標及政策 (續)

流動資金風險 (續)

下表詳細列明根據協定的還款條款，本集團財務負債餘下的合約到期期限。該表乃按本集團須付款的最早日期並以財務負債中的未貼現現金流量為基準編製。尤其是，具有按要求償還條款的銀行貸款已計入最早時段（無論銀行是否有可能選擇行使其權利）。其他非衍生財務負債的到期日乃根據協定償還日期釐定。

該表載列了利息及本金現金流量。在利息流按浮動利率計息的前提下，未貼現金額乃自期結日的利率曲線得出。

流動資金表

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

7. 財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表 (續)

At 31 December 2010
於二零一零年十二月三十一日

	On demand or within 1 year 按要求或一年內	More than 1 year but less than 2 years 超過一年但兩年內	More than 2 years but less than 5 years 超過兩年但五年內	More than 5 years 超過五年	Total undiscounted cash flows 未貼現之現金流量總額	Carrying amount 賬面值
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Non-derivative financial liabilities	非衍生財務負債					
Trade and other payables	貿易及其他應付賬款	59,399	-	-	59,399	59,399
Bank borrowings	銀行貸款	63,327	372,540	-	435,867	385,936
Consideration payable	應付代價	55,133	-	-	55,133	55,133
Convertible bonds	可換股債券	5,440	189,378	-	194,818	184,391
Financial guarantee contracts	財務擔保合同	-	22,980	-	22,980	-
		183,299	584,898	-	768,197	684,859

Bank borrowings with a repayment on demand clause are included in the "on demand or within 1 year" time band in the above maturity analysis. At 31 December 2011 and 31 December 2010, the aggregate undiscounted principal amounts of these bank borrowings amounted to approximately RMB8,470,000 and RMB11,866,000 respectively. Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank loans will be repaid in ten years after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to approximately RMB9,202,000 (2010: RMB14,233,000).

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee for loans procured by the purchasers of the Group's properties. Based on the expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

具有可按要求償還條款之銀行借貸均計入上述到期日分析「按要求或一年內」之時間範圍內。於二零一一年十二月三十一日及二零一零年十二月三十一日，該等銀行借貸之未貼現本金額分別合共約為人民幣8,470,000元及人民幣11,866,000元。計及本集團之財務狀況後，本公司董事不相信銀行可能行使其要求即時還款之酌情權。本公司董事相信，該等銀行借貸將於報告日期後10年內根據貸款協議所載預定還款日期償還。屆時，本金總額及利息現金流出量將合共約為人民幣9,202,000元（二零一零年：人民幣14,233,000元）。

倘計入上述財務擔保合同之金額乃擔保的對手方就本集團物業之買家所獲貸款作出申索，則有關金額即為本集團根據安排可取得用作償還全數擔保金額之最高金額。根據報告期間結束時之預期，本集團認為很大可能毋須根據安排支付款項。然而，上述估計將視乎對手方根據擔保提出申索之可能性而有變，而提出申索之可能性則取決於對手方所持獲擔保財務應收款項出現信貸虧損之可能性。



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8. FAIR VALUE

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

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments;
- for option based derivative, the fair value is estimated using option pricing model (for example, the Binomial model); and
- the fair value of financial guarantee contracts is determined using option pricing models where the key assumptions are the probability of default by the specified counterparty extrapolated from market-based credit information and the amount of loss, given the default.

The directors of the Company consider that the carrying amounts of the other financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values due to their immediate or short-term maturities.

The directors of the Company also consider that the fair value of the long-term portion of liabilities approximates to their carrying amount as they are carried at amortised cost using the effective interest method.

8. 公允值

財務資產及財務負債之公允值釐定如下：

- 財務資產和財務負債的公允值按標準條款及條件於交投活躍且具流通性的市場交易的財務資產及財務負債的公允值乃分別參照所報市場買入價及賣出價而釐定；
- 其他財務資產及財務負債的公允值（不包括衍生工具）乃按貼現現金流量分析根據公認的定價模型或利用來自可觀察的現有市場交易的價格及類似工具的經銷商報價而釐定；
- 期權基準之衍生工具，其公允值以期權定價模式（如二項模式）估算；及
- 財務擔保合同之公允值乃利用期權定價模式釐定，有關模式中之主要假設為按市場信貸資料推斷特定對手方欠繳款項之可能性及在欠款情況下之虧損金額。

本公司董事認為，綜合資產負債表中按經攤銷成本入賬之其他財務資產及財務負債之賬面值，因屬即時到期或於短期內到期而與其公允值相若。

本公司董事同樣認為，負債長遠部分之公允值大致接近於其賬面值，由於負債乃採用實際利率法計算攤銷成本列賬。

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8. FAIR VALUE (Continued)

Fair value measurements recognised in the consolidated statement of financial position

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

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

8. 公允值 (續)

已於綜合財務狀況表中確認的公允值計量

下表提供按公允值初步確認後計量的財務工具分析，其按可觀察公允值程度分為一至三級。

- 第一級公允值計量乃自識別資產或負債的活躍市場中所報價格（未調整）得出。
- 第二級公允值計量乃除計入第一級的報價外，自資產或負債可直接（即價格）或間接（自價格衍生）觀察輸入數據得出。
- 第三級公允值計量乃計入並非根據可觀察市場數據（無法觀察輸入數據）的資產或負債的估值技術得出。

At 31 December
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	Level 1 第一級		Level 2 第二級		Level 3 第三級		Total 共計	
	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Financial asset	財務資產							
Held-for-trading investments	持作交易用途之投資							
	219	1,211	-	-	-	-	219	1,211
Financial liabilities at fair value through profit or loss	按公允值計入損益之財務負債							
Convertible bonds	可換股債券							
	-	-	311,260	184,391	-	-	311,260	184,391

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

於本年度及過往年度，第一級與第二級之間並無轉撥。



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9. TURNOVER AND OTHER OPERATING INCOME

Turnover represents the net amounts received and receivable for goods sold by the Group to outside customers less sales related taxes.

An analysis of the Group's turnover for the year is as follows:

9. 營業額及其他營運收入

營業額指本集團出售予外界客戶貨品之已收及應收淨額減銷售有關稅款。

本集團年內營業額分析如下：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Turnover	營業額		
Sales of automation products and electronic components	銷售自動化產品及電子零件及配件之收入	143,585	159,485
Sales of properties	物業銷售收入	63,838	156,488
Gross rental income from investment properties (Note i)	投資物業之租金收入總額(附註i)	7,057	12,107
		214,480	328,080
Other operating income	其他營運收入		
Interest income	利息收入		
– bank	– 銀行	1,652	112
– other (Note ii)	– 其他(附註ii)	–	375
Change in fair value of held-for-trading investments	持作交易用途之投資之公允值變動	–	736
Discount received on early settlement of consideration payable (Note 38)	就提早償還應付代價收取之折扣(附註38)	982	4,704
Exchange gain, net	淨匯兌收益	1,657	–
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	–	50
Gain on disposal of investment properties	出售投資物業之收益	1,281	–
Gain on disposal of investment property under held for sale	出售持作出售投資物業之收益	765	–
Reversal of bad debts directly written off	直接撇銷之壞賬撥回	1,691	–
Reversal of impairment loss recognised in respect of inventories	有關存貨之減值虧損撥回	58	372
Written back of other payables	其他應付賬款撥回	52	–
Sundry income	雜項收入	399	35
		8,537	6,384
Total revenues	總收入	223,017	334,464

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9. TURNOVER AND OTHER OPERATING INCOME (Continued)

Notes:

(i) An analysis of the Group's net rental income is as follows:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Gross rental income from investment properties	投資物業之租金收入總額	7,057	12,107
Less: Outgoings (included in cost of sales)	減：支出（計入銷售成本）	(613)	(633)
Net rental income from investment properties	投資物業之租金收入淨額	6,444	11,474

(ii) The other interest income is derived from an advance for a co-operation agreement. Details of which are set in the announcement of the Company dated 30 June 2010.

10. SEGMENT INFORMATION

Information reported to the board of directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

Property development	–	Development of properties in the PRC.
Property investment	–	Rental income arising from investment properties situated in the PRC and in Hong Kong.
Trading	–	Trading of electronic components, mobile phone modules and automation products.
Technology	–	Provision of technical and consultancy services including the provision of automation products on a project basis.

9. 營業額及其他營運收入 (續)

附註：

(i) 本集團之租金收入淨額分析如下：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Gross rental income from investment properties	投資物業之租金收入總額	7,057	12,107
Less: Outgoings (included in cost of sales)	減：支出（計入銷售成本）	(613)	(633)
Net rental income from investment properties	投資物業之租金收入淨額	6,444	11,474

(ii) 其他利息收入乃按合作協議墊付。有關詳情載列於本公司日期為二零一零年六月三十日的公告中。

10. 分部資料

就資源分配及分類表現評估向本公司董事會（即主要營運決策者）所呈報之資料，側重於交付或提供之產品或服務之類型。

根據香港財務報告準則第8號，本集團之報告及經營分部如下所示：

物業發展	–	於中國之物業發展。
物業投資	–	於中國及香港之投資物業的租金收入。
貿易	–	電子零件、手機組件及自動化產品貿易。
科技	–	提供技術及顧問服務及包括工程項目所需提供的自動化產品。



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10. SEGMENT INFORMATION (Continued)

(a) Segment revenues and results

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

10. 分部資料 (續)

(a) 分部收入及業績

本集團之收入及業績之分析按可報告及經營分部呈列如下：

		Property development 物業發展		Property investment 物業投資		Trading 貿易		Technology 科技		Consolidated 合併	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元								
Turnover	營業額	63,838	156,488	7,057	12,107	143,585	159,485	-	-	214,480	328,080
Segment (loss) profit	分部(虧損)溢利	(15,006)	(89,404)	19,662	30,426	(839)	(1,567)	-	-	3,817	(60,545)
Change in fair value of convertible bonds	可換股債券公允值之變動									45,393	14,860
Change in fair value of held-for-trading investments	持作交易用途之投資之公允值變動									(960)	736
Discount received on early settlement of consideration payable	就提早償還應付代價收取之折扣									982	4,704
Gain on extinguishment of consideration payable	抵銷應付代價之收益									6,006	-
Interest income	利息收入									1,652	487
Equity-settled share-based payment expenses	以權益結算之以股份為基礎之支付開支									-	(4,315)
Loss on debt restructuring	債務重組之虧損									-	(18,049)
Settlement of court case	法庭案件和解清算費用									-	(4,080)
Unallocated corporate expenses	未分配公司開支									(11,239)	(14,671)
Finance costs	財務成本									(24,525)	(27,040)
Profit (loss) before taxation	除稅前溢利(虧損)									21,126	(107,913)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment loss/profit represents the loss/profit of each segment without allocation of change in fair values of convertible bonds, change in fair value of held-for-trading investments, discount received on early settlement of consideration payable, gain on extinguishment of consideration payable, interest income, equity-settled share-based payment expenses, loss on debt restructuring, settlement of court case, central administration costs, directors' emoluments and finance costs. This is the measure reported to the chief operating decision maker (board of directors) of the Group for the purposes of resource allocation and performance assessment.

經營分部之會計政策與附註3所述之本集團會計政策相同。分部虧損/溢利指各分部未分配可換股債券公允值變動、持作交易用途之投資之公允值變動、就提早償還應付代價收取之折扣、抵銷應付代價之收益、利息收入、以權益結算之以股份為基礎之支付開支、債務重組之虧損、法庭案件和解清算費用、中央行政費用、董事薪酬及財務成本所產生之虧損/賺取之溢利。此乃報告予本集團的主要經營決策者(董事會)用於資源分配及業績評估的措施。

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10. SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

10. 分部資料 (續)

(b) 分部資產及負債

本集團資產及負債之分析按報告分部呈列如下：

		Property development 物業發展		Property investment 物業投資		Trading 貿易		Technology 科技		Consolidated 合併	
		2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
		二零一一年	二零一零年	二零一一年	二零一零年	二零一一年	二零一零年	二零一一年	二零一零年	二零一一年	二零一零年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment assets	分部資產	1,273,395	1,079,479	162,306	194,438	13,325	26,009	-	-	1,449,026	1,299,926
Unallocated corporate assets	未分配企業資產										
- Income tax recoverable	- 可收回所得稅									27,717	-
- Held-for-trading investments	- 持作交易用途之投資									219	1,211
- Restricted bank deposits	- 有限制銀行存款									92,298	32,776
- Bank balances and cash	- 銀行結存及現金									136,693	123,028
- Others	- 其他									31,439	34,183
Consolidated total assets	綜合資產總值									1,737,392	1,491,124
Segment liabilities	分部負債	(904,991)	(309,561)	(162)	(378)	(12,939)	(32,814)	-	-	(918,092)	(342,753)
Unallocated corporate liabilities	未分配企業負債										
- Consideration payable	- 應付代價									(44,645)	(55,133)
- Income tax payable	- 應付所得稅									(1,176)	(945)
- Bank borrowings	- 銀行貸款									(99,357)	(385,936)
- Convertible bonds	- 可換股債券									(311,260)	(184,391)
- Deferred taxation	- 遞延稅項									(30,441)	(31,579)
- Others	- 其他									(1,550)	(3,922)
Consolidated total liabilities	綜合負債總值									(1,406,521)	(1,004,659)

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

- all assets are allocated to operating segments other than income tax recoverable, held-for-trading investments, restricted bank deposits and bank balances and cash. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- all liabilities are allocated to operating segments other than consideration payable, income tax payable, bank borrowings, convertible bonds and deferred taxation. Liabilities for which operating segments are jointly liable are allocated in proportion to segment assets.

為監控分部之間的分部表現和分配資源的目的：

- 除了可收回所得稅、持作交易用途之投資、有限制銀行存款及銀行結存及現金，所有資產要分配到經營分類。可呈報分部共用之資產乃按各可呈報分部所得收入之基準作分配；及
- 除應付代價、應付所得稅、銀行貸款、可換股債券及遞延稅項外，所有負債均分配到經營分部。經營分部共用之負債乃按各可呈報分部資產比例作分配。



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10. SEGMENT INFORMATION (Continued)

(c) Other segment information

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

10. 分部資料 (續)

(c) 其他分部資料

計量分部溢利或虧損及分部資產時已計入之款項：

	Property development 物業發展		Property investment 物業投資		Trading 貿易		Technology 科技		Unallocated 未分配		Consolidated 合併	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Other segment information:	其他分部資料：											
Addition to non-current assets (Note)	94	84	-	-	-	25	-	-	-	-	94	109
Amortisation of prepaid lease payments	-	-	-	-	6	6	-	-	-	-	6	6
Change in fair value of investment properties	-	9,500	(12,999)	(21,134)	-	-	-	-	-	-	(12,999)	(11,634)
Change in fair value of held-for-trading investments	-	-	-	-	-	-	-	-	960	(736)	960	(736)
Depreciation of property, plant and equipment	87	357	-	305	90	-	-	-	1,727	1,361	1,904	2,023
Gain on disposal of investment properties	-	-	(1,281)	-	-	-	-	-	-	-	(1,281)	-
Gain on disposal of investment property under held for sale	-	-	(765)	-	-	-	-	-	-	-	(765)	-
Gain on disposal of property, plant and equipment	-	-	-	-	-	-	-	-	-	(50)	-	(50)
Impairment loss recognised in respect of trade receivables	-	-	-	-	49	1,811	-	-	-	-	49	1,811
Impairment loss recognised in respect of other receivables	-	-	-	-	1,000	-	-	-	-	-	1,000	-
Impairment loss recognised in respect of properties held for sale	3,430	28,600	-	-	-	-	-	-	-	-	3,430	28,600
Reversal of impairment loss recognised in respect of inventories	-	-	-	-	(58)	(372)	-	-	-	-	(58)	(372)
Reversal of impairment loss recognised in respect of properties held for sale	(6,904)	-	-	-	-	-	-	-	-	-	(6,904)	-
Written back of other payables	-	-	-	-	(52)	-	-	-	-	-	(52)	-
Reversal of bad debts directly written off	(1,676)	-	-	-	(15)	-	-	-	-	-	(1,691)	-

Note: Non-current assets excluded financial instruments.

