

Annual Report 2008年報



CATIC International Holdings Limited **中國航空技術國際控股有限公司**

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 00232



Contents 目錄

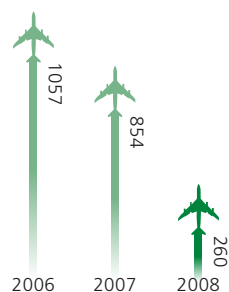
| | | |
|-----|---|------------|
| 2 | Financial Highlights | 財務摘要 |
| 3 | Chairman's Statement | 主席報告書 |
| 6 | Management Discussion and Analysis | 管理層討論及分析 |
| 9 | Biographical Details of Directors and Senior Management | 董事及管理高層之履歷 |
| 15 | Corporate Governance Report | 企業管治報告 |
| 24 | Report of the Directors | 董事會報告 |
| 30 | Independent Auditors' Report | 獨立核數師報告書 |
| | Audited Financial Statements | 經審核財務報表 |
| | Consolidated: | 綜合： |
| 40 | Income Statement | 利潤表 |
| 42 | Balance Sheet | 資產負債表 |
| 44 | Statement of Changes in Equity | 權益變動表 |
| 48 | Cash Flow Statement | 現金流量表 |
| | Company: | 本公司： |
| 52 | Balance Sheet | 資產負債表 |
| 53 | Notes to Financial Statements | 財務報表附註 |
| 197 | Five Year Financial Summary | 五年財務概要 |
| 198 | Particulars of an Investment Property | 投資物業詳情 |
| 199 | Corporate Information | 公司資料 |

Financial Highlights 財務摘要

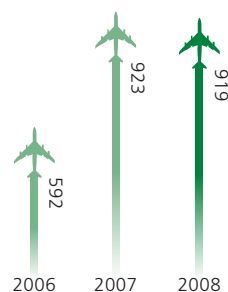
Year ended 31 December
截至十二月三十一日止年度

| | | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 | 2006 二零零六年 HK\$'000 千港元 |
|--|-------------------|----------------------------------|----------------------------------|----------------------------------|
| Revenue from continued operations and a discontinued operation | 持續經營業務及已終止經營業務之收益 | 260,292 | 853,729 | 1,057,154 |
| Profit for the year | 本年溢利 | 10,258 | 83,502 | 51,103 |
| Profit attributable to equity holders of the parent | 公司權益持有人應佔溢利 | 1,852 | 77,996 | 47,950 |
| Basic earnings per share | 每股基本溢利 | HK0.04 cent港仙 | HK1.73 cents港仙 | HK1.22 cents港仙 |
| Total assets | 資產總值 | 1,152,306 | 1,164,204 | 1,108,772 |
| Total liabilities | 負債總值 | (164,243) | (208,241) | (483,975) |
| Minority interests | 少數股東權益 | (69,005) | (33,046) | (33,073) |
| Net assets (net of minority interest) | 資產淨值 (扣除少數股東權益) | 919,058 | 922,917 | 591,724 |

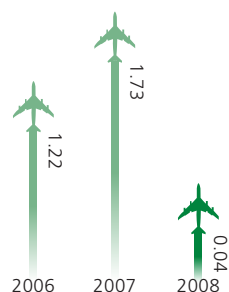
Revenue (HK\$' million)
收益 (百萬港元)



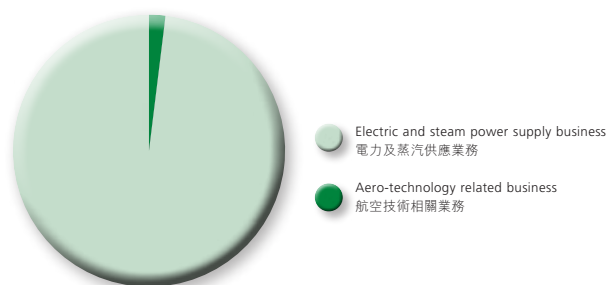
Net assets (HK\$' million)
資產淨值 (百萬港元)



Basic earnings per share (HK¢)
每股基本溢利 (港仙)



2008 Revenue by Business Segments
二零零八年按業務劃分收益



BUSINESS REVIEW

Overall review

In 2008, the Group recorded turnover of HK\$260,292,000 (2007: HK\$195,088,000) and profit attributable to equity holders of HK\$1,852,000 (2007: profit attributable to equity holders of HK\$77,996,000). The Global Financial Tsunami has not constituted significant impact on the Group. Instead, the huge retreat in profit was mainly attributable to the following one-off events:

- The facade contracting works business had contributed profit of HK\$30,342,000 to the Group in 2007. The business had been disposed of at the end of 2007.
- A gain on deemed disposal of an associate of HK\$32,920,000 had been recorded in 2007.
- A loss on partial disposal of equity interest in Zhejiang Sealand Thermolectric Share-Holding Co. ("Zhejiang Sealand") (formerly known as Hangzhou Sealand Electric Power Company Limited) of HK\$7,604,000 was recorded in 2008.

Electric and steam power supply business

Zhejiang Sealand is a subsidiary of the Group and is principally engaged in the supply of electric and steam power. In 2008, Zhejiang Sealand contributed turnover of HK\$256,070,000 (2007: HK\$192,663,000) and profit of HK\$31,974,000 (2007: HK\$27,713,000) to the Group. Sales of steam power increased by 29% over last year, representing 85% of the turnover, while that of electric power decreased by 1%. Both the sales volume of electric and steam power dropped slightly due to the weakened demand by some customers resulting from their reduced production as affected by the Global Financial Tsunami. The average selling price of steam power in 2008 was raised by 33% so as to cope with the significant upsurge in coal price. The gross profit decreased from HK\$28,985,000 in 2007 to HK\$17,596,000 in 2008. During the year, income from installation of infrastructure for steam supply of HK\$9,701,000 (2007: HK\$5,177,000) and income from sale of coal residues of HK\$3,635,000 (2007: HK\$3,012,000) were also recorded.

業務回顧

整體回顧

於二零零八年，本集團錄得營業額260,292,000港元(二零零七年：195,088,000港元)及權益持有人應佔溢利1,852,000港元(二零零七年：77,996,000港元)。國際金融海嘯並未對本集團造成重大影響，反之，溢利大幅倒退的原因主要由於下列一次性事件：

- 大廈外牆工程業務於二零零七年為本集團提供了30,342,000港元之溢利。該業務已於二零零七年末出售。
- 二零零七年錄得被視為出售聯營公司之利潤32,920,000港元。
- 二零零八年錄得出售浙江海聯熱電股份有限公司(「海聯熱電」)(前稱杭州海聯熱電有限公司)部份股本權益之虧損7,604,000港元。

電力及蒸汽供應業務

海聯熱電是本集團的附屬公司，其主要業務為供應電力及蒸汽。海聯熱電於二零零八年為本集團提供了營業額256,070,000港元(二零零七年：192,663,000港元)及溢利31,974,000港元(二零零七年：27,713,000港元)。與去年比較，蒸汽銷售收入增加29%，佔營業額85%，而電力銷售收入則減少1%。受到國際金融海嘯的影響，部份顧客減少生產，導致對電力及蒸汽的需求量下滑，電力及蒸汽的銷售量均錄得輕微跌幅。二零零八的蒸汽平均售價調高了33%，以應付大幅攀升的煤價。毛利由二零零七年的28,985,000港元下跌至二零零八的17,596,000港元。年內，亦錄得安裝供氣結構之收入9,701,000港元(二零零七年：5,177,000港元)及出售煤渣之收入3,635,000港元(二零零七年：3,012,000港元)。



Chairman's Statement 主席報告書

Zhejiang Sealand continued to enhance production efficiency through implementing technology innovation, strengthening internal management and reinforcing production safety. It also endeavored to benefit from the government grant program in terms of energy saving and environmental protection. Government grants of HK\$10,218,000 (2007: HK\$702,000) was earned in 2008.

During the year, the Group disposed of 14% out of its 70% shareholding in Zhejiang Sealand to an independent third party at a consideration of RMB12,270,000 (equivalent to approximately HK\$13,137,000) as the Group considered that facing various uncertainties encountered by the electric power industry in the Mainland such as the tremendous rise in the coal price, the partial disposal of equity interest in Zhejiang Sealand enabled the Group to focus its resources on the aero-technology related business and to increase the reserve fund for future expansion of the aviation business while still holding controlling equity interest in Zhejiang Sealand. A loss on disposal of HK\$7,604,000 was recorded. After the disposal, Zhejiang Sealand is still a subsidiary of the Group as it still holds 56% equity interest in it.

Aero-technology related business

Totally 64 EC120 Helicopters were sold in 2008. Turnover from the aero-technology related business amounted to HK\$4,222,000 (2007: HK\$2,425,000). The Group also recorded gain on disposal of an available-for-sale investment of HK\$13,449,000 (2007: HK\$26,597,000). Having considered the profit and cashflow forecast of Project EC120, the Group made a provision for impairment of HK\$2,500,000 (2007: HK\$14,000,000) against the financial assets thereunder. As a result, the aero-technology related business recorded a profit of HK\$13,020,000 (2007: HK\$14,209,000) in 2008.

海聯熱電繼續透過實行技術改造、強化內部管理及加強生產安全性來提高生產效能，並致力從節能及環保兩方面受惠於政府補助計劃。海聯熱電於二零零八年獲得政府補助金10,218,000港元(二零零七年：702,000港元)。

年內，本集團把持有之海聯熱電70%股權的其中14%股本權益以12,270,000元人民幣(相等於約13,137,000港元)之代價出售予一名獨立第三者，出售原因是本集團認為面對國內電力行業遇到的煤價大幅上漲等多種不確定因素，本集團在繼續掌握海聯熱電的控股權的狀況下出售部份股權，可讓本集團之資源集中於航空技術相關業務，為將來加大航空業務投入儲備資金。該出售錄得7,604,000港元之虧損。出售後，海聯熱電仍是本集團的附屬公司，因本集團仍持有其56%股本權益。

航空技術相關業務

EC120直升機於二零零八年實現合共64架份銷售。航空技術相關業務之營業額為4,222,000港元(二零零七年：2,425,000港元)。本集團亦錄得出售可供出售的投資之利潤13,449,000港元(二零零七年：26,597,000港元)。經考慮EC120項目的未來利潤及現金流入預測，本集團就該項目財務資產作出虧損撥備2,500,000港元(二零零七年：14,000,000港元)。因此，航空技術相關業務於二零零八年錄得溢利13,020,000港元(二零零七年：14,209,000港元)。

Others

In 2008, the Group recorded deficit on revaluation of an investment property of HK\$5,900,000 (2007: surplus on revaluation of an investment property of HK\$9,300,000), share of profits of jointly-controlled entity and associates of HK\$8,603,000 (2007: HK\$13,149,000), and fair value loss on equity investments at fair value through profit or loss and derivative financial instruments of HK\$12,169,000 (2007: HK\$33,446,000).

PROSPECTS

In order to overcome such hard times amid economic downturn and maintain its comparative advantages to grow in the future, Zhejiang Sealand will continue to implement strict cost control measures, increase sales through exploring new customers and strengthen its governance on monitoring receivables.

Looking forward to 2009, the global economy will still be clouded with uncertainties. However, in spite of the weak global economic conditions, economic growth in Mainland China is expected to remain solid over the next decades. With our strong balance sheet and low gearing ratio, the Group is expected to maintain a strong cash position in 2009 and will be able to provide steady funding source for existing projects and new investment opportunities. The Group also believes the current market conditions are in favour of the Group in terms of identifying new projects. The Group will closely monitor projects in aviation industry and aviation-related industry in China with good prospects.

APPRECIATION

I would like to take this opportunity to express my appreciation to my fellow directors and all our staff for their support, hard work and dedication.

By Order of the Board
Fu Shula
Chairman

Hong Kong, 23 April 2009

其他

於二零零八年，本集團錄得投資物業重估虧損5,900,000港元（二零零七年：投資物業重估盈餘9,300,000港元）、分佔共同控權公司及聯營公司之溢利8,603,000港元（二零零七年：13,149,000港元）以及透過損益按公平值列值的股本投資及衍生金融工具之公平值虧損12,169,000港元（二零零七年：33,446,000港元）。

前景

為了平穩度過經濟放緩的困難時期和維持競爭優勢以開拓未來，海聯熱電將繼續嚴格控制成本，並且努力拓展新客戶以提高銷售額、及加強對應收帳款的管理及監督。

展望二零零九年，全球經濟將仍受不明朗因素籠罩。然而，雖然全球經濟狀況欠佳，但預料中國內地的經濟將於未來數十年保持一定增長。憑藉強健的資產負債表及低資本負債率，預期本集團於二零零九年仍然保持現金充裕，並將為現有項目及新投資商機提供穩定資金來源。本集團亦相信現時市況有利於本集團物色新項目。本集團將密切關注中國航空工業及航空相關業務領域的有發展前景之項目。

致謝

本人謹此向各董事及全體職員所作出之重大貢獻、努力不懈及盡忠職守表示深切謝意。

承董事會命
主席
付舒拉

香港，二零零九年四月二十三日

Management Discussion and Analysis 管理層討論及分析

FINANCIAL REVIEW

Liquidity, capital structure and financial resources

The Group has consistently maintained sufficient working capital. As at 31 December 2008, the Group had current assets of HK\$545,937,000 (2007: HK\$701,929,000), including cash and bank balances and time deposits in an aggregate of HK\$404,406,000 (2007: HK\$544,402,000). The Group's current liabilities as at 31 December 2008 were HK\$157,445,000 (2007: HK\$204,520,000).