附註：非流動資產不包括財務工具。

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10. SEGMENT INFORMATION (Continued)

(c) Other segment information (Continued)

Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:

		Property development 物業發展		Property investment 物業投資		Trading 貿易		Technology 科技		Unallocated 未分配		Consolidated 合併	
		2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Interest income	利息收入	-	-	-	-	-	-	-	-	(1,652)	(487)	(1,652)	(487)
Finance costs	財務成本	-	-	-	-	-	-	-	-	24,525	27,040	24,525	27,040
Equity-settled share-based payment expenses	以權益結算之以股份 為基礎的支付開支	-	-	-	-	-	-	-	-	-	4,315	-	4,315

(d) Geographical information

For the year ended 31 December 2011, 100% (2010: 100%) of the Group's revenue and assets were derived from customers and operations based in the PRC including Hong Kong (country of domicile) and accordingly, no further analysis of the Group's geographical information is disclosed.

(e) Revenues from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		Segment 分部		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Customer A	客戶A	Trading	貿易	57,590	N/A*不適用*
Customer B	客戶B	Trading	貿易	39,197	N/A*不適用*
Customer C	客戶C	Property development	物業發展	N/A*不適用*	39,425
Customer D	客戶D	Trading	貿易	N/A*不適用*	41,112
Customer E	客戶E	Trading	貿易	N/A*不適用*	41,768

* The corresponding revenue does not contribute over 10% of the total revenue of the Group in the respective year.

10. 分部資料 (續)

(c) 其他分部資料 (續)

定期向主要經營決策者撥備但不計入計算分部損益或分部資產的款項：

(d) 地理資料

截至二零一一年十二月三十一日止年度，由於本集團100% (二零一零年：100%) 來自客戶及營運之收益及資產均位於中國 (包括香港) (所在國家)，故並無呈列本集團之地區分類資料。

(e) 相應年度來自客戶的營業額佔本集團總營業額超過10%的詳情如下：

* 相應收入佔相關年度本集團總收入不超過10%。



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11. FINANCE COSTS

11. 財務成本

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Interest expenses on:	利息開支：		
– bank borrowings wholly repayable within five years	– 須於五年內全數清還之銀行借款	18,403	22,356
– imputed interest expense on consideration payable (Note 38)	– 應付代價之估算利息開支(附註38)	18,491	13,742
– convertible bonds	– 可換股債券	5,318	464
– consideration payable	– 應付代價	147	–
– bank overdraft	– 銀行透支	7	–
Total borrowing costs	總借貸成本	42,366	36,562
Less: interest capitalised (Note 24)	扣減：資本化利息(附註24)	(17,841)	(9,522)
		24,525	27,040

Note: The capitalisation ratio of borrowings for year ended 31 December 2011 is ranged from 7.15% to 7.94% (2010: 6.21% to 6.48%) per annum.

附註：截至二零一一年十二月三十一日止年度借貸之資本化比率介乎每年7.15%至7.94%之間(二零一零年：6.21%至6.48%)。

12. INCOME TAX EXPENSE (CREDIT)

12. 所得稅支出(收入)

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Current tax	當期稅項		
– Hong Kong	– 香港	68	–
– PRC Enterprise Income Tax	– 中國企業所得稅	4,214	4,102
		4,282	4,102
PRC Land Appreciation Tax ("LAT")	中國土地增值稅 (「土地增值稅」)		
– Current year	– 本年度	22	6,742
– Overprovision in prior years	– 以往年度超額撥備	–	(26,704)
		22	(19,962)
Deferred taxation (Note 39)	遞延稅項(附註39)		
– Current year	– 本年度	(1,369)	(27,442)
– Effect of a change in tax rate	– 稅率變動之影響	–	(4,272)
		(1,369)	(31,714)
Withholding tax (Note d)	預扣稅(附註d)	–	1,080
		2,935	(46,494)

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12. INCOME TAX EXPENSE (CREDIT)

(Continued)

- (a) Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Hong Kong Profits Tax has been provided for in the consolidated financial statements as the assessable profits of the Group was partially offset against tax losses brought forward for the year ended 31 December 2011.

Hong Kong Profits Tax has not been provided for in the consolidated financial statements as the Group has sufficient tax losses brought forward to offset against the assessable profits for the year ended 31 December 2010.

- (b) Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of certain subsidiaries of the Company was 25% for both years.

In accordance with the tax legislations applicable to foreign investment enterprises, one subsidiary is entitled to exemptions from the PRC EIT for the first year commencing from the first profit-making year of operation and thereafter, entitled to a 50% relief from the PRC EIT for the following two years. According to the EIT Law, the first year income tax exemption commenced for the year ended 31 December 2008.

For the year ended 31 December 2010, the subsidiary enjoyed a 50% relief from PRC EIT and was subject to tax at the rate of 11% on the estimated assessable profits for the year.

For the year ended 31 December 2011, the subsidiary is subject to tax at the rate of 25% on the estimated assessable profits for the year.

12. 所得稅支出(收入)(續)

- (a) 香港利得稅按該兩個年度之估計應課稅利潤以稅率16.5%計算。

由於本集團截至二零一一年十二月三十一日止年度之稅項虧損部份為本集團應課稅利潤所抵銷，故並無於綜合財務報表作出香港利得稅撥備。

由於本集團截至二零一零年十二月三十一日止年度有足夠稅項虧損可供抵銷應課稅利潤，故並無於綜合財務報表作出香港利得稅撥備。

- (b) 根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，本公司若干附屬公司於該兩個年度按25%稅率繳納稅項。

根據適用於外資企業之稅務法，一間附屬公司可於首個年度獲得營運盈利開始豁免企業所得稅，其後兩年則可獲50%豁免企業所得稅。根據企業所得稅法，首個獲豁免之年度為截至二零零八年十二月三十一日止年度。

截至二零一零年十二月三十一日止年度，該附屬公司可享有50%中國企業所得稅豁免，並按該年度之估計應課稅利潤之11%稅率繳稅。

截至二零一一年十二月三十一日止年度，該附屬公司須按年內估計應課稅利潤之25%稅率繳稅。



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12. INCOME TAX EXPENSE (CREDIT)

(Continued)

- (c) The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at progressive rates ranging from 30% to 60% on the appreciation value, with certain allowable deductions including land costs and the relevant property development expenditures. According to the State Administration of Taxation's official circulars, LAT shall be payable provisionally upon sales of the properties, followed by final ascertainment of the gain at the completion of the properties development.
- (d) Pursuant to the PRC EIT Law, withholding tax is imposed on dividends declared by PRC subsidiaries of the Group in respect of profits earned from 1 January 2008 onwards.

At 31 December 2011, no deferred taxation (2010: RMB556,000) has been provided for the portion of profits that are expected to be distributed by the PRC subsidiaries and no deferred taxation has been provided for the remaining profits as the Group is able to control the timing of the distribution in the foreseeable future. The withholding tax represents the deferred tax liability arising on undistributed profits to non-controlling interests in Zhuhai Zhongzhu Real Estate Development Co., Ltd. ("Zhuhai Zhongzhu").

During the year ended 31 December 2010, Zhuhai Zhongzhu declared dividends of RMB228,550,000 (2011: Nil) on its retained earnings for the year 2009 of approximately RMB206,955,000 and for the year ended 31 December 2010 of approximately RMB21,595,000 respectively and distributed to its immediate holding company and non-controlling interests, which were incorporated in the BVI and Hong Kong respectively. The Group was subject to withholding tax at the rate of 10% and 5% on the distributions of profits accordingly.

12. 所得稅支出(收入)(續)

- (c) 土地增值稅撥備是按有關中國法律法規所載之規定作出估計。土地增值稅乃按增值額以30%至60%的遞增稅率之幅度作出撥備，當中有若干費用包括土地成本及相關物業發展支出已作扣減。根據國家稅務總局的官方通告，於出售物業後應暫時繳納土地增值稅，之後在完成物業發展時再對有關增值數額作出最終核定。
- (d) 根據中國企業所得稅法，自二零零八年一月一日起，對於中國附屬公司所賺取盈利相關的已宣派股息需徵收預扣稅。

於二零一一年十二月三十一日，本集團並無就由中國附屬公司預期分派之部分盈利作出遞延稅項撥備(二零一零年：人民幣556,000元)。由於本集團於可見未來能夠控制分派的時間，故並無就剩餘利潤作出遞延稅項撥備。預扣稅代表由未向珠海中珠房地產開發有限公司(「珠海中珠」)非控制性權益分派盈利引致之遞延稅項。

截至二零一零年十二月三十一日止年度，珠海中珠按二零零九年度之保留盈利約人民幣206,955,000元及截至二零一零年十二月三十一日止年度之保留盈利約人民幣21,595,000元宣派股息人民幣228,550,000元(二零一一年：無)，並分派予直接控股公司及非控制性權益(分別於英屬處女群島及香港註冊成立)。本集團相應須分別按溢利分派之10%及5%繳納預扣稅。

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12. INCOME TAX EXPENSE (CREDIT)

(Continued)

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

12. 所得稅支出(收入)(續)

於年內之所得稅支出(收入)可以計算綜合全面收益表中的除稅前溢利(虧損),計算如下:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Profit (loss) before taxation	除稅前溢利(虧損)	21,126	(107,913)
Tax calculated at rates applicable to profits in the respective tax jurisdiction concerned	按照在相關國家之適用所得稅稅率計算之稅項	3,554	(24,230)
LAT	土地增值稅	22	6,742
Over-provision of LAT	土地增值稅之超額撥備	-	(26,704)
Effect of change in tax rate	稅率變動之影響	-	(4,272)
Tax effect of expense not deductible for tax purposes	不可扣減支出之稅項影響	7,033	7,243
Tax effect of income not taxable for tax purposes	非課稅收入之稅項影響	(7,118)	(4,738)
Tax exemption granted by a PRC subsidiary	一間中國附屬公司之稅項豁免	-	(2,145)
Withholding tax recognised (Note d, above)	已確認之預扣稅(附註d, 上文)	-	1,080
Withholding tax on undistributed earnings	未分派盈利之預扣稅	(556)	556
Utilisation of tax losses previously not recognised	使用前期未確認之可抵扣稅務虧損	-	(26)
Income tax expense (credit)	所得稅支出(收入)	2,935	(46,494)

Details of the deferred taxation are set out in Note 39.

遞延稅項詳情載於附註39。

13. PROFIT (LOSS) FOR THE YEAR

13. 年內溢利(虧損)

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Profit (loss) for the year has been arrived at after charging (crediting):	已扣除(計入)以下各項之年度溢利(虧損):		
Staff cost (including directors' emoluments): Salaries, wages and other benefits in kind	員工成本(包括董事酬金): 薪金、工資及其他實物利益	8,838	6,377
Retirement benefits scheme contributions	退休福利計劃供款	301	215
		9,139	6,592



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13. PROFIT (LOSS) FOR THE YEAR (Continued)

13. 年內溢利(虧損)(續)

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Amortisation of prepaid lease payments	租賃預付款項之攤銷	6	6
Auditor's remuneration	核數師酬金	831	827
Change in fair value of held-for-trading investments	持作交易用途之投資之公允值變動	960	(736)
Cost of inventories recognised as expenses (included in cost of sales)	確認為支出的存貨成本(計入銷售成本)	205,970	350,473
Depreciation of property, plant and equipment	物業、機器及設備折舊	1,904	2,023
Equity-settled share-based payment expenses – business associates (Note a)	以權益結算之以股份為基礎的支付開支 – 業務夥伴(附註a)	–	4,315
Impairment loss recognised in respect of trade receivables (included in administrative expenses)	貿易應收賬款之減值虧損(計入行政費用)	49	1,811
Impairment loss recognised in respect of other receivables (included in administrative expenses)	其他應收賬款之減值虧損(計入行政費用)	1,000	–
Impairment loss recognised in respect of properties held for sale (included in cost of sales)	待售物業已確認之減值虧損(計入銷售成本)	3,430	28,600
Reversal of impairment loss recognised in respect of properties held for sale (included in cost of sales)	待售物業已確認之減值虧損撥回(計入銷售成本)	(6,904)	–
Operating lease rentals of equipment	設備之營運租金	30	40
Operating lease rentals of rental premises	租賃物業之經營租約租金	194	135
Settlement of court case (Note b)	法庭案件和解清算費用(附註b)	–	4,080

Notes:

- (a) The amount represented the fair value of consultancy services provided to the Group in the respective year in relation to the exploration of new business opportunities for the Group. The consultancy service fees were settled through the issue of 10,000,000 share options in 2010 are set out in Note 40.
- (b) On 30 November 2010, the PRC subsidiary entered into a settlement agreement ("Settlement Agreement") with the plaintiff pursuant to which the PRC subsidiary shall pay HK\$4,800,000 (equivalent to approximately RMB4,080,000) to plaintiff within five days upon entering into the Settlement Agreement for settlement of all responsibilities and claims of the Judgement. Payment was made on 1 December 2010. On 2 December 2010, the Senior People's Court of the Guangdong Province in the PRC approved the application for the withdrawal of the Judgement by the PRC subsidiary and the plaintiff.

附註：

- (a) 該金額指於各年度就開拓本集團之新商機向本集團提供顧問服務之公允值。顧問服務費用乃按附註40所載透過於二零一零年發行10,000,000份購股權結付。
- (b) 於二零一零年十一月三十日，中國附屬公司與原告訂立和解協議(「和解協議」)，據此，中國附屬公司須於就執行判決書之所有責任及索償訂立和解協議後之五天內向原告支付港幣4,800,000元(相等於約人民幣4,080,000元)。款項已於二零一零年十二月一日支付。於二零一零年十二月二日，中國廣東省高級人民法院通過中國附屬公司與原告撤回判決書之申請。

14. DIVIDEND

No dividend was paid or proposed during the year ended 31 December 2011, nor has any dividend been proposed since the end of the reporting period (2010: Nil).

14. 股息

於截至二零一一年十二月三十一日止年度概無支付或建議支付任何股息，自期結日起亦未建議支付任何股息(二零一零年：無)。

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15. EARNINGS (LOSS) PER SHARE

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

Earnings (loss) figures are calculated as follows:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Earnings (loss)	盈利 (虧損)		
Earnings (loss) for the purpose of basic earnings (loss) per share for the year attributable to the owners of the Company	就年度本公司擁有人應佔每股基本盈利 (虧損) 而言之盈利 (虧損)	22,529	(30,853)
Effect of dilutive potential ordinary shares:	攤薄潛在普通股之影響:		
Interest on convertible bonds	可換股債券之利息	-	464
Change in fair values of convertible bonds	可換股債券之公允值變動	-	(14,860)
Earnings (loss) for the purpose of diluted earnings (loss) per share	就每股攤薄盈利 (虧損) 而言之盈利 (虧損)	22,529	(45,249)

15. 每股盈利 (虧損)

本公司擁有人應佔每股基本及攤薄盈利 (虧損) 乃根據以下數據計算:

盈利 (虧損) 數據計算如下:

		2011 二零一一年 '000 千股	2010 二零一零年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	普通股加權平均數 (就每股基本盈利 (虧損) 而言)	851,980	851,980
Effect of dilutive potential ordinary shares:	攤薄潛在普通股之影響:		
Share options issued by the Company (Note a)	本公司發行之購股權 (附註a)	-	-
Conversion of convertible bonds (Note b)	轉換可換股債券 (附註b)	-	23,032
Conversion of convertible redeemable preference shares	轉換可轉換可贖回優先股	484,211	462,056
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	普通股加權平均數 (就每股攤薄盈利 (虧損) 而言)	1,336,191	1,337,068

Note:

- (a) The computation of diluted earnings (loss) per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options was higher than the average market price of the Company's shares for the years ended 31 December 2011 and 2010.
- (b) The computation of diluted earnings (loss) per share does not assume the conversion of the Company's outstanding convertible bonds as the conversion price of those convertible bonds was higher than the average market price of the Company's shares for the year ended 31 December 2011.

附註:

- (a) 由於截至二零一一年十二月三十一日及二零一零年十二月三十一日止年度，本公司未行使購股權的行使價高於本公司股份平均市價，故計算每股攤薄盈利 (虧損) 時並無假設該等購股權獲行使。
- (b) 由於截至二零一一年十二月三十一日止年度本公司未轉換可換股債券的轉換價高於本公司股份平均市價，故計算每股攤薄盈利 (虧損) 時並無假設該等可換股債券獲轉換。

Diluted loss per share was the same as the basic loss per share for the year ended 31 December 2010 as the effect of the conversion of the Company's share options, convertible bonds and convertible redeemable preference shares was anti-dilutive.