During the year, the Company repurchased a total of 30,906,000 shares of the Company on The Stock Exchange of Hong Kong Limited at prices ranged from HK\$0.101 to HK\$0.120 per share for an aggregate consideration of HK\$3,565,000. All the relevant share certificates in respect of the repurchased shares have been duly cancelled.

As at 31 December 2008, the Group's equity attributable to equity holders of the parent amounted to HK\$919,058,000 (2007: HK\$922,917,000), comprising issued capital of HK\$475,440,000 (2007: HK\$478,530,000) and reserves of HK\$443,618,000 (2007: HK\$444,387,000). The Group's outstanding bank borrowing as at 31 December 2008 amounted to HK\$29,412,000 (2007: HK\$96,017,000). The Group's gearing ratio, calculated on the basis of total bank borrowings as a percentage of equity attributable to equity holders of the parent, was 3% (2007: 10%).

The Group's banking facilities are mainly utilised for capital expenditure and general working capital requirements.

Charges on the Group's assets

Details of the charges on the Group's assets are set out in note 34(a) to the financial statements.

財務回顧

資金流動性、資本架構及財務資源

本集團一貫保持充足營運資金。於二零零八年十二月三十一日，本集團有流動資產545,937,000港元（二零零七年：701,929,000港元），其中包括現金及銀行結存及定期存款合共404,406,000港元（二零零七年：544,402,000港元）。本集團於二零零八年十二月三十一日之流動負債為157,445,000港元（二零零七年：204,520,000港元）。

年內，本公司以每股0.101港元至0.120港元的價格經香港聯合交易所有限公司購回共30,906,000股本公司股份，總代價為3,565,000港元。所有購回股份的股份證書已被註銷。

於二零零八年十二月三十一日，本集團之公司權益持有人應佔權益為919,058,000港元（二零零七年：922,917,000港元），由已發行股本475,440,000港元（二零零七年：478,530,000港元）及儲備443,618,000港元（二零零七年：444,387,000港元）所組成。本集團於二零零八年十二月三十一日之未償還銀行貸款為29,412,000港元（二零零七年：96,017,000港元）。本集團之資本負債率按總銀行借貸佔公司權益持有人應佔權益之百分比計算為3%（二零零七年：10%）。

本集團之銀行信貸主要用於應付資本支出及一般營運資金的需要。

集團資產抵押

有關本集團資產抵押之詳情載於財務報表附註34(a)。

Management Discussion and Analysis 管理層討論及分析

Exposure to fluctuations in exchange rates

The Group's foreign currency exposures primarily arises from certain sales or purchases by operating units in currencies other than the unit's functional currency. In view of the fact that the Group tries to match its assets and liabilities with the same currency, the Group's exposure to foreign currency risk is minimal.

MATERIAL ACQUISITIONS AND DISPOSALS

On 4 January 2006, Sino-Aviation Investments Limited ("Sino-Aviation Investments"), a wholly-owned subsidiary of the Company, entered into a joint venture agreement (the "JV Agreement") with AVIC International Holding Corporation ("AVIC Int'l") (formerly known as China National Aero-Technology Import & Export Corporation), a substantial shareholder of the Company, and Chengdu Aircraft Industry (Group) Corporation Ltd. ("Chengdu Aircraft"), for the establishment of a joint venture to engage in the research and development, design and manufacture of parts and components for commercial aircraft, and provision of related technical services. According to the JV Agreement, the total registered capital of the joint venture will be RMB100 million (equivalent to approximately HK\$113 million), of which 40%, 15% and 45% respectively, will be contributed by Sino-Aviation Investments, AVIC Int'l and Chengdu Aircraft. The JV Agreement is conditional upon (i) the internal approval obtained by each of the three parties; and (ii) the approvals from the relevant PRC authorities. As at 31 December 2008, the JV agreement has not become effective as the conditions stated above have not been fulfilled.

Save as disclosed above, the Group had no other material acquisitions or disposals during the year.

CONTINGENT LIABILITIES

Details of the significant contingent liabilities of the Group are set out in note 43 to the financial statements.

匯率波動風險

本集團的外匯風險主要產生自營運單位的若干以該單位功能貨幣以外的其他貨幣進行的銷售及採購。鑒於本集團致力把相同貨幣的資產及負債配合，因此本集團所承受的外匯風險很低。

重大收購及出售

於二零零六年一月四日，本公司之全資附屬公司Sino-Aviation Investments Limited (「Sino-Aviation Investments」) 與本公司之主要股東中國航空技術國際控股有限公司 (「中航技控股」) (前稱中國航空技術進出口總公司) 及成都飛機工業(集團)有限責任公司 (「成都飛機」) 訂立合營協議 (「合營協議」)，以成立一家合營公司，從事商用飛機零部件之研發、設計及製造，以及提供相關技術服務。根據合營協議，合營公司之總註冊資本將為100,000,000元人民幣 (相等於約113,000,000港元)，其中Sino-Aviation Investments、中航技控股及成都飛機將分別注資40%、15%及45%。合營協議須待以下條件達成後方告生效，包括(i)三方各自獲得內部批准；及(ii)獲得有關中國機構之批准。截至二零零八年十二月三十一日，由於上述條件尚未達成，因此該合營協議尚未生效。

除上文所披露外，本集團於年內並無任何其他重大收購或出售。

或然負債

有關本集團重大或然負債之詳情載於財務報表附註43。

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2008, there were 282 (2007: 281) employees in the Group. Staff remuneration packages are determined in consideration of market conditions and the performance of the individuals concerned, and are subject to review from time to time. The Group also provides other staff benefits including medical and life insurance, and grants discretionary incentive bonuses and share options to eligible staff based on their performance and contributions to the Group.

僱員及薪酬政策

於二零零八年十二月三十一日，本集團共有員工282名（二零零七年：281名）。本集團乃參考市場情況及根據個別員工表現而制定僱員薪酬，並不時作出檢討。本集團並為僱員提供其他福利包括醫療及人壽保險，以及按個別僱員之表現及其對本集團作出之貢獻，向合資格僱員授予酌情性獎勵花紅及購股權。

Biographical Details of Directors and Senior Management

董事及管理高層之履歷

EXECUTIVE DIRECTORS

Mr. Fu Shula, aged 53, has been an Executive Director and the Chairman of the Company since May 2004. He is the Chairman of the Remuneration Committee of the Company. Mr. Fu is also the President of AVIC International Holding Corporation (“AVIC Int’l”) (formerly known as China National Aero-Technology Import & Export Corporation) and a Director of Tacko International Limited (“Tacko”). Both AVIC Int’l and Tacko are substantial shareholders of the Company as listed under the section of “Substantial Shareholders’ and Other Persons’ Interests in Shares and Underlying Shares” in the Report of the Directors. Mr. Fu holds a Master’s Degree in Engineering with specialization in aero-engine design and is a Professional Senior Engineer. He was the Head of Marketing and International Co-operation Division of China Aviation Industry Corporation I and held senior positions in AVIC Int’l. Mr. Fu has served AVIC Int’l since 1990 and has over 25 years of experience in technology, marketing, economic business, operation and management.

Mr. Ji Guirong, aged 47, has been an Executive Director, a Deputy Chairman and the Chief Executive Officer of the Company since September 2001. He is responsible for the Group’s overall management and development of corporate strategies in relation to corporate finance, mergers and acquisitions, project investments and diversification activities. Mr. Ji holds a Master’s Degree in Engineering Management and a Bachelor’s Degree in Engineering and is a Senior Engineer. He had served as the Deputy Chief Economist of AVIC Int’l and has over 24 years of experience in engineering, corporate finance, mergers and acquisitions, and project investments. Mr. Ji is a Director of CATIC Helicopter Development (Shenzhen) Limited (“CATIC Helicopter (Shenzhen)”) and, a Director and the Chairman of Zhejiang Sealand Thermoelectric Share-Holding Co. (“Zhejiang Sealand”) (formerly known as Hangzhou Sealand Electric Power Company Limited), both of which are the principal subsidiaries of the Company. He is a Non-executive Director and the Chairman of Sino Gas Group Limited, an associate of the Company, which is listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Mr. Ji is also a Director of Tacko and a Director of Speed Profit Enterprises Limited (“Speed Profit”), a substantial shareholder of the Company.

執行董事

付舒拉先生，53歲，2004年5月出任為本公司執行董事及主席。彼為本公司薪酬委員會主席。付先生亦為中國航空技術國際控股有限公司（「中航技控股」）（前稱中國航空技術進出口總公司）總裁及Tacko International Limited（「Tacko」）董事，中航技控股及Tacko均為董事會報告「主要股東及其他人士於股份及相關股份之權益」一節所列之本公司主要股東。付先生持有航空發動機設計專業工程碩士學位，並為研究員級高級工程師。彼曾擔任中國航空工業第一集團公司市場和對外合作部部長，並曾於中航技控股出任要職。付先生自1990年開始加盟中航技控股，於技術、市場推廣、經濟商業、營運及管理方面擁有逾25年經驗。

季貴榮先生，47歲，2001年9月出任為本公司執行董事、副主席及行政總裁。彼負責本集團之整體管理及企業策略之發展，包括企業融資、企業購併、項目投資及多元化業務等事宜。季先生持有工程管理碩士學位及工程學士學位，並為高級工程師。彼曾於中航技控股擔任副總經濟師，並在工程、企業融資、企業購併及項目投資等方面擁有逾24年經驗。季先生為本公司主要附屬公司中航技直升機技術服務（深圳）有限公司（「中航技直升機（深圳）」）董事及浙江海聯熱電股份有限公司（「海聯熱電」）（前稱杭州海聯熱電有限公司）董事及主席。彼為本公司聯營公司中油潔能集團有限公司非執行董事及主席，該公司於香港聯合交易所有限公司（「聯交所」）上市。季先生亦為Tacko董事及本公司主要股東凱得利國際有限公司（「凱得利」）董事。



Biographical Details of Directors and Senior Management

董事及管理高層之履歷

Mr. Ma Zhiping, aged 52, has been an Executive Director of the Company since January 2006. He holds a Bachelor's Degree in Material Science and Engineering and is a Professional Senior Engineer. Mr. Ma is also a Vice President of AVIC Int'l. In 1988, he was transferred to AVIC Int'l and had served as Associate Director of the Science and Technology Division, Chief Representative of AVIC Int'l in France and Manager of the International Cooperation Division. He has worked in the aviation industry for many years and has substantial experience in the area of foreign trade and corporate management.

Mr. Pan Linwu, aged 44, has been an Executive Director of the Company since 5 February 2008. He holds a Master's Degree in Aeronautical Engineering, a Bachelor's Degree in Engineering and a Postgraduate Diploma in Financial Accounting, and is a Professional Senior Accountant. Mr. Pan had served at the Ministry of Aviation Industry and the audit department of the Ministry of Aero-Space Industry. In 1993, he was transferred to AVIC Int'l and had served as Deputy Director and Director of the Audit Division. Mr. Pan has been appointed as a Vice President and the Chief Financial Officer of AVIC Int'l since 2001. He is also a Director of Tacko and an Independent Director of Shenzhen Century Plaza Hotel Co., Ltd., a company listed on the Shenzhen Stock Exchange. Mr. Pan has many years experience in financial management, supervision and audit, and has substantial experience in the area of finance, fund operation and risk management.

Mr. Liu Rongchun, aged 55, has been an Executive Director of the Company since April 2005. He holds a Master's Degree in Aeronautical Engineering and, a Bachelor's Degree in Aeronautical Engineering and Foreign Trading, and is a Professional Senior Engineer. Mr. Liu is also a Vice President of AVIC Int'l and a Director of Tacko. He has served AVIC Int'l since 1986 and has over 30 years of experience in technology, policy research, sales and marketing and business management.

馬志平先生，52歲，2006年1月出任為本公司執行董事。彼持有金屬材料科學與工程學士學位，並為研究員級高級工程師。馬先生亦為中航技控股副總裁，於1988年獲調派中航技控股工作，歷任科技處副處長、駐法國代表處總代表及合作部經理。彼從事航空外貿工作多年，具有豐富的外貿工作經驗和企業管理經驗。

潘林武先生，44歲，2008年2月5日出任為本公司執行董事。彼持有航空工程碩士學位、工學學士學位及取得財務會計專業第二學歷，並為研究員級高級會計師。潘先生曾於航空工業部及審計署駐航空航天部審計局工作，於1993年獲調派中航技控股工作，歷任監察審計室副主任及主任。自2001年起，潘先生獲委任為中航技控股副總裁及總會計師。彼亦為Tacko董事及於深圳證券交易所上市之深圳新都酒店股份有限公司獨立董事。潘先生具有多年財務管理、監察及審計工作經驗，在金融、資金運作及風險管理等領域亦具豐富經驗。

劉榮春先生，55歲，2005年4月出任為本公司執行董事。彼持有航空工程碩士學位及航空發動機、工業外貿學士學位，並為研究員級高級工程師。劉先生亦為中航技控股副總裁及Tacko董事。彼自1986年開始加盟中航技控股，於技術、政策研究、市場營銷及經營管理方面擁有逾30年經驗。

Biographical Details of Directors and Senior Management

董事及管理高層之履歷

Mr. Zhang Chuanjun, aged 38, joined the Group in October 2003 and has been an Executive Director of the Company since 5 February 2008. He is the Chief Financial Officer of the Company and is responsible for the Group's corporate finance, accounting and treasury functions. Mr. Zhang holds a Master's Degree and a Bachelor's Degree in Management Accounting and is a Senior Accountant. He is also the Deputy General Manager of the Management Finance Division of AVIC Int'l. Mr. Zhang has served AVIC Int'l since 1993 and has over 16 years of experience in accounting and finance. He is also a Director of CATIC Helicopter (Shenzhen), Zhejiang Sealand and Speed Profit.

Mr. Wang Xinkuo, aged 60, had been an Executive Director and a Deputy Chairman of the Company since May 2004 until his resignation with effect from 27 March 2009. He is the Chairman of the Board of Supervisors of AVIC Int'l and a Director of Tacko. Mr. Wang holds a Postgraduate Diploma in Economic Management and a Bachelor's Degree in Engineering and is a Senior Economist. He held senior positions in Xian Aircraft Industry Company, CATIC Shenzhen Company and CATIC Guangzhou Company. Mr. Wang has served AVIC Int'l since 2004 and has over 35 years of experience in technology, operation and management.

Mr. Diao Weicheng, aged 45, had been an Executive Director of the Company since April 2005 until his resignation with effect from 11 August 2008. He holds a PhD in Economics and is a Senior Engineer. Mr. Diao is also a Vice President of AVIC Int'l and a Director of Tacko. He held senior positions in major corporations in Shenzhen as Vice President and Director and has over 19 years of experience in corporate management.

Mr. Ren Haifeng, aged 62, had been an Executive Director of the Company since May 1999 until his resignation with effect from 5 February 2008. He is a Senior Engineer in Professor Rank, was a fellow member of the Hong Kong Institute of Steel Construction and a past President of the Hong Kong Facade Association. Mr. Ren has over 40 years of experience in engineering technology and corporate management.

張傳軍先生，38歲，2003年10月加入本集團，2008年2月5日出任為本公司執行董事。彼為本公司財務總監，負責本集團之企業融資、會計及財政等職務。張先生持有管理會計學碩士及學士學位，並為高級會計師。彼亦為中航技控股管理財務部副總經理。張先生自1993年開始在中航技控股任職，在會計及財務方面擁有逾16年經驗。彼亦為中航技直升機（深圳）、海聯熱電及凱得利之董事。

王心闊先生，60歲，2004年5月出任為本公司執行董事及副主席，直至2009年3月27日辭任。彼為中航技控股監事會主席及Tacko董事。王先生持有經濟管理學研究生文憑及工程學士學位，並為高級經濟師。彼曾於西安飛機製造公司、中航技深圳公司及中航技廣州公司出任要職。王先生自2004年開始加盟中航技控股，於技術、營運及管理方面擁有逾35年經驗。

刁偉程先生，45歲，2005年4月出任為本公司執行董事，直至2008年8月11日辭任。彼持有經濟學博士學位，並為高級工程師。刁先生亦為中航技控股副總裁及Tacko董事。彼曾於深圳大型企業擔任要職，包括副總裁及董事等，於企業管理方面擁有逾19年經驗。

任海峰先生，62歲，1999年5月出任為本公司執行董事，直至2008年2月5日辭任。彼持有中國教授級高級工程師資銜，曾為香港鋼結構學會資深會員及香港建築幕牆裝飾協會前會長。任先生在工程技術及企業管理方面擁有逾40年經驗。

Biographical Details of Directors and Senior Management

董事及管理高層之履歷

NON-EXECUTIVE DIRECTOR

Mr. Ip Tak Chuen, Edmond, aged 56, has been a Non-executive Director of the Company since May 1999. He holds a Bachelor of Arts Degree in Economics and a Master of Science Degree in Business Administration. Mr. Ip is also Deputy Managing Director of Cheung Kong (Holdings) Limited, an Executive Director and Deputy Chairman of Cheung Kong Infrastructure Holdings Limited, the Senior Vice President and Chief Investment Officer of CK Life Sciences Int'l., (Holdings) Inc., a Non-executive Director of ARA Asset Management Limited (an Asian real estate fund management company listed in Singapore), TOM Group Limited, Excel Technology International Holdings Limited, Shougang Concord International Enterprises Company Limited and The Ming An (Holdings) Company Limited (all being listed companies), and a Director of ARA Asset Management (Singapore) Limited as the manager of Fortune REIT and ARA Trust Management (Suntec) Limited as the manager of Suntec REIT. Both Fortune REIT and Suntec REIT are listed in Singapore.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chu Yu Lin, David, JP, SBS, aged 65, has been an Independent Non-executive Director of the Company since May 1999. He is the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company. Mr. Chu received his Master of Business Administration Degree from Harvard University after Degrees in Electrical Engineering and Management at Northeastern University and was awarded an honorary Doctor of Public Service Degree from Northeastern University. He is an Independent Non-executive Director of Chuang's China Investments Limited and Jiuzhou Development Company Limited, both of which are companies listed on the Stock Exchange. Mr. Chu worked for a number of sizeable international corporations such as Bank of America, General Electric Co. and Jardine Matheson & Company Limited.

非執行董事

葉德銓先生，56歲，1999年5月出任本公司非執行董事。彼持有經濟學士學位及工商管理碩士學位。葉先生同時出任長江實業（集團）有限公司副董事總經理、長江基建集團有限公司執行董事及副主席、長江生命科技集團有限公司高級副總裁及投資總監、ARA Asset Management Limited（於新加坡上市之亞洲房地產基金管理公司）、TOM集團有限公司、志鴻科技國際控股有限公司、首長國際企業有限公司及民安（控股）有限公司之非執行董事（上述公司全部均為上市公司），以及置富產業信託管理人ARA Asset Management (Singapore) Limited及Suntec REIT管理人ARA Trust Management (Suntec) Limited之董事。置富產業信託及Suntec REIT均於新加坡上市。

獨立非執行董事

朱幼麟先生，JP，SBS，65歲，1999年5月出任為本公司獨立非執行董事。彼為本公司審核委員會主席及薪酬委員會成員。朱先生持有美國東北大學電機工程及管理學學位，後獲哈佛大學頒授工商管理碩士學位及獲美國東北大學頒發名譽博士學位（公共服務）。彼為莊士中國投資有限公司及九洲發展有限公司之獨立非執行董事，該兩間公司均於聯交所上市。朱先生曾於多間頗具規模之國際機構如美國銀行、General Electric Co.及怡和洋行有限公司工作。

Biographical Details of Directors and Senior Management

董事及管理高層之履歷

Mr. Li Ka Fai, David, aged 54, has been an Independent Non-executive Director of the Company since December 2007. He is a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Li holds a Bachelor of Science Honours Degree in Chemistry and Administration. He is the Deputy Managing Partner of Li, Tang, Chen & Co. CPA (Practising). Mr. Li is also a Fellow of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants, UK as well as The Institute of Chartered Secretaries & Administrators, UK and an Associate Member of The Institute of Chartered Accountants in England & Wales. He is an Independent Non-executive Director of China Merchants Holdings (International) Company Limited, China-Hongkong Photo Products Holdings Limited and Cosmopolitan International Holdings Limited, all of which are listed on the Stock Exchange. Mr. Li is also an Independent Director of China Vanke Company Limited, a company listed on the Shenzhen Stock Exchange.

Mr. Li Zhaoxi, aged 61, has been an Independent Non-executive Director of the Company since September 2004. He is a member of the Audit Committee of the Company. Mr. Li holds a Master's Degree in Business Administration and is a Deputy Director and a Senior Research Fellow of the Enterprise Research Institute of the Development Research Center under the State Council of the People's Republic of China. He is an Independent Director of Liaoning Hongyang Energy Investment Share Limited Company, a company listed on the Shanghai Stock Exchange. Mr. Li has carried out research on corporate reforms and management for over 24 years.

李家暉先生，54歲，2007年12月出任為本公司獨立非執行董事。彼為本公司審核委員會及薪酬委員會成員。李先生持有化學及管理榮譽理學士學位。彼為李湯陳會計師事務所副執行合夥人。李先生亦為香港會計師公會執業資深會計師、英國特許公認會計師公會及英國特許秘書行政人員公會資深會員及英格蘭及威爾斯特許會計師公會會員。彼為招商局國際有限公司、中港照相器材集團有限公司及四海國際集團有限公司之獨立非執行董事，該等公司均於聯交所上市。李先生亦為於深圳證券交易所上市之萬科企業股份有限公司獨立董事。

李兆熙先生，61歲，2004年9月出任為本公司獨立非執行董事。彼為本公司審核委員會成員。李先生持有工商管理碩士學位，並為中國國務院發展研究中心企業研究所副所長及資深研究員。彼為於上海證券交易所上市之遼寧紅陽能源投資股份有限公司獨立董事。李先生從事企業改革及管理研究工作逾24年。



Biographical Details of Directors and Senior Management

董事及管理高層之履歷

SENIOR MANAGEMENT

Mr. Yang Hua, aged 39, Chief Operating Officer, joined the Group in October 2003. He is responsible for the Group's corporate planning, mergers and acquisitions, and project investments. He holds a Master's Degree in Engineering and a Bachelor's Degree in Industrial Engineering and is a Senior Economist. He has served AVIC Int'l since 1994 and has over 18 years of experience in engineering, corporate finance, mergers and acquisitions and project investments. He is also a Director of Zhejiang Sealand and Speed Profit.

Mr. Liu Binliao, aged 46, Chief Operating Officer, joined the Group in April 2007. He is responsible for the Group's corporate planning, project development and, import and export trading business. He holds a Bachelor's Degree in Mechanical Engineering and Automation at Tsinghua University and had served at the Ministry of Aviation Industry. He has served AVIC Int'l since 1992 and had served as Project Manager, Chief Officer of the Imports Bureau and Chief Officer of the Trading Section in Catic (H.K.) Limited, a substantial shareholder of the Company. He has over 24 years of experience in technical research, project management and international trade.

Mr. Zhu Dong, aged 35, Deputy Chief Financial Officer, joined the Group in September 2008. He is responsible for the Group's corporate finance, accounting and treasury functions. He holds a Master's Degree and a Bachelor's Degree in Management Accounting and is a Senior Accountant. He has served AVIC Int'l since 1994 and has over 15 years of experience in accounting and finance.

管理高層

楊華先生，39歲，營運總監，2003年10月加入本集團，負責本集團之企業策劃、企業購併及項目投資等職務。彼持有工程碩士學位及工學學士學位，並為高級經濟師。彼自1994年開始在中航技控股任職，在工程、企業融資、企業購併及項目投資等方面擁有逾18年經驗。彼亦為海聯熱電及凱得利之董事。

劉濱遠先生，46歲，營運總監，2007年4月加入本集團，負責本集團之企業策劃、項目發展及進出口商貿等職務。彼持有清華大學機械工程及自動化學士學位及曾於航空工業部工作。彼自1992年開始加盟中航技控股工作，歷任項目經理、進口部主管及於本公司主要股東中國航空技術進出口（香港）有限公司出任貿易部主管。彼在技術研究、項目管理及國際商貿方面擁有逾24年經驗。

朱冬先生，35歲，副財務總監，2008年9月加入本集團，負責本集團之企業融資、會計及財政等職務。彼持有管理會計學碩士及學士學位，並為高級會計師。彼自1994年開始在中航技控股任職，在會計及財務方面擁有逾15年經驗。

Corporate Governance Report 企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintain good standards of the corporate governance practices by emphasizing transparency, accountability and responsibility to its shareholders.

Throughout the year of 2008, the Company applied the principles of, and complied with all the code provisions and, where applicable, the recommended best practices of the “Code on Corporate Governance Practices” (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), except for all Non-executive Directors are appointed without specific terms, which is mentioned under section Non-executive Directors in this report.

The Company will periodically review and improve its corporate governance practices with reference to the latest development of corporate governance.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as the Company’s code of conduct regarding securities transactions by its Directors. A reminder is served by the Company to each Director twice annually of the black out period that the Director cannot deal in the securities and derivatives of the Company.

Directors are required to notify the Chief Executive Officer and receive a dated written acknowledgement before dealing in the securities and derivative of the Company. In the case of the Chief Executive Officer himself, he must notify the Chairman and receive a dated written acknowledgement before any dealing.

Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standards as set out in the Model Code throughout the year.

企業管治常規

本公司致力於透過對全體股東的透明度、問責性及責任性，從而保持良好的企業管治規範。

除本報告非執行董事項下提述所有非執行董事並無指定任期外，本公司於二零零八年度全年均實施並遵守載於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《企業管治常規守則》（「企業管治常規守則」）的所有守則條文及（如適用）建議最佳常規。

本公司將參考企業管治的最新發展，定期檢討及改善其企業管治實務。

董事的證券交易

本公司已採用了載於上市規則附錄十的《上市公司董事進行證券交易的標準守則》（「標準守則」）作為董事進行公司證券交易的行為守則。本公司每年就禁止買賣期分別適時發出兩次通知提醒各董事不可買賣本公司之證券及衍生性投資。

董事進行本公司之證券及衍生性投資買賣前，必須先知會行政總裁，並待收到註有日期之確認書才可進行。行政總裁本人進行本公司之證券及衍生性投資買賣前，則必須先知會主席，並待收到註有日期之確認書才可進行。

在向所有董事作出特定查詢後，所有董事確認彼等全年已遵守標準守則所載的規定。



Corporate Governance Report

企業管治報告

The Company has also established a written guidelines for securities transaction by relevant employees (include any employee of the Company or a director or employee of a subsidiary or holding company of the Company, who, because of such office or employment, are likely to be in possession of unpublished price-sensitive information in relation to the Company or its securities) on no less exacting terms than the Model Code. No incident of non-compliance was noted by the Company.

BOARD OF DIRECTORS

The Company is governed by a Board of Directors which has the responsibility for leadership and control of the Company. The Directors are collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs.