截至二零一零年十二月三十一日止年度的每股攤薄虧損與每股基本虧損相同，原因為轉換本公司購股權、可換股債券及可轉換可贖回優先股具反攤薄作用。



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For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

16. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

16. 員工成本（不包括董事酬金）

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Salaries, wages and other benefits in kind	薪金、工資及其他實物利益	4,535	3,435
Retirement benefits scheme contributions	退休福利計劃供款	270	196
		4,805	3,631

Hong Kong

香港

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for its Hong Kong employees. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, each of the Group companies (the "employer") in Hong Kong and its employees makes monthly mandatory contributions to the scheme at 5% of the employee's earnings as defined under the Mandatory Provident Fund Legislation. The mandatory contributions from each of the employer and employees are subject to a cap of HK\$1,000 per month. During the year ended 31 December 2011, a total contribution of approximately RMB87,000 (2010: RMB62,000) was made by the Group in respect of this scheme.

本集團安排香港僱員參與由香港強制性公積金計劃條例規定的強制性公積金計劃（「強積金計劃」）。強積金計劃屬於界定供款計劃，由獨立授託人管理。根據強積金計劃，本集團各香港成員公司（「僱主」）及其僱員每月均按有關僱員之5%之收入（定義見強制性公積金法例）作出強制性供款。僱主及僱員之強制性供款以每月港幣1,000元為限。截至二零一一年十二月三十一日止年度，本集團就此計劃作出總供款約人民幣87,000元（二零一零年：人民幣62,000元）。

The PRC, other than Hong Kong

中國，除香港外

As stipulated by rules and regulations in the PRC, PRC subsidiaries are required to contribute to a state-managed retirement plan for all its employees at a certain percentage of the basic salaries of its employees. The state-managed retirement plan is responsible for the entire pension obligations payable to all retired employees. Under the state-managed retirement plan, the Group has no further obligations for the actual pension payments or post-retirement benefits beyond the annual contributions. During the year ended 31 December 2011, a total contribution of approximately RMB183,000 (2010: RMB134,000) was made by the Group in respect of this scheme.

根據中國的條例及法規規定，中國附屬公司須向為僱員而設置之國家退休福利計劃作出供款。供款額為僱員基本薪金的若干百分比。國家退休福利計劃負責向退休僱員支付所有退休金。在這個國家退休福利計劃之下，本集團除每年供款外不須對其他實際退休金支出或退休後福利作出任何承擔。截至二零一一年十二月三十一日止年度，本集團就此計劃作出總供款約人民幣183,000元（二零一零年：人民幣134,000元）。

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For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

17. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the nine (2010: eight) directors were as follow:

17. 董事及僱員酬金

(a) 董事酬金

已向或應向九位董事（二零一零年：八位）支付之酬金如下：

		For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度			
		Fees	Salaries, allowances and other benefits in kind	Retirement benefits scheme contributions	Total
		袍金	薪金、津貼及其他實物利益	退休福利計劃供款	總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Executive directors	執行董事				
Mr. Chen Xian	陳賢先生	-	1,396	5	1,401
Mr. Lau Sai Chung	劉世忠先生	-	1,280	13	1,293
Mr. Xiong Jianrui	熊劍瑞先生	-	712	9	721
Ms. Xia Dan	Xia Dan女士	-	465	4	469
Independent non-executive directors	獨立非執行董事				
Mr. Poon Lai Yin, Michael	潘禮賢先生	150	-	-	150
Mr. Chan Chun Fai (appointed on 30 June 2011)	陳振輝先生（於二零一一年六月三十日獲委任）	75	-	-	75
Mr. Ng Kwok Chu, Winfield (appointed on 30 June 2011)	吳國柱先生（於二零一一年六月三十日獲委任）	75	-	-	75
Mr. Chong Yiu Chik (resigned on 30 June 2011)	莊耀植先生（於二零一一年六月三十日辭任）	75	-	-	75
Mr. Choi Kai Ming, Raymond (resigned on 30 June 2011)	蔡繼明先生（於二零一一年六月三十日辭任）	75	-	-	75
Total	總計	450	3,853	31	4,334



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綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

17. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

17. 董事及僱員酬金 (續)

(a) 董事酬金 (續)

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

		Fees	Salaries, allowances and other benefits in kind 薪金、津貼及其他實物利益 RMB'000 人民幣千元	Retirement benefits scheme contributions 退休福利計劃供款 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
Executive directors	執行董事				
Mr. Chen Xian	陳賢先生	-	696	-	696
Mr. Lau Sai Chung	劉世忠先生	-	766	10	776
Mr. Tsim Sze Hon (resigned on 27 October 2010)	詹詩瀚先生 (於二零一零年十月二十七日辭任)	-	174	9	183
Mr. Xiong Jianrui	熊劍瑞先生	-	539	-	539
Ms. Xia Dan	Xia Dan女士	-	122	-	122
Non-executive director	非執行董事				
Ms. Xia Dan (re-designated as executive director on 27 October 2010)	Xia Dan女士 (於二零一零年十月二十七日調任為執行董事)	174	-	-	174
Independent non-executive directors	獨立非執行董事				
Mr. Poon Lai Yin, Michael	潘禮賢先生	157	-	-	157
Mr. Chong Yiu Chik	莊耀植先生	157	-	-	157
Mr. Choi Kai Ming, Raymond	蔡繼明先生	157	-	-	157
Total	總計	645	2,297	19	2,961

None of the directors waived or agreed to waive any emoluments paid by the Group during the two years ended 31 December 2011.

截至二零一一年十二月三十一日止兩個年度，概無董事放棄或同意放棄本集團所支付之任何酬金。

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綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

17. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

(b) Senior management's emoluments

Of the five individuals with highest emoluments in the Group, four (2010: four) were directors of the Company whose emoluments are set out in the above. The emolument of the remaining one (2010: one) individual was as follows:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Salaries, allowances and other benefits in kind	薪金、津貼及其他實物利益	582	440
Retirement benefits scheme contributions	退休福利計劃供款	13	10
		595	450

Their emoluments were within the following bands:

17. 董事及僱員酬金 (續)

(b) 高級管理層酬金

本集團五名最高薪酬個別人士中，四名（二零一零年：四名）均為本公司之董事，彼等之薪酬已於上文列載。剩餘一名（二零一零年：一名）個別人士之薪酬如下：

彼等之薪酬均介乎以下範圍內：

		No. of individuals 員工數目	
		2011 二零一一年	2010 二零一零年
Nil to HK\$1,000,000 (equivalent to approximately RMB831,000) (2010: RMB870,000)	零至港幣1,000,000元 (相等於約人民幣 831,000元) (二零一零年： 人民幣870,000元)	1	1

(c) No emolument have been paid by the Group to the directors of the Company or the highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office during the two years ended 31 December 2011.

(c) 截至二零一一年十二月三十一日止兩個年度，本集團概無向本公司董事或最高薪僱員支付酬金作為吸引加入或加入本集團時之獎金或作為離職補償。



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For the year ended 31 December 2011

截至二零一一年十二月三十一日止年度

18. PROPERTY, PLANT AND EQUIPMENT**18. 物業、機器及設備**

		Leasehold land and buildings 租賃土地及樓宇 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Equipment 設備 RMB'000 人民幣千元	Furniture 傢俱 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
COST	成本						
At 1 January 2010	於二零一零年 一月一日	34,910	4,992	2,916	228	994	44,040
Exchange realignment	匯兌差額	(720)	(32)	(9)	(6)	(15)	(782)
Additions	添置	-	-	25	84	-	109
Disposals	出售	-	-	(410)	-	(106)	(516)
At 31 December 2010	於二零一零年 十二月三十一日	34,190	4,960	2,522	306	873	42,851
Exchange realignment	匯兌差額	(937)	(41)	(12)	(8)	(15)	(1,013)
Additions	添置	-	-	-	6	88	94
At 31 December 2011	於二零一一年 十二月三十一日	33,253	4,919	2,510	304	946	41,932
ACCUMULATED DEPRECIATION	累計折舊						
At 1 January 2010	於二零一零年 一月一日	1,999	1,577	2,868	168	443	7,055
Exchange realignment	匯兌差額	(36)	(15)	(9)	(4)	(12)	(76)
Provided for the year	年內撥備	747	1,061	35	36	144	2,023
Eliminated on disposals	出售時對銷	-	-	(410)	-	(56)	(466)
At 31 December 2010	於二零一零年 十二月三十一日	2,710	2,623	2,484	200	519	8,536
Exchange realignment	匯兌差額	(65)	(28)	(11)	(8)	(15)	(127)
Provided for the year	年內撥備	727	986	21	45	125	1,904
At 31 December 2011	於二零一一年 十二月三十一日	3,372	3,581	2,494	237	629	10,313
CARRYING VALUES	賬面值						
At 31 December 2011	於二零一一年 十二月三十一日	29,881	1,338	16	67	317	31,619
At 31 December 2010	於二零一零年 十二月三十一日	31,480	2,337	38	106	354	34,315

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綜合財務報表附註

For the year ended 31 December 2011
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18. PROPERTY, PLANT AND EQUIPMENT (Continued)

- (a) The above items of property, plant and equipment are depreciated on a straight-line basis, after taking into account of their estimated residual values, at the following rates per annum:

Leasehold land and buildings	Over the shorter of the term of the lease or 2%
Leasehold improvements	Over the shorter of the term of the leases or 20%
Equipment	18% to 25%
Furniture	18% to 25%
Motor vehicles	18% to 30%

- (b) The carrying value of leasehold land and buildings shown above comprises:

18. 物業、機器及設備 (續)

- (a) 以上物業、機器及設備項目乃經計及其估計餘值後按以下年率以直線法折舊：

租賃土地及樓宇	2%或按租約年期 (以較短者為準)
租賃裝修	20%或按租約年期 (以較短者為準)
設備	18%至25%
傢俱	18%至25%
汽車	18%至30%

- (b) 以上租賃土地及樓宇之賬面值包括：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Medium-term lease held in:	持有中期租約於：		
– Hong Kong	– 香港	17,917	19,209
– the PRC	– 中國	11,964	12,271
		29,881	31,480

- (c) On 11 January 2006, the Group obtained a court order from the People's Intermediate Court of Shenzhen to freeze certain buildings of the Group with a carrying value of approximately RMB11,964,000 (2010: RMB12,271,000) ("Freeze Buildings") as a result of certain litigations against a subsidiary of the Group in relation to certain alleged guarantees and overdue bank borrowings ("Outstanding Amounts"). During the year ended 31 December 2010, such litigations were concluded and the Group undergone debt restructuring in the form of issuing convertible bonds to settle the Outstanding Amounts. Details of which are set out in Note 33.

During the year ended 31 December 2011, the relevant seizure had been released and the assets were no longer frozen by the relevant authorities as at 31 December 2011.

- (c) 於二零零六年一月十一日，由於本集團一間附屬公司因作出相關擔保及銀行透支借貸（「尚欠金額」）而招致若干訴訟，本集團收到由深圳中級人民法院發出之法院命令要求凍結本集團賬面值約人民幣11,964,000元（二零一零年：人民幣12,271,000元）之某建築物（「凍結物業」）。截至二零一零年十二月三十一日止年度，該訴訟已經完結及本集團正透過發行可換股債券方式進行債務重組，以支付尚欠金額。有關詳情列載於附註33。

截至二零一一年十二月三十一日止年度，有關封查已經解除，且有關資產於二零一一年十二月三十一日亦已獲相關機關解封。



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綜合財務報表附註

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

- (d) As at 31 December 2010, the Group has not obtained the building ownership certificates of the Freeze Buildings, due to the seizure, the application for obtaining the building ownership certificates of the Freeze Buildings was deferred. A legal opinion provided by the Group's PRC legal advisors on 14 March 2011 confirmed that although the subsidiary has not yet obtained the building ownership certificates of the Freeze Buildings, the ownership of the Freeze Building vested with the subsidiary.

As at 31 December 2011, the Group is in the process of applying for the building ownership certificates of the Freeze Buildings. A legal opinion provided by the Group's PRC legal advisors on 23 March 2012 confirmed that although the subsidiary has not yet obtained the building ownership certificates of the Freeze Buildings, the ownership of the Freeze Buildings vested with the subsidiary.

19. INVESTMENT PROPERTIES

18. 物業、機器及設備 (續)

- (d) 於二零一零年十二月三十一日，本集團因凍結物業仍在封查中，因此仍未取得凍結物業之房產證，房產證之申請已押後。本集團之中國法律顧問於二零一一年三月十四日發出法律意見書確認即使該附屬公司仍未獲得凍結物業之房產證，但凍結物業之擁有權仍屬於該附屬公司。

於二零一一年十二月三十一日，本集團仍在申請凍結物業之房產證。本集團之中國法律顧問於二零一二年三月二十三日發出法律意見書確認即使該附屬公司仍未獲得凍結物業之房產證，但凍結物業之擁有權仍屬於該附屬公司。

19. 投資物業

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
FAIR VALUE	公允值		
At beginning of the year	於年初	183,830	236,206
Exchange realignment	匯兌差額	(1,069)	(1,710)
Transferred to properties held for sale (Note c)	轉撥至待售物業 (附註c)	-	(52,100)
Transferred to assets held for sale (Note 31)	轉撥至持作出售資產 (附註31)	-	(10,200)
Disposals during the year (Note g)	於年內出售 (附註g)	(33,735)	-
Net increase in fair value recognised in profit or loss	於損益確認之公允值淨增長	12,999	11,634
At end of the year	於年結	162,025	183,830

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截至二零一一年十二月三十一日止年度

19. INVESTMENT PROPERTIES (Continued)

- (a) The carrying value of investment properties shown above comprises:

19. 投資物業 (續)

- (a) 以上投資物業之賬面值包括：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Medium-term leases held in:	持有中期租約於：		
– Hong Kong	– 香港	6,325	40,630
– the PRC	– 中國	155,700	143,200
		162,025	183,830

- (b) All of the Group's investment properties are held under operating leases to earn rentals or for capital appreciation purposes and are measured using the fair value model.

- (b) 本集團之所有投資物業都透過營運租賃賺取租金或以資本增值為目的持有及以公允價值模型計算。

- (c) During the year ended 31 December 2010, there was a change of intention for certain investment properties which were transferred at fair value of approximately RMB52,100,000 to properties held for sale.

- (c) 截至二零一零年十二月三十一日止年度，有意轉向將若干投資物業按公允價值約人民幣52,100,000元轉撥至待售物業。

- (d) The fair values of the Group's investment properties in Hong Kong and the PRC as at 31 December 2011 and 2010 were valued by Vigers Appraisal & Consulting Limited ("Vigers"), independent qualified professional valuers not connected to the Group. Vigers has appropriate qualifications and has recent experiences in the valuation of similar properties in the relevant locations. The valuations have been arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions.

- (d) 於二零一一年及二零一零年十二月三十一日，本集團於香港及中國之投資物業之公允價值已由與本集團並無關連之獨立認可專業估值師威格斯資產評估顧問有限公司（「威格斯」）評估。威格斯具備適當的資格，並擁有評估有關地點之同類物業的經驗。估值乃參照同一地點和條件之類似物業之市場交易價格而作出。



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截至二零一一年十二月三十一日止年度

19. INVESTMENT PROPERTIES (Continued)

(e) On 11 January 2006, the Group obtained a court order from the People's Intermediate Court of Shenzhen to freeze certain buildings of the Group which included investment properties with a carrying value of approximately RMB143,200,000 as at 31 December 2010 ("Freeze Investment Properties") as a result of certain litigations against a subsidiary of the Group in relation to certain alleged guarantees and overdue bank borrowings ("Outstanding Amounts"). During the year ended 31 December 2010, such litigations were concluded and the Group undergone debt restructurings in the form of issuing convertible bonds to settle the Outstanding Amounts. Details of which are set out in Note 33. During the year ended 31 December 2011, the relevant seizure had been released and the assets were no longer frozen by the relevant authorities as at 31 December 2011.