Currently, the Board comprises six Executive Directors, including the Chairman and the Deputy Chairman, and four Non-executive Directors, including three Independent Non-executive Directors. With the exceptions of both of Mr. Pan Linwu and Mr. Zhang Chuanjun joining the Board as Executive Directors on 5 February 2008, all other Directors (including Mr. Wang Xinkuo who resigned as Executive Director and Deputy Chairman on 27 March 2009) served for the whole year of 2008. In addition, Mr. Ren Haifeng resigned as Executive Director and Deputy Chief Executive Officer on 5 February 2008, and Mr. Diao Weicheng resigned as Executive Director on 11 August 2008. The biographical details of the Directors are set out on pages 9 to 14 of this annual report.

本公司亦已制定一份有關僱員（包括本公司的任何僱員、又或附屬公司或控股公司的任何董事或僱員，因其職務或僱員關係而可能會擁有關於本公司或本公司證券的未經公佈的股價敏感資料）進行證券交易的書面指引，其條款不遜於標準守則中之現行條文。本公司並不知悉有任何有關僱員不遵守指引的事件。

董事會

本公司由董事會管理，董事會負有領導及監控本公司之責任。董事透過集體領導及監督本公司事務，負責籌劃本公司之成功。

董事會目前由六名執行董事（包括主席及副主席）及四名非執行董事（包括三名獨立非執行董事）組成。除於二零零八年二月五日潘林武先生及張傳軍先生兩位加入董事會為執行董事外，其餘所有董事（包括已於二零零九年三月二十七日辭任執行董事及副主席的王心闊先生）均於二零零八年全年任職。此外，任海峰先生於二零零八年二月五日辭任執行董事及副行政總裁；以及刁偉程先生於二零零八年八月十一日辭任執行董事。董事之履歷資料載於本年報第9至14頁。

Corporate Governance Report 企業管治報告

At each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day who to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. A new Director appointed by the Board (in the case of filling a casual vacancy or an addition to the existing Board) after the preceding annual general meeting is subject to retirement and is then eligible for re-election at the first general meeting after his appointment.

The Company currently does not have a nomination committee. The Board is directly in charge of nomination of directors. In accordance with the Bye-Laws of the Company, the Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of directors as appointed shall not exceed the maximum number determined from time to time by the members in general meeting. For nomination, consideration will be made to the qualifications and capabilities of the nominee.

The Board formulates overall strategy of the Group, monitors its financial performance and maintains effective oversight over the management. The Board members are fully committed to their roles and have acted in good faith to maximize the shareholders' value in the long run, and have aligned the Group's goals and directions with the prevailing economic and market conditions. Daily operations and administration are delegated to the management.

The Company has arranged appropriate insurance cover in respect of legal actions against its Directors and officers. The Company reviews the extent of this insurance each year.

All Directors have access to the services of the Company Secretary who regularly updates the Board on governance and regulatory matters. Any Director, in the furtherance of his or her duties, may take independent professional advice in appropriate circumstance through the Chairman at the expense of the Company. The availability of professional advice extends to the Audit and Remuneration Committees.

在每年的股東週年大會上，在任董事會的三份一成員（或，若董事數目並非三的倍數，則以最接近三分一而又不少於三分一的數目）必須輪席退任，而每位董事須最少每三年退任。每年退任的董事須為自上次當選後在任最久之董事，但若同一天成為董事者，退任之董事須以抽籤決定（除非彼等之間有其他協議）。退任之董事可膺選連任。於上屆股東週年大會後董事會新委任之董事（以填補空缺或作為董事會新增董事），須於獲委任後之首次股東週年大會上退任，且可膺選連任。

本公司目前並無提名委員會，董事會直接負責董事之委任事宜。根據本公司章程細則，董事會有權不時或於任何時間委任任何人士為董事，以填補臨時空缺或作為董事會新增董事，惟就此委任之董事人數不得超過成員於股東大會不時決定之最高人數。提名須考慮該被提名人士之資格及能力。

董事會制定本集團之整體策略，監察其財務表現及對管理層維持有效之監督。董事會成員盡心履行及忠誠行事，爭取股東長遠最大利益，並使本集團之目標及方向與當前經濟及市場狀況保持一致。管理層則獲授權負責日常之運作及行政事宜。

本公司已就因董事及高級職員所承擔之法律責任安排適當保險，本公司每年對該保險之保障範圍進行檢討。

所有董事均可取得公司秘書的服務，公司秘書定期就管治及遵守規章事宜向董事會提供意見。任何董事可在適當的情況下通過主席尋求獨立專業意見，以協助有關董事履行對本公司的責任，費用由本公司支付。尋求專業意見亦適用於審核委員會及薪酬委員會。

Corporate Governance Report

企業管治報告

Minutes of Board meetings are taken by the Company Secretary and, together with any supporting Board papers, are available to all Board members. During the year under review, six full Board meetings were held by the Company.

會議記錄由公司秘書備存，連同其他附件，可供董事會全部成員查閱。於回顧年度內，本公司曾舉行六次全體董事會會議。

The attendance of individual directors at the Board meetings and other Committee meetings during the year under review are set out in the table below:

各董事於回顧年度內出席董事會會議及其他委員會會議的記錄載於下表：

| Director | 董事 | Number of meetings attended/held | | |
|--|------------------------|----------------------------------|--------------------------------|-------------------------|
| | | 出席／舉行會議次數 | | |
| | | Full Board Meeting | Remuneration Committee Meeting | Audit Committee Meeting |
| | | 全體董事會 | 薪酬委員會 | 審核委員會 |
| <i>Executive Directors</i> | <i>執行董事</i> | | | |
| Fu Shula | 付舒拉 | 5/6 | 1/1 | – |
| Wang Xinkuo (resigned on 27 March 2009) | 王心闊 (於2009年3月27日辭任) | 5/6 | – | – |
| Ji Guirong | 季貴榮 | 6/6 | – | – |
| Ma Zhiping | 馬志平 | 4/6 | – | – |
| Pan Linwu (appointed on 5 February 2008) | 潘林武 (於2008年2月5日獲委任) | 5/5 | – | – |
| Diao Weicheng (resigned on 11 August 2008) | 刁偉程 (於2008年8月11日辭任) | 3/5 | – | – |
| Liu Rongchun | 劉榮春 | 4/6 | – | – |
| Ren Haifeng (resigned on 5 February 2008) | 任海峰 (於2008年2月5日辭任) | 1/1 | – | – |
| Zhang Chuanjun (appointed on 5 February 2008) | 張傳軍 (於2008年2月5日獲委任) | 5/5 | – | – |
| <i>Non-executive Director</i> | <i>非執行董事</i> | | | |
| Ip Tak Chuen, Edmond | 葉德銓 | 6/6 | – | – |
| <i>Independent Non-executive Directors</i> | <i>獨立非執行董事</i> | | | |
| Chu Yu Lin, David | 朱幼麟 | 6/6 | 1/1 | 2/2 |
| Li Ka Fai, David | 李家暉 | 6/6 | 1/1 | 2/2 |
| Li Zhaoxi | 李兆熙 | 6/6 | – | 2/2 |

Corporate Governance Report 企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

To ensure a balance of power and authority, the role of the Chairman is separated from that of the Chief Executive Officer. The Chairman and the Chief Executive Officer of the Company are Mr. Fu Shula and Mr. Ji Guirong respectively.

The Chairman is responsible for the leadership of the Board, ensuring the effectiveness of the Board in all aspects of its role and for setting its agenda and taking into account any matters proposed by other Directors for inclusion in the agenda. Agendas and accompanying Board papers are circulated where possible at least 3 days before the time of a Board or committee meeting. The Chairman is also responsible for making sure all Directors are properly briefed on issues arising at Board meetings. The Chief Executive Officer is delegated with the authorities to manage the business of the Group in all aspects effectively.

The division of responsibilities between the Chairman and the Chief Executive Officer has been clearly established and set out in writing.

NON-EXECUTIVE DIRECTORS

The Non-executive Directors bring a wide range of skill and experience to the Group. They serve the important function of providing adequate checks and balances for safeguarding the interests of shareholders and the Company as a whole. The Board considers that three of the four Non-executive Directors are independent in character and judgment and fulfill the independence guidelines set out in rule 3.13 of the Listing Rules. All Non-executive Directors including Independent Non-executive Directors are appointed without specific terms, but are subject to retirement by rotation as explained above under section Board of Directors.

主席及行政總裁

為確保權力和授權分佈均衡，主席及行政總裁的角色有獨立區分。本公司之主席及行政總裁分別為付舒拉先生及季貴榮先生。

主席負責領導董事會，確保董事會各方面有效地運作及釐定董事會會議的議程，並應考慮將其他董事的提議加入議程。會議議程及相關會議文件應至少在舉行董事會或其轄下委員會會議日期的三天前送出。主席應確保董事會會議上所有董事均適當知悉當前的事項。行政總裁則獲授權有效地管理本集團各方面之業務。

主席及行政總裁的職責區分已清晰界定並以書面列明。

非執行董事

非執行董事為本集團帶來廣泛技能及經驗，彼等就保障股東及本公司之整體利益上發揮重要制衡功能。董事會認為四名非執行董事中之三名在理念及判斷上皆獨立，並符合上市規則第3.13條文所載的獨立性準則。所有非執行董事（包括獨立非執行董事）並無指定任期，惟須根據以上董事會項下所述輪席退任。



Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises one Executive Director, Mr. Fu Shula (as Chairman), and two Independent Non-executive Directors, namely Mr. Chu Yu Lin, David and Mr. Li Ka Fai, David. The Remuneration Committee is responsible for making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. The role, authority and duties of the Remuneration Committee are clearly set out in its terms of reference.

The Remuneration Committee met one time during the year under review to review, recommend and approve the remuneration packages of Directors and senior management. The attendance of each member is set out in the table above under section Board of Directors.

The primary goal of the remuneration policy on executive remuneration packages is to enable the Company to retain and motivate Executive Directors by linking their compensation with performance as measured against corporate objectives. Under the policy, a director is not allowed to approve his own remuneration.

Details of the directors' remuneration are set out in note 8 to the financial statements.

AUDITORS' REMUNERATION

Ernst & Young are the auditors of the Company. The services provided by them include audit and non-audit. Fees for auditing (including interim review) and non-auditing services amounting to HK\$1,330,000 and HK\$12,000 respectively.

薪酬委員會

薪酬委員會目前由一名執行董事（付舒拉先生擔任主席）及兩名獨立非執行董事（朱幼麟先生及李家暉先生）組成。薪酬委員會的職責包括向董事會就有關本公司所有董事及管理高層之薪酬政策及架構、以及就制訂有關薪酬政策而建立之正規且具透明度的程序提供建議。薪酬委員會的角色、權限及職責已清晰地載於其職權範圍內。

於回顧年度內，薪酬委員會曾舉行一次會議，以檢討、建議及批准董事及管理高層之薪酬待遇。各成員之出席記錄載於上述董事會項下的出席表內。

行政人員薪酬政策之主要目的是透過把執行董事的待遇與按企業目標量度的表現掛鉤，藉此挽留及勉勵本公司執行董事。根據薪酬政策，任何董事不得參與批准本身的薪酬。

董事酬金之詳情載於財務報表附註8。

核數師酬金

安永會計師事務所乃本公司之核數師。彼等所提供之服務包括審核及非審核。審核（包括中期審閱）及非審核服務費用分別為1,330,000港元及12,000港元。

Corporate Governance Report 企業管治報告

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. It currently comprises three Independent Non-executive Directors of the Company, namely Mr. Chu Yu Lin, David (as Chairman), Mr. Li Ka Fai, David and Mr. Li Zhaoxi. The Audit Committee met two times during the year under review. The attendance of each member is set out in the table above under section Board of Directors. The duties of the Audit Committee are clearly set out in its terms of reference.

Full minutes of meetings are kept and sent to all members of the Board. Matters raised at the meetings were reported back to the Board so that due consideration was given as to the action to be taken.

FINANCIAL REPORTING

The Directors are responsible for monitoring the preparation of financial statements of each financial period and ensuring those financial statements provide a true and fair view of the state of affairs of the Group and of the results and cash flow for the relevant financial period. In preparing the financial statements, the Directors have selected appropriate accounting policies and have applied them consistently, adopted Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and made a prudent and reasonable judgment and estimation and prepared the financial statements on a going concern basis.

The Company has timely announced and published its financial results in accordance with the requirements of the Listing Rules.

The auditors are responsible for forming an independent opinion, based on their audit, on those financial statements and to report their opinion solely to the shareholders of the Company, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose.

A statement by the auditors about their reporting responsibilities set out in the Independent Auditors' Report of this annual report.

審核委員會

本公司已設立根據上市規則第3.21條文規定成立之審核委員會，以檢討及監督本集團之財務申報程序及內部監控。審核委員會現由本公司三名獨立非執行董事組成，分別為朱幼麟先生（主席）、李家暉先生及李兆熙先生。審核委員會於回顧年度內曾舉行二次會議。各成員之出席記錄載於上述董事會項下的出席表內。審核委員會的職責已清晰地載於其職權範圍內。

本集團已存置有關會議的全部記錄，並交予董事會內全部成員。在會議上提出的事項均匯報予董事會，以便董事會及時考慮所需行動。

財務申報

董事負責監督編製每個財政期間之財務報表，使該財務報表能真實公平地顯示本集團於該期間之業務狀況、業績及現金流動表現。在編製該等財務報表時，董事已選擇及貫徹採用合適的會計政策；採納香港會計師公會頒佈之香港財務報告準則；及作出審慎合理判斷及估計，並按持續經營基準編製財務報表。

本公司已按照上市規則的規定適時刊發其財務業績。

核數師的責任乃根據彼等審核工作的結果，對該等財務報表作出獨立意見，並根據百慕達一九八一年公司法第90段僅向本公司全體股東報告，而不作任何其他用途。

核數師就其申報責任而作出的聲明載於本年報獨立核數師報告書內。



Corporate Governance Report

企業管治報告

INTERNAL CONTROL

The Board has overall responsibility for the Group's system of internal control and for reviewing its effectiveness through the Audit Committee. The Group's system of internal control plays a key role in the management of risks that is significant to the fulfillment of its business objectives. Procedures have been designed for safeguarding assets against unauthorised use or disposition, for maintaining proper accounting records; and for the reliability of financial information used within the business or for publication. The procedures provide reasonable but not absolute assurance against material errors, losses or fraud. Procedures have also been designed for compliance of applicable laws, rules and regulations.