(f) As at 31 December 2010, the Group has not obtained the building ownership certificates of the Freeze Buildings, due to the seizure, the application for obtaining the building ownership certificates of the Freeze Buildings was deferred. A legal opinion provided by the Group's PRC legal advisors on 14 March 2011 confirmed that although the subsidiary has not yet obtained the building ownership certificates of the Freeze Buildings, the ownership of the Freeze Building vested with the subsidiary.

As at 31 December 2011, the Group is in the process of applying for the building ownership certificates of the Freeze Buildings. A legal opinion provided by the Group's PRC legal advisors on 23 March 2012 confirmed that although the subsidiary has not yet obtained the building ownership certificates of the Freeze Buildings, the ownership of the Freeze Buildings vested with the subsidiary.

(g) During the year ended 31 December 2011, certain investment properties located in Hong Kong with an aggregate carrying values of approximately RMB33,735,000 (2010: Nil) were disposed of at a total consideration of approximately RMB35,016,000 (2010: Nil). A gain of approximately RMB1,281,000 (2010: Nil) was recognised in the consolidated statement of comprehensive income for the year ended 31 December 2011.

19. 投資物業 (續)

(e) 於二零零六年一月十一日，由於本集團一間附屬公司因作出相關的擔保及銀行透支借貸(「尚欠金額」)而招致若干訴訟，本集團收到由深圳中級人民法院發出之法院命令要求凍結本集團於二零一零年十二月三十一日賬面值約人民幣143,200,000元之某建築物(「凍結投資物業」)。截至二零一零年十二月三十一日止年度，該訴訟已經完結及本集團正透過發行可換股債券方式進行債務重組，以支付尚欠金額。有關詳情列載於附註33。截至二零一一年十二月三十一日止年度，有關封查已經解除，且有關資產於二零一一年十二月三十一日亦已獲相關機關解封。

(f) 於二零一零年十二月三十一日，本集團因凍結物業仍在封查中，因此仍未取得凍結物業之房產證，房產證之申請已押後。本集團之中國法律顧問於二零一一年三月十四日發出法律意見書確認即使該附屬公司仍未獲得凍結物業之房產證，但凍結物業之擁有權仍屬於該附屬公司。

於二零一一年十二月三十一日，本集團仍在申請凍結物業之房產證。本集團之中國法律顧問於二零一二年三月二十三日發出法律意見書確認即使該附屬公司仍未獲得凍結物業之房產證，但凍結物業之擁有權仍屬於該附屬公司。

(g) 截至二零一一年十二月三十一日止年度，本集團出售位於香港之總賬面值約人民幣33,735,000元(二零一零年：零)之若干投資物業，總代價約為人民幣35,016,000元(二零一零年：零)。已於截至二零一一年十二月三十一日止年度之綜合全面收益表中確認有關收益約人民幣1,281,000元(二零一零年：零)。

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20. PREPAID LEASE PAYMENTS

20. 租賃預付款項

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
The Group's prepaid lease payments on land use rights are held under medium-term leases in the PRC and analysed for reporting purposes as:	本集團之土地使用權之租賃預付款項乃於中國以中期租約持有並分析作報告用途如下：		
Current assets	流動資產	6	6
Non-current assets	非流動資產	240	246
		246	252

Note: On 11 January 2006, the Group obtained a court order from the People's Intermediate Court of Shenzhen to freeze certain land of the Group which included prepaid lease payments with a carrying value of approximately RMB252,000 at 31 December 2010 as a result of certain litigations against a subsidiary of the Group in relation to certain alleged guarantees and overdue bank borrowings ("Outstanding Amounts"). During the year ended 31 December 2010, such litigations were concluded and the Group undergone debt restructurings in the form of issuing convertible bonds to settle the Outstanding Amounts. Details of which are set out in Note 33.

附註：於二零零六年一月十一日，由於本集團一間附屬公司因作出相關的擔保及銀行透支借貸（「尚欠金額」）而招致若干訴訟，本集團收到由深圳中級人民法院發出之法院命令要求凍結本集團租賃預付款項於二零一零年十二月三十一日之賬面值約人民幣252,000元之若干土地。截至二零一零年十二月三十一日止年度，該訴訟已經完結及本集團正透過發行可換股債券方式進行債務重組，以支付尚欠金額。有關詳情列載於附註33。

21. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL

21. 商譽及商譽之減值測試

(a) Goodwill

(a) 商譽

		RMB'000 人民幣千元
COST AND CARRYING VALUE	成本及賬面值	
At 1 January 2010, 31 December 2010 and 31 December 2011	於二零一零年一月一日、二零一零年十二月三十一日及二零一一年十二月三十一日	184,231



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21. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL (Continued)

(b) Impairment testing on goodwill

For the purpose of impairment testing, goodwill set out above has been allocated to one individual cash generating unit, the property development segment.

The directors of the Company are of the opinion that, based on the business valuation report of the property development segment as at 31 December 2011 issued by Norton Appraisals Limited, an independent professional valuer not connected to the Group ("Norton"), the recoverable amount of the property development segment exceeds its carrying amount in the consolidated statement of financial position and therefore, no impairment loss is necessary.

The recoverable amount of the cash generating unit is determined from the income-based approach calculation as extracted from Norton's valuation report for the recoverable amount as at 31 December 2011. The Group prepared cash flow forecast derived from the most recent available financial budgets approved by management and extrapolated over two (2010: two) years. In preparing the forecasts, management made references to project area for real estate development. The key assumptions for the value-in-use calculation were those regarding discount rates and anticipated changes to future selling prices, as follows:

- Projected cashflow forecasts are based on development plans of real estate projects.
- Management used a discount rate which is derived as the Company's weighted average cost of capital, representing the expected return on the Company's capital, and assigned a discount of 15.95% (2010: 18.65%).
- Future selling prices were estimated with reference to existing and past selling prices in the real estate industry in the PRC.

21. 商譽及商譽之減值測試 (續)

(b) 商譽之減值測試

就減值測試為目的而言，以上所列的商譽已分配到一個個別現金產生單位－物業發展分部。

本公司董事認為，根據於二零一一年十二月三十一日由普敦國際評估有限公司（「普敦」）（為與本集團並無關連之獨立專業估值師）所發出之物業發展分部商業評估報告，物業發展分部之可收回金額高於其於綜合財務狀況表之賬面值，因此無須作出減值虧損。

現金產生單位之可收回金額乃摘錄自普敦對二零一一年十二月三十一日之可收回金額之估值報告以收入基準方式計算釐訂。本集團之現金預測乃根據最近獲管理層批准及根據過往兩年（二零一零年：兩年）之財政預算準備及編製。於準備預測時，管理層曾考慮房產發展之地區。使用價值計算之主要假設為以下項目的相關折扣率及未來銷售價格的預計轉變：

- 已計劃的現金流預測基於房產項目的發展計劃。
- 管理層已使用一個由公司加權平均資本成本（等於本公司資本的預計回報）所衍生的折扣率及已指定折扣為15.95%（二零一零年：18.65%）。
- 未來銷售價格根據中國房地產市場現時及過去的銷售價格估算。

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22. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Unlisted equity securities, at cost	於成本之非上市權益證券	51,338	51,338
Less: impairment loss recognised	減：已確認減值虧損	(51,338)	(51,338)
		-	-

(a) The available-for-sale investments are measured at cost less impairment at the end of the reporting period as the range of reasonable fair value estimates is so wide that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

(b) Available-for-sale investments amounting to approximately RMB51,338,000 (2010: RMB51,338,000) represents the Group's 18.52% unlisted equity interest in the registered capital of Goldwiz Huarui (Tongling) Electronic Material Company Limited* (科維華瑞(銅陵)電子材料有限公司), a company incorporated in the PRC, the operation of which has been suspended since December 2005 due to critical liquidity problem. Accordingly, the investment cost had been fully impaired in previous years.

* The English name is for identification purpose only.

23. INVENTORIES

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Merchandise	商品	3,540	12,701

During the year ended 31 December 2011, certain impaired inventories were sold at loss. As a result, a reversal of impairment of inventories of approximately RMB58,000 (2010: RMB372,000) has been recognised and included in the consolidated statement of comprehensive income for the year ended 31 December 2011.

22. 可供出售投資

可供出售投資包括：

(a) 於期結日之可供出售投資之計算方法是以購入成本減去減值撥備，因為可估算的合理公允值的差異很大，故本公司董事認為其公允值難以可靠計量。

(b) 可供出售投資金額約為人民幣51,338,000元(二零一零年：人民幣51,338,000元)是本集團所佔之一間於中國註冊非上市公司，科維華瑞(銅陵)電子材料有限公司的註冊資本之18.52%非上市權益，該公司因重大流動資金問題已於二零零五年十二月終止業務運作。因此，投資成本已全數於以往年度作出減值。

* 英文名稱僅供識別。

23. 存貨

截至二零一一年十二月三十一日止年度，若干已減值之存貨已售出並錄得虧損。因此，存貨之減值撥回約人民幣58,000元(二零一零年：人民幣372,000元)已確認及已包括在截至二零一一年十二月三十一日止年度之綜合全面收益表內。



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24. PROPERTIES UNDER DEVELOPMENT

24. 在建物業

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
At the beginning of the year	於年初	737,095	376,259
Additions	添置	216,706	351,314
Interest capitalised (Note 11)	資本化利息(附註11)	17,841	9,522
At the end of the year	於年結	971,642	737,095

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Represented by:	代表：		
Land use rights	土地使用權	337,558	337,558
Construction costs and capitalised expenditure	建築成本及資本化開支	634,084	399,537
		971,642	737,095

The carrying amounts of the properties under development situated on the leasehold land in the PRC are as follows:

位於中國於租賃土地上之在建物業賬面值如下：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Medium-term lease	中期租約	209,861	147,404
Long-term lease	長期租約	761,781	589,691
		971,642	737,095

Properties under development are classified as current asset as the construction period of the relevant property development project is expected to complete in the normal operating cycle. As at 31 December 2010, the carrying amount of properties under development of approximately RMB737,095,000 (2011: Nil) are expected not to be realised within the next twelve months from the end of the reporting period.

由於相關在建物業發展項目之建築期預計以一般營運週期完成，因此在建物業獲分類為流動資產。於二零一零年十二月三十一日，預期在建物業之賬面值約人民幣737,095,000元(二零一一年：無)不會於期結日起未來十二個月內變現。

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25. PROPERTIES HELD FOR SALE

The Group's properties held for sale are situated in the PRC. All the properties held for sale are stated at cost or net realisable value.

During the year ended 31 December 2011, certain impaired properties held for sale were sold at profit. As a result, a reversal of impairment loss in respect of properties held for sale of approximately RMB6,904,000 (2010: Nil) has been recognised and included in the consolidated statement of comprehensive income for the year ended 31 December 2011.

At 31 December 2011, properties held for sale to the amount of approximately RMB45,691,000 (2010: RMB79,818,000) is stated at net realisable value.

26. TRADE AND OTHER RECEIVABLES

Trade receivables	貿易應收賬款	29,429	33,112
Less: impairment loss recognised	減：已確認減值虧損	(5,187)	(5,678)
		24,242	27,434
Prepayments, deposits and other receivables	預付款、按金及 其他應收賬款	40,733	16,425
Less: impairment loss recognised	減：已確認減值虧損	(2,575)	(1,594)
		38,158	14,831
		62,400	42,265

Customers from the trading segment are normally required to settle the debts within one to two months upon issue of invoices, except for certain well established customers where the terms are extended to two to three months.

Trade receivables from rental income are due for settlement in accordance with the terms of the underlying agreements entered into with the tenants.

Trade receivables from the sale of properties are received in accordance with the terms of the related sales and purchase agreement. The Group does not hold any collateral over these balances.

25. 待售物業

本集團之待售物業均位於中國。所有待售物業以成本或可變現淨值呈列。

截至二零一一年十二月三十一日止年度，若干已減值待售物業已售出並獲得溢利。因此，待售物業之減值虧損撥回約人民幣6,904,000元（二零一零年：無）已確認及已計入截至二零一一年十二月三十一日止年度之綜合全面收益表內。

於二零一一年十二月三十一日，為數約人民幣45,691,000元（二零一零年：人民幣79,818,000元）的待售物業按可變現淨值列賬。

26. 貿易及其他應收賬款

	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Trade receivables	29,429	33,112
Less: impairment loss recognised	(5,187)	(5,678)
	24,242	27,434
Prepayments, deposits and other receivables	40,733	16,425
Less: impairment loss recognised	(2,575)	(1,594)
	38,158	14,831
	62,400	42,265

來自貿易分部之客戶收到賬單後，一般需要一至兩個月清還債務，除了若干已建立良好關係之客戶可延長至兩至三個月。

來自租金收入之貿易應收賬款乃按與租戶訂立之相關協議之條款到期支付。

來自出售物業之貿易應收賬款乃按相關買賣協議之條款收取。對於該等結餘，本集團並無持有任何抵押品。



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26. TRADE AND OTHER RECEIVABLES (Continued)

- (a) The following is an aged analysis of trade receivables net of impairment loss recognised presented based on invoice date at the end of the reporting period:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Within 60 days	60天以內	23,423	27,434
Over 365 days	超過365天	819	-
		24,242	27,434

Included in the Group's trade receivable is an amount of approximately RMB16,700,000 (2010: RMB21,500,000) derived from the sale of properties. In accordance with the terms of the sales and purchase agreement, this receivable is repayable by installment.

- (b) Included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately RMB819,000 (2010: Nil) which are past due as at the reporting date for which the Group has not provided for impairment loss. Trade receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Ageing of trade receivables which are past due but not impaired

26. 貿易及其他應收賬款 (續)

- (a) 以下為於期結日按發票日期呈列之貿易應收賬款(經扣除已確認減值虧損)之賬齡分析：

本集團貿易應收賬款包括約人民幣16,700,000元(二零一零年：人民幣21,500,000元)源自銷售物業的款項。根據買賣協議條款，該應收款項應分期支付。

- (b) 本集團貿易應收賬款結餘包括賬面總額約人民幣819,000元(二零一零年：無)的應收款項，該款項於報告日期已逾期，而本集團並無對其作出減值虧損撥備。未逾期且無減值之貿易應收賬款與廣泛客戶有關，其無任何最近之拖欠歷史。

已逾期但未減值之貿易應收賬款之賬齡

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Over 365 days	超過365天	819	-

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26. TRADE AND OTHER RECEIVABLES (Continued)

(c) The movements in impairment losses recognised in respect of trade receivables are as follows:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
At beginning of the year	於年初	5,678	4,086
Exchange realignment	匯兌差額	(223)	(219)
Written off during the year	於年內撇銷	(317)	-
Recognised during the year	於年內確認	49	1,811
At end of the year	於年結	5,187	5,678

At 31 December 2011, included in the impairment loss are individually impaired trade receivables with an aggregate balance of approximately RMB5,187,000 (2010: RMB5,678,000) which are due to long outstanding.

(d) The movements in impairment losses recognised in respect of other receivables are as follows:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
At beginning of the year	於年初	1,594	1,609
Exchange realignment	匯兌差額	(19)	(15)
Recognised during the year	於年內確認	1,000	-
At end of the year	於年結	2,575	1,594

At 31 December 2011, included in the impairment loss are individually impaired other receivables with an aggregate balance of approximately RMB2,575,000 (2010: RMB1,594,000) which are due to long outstanding.

26. 貿易及其他應收賬款 (續)

(c) 於貿易應收賬款確認之減值虧損變動如下：

於二零一一年十二月三十一日，計入減值虧損之個別已減值貿易應收賬款結餘總額約為人民幣5,187,000元（二零一零年：人民幣5,678,000元），該貿易應收賬款乃長期未清還。

(d) 就其他應收賬款已確認之減值虧損變動如下：

於二零一一年十二月三十一日，計入減值虧損之個別已減值其他應收賬款之結餘總額約為人民幣2,575,000元（二零一零年：人民幣1,594,000元），該其他應收賬款乃長期未清還。



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27. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments comprise:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Trust fund investments	信託基金投資	150,704	150,704
Less: impairment loss recognised	減：已確認減值虧損	(150,704)	(150,704)
		-	-

Trust fund investments represented funds placed by two PRC subsidiaries with Kinghing Trust & Investment Co., Ltd.* (金信信託及投資有限公司) (the "Trust Company"), an independent trust investment company in the PRC. Pursuant to the relevant contracts, the funds were for a fixed term up to May 2006 and the Group's return on the trust funds is limited to an annual rate of return of 4%.

In early 2006, the Company was informed that the Trust Company has been ordered by the relevant authority to suspend its operation. The assets of the Trust Company are now being managed by the China Construction Bank. The two PRC subsidiaries have registered with the China Construction Bank its entitlement to the fund. Despite the Group's repeated attempts for confirmation of the repayment schedule, neither the China Construction Bank nor the local government has provided any information. In view of the absence of sufficient information to substantiate the recoverability of the trust fund, as at 30 June 2006, the directors of the Company consider to recognise an impairment loss of approximately RMB150,704,000 on trust fund investments.

* The English name is for identification purpose only.

27. 持有至到期日投資

持有至到期日投資如下：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Trust fund investments	信託基金投資	150,704	150,704
Less: impairment loss recognised	減：已確認減值虧損	(150,704)	(150,704)
		-	-

信託基金投資乃兩間國內附屬公司於中國一間名為金信信託及投資有限公司(「信託公司」)之獨立信託投資公司所投放之基金。根據有關合約，該基金為固定期限基金，並於二零零六年五月屆滿。本集團可於該信託基金取得的回報最高為每年4%。

於二零零六年初，本公司獲通知該信託公司已由有關機關勒令停止業務，其資產亦已由中國建設銀行接管。該兩間國內附屬公司已向中國建設銀行登記該基金之贖回權。雖然本集團不斷試圖取得歸還時間表的確認書，惟現時仍未得到中國建設銀行或當地政府提供任何資料。由於缺少足夠資料證實該信託基金之可收回性，於二零零六年六月三十日，本公司董事基於審慎起見考慮就該信託基金投資確認為數約人民幣150,704,000元減值虧損。

* 英文名稱僅供識別。

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28. HELD-FOR-TRADING INVESTMENTS

Held-for-trading investments comprise:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Equity securities listed in Hong Kong at fair value	香港上市權益證券公允值	219	1,211

The above financial assets are classified as held-for-trading. The fair values of these financial assets are based on quoted market prices.

29. RESTRICTED BANK DEPOSITS

The restricted bank deposits are represented by the guarantee deposit for construction of projects. In accordance with relevant documents issued by the PRC local Stated-Owned Land and Resource Bureau, the Group's property development is required to place the proceeds received from pre-sale of properties as guarantee deposits for construction of properties. The deposits can only be used to pay for construction fees and purchase costs or expenses incurred in the construction materials when approvals are obtained from the PRC local Stated-Owned Land and Resource Bureau. The restriction will be released after the construction is completed or estate ownership certificate of the pre-sold properties is issued, whichever is earlier.

Restricted bank deposits carry interest at floating daily bank deposits rate.

30. BANK BALANCES AND CASH

Bank balances carry interest at market rate which ranged from 0.01% to 0.50% (2010: 0.01% to 0.36%) per annum.

28. 持作交易用途之投資

持作交易用途之投資如下：

以上財務資產獲分類為為交易而持有，該等財務資產之公允值乃基於市場報價。

29. 有限制銀行存款

有限制銀行存款指建築工程之保證按金。根據中國地方國有土地資源管理局頒佈之相關文件，本集團之物業發展須將預售物業所得款項用作興建房地產的保證按金。取得中國地方國有土地資源管理局的批准後，該按金始可用作支付有關項目的建造費用及購置建築材料之採購成本或開支。這限制將於建築工程完成或發出預售物業房地產權證（以較早者為準）後解除。

有限制銀行存款按浮動之每日銀行存款利率計息。

30. 銀行結存及現金

銀行結存按每年介乎0.01%至0.50%（二零一零年：0.01%至0.36%）之市場利率計息。



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31. ASSETS CLASSIFIED AS HELD FOR SALE

On 16 December 2010, the Group entered into a preliminary agreement for the sale of an investment property with a carrying amount of approximately RMB10,200,000 to an independent third party at a consideration net of transaction costs, of approximately HK\$13,074,000 (equivalent to approximately RMB10,965,000). The sales and purchase agreement was entered into on 3 January 2011. The respective property was disposed of in March 2011.

32. TRADE AND OTHER PAYABLES

Trade payables	貿易應付賬款
Receipts in advance (Note iii)	預收款 (附註iii)
Consideration payable (Note 38)	應付代價 (附註38)
Accrued expenses and other payables	應付開支及其他應付賬款

- (i) The Group normally receives credit period from suppliers ranging from 30 days to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.
- (ii) An aged analysis of the trade payables at the end of the reporting period based on invoice date is as follows:

Within 60 days	60天以內
Over 365 days	超過365天

- (iii) Receipts in advance represents sales proceeds received from buyers in connection with the Group's pre-sale of properties at the end of the reporting period.

31. 分類為持作銷售之資產

於二零一零年十二月十六日，本集團就出售賬面值約人民幣10,200,000元之投資物業予獨立第三方訂立初步協議，代價（經扣除交易成本）為約港幣13,074,000元（相等於約人民幣10,965,000元）。買賣協議乃於二零一一年一月三日訂立。該物業乃於二零一一年三月出售。

32. 貿易及其他應付賬款

	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Trade payables	26,288	28,564
Receipts in advance (Note iii)	883,572	282,672
Consideration payable (Note 38)	–	55,133
Accrued expenses and other payables	9,782	35,439
	919,642	401,808

- (i) 本集團一般收到供應商的賬期為30天到90天。本集團業已建立財務風險管理政策，確保所有應付賬款於信貸期內償付。
- (ii) 於期結日之貿易應付賬款按發票日期賬齡分析如下：

	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Within 60 days	25,447	28,564
Over 365 days	841	–
	26,288	28,564

- (iii) 預收款指本集團於期結日之物業預售，向買家收取之預售所得款項。

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33. PROVISION FOR CLAIMS

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
At beginning of the year	於年初	–	60,700
Settlement during the year	年內支付	–	(60,700)
At end of the year	於年結	–	–

At 31 December 2009, the Group's remaining provision for claims of approximately RMB60,700,000 was in respect of a claim made in 2008. In 2008, Bank of China, Shenzhen Branch (the "Bank") made a claim against a PRC subsidiary of the Company under a corporate guarantee allegedly provided by the subsidiary to the Bank in respect of a third party. A judgement was made by the relevant court on the litigation in favour of the Bank.

On 23 October 2007, the PRC subsidiary and the Bank entered into a non-binding memorandum of understanding ("MOU") under which both parties agreed that the aggregate principal and interests of the amount of approximately RMB60,700,000 would be restructured into a term of not less than 1 year and not more than 3 years against the pledge of the Group's leasehold buildings, prepaid lease payments and investment properties in the PRC (to be secured under the above guarantee provisions of approximately RMB60,700,000 and the bank loan of approximately RMB71,734,000 as at 31 December 2009 and certain amount of accrued interest would be waived.

33. 索償撥備

於二零零九年十二月三十一日，本集團約人民幣60,700,000元之剩餘索償撥備屬二零零八年之索償。於二零零八年，本公司中國附屬公司被聲稱作出擔保而被中國銀行深圳分行（「銀行」）就有關擔保提出索償，該等索償為宣稱該等中國附屬公司替第三方授出的。有關法院已就聲稱作出擔保之訴訟作出裁決，勝方為銀行。

於二零零七年十月二十三日，國內附屬公司與銀行簽訂了一份不具約束力之諒解備忘錄（「備忘錄」），據此，雙方一致認為，總額為約人民幣60,700,000元之本金及利息將重組為不少於一年但不超過三年之定期貸款，並以中國境內之租賃建築、租賃預付款項及投資物業作為抵押（根據上述擔保規定，於二零零九年十二月三十一日，待擔保之金額約人民幣60,700,000元及銀行貸款金額約人民幣71,734,000元），可免除一定數額之應計利息。



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33. PROVISION FOR CLAIMS (Continued)

On 16 September 2010, the Company and Silver Yuan Investment Partners Limited (the "Subscriber"), a wholly-owned subsidiary of Bank of China Group Investment Limited entered into a subscription agreement (the "Subscription Agreement") in which the Company would issue HK\$160,000,000 (equivalent to approximately RMB136,000,000) convertible bonds (the "CB I") to the subscriber (Note 35). On 1 December 2010, the subscription of CB I and the proceeds from the subscription were used for the settlement of the following amounts due to the Bank:

- (i) Provision of approximately RMB60,700,000 in relation to guaranteed provisions;
- (ii) Overdue bank loans of RMB67,734,000; and
- (iii) Accrued interests of RMB52,426,000.

The fair value of the CB I on 1 December 2010 was approximately RMB198,909,000, resulting a loss on debt restructuring of approximately RMB18,049,000.

A settlement agreement dated 30 December 2010 was entered into between the Company and the Bank, confirming the waiver of the right to claim against the Company for any outstanding amount due to the Bank.

33. 索償撥備 (續)

於二零一零年九月十六日，本公司與中銀集團投資有限公司全資附屬公司銀元投資有限公司（「認購人」）訂立認購協議（「認購協議」），據此，本公司將發行港幣160,000,000元（相等於約人民幣136,000,000元）之可換股債券（「可換股債券I」）予認購人（附註35）。於二零一零年十二月一日，可換股債券I之認購及認購之所得款項用作支付下列應付銀行之款項：

- (i) 就擔保撥備作出之撥備約人民幣60,700,000元；
- (ii) 逾期銀行貸款人民幣67,734,000元；及
- (iii) 應計利息人民幣52,426,000元。

可換股債券I於二零一零年十二月一日之公允值約人民幣198,909,000元，就債務重組產生虧損約人民幣18,049,000元。

本公司與銀行訂立日期為二零一零年十二月三十日之和解協議，確認放棄向本公司就任何應付銀行之未償還款項索償之權利。

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34. BANK BORROWINGS

34. 銀行貸款

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Bank loans, secured	有擔保銀行貸款	99,357	385,936
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Carrying amounts repayable*:	應付款賬面值*：		
On demand or within one year	按要求或於一年內	90,887	24,070
More than one year but not exceeding two years	超過一年但兩年內	-	350,000
		90,887	374,070
Carrying amount of bank borrowings that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	於期結日起計一年內未能償還但具有可按要求償還條款之銀行貸款賬面值（於流動負債項下呈列）	8,470	11,866
		99,357	385,936
Less: amounts due within one year shown under current liabilities	減：於一年之內到期流動負債	(99,357)	(35,936)
Amounts shown under non-current liabilities	於非流動負債項下所示金額	-	350,000

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

* 到期金額乃按貸款協議所載計劃還款日期而釐定。

The secured bank loans carry interest at the prevailing market interest rate. The effective interest rates of the secured bank loans at 31 December 2011 ranged from 1.86% to 7.94% (2010: 1.80% to 7.15%) per annum.

該等抵押銀行貸款按市場息率計息。抵押銀行貸款於二零一一年十二月三十一日之實際年利率介乎1.86%至7.94%（二零一零年：1.80%至7.15%）。

At 31 December 2011, the loans are secured against the Group's leasehold land and buildings, investment properties and properties under development with carrying values of approximately RMB17,917,000, RMB6,325,000 and RMB971,642,000 respectively.

於二零一一年十二月三十一日，貸款乃以本集團賬面值分別約為人民幣17,917,000元、人民幣6,325,000元及人民幣971,642,000元之租賃土地及樓宇、投資物業及在建物業作抵押。

At 31 December 2010, the loans are secured against the Group's leasehold land and buildings, investment properties, properties under development and assets held for sale with carrying values of approximately RMB19,209,000, RMB40,630,000, RMB737,095,000 and RMB10,200,000 respectively.

於二零一零年十二月三十一日，貸款乃以本集團賬面值分別約為人民幣19,209,000元、人民幣40,630,000元、人民幣737,095,000元及人民幣10,200,000元之租賃土地及樓宇、投資物業、在建物業及持作出售資產作抵押。



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35. CONVERTIBLE BONDS

35. 可換股債券

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Convertible bonds issued by the Company:	本公司發行之可換股債券：		
At beginning of the year	於年初	184,391	–
Issue of convertible bonds during the year	年內發行可換股債券	186,093	198,909
Change in fair value of convertible bonds	可換股債券之公允價值變動	(45,393)	(14,860)
Exchange realignment	匯兌差額	(13,831)	342
At end of the year	於年結	311,260	184,391

Convertible bonds are designated at fair value through profit or loss.

可換股債券均指定為按公允價值計入損益。

- (a) On 1 December 2010 (“Issue Date I”), the Company issued CB I in principal amount of HK\$160,000,000 (equivalent to approximately RMB136,000,000) to the Subscriber (Note 33). The net proceeds from the issue of the CB I were used to settle the entire outstanding amount due to the Bank. The CB I is secured by a guarantee and share charge over Usualink Development Limited (“Usualink”), a wholly-owned subsidiary of the Company. The CB I entitle the holders to convert them into ordinary shares of the Company at any time on or after three months from the Issue Date I up to ten business days prior to 30 November 2013 (“the Settlement Date I”) in multiples of HK\$5,000,000 (equivalent to approximately RMB4,250,000) at an initial conversion price of HK\$0.59 (equivalent to approximately RMB0.50) (subject to adjustments) per conversion share. If the CB I has not been converted, they will be redeemed on the Settlement Date I at par. Interest of 4% per annum will be paid semi-annually up until the Settlement Date I.

- (a) 於二零一零年十二月一日（「發行日期I」），本公司發行本金額港幣160,000,000元（相等於約人民幣136,000,000元）之可換股債券I予認購人（附註33）。發行可換股債券I之所得款項淨額用於支付應付銀行之全部未償還款項。可換股債券I乃以擔保作抵押，並將股份押記予本公司全資附屬公司通聯發展有限公司（「通聯」）。可換股債券I授權持有人於發行日期起計三個月或之後至二零一三年十一月三十日（「支付日期I」）前十個營業日期間隨時將可換股債券按港幣5,000,000元（相等於約人民幣4,250,000元）之倍數轉換為本公司普通股，初始轉換價為每股轉換股份港幣0.59元（相等於約人民幣0.50元）（可予調整）。倘可換股債券I尚未獲轉換，則將於支付日期I按面值贖回。每年4厘之利息將每半年派付一次至支付日期I止。

Pursuant to the CB I subscription agreement, the conversion price of the CB I shall be adjusted on each of the first and second anniversaries of the Issue Date I if the volume weighted average price of the shares over the preceding calendar month is less than 85% of the applicable conversion price. The new conversion price will then be adjusted to a price equal to 85% of the conversion price immediately before the adjustment.

根據可換股債券I認購協議，倘股份數量加權平均價於首個及第二個週年之前曆月少於當時換股價之85%，則可換股債券I換股價須於發行日期I之首個及第二個週年調整。新換股價將被調整至相等於緊隨調整前換股價85%之價格。

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35. CONVERTIBLE BONDS (Continued)

(a) (Continued)

The fair value of the CB I at 31 December 2011 and at 31 December 2010 is approximately HK\$175,640,000 (equivalent to approximately RMB142,428,000) and approximately HK\$216,930,000 (equivalent to approximately RMB184,391,000) respectively, which is determined taking into account a valuation carried out by Vigers using the binomial model.

The fair value of the CB I at the end of the reporting period was calculated using the market value basis. Major parameters adopted in the calculation of the fair value are summarised below:

		31 December 2011 二零一一年 十二月三十一日	31 December 2010 二零一零年 十二月三十一日
Share price	股份價格	HK\$0.54 港幣0.54元	HK\$0.72 港幣0.72元
Conversion price	換股價	HK\$0.59 港幣0.59元	HK\$0.59 港幣0.59元
Expected volatility (Note i)	預期波幅 (附註i)	48%	61%
Expected life (Note ii)	預期有效期 (附註ii)	23 months 23個月	35 months 35個月
Risk-free rate (Note iii)	無風險比率 (附註iii)	0.34%	1.25%
Expected dividend yield (Note iv)	預期股息率 (附註iv)	0%	0%

Notes:

- (i) Expected volatility was determined by calculating the historical volatility of the Company's share price.
- (ii) Expected life was the expected remaining life of the option.
- (iii) The risk-free rate is determined by reference to the yield of the Hong Kong Exchange Fund Notes with duration similar to the life of the CB I.
- (iv) The expected dividend yield was based on the historical dividend payment record of the Company.