A review of the adequacy and effectiveness of the Company's internal control system covering all material controls, including financial, operational and compliance controls and risk management functions, was conducted at the end of 2008 by senior management of the Company. The result was reported to the Audit Committee and thereafter to the Board. No material deficiencies was identified. During the year under review, the Board considered that the Company's internal control system was adequate and effective and the Company has complied with the provisions on internal control of the CG Code. The Board confirms that systems and procedures are in place to identify, control and report on significant risks involved in achieving the Company's strategic objectives. Exposures to these risks are monitored by the Board with the support of various committees and senior management.

內部監控

董事會對於本集團的內部監控系統負有整體責任，並透過審核委員會對其有效程度進行檢討。本集團之內部監控系統在對造成企業方針有重大影響之風險管理上擔當重要角色。就保障資產免受非法使用或處置、保存妥善會計記錄以及提供可靠的財務資料供內部或作刊發用途，已設計出相應步驟，此等步驟對防止重大錯誤、損失或詐騙提供合理（但非絕對）的保障。同時亦已設計出相應步驟確保適用的法例、規則及法規得以遵守。

於2008年末，本公司管理高層已就本公司內部監控系統的適當性及有效性進行檢討。有關檢討涵蓋所有重要監控，包括財務監控、營運監控及合規監控以及風險管理功能。相關報告已呈報審核委員會及後呈報董事會。本公司並沒有發現重大的缺點。於回顧年度內，董事會認為本公司的內部監控系統是適當及有效的，同時也遵守了企業管治常規守則關於內部監控的條文。董事會認為該系統和程序能就實現本公司戰略目標而可能涉及的重大風險進行辨識、控制和作出報告。董事會在各個委員會及管理高層的支持下監督該些風險的披露。

COMMUNICATION WITH SHAREHOLDERS

The Company is committed to fair disclosure, comprehensive and transparent reporting. Effective communication with shareholders has always been one of the Company's priorities. Information in relation to the Group is disseminated to shareholders in a timely manner through various formal channels, which include interim and annual reports, announcements and circulars.

General meetings of the Company provide good opportunities for direct communications between the Board and its shareholders. The Chairman of the Board, all other Directors and senior management endeavor to attend any general meeting of the Company and answer queries from shareholders. Separate resolution is proposed for each issue by the Chairman of the meeting at each general meeting. Notice of general meeting is served together with the circular to the shareholders at least 20 clear business days before an annual general meeting and at least 21 days before a meeting called for passing of a special resolution, and, at least 10 clear business days before a meeting other than an annual general meeting or a meeting for the passing of a special resolution.

Detail procedures for conducting a poll are to be explained by the Chairman of the meeting at the commencement of the general meeting. Any questions raised from shareholders regarding voting by way of a poll are also be answered by the Chairman of the meeting.

與股東的溝通

本公司致力於公平披露、綜合及透明的報告。本公司一向高度重視與股東之間的有效溝通。有關本集團之資料，已透過各種正式渠道及時向股東發佈，包括中期報告及年報、公告以及通函。

本公司之股東大會提供董事與股東直接溝通之良好機會。董事會主席、所有其他董事及管理高層盡量出席本公司的任何股東大會，並解答股東的提問。大會主席於每個股東大會上就各項議題提呈個別決議案。股東大會通告連同通函須分別於召開股東週年大會及為通過特別決議案之會議最少20個營業日前及21日前，及於召開其他會議（股東週年大會及為通過特別決議案之會議除外）最少10個營業日前，送交本公司股東。

以投票方式進行表決的詳細程序於股東大會開始時由大會主席說明，而股東就有關以投票方式表決提出的任何提問亦由大會主席回答。



Report of the Directors

董事會報告

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries during the year comprise:

- (i) the supply of electric and steam power; and
- (ii) the aero-technology related business, including the share of profit from the development, manufacture and distribution of helicopters.

There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2008 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 40 to 196 of this annual report.

The directors do not recommend the payment of any dividends in respect of the year ended 31 December 2008.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the audited financial statements and restated/reclassified as appropriate, is set out on page 197 of this annual report. This summary does not form part of the audited financial statements.

董事會謹此呈報截至二零零八年十二月三十一日止年度之董事會報告及本公司與本集團之經審核財務報表。

主要業務

本公司主要從事投資控股，年內其附屬公司之主要業務包括：

- (i) 電力及蒸汽供應；及
- (ii) 航空技術相關業務，包括分享開發、製造及分銷直升機之溢利。

本集團之主要業務性質於年內並無重大轉變。

業績及股息

本集團截至二零零八年十二月三十一日止年度之溢利及本公司與本集團於該日之財務狀況載於本年報第40至196頁之財務報表。

董事會並不建議派付截至二零零八年十二月三十一日止年度之任何股息。

財務資料概要

本集團最近五個財政年度之已公佈業績及資產、負債及少數股東權益之概要（摘錄自經審核財務報表，並已重列／重新分類（如適用））載於本年報第197頁。該概要並不構成經審核財務報表之一部份。

Report of the Directors 董事會報告

INVESTMENT PROPERTY AND PROPERTY, PLANT AND EQUIPMENT

Details of movements in the investment property and property, plant and equipment of the Company and the Group during the year are set out in notes 14 and 15 to the financial statements, respectively. Further details of the Group's investment property are set out on page 198 of this annual report.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year are set out in notes 36 and 37 to the financial statements, respectively.

PRE-EMPTIVE RIGHTS

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

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 38(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2008, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Act 1981 of Bermuda (as amended), amounted to HK\$81,026,269. In addition, the Company's share premium account, in the amount of HK\$193,970,166 may be distributed in the form of fully paid bonus shares.

投資物業及物業、廠房和設備

本公司及本集團於年內投資物業及物業、廠房和設備變動之詳情分別載於財務報表附註14及15。有關本集團投資物業之進一步詳情載於第198頁。

股本及購股權

本公司於年內股本及購股權變動之詳情分別載於財務報表附註36及37。

優先購買權

本公司之公司章程細則／公司章程或百慕達法例均無優先購買權條文，規定本公司必須按當時股東之持股比例向其發售新股。

儲備

本公司及本集團於年內之儲備變動詳情分別載於財務報表附註38(b)及綜合權益變動表。

可供分派儲備

按百慕達一九八一年公司法（修訂本）之規定計算，於二零零八年十二月三十一日，本公司之可供分派儲備達81,026,269港元。此外，本公司之股份溢價193,970,166港元可按繳足股款紅股形式予以分派。

Report of the Directors

董事會報告

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year, the Company purchased certain of its shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and these shares were subsequently cancelled by the Company. The summary details of those transactions are as follows:

| Month | 月份 | No. of shares repurchased 購回股份數目 | Price per share 每股價格 | | Total price paid 支付金額 HK\$ 港元 |
|----------------|---------|-------------------------------------|-----------------------------|----------------------------|--|
| | | | Highest 最高 HK\$ 港元 | Lowest 最低 HK\$ 港元 | |
| September 2008 | 二零零八年九月 | 16,722,000 | 0.120 | 0.111 | 2,000,452 |
| October 2008 | 二零零八年十月 | 14,184,000 | 0.115 | 0.101 | 1,564,461 |
| | | <u>30,906,000</u> | | | <u>3,564,913</u> |

The purchased shares were cancelled during the year and the issued share capital of the Company was reduced by the par value thereof. The excess paid on the purchase of the shares of HK\$474,313 has been charged to the share premium account.

The purchase of the Company's shares during the year was effected by the directors, pursuant to the mandate from shareholders received at the last annual general meeting, with the view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Group.

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

購入、贖回或出售本公司上市證券

年內，本公司經香港聯合交易所有限公司（「聯交所」）購入部份本公司之股份，而此等股份已被本公司註銷。此等交易之詳情概要如下：

| Month | 月份 | No. of shares repurchased 購回股份數目 | Price per share 每股價格 | | Total price paid 支付金額 HK\$ 港元 |
|----------------|---------|-------------------------------------|-----------------------------|----------------------------|--|
| | | | Highest 最高 HK\$ 港元 | Lowest 最低 HK\$ 港元 | |
| September 2008 | 二零零八年九月 | 16,722,000 | 0.120 | 0.111 | 2,000,452 |
| October 2008 | 二零零八年十月 | 14,184,000 | 0.115 | 0.101 | 1,564,461 |
| | | <u>30,906,000</u> | | | <u>3,564,913</u> |

所購回股份已於年內註銷，本公司之已發行股本亦已按其面值相應削減。購回股份之已支付溢價474,313港元已於股份溢價賬扣除。

年內購回本公司股份乃由董事根據上屆股東週年大會所獲股東授權進行，旨在提高本集團之每股資產淨值及每股溢利，從而令全體股東獲益。

除上文所披露外，本公司及其附屬公司於年內概無購入、贖回或出售本公司任何上市證券。

Report of the Directors 董事會報告

MAJOR SUPPLIERS AND CUSTOMERS

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

| | | 2008 二零零八年 % | 2007 二零零七年 % |
|---------------------------------|----------|--------------------|--------------------|
| Percentage of purchases: | 佔採購額百分比： | | |
| From the largest supplier | 來自最大供應商 | 35 | 8 |
| From the five largest suppliers | 來自五大供應商 | 82 | 31 |

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

| | | 2008 二零零八年 % | 2007 二零零七年 % |
|---------------------------------|---------|--------------------|--------------------|
| Percentage of sales: | 佔銷售百分比： | | |
| From the largest customer | 來自最大客戶 | 15 | 17 |
| From the five largest customers | 來自五大客戶 | 32 | 57 |

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers.

主要供應商及客戶

本集團主要供應商所佔本集團之採購額百分比如下：

| | | 2008 二零零八年 % | 2007 二零零七年 % |
|---------------------------------|----------|--------------------|--------------------|
| Percentage of purchases: | 佔採購額百分比： | | |
| From the largest supplier | 來自最大供應商 | 35 | 8 |
| From the five largest suppliers | 來自五大供應商 | 82 | 31 |

本集團主要客戶所佔本集團之銷售百分比如下：

| | | 2008 二零零八年 % | 2007 二零零七年 % |
|---------------------------------|---------|--------------------|--------------------|
| Percentage of sales: | 佔銷售百分比： | | |
| From the largest customer | 來自最大客戶 | 15 | 17 |
| From the five largest customers | 來自五大客戶 | 32 | 57 |

本公司各董事或其任何聯繫人士或據董事會所知擁有本公司5%以上已發行股本之股東概無擁有本集團五大客戶任何權益。



Report of the Directors

董事會報告

DIRECTORS

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

Executive Directors:

Fu Shula
Ji Guirong
Ma Zhiping
Pan Linwu (*appointed on 5 February 2008*)
Liu Rongchun
Zhang Chuanjun (*appointed on 5 February 2008*)
Wang Xinkuo (*resigned on 27 March 2009*)
Diao Weicheng (*resigned on 11 August 2008*)
Ren Haifeng (*resigned on 5 February 2008*)

Non-executive Director:

Ip Tak Chuen, Edmond

Independent Non-executive Directors:

Chu Yu Lin, David
Li Ka Fai, David
Li Zhaoxi

Pursuant to the Bye-laws of the Company, Messrs. Ip Tak Chuen, Edmond, Fu Shula, Ji Guirong and Li Zhaoxi will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from Messrs. Chu Yu Lin, David, Li Ka Fai, David, and Li Zhaoxi, and as at the date of this report still considers them to be independent.

董事

本公司於年內及截至本報告日期之董事如下：

執行董事：

付舒拉
季貴榮
馬志平
潘林武 (*於二零零八年二月五日獲委任*)
劉榮春
張傳軍 (*於二零零八年二月五日獲委任*)
王心闊 (*於二零零九年三月二十七日辭任*)
刁偉程 (*於二零零八年八月十一日辭任*)
任海峰 (*於二零零八年二月五日辭任*)

非執行董事：

葉德銓

獨立非執行董事：

朱幼麟
李家暉
李兆熙

根據本公司章程細則，葉德銓先生、付舒拉先生、季貴榮先生及李兆熙先生將於應屆股東週年大會上輪流告退，但符合資格並願膺選連任。

本公司已自朱幼麟先生、李家暉先生及李兆熙先生收到年度獨立確認書，於本報告日期，本公司仍認為彼等獨立。

Report of the Directors 董事會報告

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 9 to 14 of this annual report.

DIRECTORS' SERVICE CONTRACTS

The Non-executive Directors and Independent Non-executive Directors are not appointed for a specific term, but are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws of the Company.

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

DIRECTORS' INTERESTS IN CONTRACTS

No director during the year had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, or any of its holding companies and subsidiaries was a party during the year.