35. 可換股債券 (續)

(a) (續)

於二零一一年十二月三十一日及二零一零年十二月三十一日可換股債券I之公允值分別約為港幣175,640,000元(相等於約人民幣142,428,000元)及港幣216,930,000元(相等於約人民幣184,391,000元)，其乃經考慮威格斯利用二項模式進行之估值而釐定。

於期結日可換股債券I之公允值乃按市值基準計算。計算公允值所採用的主要參數概括如下：

附註：

- (i) 預期波幅通過計算本公司股份價格之歷史波幅釐定。
- (ii) 預期有效期為換股權之預期餘下有效期。
- (iii) 無風險利率乃參考與可換股債券I具有相近年期之香港外匯基金票據之收益率釐定。
- (iv) 預期股息收益率根據本公司過往派息記錄釐定。



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35. CONVERTIBLE BONDS (Continued)

- (b) On 1 March 2011 ("Issue Date II"), the Company issued convertible bonds ("CB II") in the principal amount of HK\$230,000,000 (equivalent to approximately RMB191,112,000) at zero coupon rate to Seaton Limited ("Seaton"), a connected party of the Group, for the settlement of the consideration payable to Seaton in relation to the acquisition of the entire issued share capital of Armando Investments Limited ("Armando") during the year ended 31 December 2011. Armando is a company incorporated in the British Virgin Islands which holds 25% equity interest in Zhuhai Zhongzhu. Following the acquisition the Group holds 75% equity interest in Zhuhai Zhongzhu.

CB II holders are entitled to convert CB II into ordinary shares of the Company at any time on or after three months from the Issue Date II up to ten business days prior to 28 February 2014 (the "Settlement Date II") in multiples of HK\$5,000,000 (equivalent to approximately RMB4,150,000) at an initial conversion price of HK\$0.8115 (equivalent to approximately RMB0.674) (subject to adjustments) per conversion share. If CB II has not been converted, they will be redeemed on Settlement Date II at par.

Pursuant to the CB II subscription agreement, 90% of the applicable conversion price of the CB II shall be adjusted on each of the first and second anniversaries of the Issue Date II if the volume weighted average price of the shares over the preceding 30 days is less than 85% of the applicable conversion price.

The Company may at any time after 12 months of the Issue Date II and before the Settlement Date II with prior notice to the bondholder(s) redeem all, but not some only, of the CB II at 110% of the outstanding principal amount of the CB II.

The fair value of the CB II at the date of inception and at 31 December 2011 is approximately HK\$221,540,000 (equivalent to approximately RMB186,093,000) and approximately HK\$208,200,000 (equivalent to approximately RMB168,832,000) respectively, which is determined taking into account a valuation carried out by Vigers, using the binomial model.

35. 可換股債券 (續)

- (b) 於二零一一年三月一日(「發行日期II」)，本公司以零票息發行本金額港幣230,000,000元(相等於約人民幣191,112,000元)之可換股債券(「可換股債券II」)予成登有限公司(「成登」，本集團之關連人士)，以清償就截至二零一一年十二月三十一日止年度收購Armando Investments Limited(「Armando」)之全部已發行股本而應付成登之代價。Armando為一家於英屬處女群島註冊成立之公司，其持有珠海中珠之25%股權。於收購後，本集團持有珠海中珠之75%股權。

可換股債券II持有人有權於發行日期II起計三個月或之後至二零一四年二月二十八日(「支付日期II」)前十個營業日期間隨時將可換股債券II按港幣5,000,000元(相等於約人民幣4,150,000元)之倍數轉換為本公司普通股，初始轉換價為每股轉換股份港幣0.8115元(相等於約人民幣0.674元)(可予調整)。倘可換股債券II未予轉換，則將於支付日期II按面值贖回。

根據可換股債券II認購協議，倘股份數量加權平均價於首個及第二個週年之前30天少於當時換股價之85%，則可換股債券II適用換股價之90%須於發行日期II之首個及第二個週年調整。

本公司可於發行日期II起12個月後及支付日期II前隨時透過事先通知債券持有人而以可換股債券II尚未支付本金額之110%贖回全部(而非僅指部份)可換股債券II。

於發行日及二零一一年十二月三十一日可換股債券II之公允值分別約為港幣221,540,000元(相等於約人民幣186,093,000元)及港幣208,200,000元(相等於約人民幣168,832,000元)，其乃經考慮威格斯利用二項模式進行之估值而釐定。

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35. CONVERTIBLE BONDS (Continued)

(b) (Continued)

The fair value of the CB II at the inception date and at the end of the reporting period was calculated using the market value basis. Major parameters adopted in the calculation of the fair value are summarised below:

		31 December 2011 二零一一年 十二月三十一日	1 March 2011 二零一一年 三月一日
Share price	股份價格	HK\$0.54 港幣0.54元	HK\$0.70 港幣0.70元
Conversion price	換股價	HK\$0.8115 港幣0.8115元	HK\$0.8115 港幣0.8115元
Expected volatility (Note i)	預期波幅 (附註i)	47%	79%
Expected life (Note ii)	預期有效期 (附註ii)	26 months 26個月	36 months 36個月
Risk-free rate (Note iii)	無風險比率 (附註iii)	0.377%	1.068%
Expected dividend yield (Note iv)	預期股息率 (附註iv)	0%	0%

Notes:

- (i) Expected volatility was determined by calculating the historical volatility of the Company's share price.
- (ii) Expected life was the expected remaining life of the option.
- (iii) The risk-free rate is determined by reference to the yield of the Hong Kong Exchange Fund Notes with duration similar to the life of the CB II.
- (iv) The expected dividend yield was based on the historical dividend payment record of the Company.

附註：

- (i) 預期波幅通過計算本公司股份價格之歷史波幅釐定。
- (ii) 預期有效期為換股權之預期餘下有效期。
- (iii) 無風險利率乃參考與可換股債券II具有相近年期之香港外匯基金票據之收益率釐定。
- (iv) 預期股息收益率根據本公司過往派息記錄釐定。

36. ORDINARY SHARE CAPITAL

Ordinary share of HK\$0.10 each

36. 普通股股本

每股港幣0.10元之普通股

		Number of shares 股數	HK\$'000 港幣千元	Equivalent to 相等於 RMB'000 人民幣千元
		'000 千股		
Authorised: At 1 January 2010, 31 December 2010 and 31 December 2011	法定股本： 於二零一零年一月一日、 二零一零年十二月三十一日及 二零一一年十二月三十一日	3,000,000	300,000	281,070
Issued and fully paid: At 1 January 2010, 31 December 2010 and 31 December 2011	發行及已繳足股本： 於二零一零年一月一日、 二零一零年十二月三十一日及 二零一一年十二月三十一日	851,980	85,198	81,232



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37. CONVERTIBLE REDEEMABLE PREFERENCE SHARES

Convertible redeemable preference shares, issued and fully paid:

37. 可轉換可贖回優先股

發行及已繳足之可轉換可贖回優先股如下：

		Number of shares 股數		Amount 金額	
		2011 二零一一年 '000 千股	2010 二零一零年 '000 千股	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
At beginning and end of the year	於年初及年結	460,000	460,000	184,653	184,653
Represented by:	其中包括：				
Convertible redeemable preference shares	可轉換可贖回優先股	(a) 350,000	350,000	142,406	142,406
Convertible redeemable preference A shares	可轉換可贖回優先A股	(b) 110,000	110,000	42,247	42,247
		460,000	460,000	184,653	184,653

Notes:

As a result of completion of the issue of the CB I, the conversion price of the convertible redeemable preference shares and the convertible redeemable preference A shares of the Company will be adjusted from HK\$0.40 to HK\$0.38 with effect from 1 December 2010.

- (a) On 29 June 2006, the Company issued 250,000,000 convertible redeemable preference shares of par value of HK\$0.10 at a subscription price of HK\$0.40 each for cash. In April 2007, the Company exercised the option to require the subscriber to further subscribe for an additional 100,000,000 convertible redeemable preference shares at HK\$0.40 each pursuant to the relevant agreement. On 22 June 2007, the Company issued these 100,000,000 convertible redeemable preference shares of par value of HK\$0.10 at a subscription price of HK\$0.40 each for cash.
- (b) On 29 December 2006, the Company issued 110,000,000 convertible redeemable preference A shares of par value of HK\$0.10 at a subscription price of HK\$0.40 each in respect of the acquisition of a subsidiary.

All the above convertible redeemable preference shares can be converted into ordinary shares at HK\$0.38 (2010: HK\$0.38) per share. The major terms of the above-mentioned preference shares are set out below:

附註：

於可換股債券I發行完成後，本公司可轉換可贖回優先股及可轉換可贖回優先A股之換股價將由港幣0.40元調整至港幣0.38元，自二零一零年十二月一日起生效。

- (a) 於二零零六年六月二十九日，本公司以收取現金方式按認購價每股港幣0.40元發行250,000,000股每股面值港幣0.10元之可轉換可贖回優先股。於二零零七年四月，本公司根據有關協議行使權利，要求認購人以每股港幣0.40元額外認購100,000,000股可轉換可贖回優先股。於二零零七年六月二十二日，本公司以收取現金方式按每股港幣0.40元的認購價發行該100,000,000股每股面值港幣0.10元之可轉換可贖回優先股。
- (b) 於二零零六年十二月二十九日，本公司就收購一間附屬公司而按認購價每股港幣0.40元發行110,000,000股每股面值港幣0.10元之可轉換可贖回優先A股。

上述所有可轉換可贖回優先股均可按每股港幣0.38元（二零一零年：港幣0.38元）轉換為普通股。有關上述優先股的主要條款列載如下：

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37. CONVERTIBLE REDEEMABLE PREFERENCE SHARES (Continued)

Notes: (Continued)

(b) (Continued)

- (i) For the convertible redeemable preference shares issued on 29 June 2006 and 22 June 2007, the preference share holders (“the Preference Share Holders”) has the right, exercisable at any time from the date of issue to 15 June 2009 and 7 June 2010 respectively (the dates being the 10 business days before the third anniversary of the respective dates of initial issue of the convertible redeemable preference shares) (“Conversion Period”), to convert the preference shares into fully paid ordinary shares. The Company has the right, exercisable following the end of the conversion period and up to the third anniversary of the date of the initial issue of the preference shares, to redeem all or part of the preference shares or to request the subscriber to convert all or part of preference shares into fully paid ordinary shares.

During the year ended 30 June 2009, the Company and the Preference Share Holders entered into a supplemental agreement and agreed to extend the Conversion Period for a further 12 months from the expiry date of the Conversion Period such that the Preference Share Holders shall have the right to convert the convertible redeemable preference shares held by it at any time from the date of issue to 15 June 2010 and 7 June 2011 (the dates being 10 business days before fourth anniversary of the date of initial issue of 250,000,000 and the 100,000,000 convertible redeemable preference shares, respectively).

On 23 October 2009, the Company and the Preference Share Holders entered into a second supplemental agreement to the Subscription Agreement to allow the Preference Shares Conversion Period to be extended automatically for a period of 12 months with effect from each expiry date of the Preference Shares Conversion Period. In addition, the preference shares shall be transferable upon the entering of this supplementary agreement.

- (ii) For the convertible redeemable preference A shares issued on 29 December 2006, the preference share holder (the “Preference A Share Holder”) has the right, exercisable at any time from the date of issue to 19 December 2008 (the date being the 10 business days before the second anniversary of the date of initial issue of the convertible redeemable preference shares) (“Preference A Shares Conversion Period”), to convert the preference shares into fully paid ordinary shares. The Company has the right, exercisable during the preference A shares conversion period, to redeem all or part of the preference shares. The Company also has the right, exercisable following the end of the preference A shares conversion period and up to the second anniversary of the date of the initial issue of the preference shares, to request the subscriber to convert all or part of preference A shares into fully paid ordinary shares.

37. 可轉換可贖回優先股 (續)

附註：(續)

(b) (續)

- (i) 就於二零零六年六月二十九日及二零零七年六月二十二日發行之可轉換可贖回優先股而言，優先股股東（「優先股股東」）有權由發行日（受本公司股份恢復買賣限制）至二零零九年六月十五日及二零一零年六月七日期間（即首次發行相關可轉換可贖回優先股第三年前十個營業日日期）（「轉換期」）任何時間轉換優先股為已繳足普通股。本公司有權於轉換期屆滿後至優先股份首次發行日期屆滿三年期間，要求贖回所有或部分優先股股份或要求認購人轉換所有或部分優先股為已繳足普通股。

截至二零零九年六月三十日止年度，本公司與可轉換可贖回優先股股東簽訂一份補充協議及同意將轉換期由轉換期到期日起計延長十二個月，優先股股東有權由發行日起至二零一零年六月十五日及二零一一年六月七日（為首次發行250,000,000股及100,000,000股可轉換可贖回優先股第四年之十個營業日前）。

於二零零九年十月二十三日，本公司與優先股股東訂立補充協議之第二份補充協議，將優先股轉換期由各優先股轉換期到期日起計自動延長十二個月。此外，優先股於該補充協議訂立後可予轉讓。

- (ii) 就於二零零六年十二月二十九日發行之可轉換可贖回優先A股股份而言，優先股A股東（「優先A股股東」）有權於發行日至二零零八年十二月十九日期間（即首次發行相關可轉換可贖回優先股第二年前十個營業日日期）（「優先A股轉換期」）任何時間轉換優先股為已繳足普通股。本公司有權於轉換期內要求贖回所有或全部優先A股，亦有權於轉換期屆滿後至優先股股份首次發行日期屆滿兩週年期間，要求認購人轉換所有或部分優先A股股份為已繳足普通股股份。



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37. CONVERTIBLE REDEEMABLE PREFERENCE SHARES (Continued)

Notes: (Continued)

(b) (Continued)

(ii) (Continued)

During the year ended 30 June 2009, the Company and the Preference A Share Holder have agreed to extend the Preference A Shares Conversion Period for the convertible redeemable preference shares to 19 December 2009.

During the period from 1 July 2009 to 31 December 2009, the Company and the Preference A Share Holder entered into a supplemental agreement in which:

(i) the preference shares conversion period shall be extended automatically for a period of twelve months with effect from each expiry date of the preference shares conversion period unless (i) the Preference A Share Holder serves a written notice on the Company notifying its intention of not extending the preference shares conversion period for a further twelve months not later than seven days prior to the expiry date of the preference shares conversion period, and (ii) the Company agrees not to extend the preference shares Conversion period for a further twelve months upon receiving such notice; and

(ii) the preference shares shall be transferable.

(iii) The convertible redeemable preference shares and convertible redeemable preference A shares do not carry the right to vote. Each share is entitled to be paid a fixed cumulative preferential dividend in priority to any payment to the holders of any other class of shares at the rate of 3.5% per annum on the amount paid up or credited as paid up. No payment of dividends on the convertible redeemable preference shares and convertible redeemable preference A shares unless at the relevant dividend payment due date, the Company has sufficient distributable reserves to cover the payment of such dividends.

(c) No convertible preference shares were redeemed or converted during the two years ended 31 December 2011.

37. 可轉換可贖回優先股 (續)

附註：(續)

(b) (續)

(ii) (續)

截至二零零九年六月三十日止年度，本公司及可轉換可贖回優先A股股東已同意將可轉換可贖回優先A股轉換期延長至二零零九年十二月十九日。

由二零零九年七月一日至二零零九年十二月三十一日期間，本公司與優先A股股東簽署一份補充協議將：

(i) 將優先A股轉換期自其屆滿之日自動延長十二個月，自優先股轉換期的屆滿之日起生效，除非(i)優先A股股東於優先股轉換期之屆滿日前不遲於七天向本公司發出書面通知，通知其有意不延長優先股轉換期十二個月；及(ii)本公司收到該通知後，同意不延長優先股轉換期十二個月；及

(ii) 優先股可以被轉讓。

(iii) 可轉換可贖回優先股及可轉換可贖回優先A股並不附有投票權。每股股份有權收取固定累計優先股息，該股息之派付優先於任何其他類別股份的持有人，並以年息率3.5%按已繳金額或予以信貸作已繳金額計算。除非有關股息到期日已到，否則可轉換可贖回優先股概無股息，本公司有足夠可分派儲備以繳付有關股息。

(c) 於截至二零一一年十二月三十一日止兩個年度，概無贖回或轉換任何可轉換優先股。

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38. CONSIDERATION PAYABLE**38. 應付代價**

			2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
At the beginning of the year	於年初		55,133	262,777
Exchange realignment	匯兌差額		(2,340)	(2,923)
Early settlement I	提早償還I	(ii)	–	(119,680)
Early settlement II	提早償還II	(iii)	–	(94,079)
Early settlement III	提早償還III	(iv)	(19,651)	–
Discount received on early settlement	就提早償還收取之折扣	(iii), (iv)	(982)	(4,704)
Imputed interest expense charged during the year (Note 11)	年內估算利息支出 (附註11)		18,491	13,742
Gain on extinguishment of consideration payable	抵銷應付代價之 收益	(v)	(6,006)	–
At the end of the year	於年結		44,645	55,133
Analysed for reporting purposes as:	以報告為目的分析：			
Current liabilities (Note 32)	流動負債(附註32)		–	55,133
Non-current liabilities	非流動負債		44,645	–
			44,645	55,133

Notes:

- (i) The amounts represented the deferred payment in relation to the acquisition of the entire equity interest in Boom Lotus Holding Limited, and its subsidiaries, Pine Global Holdings Limited and Zhongzhu Real Estate Development Co., Ltd. (collectively refers to as "Boom Lotus Group") in November 2009.

Pursuant to the sales and purchase agreement dated 11 August 2009, the consideration of HK\$343,200,000 (equivalent to approximately RMB302,016,000) ("Cash Consideration") was unsecured, non-interest bearing and originally were payable by the Group on or before 19 November 2011.

附註：

- (i) 該金額為有關二零零九年十一月收購蓮盛控股有限公司及其附屬公司柏宇投資有限公司及珠海中珠房地產開發有限公司(統稱「蓮盛集團」)之全部已發行股本之延遲付款。

根據日期為二零零九年八月十一日之買賣協議，港幣343,200,000元(相等於約人民幣302,016,000元)之代價(「現金代價」)屬非擔保、零利息及原本應由本集團於二零一一年十一月十九日或之前支付。



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38. CONSIDERATION PAYABLE (Continued)

Notes: (Continued)

- (ii) On 4 January 2010, the Group and the vendor of Boom Lotus Holdings Limited (the "Vendor"), a subsidiary acquired by the Group in 2009, entered into a supplementary agreement. Pursuant to which the Vendor agreed to provide a cash discount of approximately HK\$7,158,000 (equivalent to approximately RMB6,299,000) ("Cash Discount") to the Group for the early settlement of HK\$136,000,000 (equivalent to approximately RMB119,680,000) of the Cash Consideration ("Early Settlement I").

The Early Settlement I was settled by way of the followings:

- (a) On 4 January 2010, as requested by the Vendor, the Group, the Vendor and the purchaser of Hill Light (the "Buyer") entered into an agreement, in which the Buyer agree to settle the Consideration Receivables of HK\$126,000,000 (equivalent to approximately RMB110,880,000) directly to the Vendor, the settlement has been completed on 14 January 2010.
- (b) On 4 January 2010, the Group has agreed to settle HK\$10,000,000 (equivalent to approximately RMB8,800,000) of the Cash Consideration to the Vendor.
- (iii) Besides of the arrangement of Early Settlement I, the Group and the Vendor entered into several supplementary agreements during the year ended 31 December 2010, pursuant to which the Vendor agreed to provide a further total cash discount of approximately HK\$5,407,000 (equivalent to approximately RMB4,704,000) to the Group for the early settlement of HK\$108,136,000 (equivalent to approximately RMB94,079,000) of the remaining Cash Consideration ("Early Settlement II").
- (iv) On 10 March 2011, the Group and the Vendor entered into a supplementary agreement that Vendor agreed to provide a cash discount of approximately HK\$1,183,000 (equivalent to approximately RMB982,000) to the Group for early settlement of HK\$23,650,000 (equivalent to approximately RMB19,651,000) of the remaining Cash Consideration ("Early Settlement III").
- (v) On 18 November 2011, the Group and the Vendor entered into a supplementary agreement to extend the repayment period for 15 months from 20 November 2011 to 20 February 2013 for the remaining Cash Consideration of approximately HK\$61,666,000 (equivalent to approximately RMB51,240,000) on 19 November 2011 with nominal interest of 2.5% per annum.

Upon the extension of the consideration payable, the fair value of the consideration reduced to approximately HK\$54,439,000 (equivalent to approximately RMB45,234,000), leading to a gain on extinguishment of consideration payable of approximately HK\$7,227,000 (equivalent to approximately RMB6,006,000) recognised during the year ended 31 December 2011.

- (vi) The effective interest rate of the consideration payable is 12.6% (2010: 11.6%) per annum.

38. 應付代價 (續)

附註：(續)

- (ii) 於二零一零年一月四日，本集團與蓮盛控股有限公司（本集團於二零零九年收購之附屬公司）之賣家（「賣家」）簽署一份補充協議。據此賣家同意提供一筆約港幣7,158,000元（相等於約人民幣6,299,000元）之現金折扣（「現金折扣」）予本集團以作為本集團提早償還現金代價港幣136,000,000元（相等於約人民幣119,680,000元）之折扣（「提早償還I」）。

提早償還I以下列方式償還：

- (a) 於二零一零年一月四日，根據賣方之要求，本集團、賣方及曉光之買家（「買家」）簽署一份協議，據此買家同意直接向賣家償還應付代價港幣126,000,000元（相等於約人民幣110,880,000元），該款項之支付已於二零一零年一月十四日完成。
- (b) 於二零一零年一月四日，本集團同意提早償還港幣10,000,000元（相等於約人民幣8,800,000元）之現金代價予賣家。
- (iii) 除提早償還I之安排外，截至二零一零年十二月三十一日止年度，本集團與賣家訂立數份補充協議。據此，賣家同意就提前償還餘下之現金代價港幣108,136,000元（相等於約人民幣94,079,000元）（「提早償還II」），而進一步向本集團提供總現金折扣約港幣5,407,000元（相等於約人民幣4,704,000元）。
- (iv) 於二零一一年三月十日，本集團與賣家簽署一份補充協議。據此賣家同意提供一筆約港幣1,183,000元（相等於約人民幣982,000元）之現金折扣予本集團以作為本集團提早償還餘下現金代價港幣23,650,000元（相等於約人民幣19,651,000元）之折扣（「提早償還III」）。
- (v) 於二零一一年十一月十八日，本集團與賣家簽署一份補充協議，以將餘下現金代價（於二零一一年十一月十九日約為港幣61,666,000元（相等於約人民幣51,240,000元），名義年利率為2.5%）之還款期由二零一一年十一月二十日延長15個月至二零一三年二月二十日。

因應付代價之還款期延長，代價之公允值減至約港幣54,439,000元（相等於約人民幣45,234,000元），因此於截至二零一一年十二月三十一日止年度確認抵銷應付代價之收益約港幣7,227,000元（相等於約人民幣6,006,000元）。

- (vi) 應付代價之實際年利率為12.6%（二零一零年：11.6%）。

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39. DEFERRED TAXATION

The following are the major deferred tax (liabilities) assets recognised and movements thereof during the current and prior reporting periods:

39. 遞延稅項

於本期內及以往期間，已確認的主要遞延稅項（負債）資產及其變動如下：

		Impairment loss Change recognised in respect of other properties receivables 其他應收賬款 之減值虧損	Change in fair value of investment properties 公允值之變動	Impairment loss recognised in respect of trade receivables 貿易應收賬款 之減值虧損	Impairment loss recognised in respect of inventories 存貨 之減值虧損	Change in fair value of properties under development 在建物業 公允值之變動	Change in fair value of properties held for sale 待售物業 公允值之變動	Undistributed profit of a subsidiary 附屬公司 未分派盈利	Tax losses 稅項虧損	Total 總額	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
At 1 January 2010	於二零一零年一月一日	(53)	228	(12,724)	702	805	(20,428)	(40,771)	(10,348)	8,948	(73,641)
Exchange realignment	匯兌差額	-	-	59	(17)	-	-	-	-	(42)	-
Effect of change in exchange rate (Charged) credited to consolidated statement of comprehensive income	匯率變動之影響 (扣除)計入 於綜合全面收益表	(14)	56	(2,298)	41	220	-	4,272	-	1,995	4,272
Reversal upon payment of withholding tax	支付預扣稅時撥回	-	-	-	-	-	-	-	10,348	-	10,348
At 31 December 2010	於二零一零年 十二月三十一日	(112)	284	(16,833)	726	918	(20,428)	(7,372)	(556)	11,794	(31,579)
Exchange realignment	匯兌差額	-	-	77	(12)	-	-	-	-	(296)	(231)
(Charged) credited to consolidated statement of comprehensive income	(扣除)計入 於綜合全面收益表	211	250	(2,055)	(74)	(14)	-	6,290	556	(3,795)	1,369
At 31 December 2011	於二零一一年 十二月三十一日	99	534	(18,811)	640	904	(20,428)	(1,082)	-	7,703	(30,441)

At 31 December 2011, the Group had unused tax losses of approximately RMB43,071,000 (2010: RMB60,878,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately RMB43,071,000 (2010: RMB60,878,000) of such losses. At 31 December 2011, approximately RMB7,015,000 (2010: RMB20,578,000) included in the above unused tax losses will expire after five years from the year of assessment to which they relate. Other losses may be carried forward indefinitely.

於二零一一年十二月三十一日，本集團有未動用稅項損失約人民幣43,071,000元（二零一零年：人民幣60,878,000元），可用於抵銷未來利潤。遞延稅項資產已確認有關損失約人民幣43,071,000元（二零一零年：人民幣60,878,000元）。於二零一一年十二月三十一日，約人民幣7,015,000元（二零一零年：人民幣20,578,000元），包括在上述未動用稅項虧損將於其涉及的5年後到期。其他損失可無限期結轉。



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40. SHARE-BASED PAYMENT TRANSACTIONS

A share option scheme was adopted by the Company on 20 January 2003 ("2003 Share Option Scheme"). The 2003 Share Option Scheme was replaced by a new share option scheme adopted by the shareholders on 30 November 2009 ("2009 Share Option Scheme").

The Company may grant to eligible participants (including any directors, non-executive directors, employees, advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group whom the board of directors considers, in its sole discretion, have contributed or will contribute to the Group) options to subscribe for shares in the Company, subject to a maximum of 10% of the issued share capital of the Company as at the adoption date and as at the approval date of refreshment from time to time, excluding for this purpose shares issued on the exercise of options. The subscription price will be determined by the Company's board of directors and will not be less than the highest of (i) the nominal value of the Company's shares, (ii) the average of the closing price of the shares quoted on the Main Board of the Stock Exchange on the five trading days immediately preceding the grant date and (iii) the closing price of the shares on the grant date.

At 31 December 2011, the number of shares in respect of which options had been granted and remained outstanding under the share option scheme was 27,252,000 (2010: 27,948,000), representing 3.20% (2010: 3.28%) of the ordinary shares in issue at that date.

40. 以股份為基礎的支付交易

本公司已於二零零三年一月二十日採納一項購股權計劃（「2003年購股權計劃」）。2003年購股權計劃已被二零零九年十一月三十日經股東通過採納之新購股權計劃（「2009年購股權計劃」）取代。

本公司可授出購股權予合資格參與者（包括董事會全權酌情認為曾經或將會對本集團作出貢獻之本集團任何任何董事、非執行董事、僱員、顧問、諮詢顧問、分銷商、承建商、供應商、代理、客戶、業務夥伴、合營業務夥伴、創辦人及服務供應商）以認購本公司股份，惟最多可認購本公司於購股權計劃採納日期及於不時更新之批准日期的已發行股本10%（不包括就此目的行使購股權而發行的股份）。認購價將由本公司董事會釐定，其將不會低於下列價值之較高者：(i)本公司股份的面值，(ii)緊接於購股權授出日期前五個交易日於聯交所主板所報股份的平均收市價，及(iii)購股權授出日的收市價。

於二零一一年十二月三十一日，根據購股權計劃授出但未行使之購股權為27,252,000股（二零一零年：27,948,000股），相等於授出3.20%（二零一零年：3.28%）之已發行普通股。

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40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

Movements of the Company's share options held by directors, employees and business associates during the year are:

40. 以股份為基礎的支付交易 (續)

年內董事、僱員及業務夥伴持有之本公司購股權之變動如下：

Category of participant	Date of grant	Number of share options 購股權數目					Cancelled during the year	Outstanding at 31 December 2011 於二零一一年 十二月三十一日 尚未行使	Exercise period	Exercise price per share 每股行使價 HK\$ 港元
		Outstanding at 1 January 2010 於二零一零年 一月一日 尚未行使	Granted during the year	Transfer during the year	Outstanding at 31 December 2010 於二零一零年 十二月三十一日 尚未行使	Outstanding at 31 December 2011 於二零一一年 十二月三十一日 尚未行使				
Directors 董事	21 August 2009 二零零九年八月二十一日	16,748,000	-	(2,000,000)	14,748,000	(696,000)	14,052,000	21 August 2009 to 20 August 2012 二零零九年八月二十一日 至二零一二年八月二十日	1.18	
Employees 僱員	21 August 2009 二零零九年八月二十一日	1,200,000	-	2,000,000	3,200,000	-	3,200,000	21 August 2009 to 20 August 2012 二零零九年八月二十一日 至二零一二年八月二十日	1.18	
Business associates 業務夥伴	19 February 2010 二零一零年二月十九日	-	10,000,000	-	10,000,000	-	10,000,000	19 February 2010 to 18 February 2013 二零一零年二月十九日 至二零一三年二月十八日	0.88	
		17,948,000	10,000,000	-	27,948,000	(696,000)	27,252,000			
Weighted average exercise price (HK\$) 加權平均行使價 (港元)		1.18	0.88	N/A 不適用	1.07	1.18	1.07			

Note: All the above share options are exercisable on the grant date.

附註：以上所有購股權均可以於授出日期行使。



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40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The fair values of the share options granted were calculated using the Binomial model. The inputs into the model were as follows:

		19 February 2010 二零一零年 二月十九日
Weighted average share price	加權平均股價	HK\$0.85 港幣0.85元
Weighted average exercise price	加權平均行使價	HK\$0.88 港幣0.88元
Expected volatility	預期波幅	109%
Expected life	預期有效期	2 years 2年
Risk-free rate	無風險比率	1.028%
Expected dividend yield	預計股息率	0%

Expected volatility was determined by using the historical volatility of the Company's share price over one year and reference to the companies in the similar industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non transferability, exercise restrictions and behavioral considerations.

The Group recognised the total expenses of approximately HK\$4,903,000 (equivalent to approximately RMB4,315,000) (2011: Nil) for the year ended 31 December 2010 in relation to share options granted by the Company.

41. COMMITMENTS

(a) Commitments under operating leases

The Group as lessor

Property rental income earned during the year was approximately RMB7,057,000 (2010: RMB12,107,000). The investment properties generated rental yields of 4.35% (2010: 6.59%) on an ongoing basis. The investment properties held have committed tenants for the next one year (2010: one to three years).