董事及管理高層之履歷

本公司董事及本集團管理高層之履歷載於本年報第9至14頁。

董事之服務合約

非執行董事及獨立非執行董事並無指定任期，但須根據本公司章程細則於股東週年大會上輪值告退及膺選連任。

建議於應屆股東週年大會膺選連任之董事並無與本公司訂立本公司不可於一年內無償（法定賠償除外）終止之服務合約。

董事於合約之權益

年內，各董事在本公司或其任何控股公司或附屬公司所訂立之任何有關本集團業務之重要合約中概無直接或間接擁有重大權益。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2008, the interests and short positions of the directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事之股份及相關股份之權益及淡倉

於二零零八年十二月三十一日，各董事擁有於本公司或其相聯法團（按《證券及期貨條例》第XV部之定義詮釋）之股份及相關股份而遵照《證券及期貨條例》第352條須予本公司備存的登記冊所記錄者，或如須遵照《上市公司董事進行證券交易的標準守則》（「標準守則」）知會本公司及聯交所之權益及淡倉如下：

Long positions in share options of associated corporation of the Company:

於本公司相聯法團之購股權之好倉：

| Name of director 董事名稱 | Notes 附註 | Name of associated corporation 相聯法團名稱 | Relationship with the Company 與本公司之關係 | Number of share options held 所持購股權數目 | Capacity and nature of interest 身份及權益性質 |
|--------------------------|-------------|--|--|---|--|
| Ji Guirong 季貴榮 | (a) | Sino Gas Group Limited 中油潔能集團有限公司 | Associate 聯營公司 | 14,900,000 | Directly beneficially owned 直接實益擁有 |
| Zhang Chuanjun 張傳軍 | (b) | Sino Gas Group Limited 中油潔能集團有限公司 | Associate 聯營公司 | 10,000,000 | Directly beneficially owned 直接實益擁有 |

Report of the Directors

董事會報告

Notes:

- (a) On 23 August 2007, Mr. Ji Guirong was granted options to subscribe for an aggregate of 14,900,000 ordinary shares of HK\$0.20 each, at an exercise price of HK\$0.35 per share, in Sino Gas Group Limited ("Sino Gas"). The Stock Exchange closing price of Sino Gas' shares on the trading day immediately prior to 23 August 2007 was HK\$0.33 per share. The options were granted by having received a total non-refundable payment of HK\$1.00 from Mr. Ji. The exercise periods are as follows:

| Number of share options 購股權數目 | Exercise period 行使期 |
|-------------------------------------|---|
| 4,966,667 | 1/10/2007 to 31/1/2015 二零零七年十月一日至二零一五年一月三十一日 |
| 4,966,667 | 1/1/2008 to 31/1/2015 二零零八年一月一日至二零一五年一月三十一日 |
| 4,966,666 | 1/7/2008 to 31/1/2015 二零零八年七月一日至二零一五年一月三十一日 |
| 14,900,000 | |

附註：

- (a) 於二零零七年八月二十三日，季貴榮先生獲授合共可認購14,900,000股每股面值0.20港元之中油潔能集團有限公司（「中油潔能」）普通股之購股權，行使價為每股0.35港元。中油潔能股份於緊接二零零七年八月二十三日之前之交易日之聯交所收市價為每股0.33港元。季先生於獲授購股權時已支付了不可退還款項1.00港元。有關之行使期如下：

No options have been exercised or cancelled during the year.

年內，並無購股權獲行使或被註銷。

Report of the Directors

董事會報告

(b) On 3 January 2006, Mr. Zhang Chuanjun was granted options to subscribe for an aggregate of 10,000,000 ordinary shares of HK\$0.20 each, at an exercise price of HK\$0.20 per share, in Sino Gas. The Stock Exchange closing price of Sino Gas' shares on the trading day immediately prior to 3 January 2006 was HK\$0.20 per share. The options were granted by having received a total non-refundable payment of HK\$1.00 from Mr. Zhang. The exercise periods are as follows:

(b) 於二零零六年一月三日，張傳軍先生獲授合共可認購10,000,000股每股面值0.20港元之中油潔能普通股之購股權，行使價為每股0.20港元。中油潔能股份於緊接二零零六年一月三日前之交易日之聯交所收市價為每股0.20港元。張先生於獲授購股權時已支付了不可退回款項1.00港元。有關之行使期如下：

| Number of share options 購股權數目 | Exercise period 行使期 |
|----------------------------------|--|
| 5,000,000 | 1/7/2006 to 31/1/2015 二零零六年七月一日至二零一五年一月三十一日 |
| 5,000,000 | 1/1/2007 to 31/1/2015 二零零七年一月一日至二零一五年一月三十一日 |
| 10,000,000 | |

No options have been exercised or cancelled during the year.

年內，並無購股權獲行使或被註銷。

Certain directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company.

若干董事代本公司於若干附屬公司持有非實益個人股權。

Save as disclosed above, as at 31 December 2008, none of the directors of the Company had registered an interest or short position in the shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露外，於二零零八年十二月三十一日，本公司各董事概無擁有根據《證券及期貨條例》第352條須予登記的本公司或其任何相聯法團之股份或相關股份之權益或淡倉，亦無擁有根據標準守則而須知會本公司及聯交所之該等權益或淡倉。

Report of the Directors 董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section "Directors' interests and short positions in shares and underlying shares" above and in the section "Share option scheme" below, at no time during the year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any director or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, or any of its holding companies and subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

The Company operates an employees' share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Further details of the share option scheme are disclosed in note 37 to the financial statements.

董事認購股份或債券之權利

除上文「董事之股份及相關股份之權益及淡倉」及下文「購股權計劃」所披露外，於年內任何時間，概無向任何董事或彼等各自之配偶或未滿18歲之子女授出可藉購買本公司股份而獲益之權利，而彼等亦無行使任何該等權利；本公司或其任何控股公司及附屬公司亦無參與任何安排，致使任何董事可於任何其他法人團體中取得該等權利。

購股權計劃

本公司設有一僱員購股權計劃，旨在鼓勵及嘉獎為本集團業務之成功作出貢獻之合資格參與者。本購股權計劃之進一步詳情載於財務報表附註37。

Report of the Directors

董事會報告

The following table discloses movements in the Company's share options outstanding under the share option scheme during the year:

下表披露年內按照本購股權計劃尚未行使之本公司購股權的變動：

| Name or category of participant 參與者名稱或類別 | Number of share options 購股權數目 | | | | | Date of grant of share options* 購股權授出日期* | Exercise period of share options** 購股權行使期** | Exercise price of share options*** 購股權行使價*** HK\$ per share 每股港元 |
|---|----------------------------------|----------------------------------|------------------------------------|--|--------------------------------------|---|---|---|
| | At 1 January 2008 於二零零八年一月一日 | Granted during the year 年內已授出 | Exercised during the year 年內已行使 | Expired/forfeited during the year 年內到期/放棄 | At 31 December 2008 於二零零八年十二月三十一日 | | | |
| Director 董事 | | | | | | | | |
| Ji Guirong 季貴榮 | 20,000,000 | - | - | (20,000,000) | - | 25/2/2003 二零零三年二月二十五日 | 25/8/2003 to 24/8/2008 二零零三年八月二十五日至二零零八年八月二十四日 | 0.13 |
| Other employees 其他僱員 | | | | | | | | |
| In aggregate 合計 | 22,000,000 | - | - | (22,000,000) | - | 25/2/2003 二零零三年二月二十五日 | 25/8/2003 to 24/8/2008 二零零三年八月二十五日至二零零八年八月二十四日 | 0.13 |
| | 42,000,000 | - | - | (42,000,000) | - | | | |

* The vesting period of the share options is from the date of grant until the commencement of the exercise period.

* 購股權之歸屬期間乃自授出日期直至行使期限開始為止。

** The exercise period shall not exceed a period of five years commencing on the expiry of a period of not less than six months after the date the option is accepted.

** 行使期由購股權獲接納當日滿六個月起計不超過五年為準。

*** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

*** 購股權之行使價須就供股或派發紅股或本公司股本發生其他類似變動時作出調整。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2008, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東及其他人士於股份及相關股份之權益

於二零零八年十二月三十一日，本公司遵照《證券及期貨條例》第336條存置之權益登記冊記錄之本公司5%或以上已發行股本權益如下：

Long positions:

好倉：

| Name of shareholders 股東名稱 | Capacity and nature of interest 身份及權益性質 | Number of ordinary shares held 所持普通股數目 | Percentage of the Company's issued share capital 佔本公司已發行股本之百分比 |
|---|--|---|---|
| Speed Profit Enterprises Limited ("Speed Profit") 凱得利國際有限公司 (「凱得利」) | Beneficial owner 實益擁有人 | 508,616,000 | 10.70 |
| Tacko International Limited ("Tacko") Tacko International Limited (「Tacko」) | Beneficial owner 實益擁有人 | 1,386,943,000 | 29.17 |
| | Through a controlled corporation 透過受控法團 | 508,616,000 | 10.70 |
| CATIC (H.K.) Limited ("CATIC (H.K.)") 中國航空技術進出口 (香港) 有限公司 (「中航技 (香港)」) | Through a controlled corporation 透過受控法團 | 1,895,559,000 | 39.87 |
| AVIC International Holding Corporation ("AVIC Int'l") (formerly known as China National Aero-Technology Import & Export Corporation) 中國航空技術國際控股有限公司 (「中航技控股」) (前稱中國航空技術進出口總公司) | Through a controlled corporation 透過受控法團 | 1,895,559,000 | 39.87 |
| Aviation Industry Corporation of China ("AVIC") 中國航空工業集團公司 (「中航工業」) | Through a controlled corporation 透過受控法團 | 1,895,559,000 | 39.87 |
| Atlantis Investment Management Ltd. | Investment manager 投資管理人 | 434,000,000 | 9.13 |

Report of the Directors

董事會報告

Note: Speed Profit is a wholly-owned subsidiary of Tacko, which is in turn a wholly-owned subsidiary of CATIC (H.K.). CATIC (H.K.) is a wholly-owned subsidiary of AVIC Int'l, which is in turn a wholly-owned subsidiary of AVIC. Pursuant to the SFO, Tacko is deemed to be interested in the shares held by Speed Profit; and each of CATIC (H.K.), AVIC Int'l and AVIC is deemed to be interested in the aggregate shares directly held by Speed Profit and Tacko.

Save as disclosed above, as at 31 December 2008, no person, other than the directors of the Company whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year, the Company and the Group had certain connected and continuing connected transactions, details of which are set out in note 44 to the financial statements and disclosed in compliance with the requirements of Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange.

The independent non-executive directors of the Company have reviewed the continuing connected transactions set out in note 44 to the financial statements and have confirmed that these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

附註：凱得利為Tacko之全資附屬公司，而Tacko為中航技(香港)之全資附屬公司。中航技(香港)為中航技控股之全資附屬公司，而中航技控股為中航工業之全資附屬公司。根據《證券及期貨條例》，Tacko被視為擁有由凱得利持有之股份之權益；而中航技(香港)、中航技控股及中航工業均被視為於凱得利及Tacko直接持有之股份總數中擁有權益。

除上文所披露外，於二零零八年十二月三十一日，除有關權益資料載於上文「董事之股份及相關股份之權益及淡倉」之本公司董事外，並無任何人士擁有根據《證券及期貨條例》第336條須予登記之本公司股份或相關股份之權益或淡倉。

關連交易及持續關連交易

年內，本公司及本集團有若干關連及持續關連交易，其有關詳情載於財務報表附註44，並按聯交所上市規則第14A章披露。

本公司獨立非執行董事已審閱財務報表附註44所載之持續關連交易，並已確認該等持續關連交易乃(i)於本集團的一般及日常業務過程中訂立；(ii)按正常商業條款或按不遜於本集團給予獨立第三者的條款進行；及(iii)按照根據公平合理並符合本公司股東整體利益的條款監管該等交易之有關協議進行。

Report of the Directors 董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

POST BALANCE SHEET EVENT

Details of the significant post balance sheet event of the Group are set out in note 47 to the financial statements.

AUDITORS

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Fu Shula
Chairman

Hong Kong
23 April 2009

公眾持股量充裕程度

根據本公司循公眾途徑獲得的資料及據董事所知，截至本報告日，公眾人士至少持有本公司已發行股本總額之25%。

結算日後事項

有關本集團重大結算日後事項之詳情載於財務報表附註47。

核數師

安永會計師事務所任滿告退，而即將舉行之股東週年大會上將提呈決議案續聘該會計師事務所為本公司核數師。

代表董事會

主席
付舒拉

香港
二零零九年四月二十三日

Independent Auditors' Report 獨立核數師報告書



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TO THE SHAREHOLDERS OF CATIC INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

We have audited the financial statements of CATIC International Holdings Limited set out on pages 40 to 196, which comprise the consolidated and company balance sheets as at 31 December 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致中國航空技術國際控股有限公司全體股東

(於百慕達註冊成立之有限公司)

我們已審核載於第40頁至196頁的中國航空技術國際控股有限公司的財務報表，此財務報表包括二零零八年十二月三十一日的綜合資產負債表及公司資產負債表與截至該日止年度的綜合利潤表、綜合權益變動表、綜合現金流量表以及主要會計政策和其他附註解釋。

董事就財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則和香港公司條例編制並且真實而公允地列報該等財務報表。這些責任包括設計、實施和維護與財務報表編制及真實而公允地列報相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和運用恰當的會計政策；及做出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見。我們的報告依據百慕達公司法一九八一第90條僅為全體股東編制，而並不可作其他目的。我們概不就本報告的內容對其他任何人士負責或承擔責任。



AUDITORS' RESPONSIBILITY (continued)

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

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

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

OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2008 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.