40. 以股份為基礎的支付交易 (續)

所授出購股權之公允值乃以二項模式計算。模式的參數如下：

		19 February 2010 二零一零年 二月十九日
Weighted average share price	加權平均股價	HK\$0.85 港幣0.85元
Weighted average exercise price	加權平均行使價	HK\$0.88 港幣0.88元
Expected volatility	預期波幅	109%
Expected life	預期有效期	2 years 2年
Risk-free rate	無風險比率	1.028%
Expected dividend yield	預計股息率	0%

預期波幅是採納過去一年本公司股價之歷史波幅及參考其他近似同業之公司資料而釐定。在模式中預期有效期的調整是基於管理層之最佳估量，不能轉讓，行使的規限及行為上的因素。

本集團確認截至二零一零年十二月三十一日止年度有關本公司授出之購股權之總開支約為港幣4,903,000元（相等於約人民幣4,315,000元）（二零一一年：零）。

41. 承擔

(a) 經營租約承擔

本集團作為出租人

於年內物業租金收入約為人民幣7,057,000元（二零一零年：人民幣12,107,000元）。以持續經營基礎的投資物業所產生的租金收益率為4.35%（二零一零年：6.59%）。持有投資物業的租戶承諾在未來一年（二零一零年：一至三年）繼續租賃。

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41. COMMITMENTS (Continued)

(a) Commitments under operating leases (Continued)

The Group as lessor (Continued)

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

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Within one year	一年內	784	3,301
In the second to fifth year inclusive	兩年至五年內 (包括首尾兩年)	-	496
		784	3,797

The Group as lessee

The Group leases certain of its equipment under operating leases arrangements. Leases are negotiated for a term ranging from one to five years (2010: one to five years) and rentals are fixed. None of the leases includes contingent rentals and terms of renewal were established in the leases.

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

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Within one year	一年內	21	16
In the second to fifth year inclusive	兩年至五年內 (包括首尾兩年)	33	-
		54	16

41. 承擔 (續)

(a) 經營租約承擔 (續)

本集團作為出租人 (續)

於期結日，本集團最低應收租約款項如下：

本集團作為承租人

本集團以經營租約出租其若干設備。洽談的租賃期介乎一年至五年（二零一零年：一年至五年）而租金已固定。沒有為租賃訂立或然租金，惟租約中已訂明續租條款。

於期結日，本集團可收回之不可取消之經營租賃的最低付款總額如下：



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41. COMMITMENTS (Continued)

(b) Commitments

At the end of the reporting period, the Group had the following commitments for properties under development:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Contracted for but not provided in the consolidated financial statements	已訂約但未在綜合財務報表中撥備	144,746	190,969
Authorised but not contracted for	已批准但未訂約	56,627	336,831

42. PLEDGE OF ASSETS

At the end of the reporting period, certain assets of the Group were pledged to secure banking facilities granted to the Group as follows:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Leasehold land and buildings	租賃土地及樓宇	17,917	19,209
Investment properties	投資物業	6,325	40,630
Properties under development	在建物業	971,642	737,095
Assets held for sale	持作出售資產	-	10,200
		995,884	807,134

43. EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, on 1 March 2012, the conversion price in force of the 2011 CB II has been reset to HK\$0.73035 per conversion share as the volume weighted average of the closing prices of the shares over the preceding 30 trading days of the first anniversary of the date of issue of the CB II is less than 85% of the conversion price, the original conversion price of HK\$0.8115 will be adjusted to be equivalent to 90% of the then applicable conversion price. The details are set out in the announcement of the Company dated 7 March 2012.

41. 承擔 (續)

(b) 承擔

於期結日，本集團在建物業之承擔如下：

42. 已抵押資產

於期結日，本集團若干資產已抵押予銀行，以獲得銀行借貸如下：

43. 報告期後事項

期結日後，於二零一二年三月一日，由於股份數量於可換股債券II發行日期之首個週年前30個交易日之加權平均收市價少於換股價之85%，原換股價港幣0.8115元將被調整至相等於當時換股價之90%，故二零一一年可換股債券II之換股價已重新設定為每股換股股份港幣0.73035元。有關詳情載列於本公司日期為二零一二年三月七日之公告。

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44. CONTINGENT LIABILITIES

- (a) On 12 December 2009, the Company received a writ of summons from Global Tide Limited (“Global Tide”). Global Tide brought civil action in the High Court of the Hong Kong Special Administrative Region against the Company for compensation and damages of approximately HK\$8,834,000 (the “Claim”) in relation to the disposal of its former wholly owned subsidiary, Magic Gain Investments Limited. Details of the Claim are set out in the announcement of the Company dated 16 December 2009.

On 31 January 2012, Global Tide filed an amended statement of claim in the High Court. Pursuant to which the claim is revised and reduced to HK\$7,967,000. The Company decided to defend against the Claim and obtained legal advice in respect of the merits of the Claim. The directors of the Company expect that there will not be any material adverse financial effect on the earnings, net assets and liabilities of the Company and its subsidiaries.

- (b) The Group provided guarantees amounted to approximately RMB266,904,000 (2010: RMB22,980,000) for the repayment of the mortgage bank loans granted to purchasers of the Group’s properties. Such guarantees will be released by banks upon the delivery of the properties to the purchasers or completion of the relevant mortgage properties registration.

In the opinion of the directors of the Company, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and at the end of the reporting period on the basis of short maturity periods and possibility of low default rate. Accordingly, no value has been recognised in the consolidated statement of financial position as at 31 December 2011 and 2010.

44. 或然負債

- (a) 於二零零九年十二月十二日，本公司收悉怡太有限公司（「怡太」）的訴訟狀。怡太於香港特別行政區高等法院向本公司提出約港幣8,834,000元之民事索償（「索償」），有關於出售本公司前全資附屬有限公司Magic Gain Investments Limited。有關索償之詳情列載於本公司日期為二零零九年十二月十六日之公告。

於二零一二年一月三十一日，怡太向高等法院提呈經修訂訴訟狀。據此，有關索償金額被修訂及調低至港幣7,967,000元。本公司決定為此訴訟索償作出辯護及尋找法律意見。本公司董事預計此訴訟不會對本公司及其附屬公司的收益、淨資產及負債造成任何重大負面財務影響。

- (b) 本集團已就授予本集團物業買家之按揭銀行貸款之還款責任提供金額約人民幣266,904,000元（二零一零年：人民幣22,980,000元）之擔保。銀行將會於物業交付買家或於完成有關按揭物業之登記後解除該等擔保。

本公司董事認為，基於有關合同之期限較短且違約率較低，於初步確認時及期結日，本集團之財務擔保合同之公允值並不重大。因此，於二零一一年及二零一零年十二月三十一日，並無於綜合財務狀況表中確認有關價值。



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45. MAJOR NON-CASH TRANSACTIONS

- (a) On 3 December 2010, the Company entered into a sales and purchase agreement with Seaton for the acquisition of the entire issued share capital of Armando at a consideration of HK\$230,000,000. The Acquisition was completed on 1 March 2011 and the consideration was settled by way of the issuance of unsecured zero-coupon convertible bonds of the same amount (Note 35).
- (b) As detailed in Note 38(ii), on 14 January 2010, the Buyer has settled the Consideration Receivables of approximately RMB110,880,000 directly to the Vendor. The Consideration Receivables were included in trade and other receivable as at 31 December 2009.

46. RELATED PARTY AND CONNECTED PARTY TRANSACTIONS

- (a) The balances with related parties at the end of the reporting period are disclosed elsewhere in the consolidated financial statements.
- (b) On 1 March 2011, the Group completed the acquisition of the entire issued share capital of Armando from Seaton, a connected party of the Group.
- (c) The remuneration of directors and other members of key management during the year ended 31 December 2011 and 2010 are as follows:

45. 主要非現金交易

- (a) 於二零一零年十二月三日，本公司與成登簽訂買賣協議，以收購Armando的全部已發行股本，代價為港幣230,000,000元。收購事項已於二零一一年三月一日完成，且有關代價已透過發行相同金額之無抵押零票息可換股債券之方式支付(附註35)。
- (b) 誠如附註38(ii)所詳列，二零一零年一月十四日，買方向賣方直接支付應收代價約人民幣110,880,000元。應收代價列入二零零九年十二月三十一日之貿易及其他應收賬款中。

46. 關連人士交易及關連交易

- (a) 於期結日，關連人士交易的餘額已在綜合財務報表披露。
- (b) 於二零一一年三月一日，本集團完成自本集團之關連人士成登收購Armando之全部已發行股本。
- (c) 董事及其他主要管理人員截至二零一一年及二零一零年十二月三十一日止年度之酬金如下：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Salaries and other benefits in kind	薪金及其他實物利益	4,885	3,382
Retirement benefits scheme contributions	退休福利計劃之供款	44	29
		4,929	3,411

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47. PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries at 31 December 2011 and 31 December 2010 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Class of shares held 持有股份類別	Issued and fully paid capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion ownership interest held by the Company 本公司所持擁有權比例				Principal activities 主營業務
				2011 二零一一年		2010 二零一零年		
				Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
德維森實業(深圳)有限公司 (Techwayson Industrial Limited) * (Note 1) (附註1)	The PRC 中國	Contributed Capital 繳入資本	HK\$60,000,000 港幣60,000,000元	-	100%	-	100%	Design, supply and integration of automation and control systems and property investment 從事設計、供應和整合 自動化控制系統及物業投資
Techwayson Management Limited 德維森管理有限公司	Hong Kong 香港	Ordinary Shares 普通股	10,000 shares of HK\$1 each 10,000股 每股港幣1元	100%	-	100%	-	Provision of management services 提供管理服務
Techwayson Trading Limited 德維森貿易有限公司	Hong Kong 香港	Ordinary shares 普通股	10,000 shares of HK\$1 each 10,000股 每股港幣1元	100%	-	100%	-	Trading of automation products and electronic components 自動化產品及電子零件 和配件之貿易
德維森科技(深圳)有限公司 (Techwayson Technology (Shenzhen) Limited) * (Note 1) (附註1)	The PRC 中國	Contributed capital 繳入資本	RMB100,000,000 人民幣 100,000,000元	-	100%	-	100%	Design, supply and integration of automation and control systems 從事設計、供應和整合 自動化控制系統
Fame Electronics Limited 長榮電子有限公司	Hong Kong 香港	Ordinary shares 普通股	100 shares of HK\$1 each 100股每股港幣1元	51%	-	51%	-	Trading of mobile phone components 手機組件銷售
珠海中珠房地產開發有限公司 (Zhuhai Zhongzhu Real Estate Development Co., Ltd.)* (Notes 2 and 3) (附註2及3)	The PRC 中國	Contributed capital 繳入資本	RMB250,000,000 人民幣 250,000,000元	-	75% (Note 4) (附註4)	-	50%	Development of real estate in the PRC 於中國發展房地產

* The English name is for identification purpose only.

Note 1: These entities established in the PRC are wholly foreign-owned enterprises.

Note 2: The entity established in the PRC is a sino-foreign joint venture.

Note 3: In the opinion of the directors of the Company, the Group exercised control over the financial and operating activities of this company as at 31 December 2010.

Note 4: 25% of the interest was acquired through the acquisition of the entire issued share capital of Armando during the year.

47. 主要附屬公司

於二零一一年十二月三十一日及二零一零年十二月三十一日之主要附屬公司詳細資料如下：

* 英文名稱僅供識別。

附註1：於中國成立之實體均為外商獨資企業。

附註2：於中國成立之實體均為中外合資企業。

附註3：本公司董事認為，於二零一零年十二月三十一日，本集團可控制該公司之財務及經營活動。

附註4：25%權益乃透過年內收購Armando之全部已發行股本而獲得。



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For the year ended 31 December 2011

截至二零一一年十二月三十一日止年度

47. PRINCIPAL SUBSIDIARIES (Continued)

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results or assets of the Group to give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding as at the end of the year or at any time during the year.

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

47. 主要附屬公司 (續)

上表只包括本公司董事認為主要影響業績或資產之本集團附屬公司資料，本公司董事認為列出所有附屬公司資料將令篇幅過於冗長。

無任何附屬公司在本年結或在年內任何時間有任何未償還債務證券。

48. 本公司財務狀況表

			2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Non-current asset	非流動資產			
Investments in subsidiaries	於附屬公司之投資		477,167	477,167
Current assets	流動資產			
Amounts due from subsidiaries	附屬公司欠款	(a)	180,127	288
Other receivables	其他應收賬款		177	186
Bank balances and cash	銀行結存及現金		37	62
			180,341	536
Current liabilities	流動負債			
Other payables	其他應付賬款		1,337	58,659
Amounts due to subsidiaries	欠附屬公司款項	(a)	115,643	94,700
			116,980	153,359
Net current assets (liabilities)	流動資產(負債)淨額		63,361	(152,823)
			540,528	324,344

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For the year ended 31 December 2011

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48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

48. 本公司財務狀況表 (續)

		Notes 附註	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Capital and reserves	股本及儲備			
Ordinary share capital	普通股股本		81,232	81,232
Convertible redeemable preference shares	可轉換可贖回 優先股		184,653	184,653
Reserves	儲備	(b)	(81,262)	(125,932)
Total equity	權益總額		184,623	139,953
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券		311,260	184,391
Consideration payable	應付代價		44,645	–
			355,905	184,391
			540,528	324,344

(a) Amounts due from (to) subsidiaries

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

(a) 應收(付)附屬公司款項

該等款項為無擔保、零利息及於需求時償還。



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For the year ended 31 December 2011

截至二零一一年十二月三十一日止年度

48. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

48. 本公司財務狀況表 (續)

(b) Reserves

(b) 儲備

		Share premium 股份溢價 RMB'000 人民幣千元	Contributed surplus 繳入盈餘 RMB'000 人民幣千元	Share options reserve 購股權儲備 RMB'000 人民幣千元	Exchange translation reserve 匯兌儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
At 1 January 2010	於二零一零年一月一日	386,529	67,614	10,063	(17,889)	(394,258)	52,059
Loss for the year and total comprehensive expense for the year	年內虧損及年內全面開支總額	-	-	-	9,743	(192,049)	(182,306)
Recognition of equity-settled share-based payments	以權益結算之以股份為基礎的支付確認	-	-	4,315	-	-	4,315
At 31 December 2010	於二零一零年十二月三十一日	386,529	67,614	14,378	(8,146)	(586,307)	(125,932)
Profit for the year and total comprehensive income for the year	年內溢利及年內全面收入總額	-	-	-	14,789	29,881	44,670
Cancellation of equity-settled share-based payments	取消以權益結算之以股份為基礎的支付	-	-	(390)	-	390	-
At 31 December 2011	於二零一一年十二月三十一日	386,529	67,614	13,988	6,643	(556,036)	(81,262)

Schedule of the Properties Held as Investment Properties/Properties for Own Use/ Properties Held for Sale and Under Development

持有作投資物業／自用物業／待售及在建物業概覽表

At 31 December 2011
於二零一一年十二月三十一日

A. PROPERTIES IN THE PRC

A. 位於中國之物業

Location	Usage	Area	Lease term	Group's interest
地點	用途	面積	租賃期	本集團應佔權益
Land Parcel No. T205-0035 located at Hi-tech Industrial Park, Nanshan District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市南山區高新技術產業園地塊編號T205-0035的土地	Office premises and car parking spaces 寫字樓物業及停車場	Site area – approximately 8,159 sq. m. 地盤面積—約8,159平方米 Gross floor area – approximately 17,677 sq. m. 建築總面積—約17,677平方米	Medium 中期	100%
Unsold portion of first phase of Zhongzhu Uptown, 1 Shanghua Road, Xiangzhou District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市香洲區上華路1號中珠上城第一期之未出售部份	Properties held for sale 待售物業	Gross floor area – approximately 7,984 sq. m. 建築總面積—約7,984平方米	Medium 中期	75%
Second phase of Zhongzhu Uptown, 2 Shanghua Road, Xiangzhou District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市香洲區上華路2號之中珠上城第二期	Properties under development 在建物業	Planned gross floor area – approximately 175,803 sq. m. 計劃建築總面積—約175,803平方米	Medium 中期	75%

B. PROPERTIES IN HONG KONG

B. 位於香港之物業

Location	Usage	Approximate saleable area	Lease term	Group's interest
地點	用途	概約可出售面積	租賃期	本集團應佔權益
Suite 1501, 15th Floor, Tower 1, Silvercord, 30 Canton Road, Tsimshatsui, Kowloon. 九龍尖沙咀廣東道30號新港中心一期15樓1501室	Office premises – Own use 寫字樓物業—自用	242.01 sq. m. 242.01平方米	Medium 中期	100%
Unit 713, 7/F., East Ocean Centre, 98 Granville Road, Tsimshatsui, Kowloon. 九龍尖沙咀加連威老道98號東海商業中心7樓713室	Office premises 寫字樓物業	77.67 sq. m. 77.67平方米	Medium 中期	100%



China Uptown Group Company Limited
中國上城集團有限公司