Ernst & Young
Certified Public Accountants

Hong Kong
23 April 2009

核數師的責任 (續)

我們已根據香港會計師公會頒佈的香港審核準則的規定執行審核。這些準則要求我們遵守職業道德規範，並規劃及執行審核，從而獲得合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行程式以獲取有關財務報表所載金額和披露資料的審核證據。所選定的程式取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編制及真實而公允地列報財務報表相關的內部控制，以設計適當的審核程式，但並非對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的合適性及作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核證據充足且適當地為我們的審核意見提供基礎。

意見

我們認為，該等財務報表已根據香港財務報告準則真實而公允地反映公司和集團於二零零八年十二月三十一日的財務狀況及截至該日止年度的溢利和現金流量，並已按照香港公司條例的披露規定妥為編制。

安永會計師事務所
執業會計師

香港
二零零九年四月二十三日

Consolidated Income Statement 綜合利潤表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

| | | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|---|------------------------------|-------------|-----------------------------|-----------------------------|
| | | Notes 附註 | | |
| CONTINUING OPERATIONS | 持續經營業務 | | | |
| REVENUE | 收益 | 5 | 260,292,268 | 195,087,660 |
| Cost of sales | 銷售成本 | | (238,474,441) | (163,678,387) |
| Gross profit | 毛利 | | 21,817,827 | 31,409,273 |
| Other income and gains | 其他收入及利潤 | 5 | 37,029,762 | 19,046,666 |
| Administrative expenses | 行政管理費用 | | (31,719,044) | (26,393,313) |
| Other operating income/(expenses), net | 其他經營利潤/(開支)淨額 | 6 | 157,088 | (1,813,124) |
| Finance costs | 財務開支 | 7 | (6,192,992) | (6,384,095) |
| Surplus/(deficit) on revaluation of an investment property | 投資物業重估盈餘/(虧損) | 14 | (5,900,000) | 9,300,000 |
| Surplus on revaluation of items of property, plant and equipment | 物業、廠房和設備項目重估盈餘 | 15 | 3,700,667 | 2,972,406 |
| Loss on partial disposal of equity interest in a subsidiary | 出售附屬公司股份股本權益之虧損 | 18 | (7,604,122) | - |
| Gain on deemed disposal of an associate | 被視為出售聯營公司之利潤 | | - | 32,919,641 |
| Gain on disposal of an associate | 出售聯營公司之利潤 | | - | 4,395,983 |
| Share of profits and losses of: | 分佔溢利及虧損： | | | |
| Jointly-controlled entity | 共同控權公司 | | 2,165,374 | - |
| Associates | 聯營公司 | | 6,438,367 | 13,149,401 |
| Impairment of a financial asset under Project EC120 | EC120項目之財務資產減值 | 21 | (2,500,000) | (14,000,000) |
| Gain on disposal of an available-for-sale investment | 出售可供出售的投資之利潤 | | 13,449,333 | 26,597,032 |
| Fair value loss on equity investments at fair value through profit or loss and derivative financial instruments | 透過損益按公平值列值的股本投資及衍生金融工具之公平值虧損 | | (12,169,214) | (33,445,660) |
| PROFIT BEFORE TAX | 除稅前溢利 | 6 | 18,673,046 | 57,754,210 |
| Tax | 稅項 | 10 | (8,415,390) | (4,594,170) |

Consolidated Income Statement 綜合利潤表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

| | | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|---|-----------------|-------------|-----------------------------|-----------------------------|
| | | Notes 附註 | | |
| PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS | 持續經營業務之本年溢利 | | 10,257,656 | 53,160,040 |
| DISCONTINUED OPERATION | 已終止經營業務 | | | |
| Profit for the year from a discontinued operation | 已終止經營業務之本年溢利 | 12 | - | 30,342,199 |
| PROFIT FOR THE YEAR | 本年溢利 | | 10,257,656 | 83,502,239 |
| Attributable to: | 應佔溢利： | | | |
| Equity holders of the parent | 公司權益持有人 | 11 | 1,852,044 | 77,996,196 |
| Minority interests | 少數股東 | | 8,405,612 | 5,506,043 |
| | | | 10,257,656 | 83,502,239 |
| EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT | 公司普通權益持有人應佔每股溢利 | 13 | | |
| Basic | 基本 | | | |
| - For profit for the year | - 本年溢利 | | HK0.04 cent 港仙 | HK1.73 cents港仙 |
| - For profit from continuing operations | - 持續經營業務之溢利 | | HK0.04 cent 港仙 | HK1.05 cents港仙 |
| Diluted | 攤薄 | | | |
| - For profit for the year | - 本年溢利 | | N/A 不適用 | HK1.72 cents港仙 |
| - For profit from continuing operations | - 持續經營業務之溢利 | | N/A 不適用 | HK1.04 cents港仙 |

Consolidated Balance Sheet 綜合資產負債表

31 December 2008 二零零八年十二月三十一日

| | | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|--|-------------|-----------------|-----------------------------|-----------------------------|
| | Notes 附註 | | | |
| NON-CURRENT ASSETS | | 非流動資產 | | |
| Investment property | 14 | 投資物業 | 18,300,000 | 24,200,000 |
| Property, plant and equipment | 15 | 物業、廠房和設備 | 223,474,051 | 202,735,517 |
| Prepaid land lease payments | 16 | 預付土地租賃款 | 29,098,652 | 28,215,916 |
| Goodwill | 17 | 商譽 | 30,493,201 | 38,116,502 |
| Interest in jointly-controlled entity | 19 | 共同控權公司權益 | 42,832,777 | – |
| Interests in associates | 20 | 聯營公司權益 | 123,680,439 | 21,205,240 |
| Financial asset under Project EC120 | 21 | EC120項目之財務資產 | 9,459,462 | 11,959,462 |
| Available-for-sale investments | 22 | 可供出售的投資 | 47,398,926 | 115,720,980 |
| Deposit for acquisition of an investment | 24 | 收購投資的按金 | 61,165,927 | 20,029,325 |
| Deposits and other receivables | 25 | 按金及其他應收賬款 | 20,466,063 | 92,536 |
| Total non-current assets | | 非流動資產總值 | 606,369,498 | 462,275,478 |
| CURRENT ASSETS | | 流動資產 | | |
| Inventories | 26 | 存貨 | 31,359,134 | 17,399,830 |
| Trade and bills receivables | 27 | 應收貿易賬款及票據 | 46,772,014 | 22,837,580 |
| Loan to an associate | 20 | 向聯營公司提供的貸款 | 9,048,000 | – |
| Prepayments, deposits and other receivables | 28 | 預付款項、按金及其他應收賬款 | 38,986,915 | 62,461,447 |
| Equity investment at fair value through profit or loss | 29 | 透過損益按公平值列值的股本投資 | – | 54,189,450 |
| Derivative financial instrument | 30 | 衍生金融工具 | – | 638,365 |
| Available-for-sale investments | 22 | 可供出售的投資 | 15,364,807 | – |
| Pledged time deposits | 31 | 已抵押定期存款 | 53,671,663 | 36,327,623 |
| Cash and cash equivalents | 31 | 現金及現金等值 | 350,734,518 | 508,074,602 |
| Total current assets | | 流動資產總值 | 545,937,051 | 701,928,897 |
| CURRENT LIABILITIES | | 流動負債 | | |
| Due to a minority shareholder | 44(c)(iii) | 應付少數股東賬款 | – | 5,740,106 |
| Trade and bills payables | 32 | 應付貿易賬款及票據 | 117,624,859 | 80,758,195 |
| Tax payable | | 應付稅項 | 2,622,306 | 2,312,557 |
| Other payables and accruals | 33 | 其他應付款項及應計費用 | 7,785,804 | 17,424,539 |
| Derivative financial instrument | 30 | 衍生金融工具 | – | 2,209,425 |
| Interest-bearing bank borrowings | 34 | 計息銀行貸款 | 29,411,765 | 96,017,131 |
| Finance lease payables | 35 | 融資租賃應付款項 | – | 57,841 |
| Total current liabilities | | 流動負債總值 | 157,444,734 | 204,519,794 |
| NET CURRENT ASSETS | | 流動資產淨值 | 388,492,317 | 497,409,103 |

Consolidated Balance Sheet 綜合資產負債表

31 December 2008 二零零八年十二月三十一日

| | | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|--|--------------------|-------------|-----------------------------|-----------------------------|
| | | Notes 附註 | | |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 資產總值減流動負債 | | 994,861,815 | 959,684,581 |
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Deferred tax liabilities | 遞延稅項負債 | 23 | 6,798,056 | 3,721,118 |
| Net assets | 資產淨值 | | 988,063,759 | 955,963,463 |
| EQUITY | 權益 | | | |
| Equity attributable to equity holders of the parent | 公司權益持有人應佔權益 | | | |
| Issued capital | 已發行股本 | 36 | 475,439,700 | 478,530,300 |
| Reserves | 儲備 | 38(a) | 443,618,577 | 444,387,297 |
| | | | 919,058,277 | 922,917,597 |
| Minority interests | 少數股東權益 | | 69,005,482 | 33,045,866 |
| Total equity | 權益總值 | | 988,063,759 | 955,963,463 |

Ji Guirong
季貴榮
Director
董事

Zhang Chuanjun
張傳軍
Director
董事

Consolidated Statement of Changes in Equity 綜合權益變動表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

| | | | Issued capital | Share premium account |
|--|-----------------------|-------------|---------------------|-----------------------------|
| | | Notes 附註 | 已發行股本 HK\$ 港元 | 股份溢價賬 HK\$ 港元 |
| At 1 January 2007 | 於二零零七年一月一日 | | 398,530,300 | 4,916,879 |
| Exchange realignment | 匯兌調整 | | - | - |
| Change in fair value of available-for-sale investments | 可供出售的投資之公平值變動 | 22 | - | - |
| Surplus on revaluation | 重估盈餘 | 15 | - | - |
| Total income and expense for the year recognised directly in equity | 直接於權益確認之 本年收入及開支總額 | | - | - |
| Profit for the year | 本年溢利 | | - | - |
| Total income and expense for the year | 本年收入及開支總額 | | - | - |
| Transfer to reserve fund | 轉撥至儲備金 | | - | - |
| Issue of shares and share options | 發行股份及購股權 | | 72,000,000 | 155,060,084 |
| Share issue expenses | 發股費用 | | - | (2,472,400) |
| Issue of shares upon exercise of share options | 按行使購股權發行股份 | | 8,000,000 | 19,200,000 |
| Transfer of reserve upon exercise of share options | 按行使購股權轉撥儲備 | | - | 17,739,916 |
| Disposal of subsidiaries | 出售附屬公司 | | - | - |
| Dividend payable to a minority shareholder | 給予少數股東股息 | | - | - |
| At 31 December 2007 | 於二零零七年十二月三十一日 | | 478,530,300 | 194,444,479* |

Consolidated Statement of Changes in Equity 綜合權益變動表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

Attributable to equity holders of the parent

公司權益持有人應佔權益

| Share option reserve | Property, plant and equipment revaluation reserve | Available- for-sale investment revaluation reserve | Reserve fund | Exchange fluctuation reserve | Retained profits | Total | Minority interests | Total equity |
|----------------------------|---|--|---------------------------|------------------------------------|---------------------|--------------|-----------------------|-----------------|
| 購股權 儲備 | 物業、 廠房和設備 重估儲備 | 可供 出售投資 重估儲備 | 儲備金 | 匯兌 波動儲備 | 留存溢利 | 合計 | 少數股東 權益 | 權益總值 |
| HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ |
| 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 |
| | | | (note 38(a)) (附註38(a)) | | | | | |
| - | 1,772,789 | 37,184,956 | 5,852,596 | 10,238,660 | 133,227,891 | 591,724,071 | 33,072,598 | 624,796,669 |
| - | - | - | - | 13,015,951 | - | 13,015,951 | - | 13,015,951 |
| - | - | (32,480,741) | - | - | - | (32,480,741) | - | (32,480,741) |
| - | 3,134,520 | - | - | - | - | 3,134,520 | - | 3,134,520 |
| - | 3,134,520 | (32,480,741) | - | 13,015,951 | - | (16,330,270) | - | (16,330,270) |
| - | - | - | - | - | 77,996,196 | 77,996,196 | 5,506,043 | 83,502,239 |
| - | 3,134,520 | (32,480,741) | - | 13,015,951 | 77,996,196 | 61,665,926 | 5,506,043 | 67,171,969 |
| - | - | - | 1,086,742 | - | (1,086,742) | - | - | - |
| 17,739,916 | - | - | - | - | - | 244,800,000 | - | 244,800,000 |
| - | - | - | - | - | - | (2,472,400) | - | (2,472,400) |
| - | - | - | - | - | - | 27,200,000 | - | 27,200,000 |
| (17,739,916) | - | - | - | - | - | - | - | - |
| - | - | (473,000) | (12,134) | (3,098,000) | 3,583,134 | - | - | - |
| - | - | - | - | - | - | - | (5,532,775) | (5,532,775) |
| -* | 4,907,309* | 4,231,215* | 6,927,204* | 20,156,611* | 213,720,479* | 922,917,597 | 33,045,866 | 955,963,463 |

Consolidated Statement of Changes in Equity 綜合權益變動表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

| | | | Issued capital | Share premium account |
|--|-----------------------|-------------|---------------------|-----------------------------|
| | | Notes 附註 | 已發行股本 HK\$ 港元 | 股份溢價賬 HK\$ 港元 |
| At 1 January 2008 | 於二零零八年一月一日 | | 478,530,300 | 194,444,479 |
| Exchange realignment | 匯兌調整 | | - | - |
| Change in fair value of available-for-sale investments | 可供出售的投資之公平值變動 | 22 | - | - |
| Surplus on revaluation | 重估盈餘 | 15 | - | - |
| Total income and expense for the year recognised directly in equity | 直接於權益確認之 本年收入及開支總額 | | - | - |
| Profit for the year | 本年溢利 | | - | - |
| Total income and expense for the year | 本年收入及開支總額 | | - | - |
| Transfer to reserve fund | 轉撥至儲備金 | | - | - |
| Share of reserves by minority interest | 少數股東權益分佔儲備 | | - | - |
| Investment reclassified to interest in an associate | 投資重新分類至聯營公司權益 | | - | - |
| Repurchase of shares | 購回股份 | 36 | (3,090,600) | (474,313) |
| Partial disposal of equity interest in a subsidiary | 出售附屬公司部份股本權益 | | - | - |
| Capital contribution from minority shareholders | 少數股東注資 | | - | - |
| At 31 December 2008 | 於二零零八年十二月三十一日 | | 475,439,700 | 193,970,166* |

* These reserve accounts comprise the consolidated reserves of HK\$443,618,577 (2007: HK\$444,387,297) in the consolidated balance sheet.

* 此等儲備賬目組成綜合資產負債表內之綜合儲備443,618,577港元(二零零七年: 444,387,297港元)。

Consolidated Statement of Changes in Equity 綜合權益變動表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

Attributable to equity holders of the parent

公司權益持有人應佔權益

| Property, plant and equipment revaluation reserve 物業、 廠房和設備 重估儲備 HK\$ 港元 | Available- for-sale investment revaluation reserve 可供 出售投資 重估儲備 HK\$ 港元 | Reserve fund 儲備金 HK\$ 港元 (note 38(a)) (附註38(a)) | Exchange fluctuation reserve 匯兌 波動儲備 HK\$ 港元 | Retained profits 留存溢利 HK\$ 港元 | Total 合計 HK\$ 港元 | Minority interests 少數股東 權益 HK\$ 港元 | Total equity 權益總值 HK\$ 港元 |
|---|--|---|--|---|---------------------------|---|---------------------------------------|
| 4,907,309 | 4,231,215 | 6,927,204 | 20,156,611 | 213,720,479 | 922,917,597 | 33,045,866 | 955,963,463 |
| - | - | - | 12,969,354 | - | 12,969,354 | - | 12,969,354 |
| - | (9,947,598) | - | - | - | (9,947,598) | - | (9,947,598) |
| 3,111,208 | - | - | - | - | 3,111,208 | - | 3,111,208 |
| 3,111,208 | (9,947,598) | - | 12,969,354 | - | 6,132,964 | - | 6,132,964 |
| - | - | - | - | 1,852,044 | 1,852,044 | 8,405,612 | 10,257,656 |
| 3,111,208 | (9,947,598) | - | 12,969,354 | 1,852,044 | 7,985,008 | 8,405,612 | 16,390,620 |
| - | - | 885,970 | - | (885,970) | - | - | - |
| (2,841,125) | - | - | (9,212,895) | - | (12,054,020) | 12,054,020 | - |
| - | 6,794,795 | - | - | (638,697) | 6,156,098 | - | 6,156,098 |
| - | - | - | - | - | (3,564,913) | - | (3,564,913) |
| (687,023) | - | (1,385,441) | (2,381,493) | 2,072,464 | (2,381,493) | 15,499,360 | 13,117,867 |
| - | - | - | - | - | - | 624 | 624 |
| 4,490,369* | 1,078,412* | 6,427,733* | 21,531,577* | 216,120,320* | 919,058,277 | 69,005,482 | 988,063,759 |

Consolidated Cash Flow Statement 綜合現金流量表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

| | | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|---|-------------|------------------------------|-----------------------------|-----------------------------|
| | Notes 附註 | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | 經營活動之現金流量 | | |
| Profit before tax: | | 除稅前溢利： | | |
| From continuing operations | | 自持續經營業務 | 18,673,046 | 57,754,210 |
| From a discontinued operation | 12 | 自己終止經營業務 | - | 31,796,055 |
| Adjustments for: | | 調整： | | |
| Finance costs | 7 | 財務開支 | 6,192,992 | 6,390,582 |
| Share of profits and losses of jointly-controlled entity and associates | | 分佔共同控權公司及聯營公司之溢利及虧損 | (8,603,741) | (13,149,401) |
| Bank interest income | 5 | 銀行利息收入 | (11,915,653) | (11,709,055) |
| Interest income on a convertible bond | 5 | 可換股債券之利息收入 | (312,000) | (244,899) |
| Gain on disposal of an associate | | 出售聯營公司之利潤 | - | (4,395,983) |
| Gain on deemed disposal of an associate | | 被視為出售聯營公司之利潤 | - | (32,919,641) |
| Gain on disposal of subsidiaries | 39 | 出售附屬公司之利潤 | - | (5,579,462) |
| Loss on partial disposal of equity interest in a subsidiary | | 出售附屬公司部份股本權益之虧損 | 7,604,122 | - |
| Loss on disposal of items of property, plant and equipment | 6 | 出售物業、廠房和設備項目之虧損 | 1,399,488 | 916,523 |
| Depreciation, net of amounts capitalised to long term construction contracts | 6 | 折舊，已扣除撥作長期建築合約資本之款項 | 16,437,890 | 15,740,282 |
| Deficit/(surplus) on revaluation of an investment property | 14 | 投資物業重估虧損／(盈餘) | 5,900,000 | (9,300,000) |
| Surplus on revaluation of items of property, plant and equipment credited to the income statement | 15 | 於利潤表計入之物業、廠房和設備項目重估盈餘 | (3,700,667) | (2,972,406) |
| Gain on disposal of an available-for-sale investment | | 出售可供出售之投資之利潤 | (13,449,333) | (26,597,032) |
| Fair value loss on an equity investment at fair value through profit or loss and derivative financial instruments | | 透過損益按公平值列值的股本投資及衍生金融工具之公平值虧損 | 12,169,214 | 33,445,660 |
| Recognition of prepaid land lease payments | 6 | 確認預付土地租賃款 | 777,903 | 959,990 |
| Provision/(write-back of provision) for impairment of trade and bills receivables, net | 6 | 應收貿易賬款及票據之減值撥備／(撥備回撥)淨額 | 922,680 | (426,965) |
| Write-off of an other receivable | 6 | 撇銷其他應收賬款 | 75,348 | 327,000 |
| Impairment of a financial asset under Project EC120 | 21 | EC120項目之財務資產減值 | 2,500,000 | 14,000,000 |

Consolidated Cash Flow Statement 綜合現金流量表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

| | | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|---|-------------------------------|-------|-----------------------------|-----------------------------|
| Provision/(write-back of provision) for financial guarantee contracts | 財務擔保合約撥備／ (撥備回撥) | 6 | (1,155,116) | 1,498,929 |
| | | | 33,516,173 | 55,534,387 |
| Increase in inventories | 存貨增加 | | (13,959,304) | (2,278,642) |
| Movement in amounts due from/to contract customers | 合約客戶欠款／欠合約 客戶款項變動 | | - | 26,644,080 |
| Decrease/(increase) in trade and bills receivables | 應收貿易賬款及票據 減少／(增加) | | (24,857,114) | 1,629,240 |
| Decrease/(increase) in prepayments, deposits and other receivables | 預付賬款、按金及其他 應收賬款減少／ (增加) | | 285,527 | (18,989,738) |
| Increase in trade and bills payables | 應付貿易賬款及票據增加 | | 36,866,664 | 52,954,248 |
| Increase in warranty provision | 保證撥備增加 | | - | 1,171,843 |
| Decrease in other payables and accruals | 其他應付賬款及應計 費用減少 | | (8,483,619) | (894,464) |
| Cash generated from operations | 營運產生之現金 | | 23,368,327 | 115,770,954 |
| Interest paid | 已付利息 | 7 | (6,192,381) | (8,043,200) |
| Interest element on a finance lease | 融資租賃之利息部份 | 7 | (611) | (11,352) |
| Overseas tax paid | 已付海外稅項 | | (5,028,703) | (8,373,362) |
| Net cash inflow from operating activities | 經營活動之現金流入淨額 | | 12,146,632 | 99,343,040 |
| CASH FLOWS FROM INVESTING ACTIVITIES | 投資活動之現金流量 | | | |
| Purchases of items of property, plant and equipment | 購入物業、廠房和設備 項目 | 15 | (21,989,690) | (66,604,142) |
| Increase in prepaid land lease payments | 預付土地租賃增加 | 16 | - | (955,613) |
| Deposit for acquisition of an investment | 收購投資的按金 | 24 | (61,165,927) | (20,029,325) |
| Purchase of additional equity interest in a jointly-controlled entity | 購入共同控股公司 額外股本權益 | | (1,171,282) | - |
| Purchase of additional equity interests in associates | 購入聯營公司額外 股本權益 | | (16,300,901) | (4,253,955) |
| Purchases of available-for-sale investments | 購入可供出售的投資 | | - | (18,688,513) |
| Purchase of an equity investment at fair value through profit or loss | 購入透過損益按公平值列 值的股本投資 | | (11,663,224) | (16,847,936) |
| Purchase of a derivative financial instrument | 購入衍生金融工具 | 22(c) | - | (1,313,605) |

Consolidated Cash Flow Statement 綜合現金流量表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|--|-------------------------------|-----------------------------|-----------------------------|
| | Notes 附註 | | |
| Advance of loan to an associate | 向聯營公司授出貸款 | (9,048,000) | – |
| Proceeds from partial disposal of equity interest in a subsidiary | 出售附屬公司部份股本權益所得款項 | 13,137,046 | – |
| Proceeds from disposal of an associate | 出售聯營公司所得款項 | – | 8,565,310 |
| Proceeds from disposal of available-for-sale investments | 出售可供出售的投資所得款項 | 18,954,000 | 44,114,514 |
| Proceeds from disposal of equity investments at fair value through profit or loss, net of issue expenses | 出售透過損益按公平值列值的股本投資所得款項，已扣除發股費用 | – | 6,632,117 |
| Proceeds from issue of a derivative financial instrument | 發行衍生金融工具所得款項 | – | 5,352,874 |
| Proceeds from disposal of items of property, plant and equipment | 出售物業、廠房和設備項目所得款項 | 540,315 | 1,272,032 |
| Disposal of subsidiaries | 出售附屬公司 | – | 112,785,775 |
| Dividend from an associate | 來自聯營公司的股息 | – | 5,629,526 |
| Interest received | 已收利息 | 11,915,653 | 11,709,055 |
| Interest received on a convertible bond | 已收可換股債券利息 | 312,000 | 244,899 |
| Increase in pledged time deposits | 已抵押定期存款增加 | (17,344,040) | (11,251,049) |
| Net cash inflow/(outflow) from investing activities | 投資活動之現金流入／(流出)淨額 | (93,824,050) | 56,361,964 |
| CASH FLOWS FROM FINANCING ACTIVITIES | 融資活動之現金流量 | | |
| Proceeds from issue of shares, net of share issue expenses | 發行股份所得款項，已扣除發股費用 | – | 242,327,600 |
| Proceeds from issue of shares upon exercise of share options | 按行使購股權發行股份所得款項 | – | 27,200,000 |
| Repurchase of shares | 購回股份 | (3,564,913) | – |
| New bank loans | 新銀行貸款 | 29,411,765 | 106,723,769 |
| Repayment of bank loans | 償還銀行貸款 | (96,017,131) | (135,230,920) |
| Capital element of finance lease rental payments | 融資租賃租金之資本部份 | (57,841) | (222,456) |
| Dividend to a minority shareholder | 給予少數股東股息 | (5,740,106) | – |
| Capital contribution from minority shareholders | 少數股東注資 | 624 | – |
| Advance from a minority shareholder | 來自少數股東墊款 | – | 207,331 |

Consolidated Cash Flow Statement 綜合現金流量表

Year ended 31 December 2008 截至二零零八年十二月三十一日止年度

| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|--|-------------------------------|-----------------------------|-----------------------------|
| | | Notes 附註 | |
| Net cash inflow/(outflow) from financing activities | 融資活動之現金流入 ／(流出) 淨額 | (75,967,602) | 241,005,324 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 現金及現金等值增加 ／(減少) 淨額 | (157,645,020) | 396,710,328 |
| Cash and cash equivalents at beginning of year | 年初之現金及現金等值 | 508,074,602 | 112,092,141 |
| Effect of foreign exchange rate changes, net | 匯率變動影響淨額 | 304,936 | (727,867) |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 年終之現金及現金等值 | 350,734,518 | 508,074,602 |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | 現金及現金等值餘額 之分析 | | |
| Cash and bank balances | 現金及銀行結存 | 31 44,222,389 | 52,119,022 |
| Non-pledged time deposits with original maturity of less than three months when acquired | 取得時原本到期日 不足三個月之 無抵押定期存款 | 31 306,512,129 | 455,955,580 |
| | | 350,734,518 | 508,074,602 |

Balance Sheet 資產負債表

31 December 2008 二零零八年十二月三十一日

| | | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|---|-------------|----------------|-----------------------------|-----------------------------|
| | Notes 附註 | | | |
| NON-CURRENT ASSETS | | 非流動資產 | | |
| Investment property | 14 | 投資物業 | 18,300,000 | 24,200,000 |
| Property, plant and equipment | 15 | 物業、廠房和設備 | 11,902,805 | 12,451,580 |
| Interests in subsidiaries | 18 | 附屬公司權益 | 536,782,561 | 299,402,045 |
| Deposit for acquisition of an investment | 24 | 收購投資的按金 | 16,281,979 | – |
| Total non-current assets | | 非流動資產總值 | 583,267,345 | 336,053,625 |
| CURRENT ASSETS | | 流動資產 | | |
| Loan to an associate | 20 | 向聯營公司提供的貸款 | 9,048,000 | – |
| Prepayments, deposits and other receivables | 28 | 預付款項、按金及其他應收賬款 | 2,410,765 | 1,335,925 |
| Cash and cash equivalents | 31 | 現金及現金等值 | 157,648,952 | 455,907,458 |
| Total current assets | | 流動資產總值 | 169,107,717 | 457,243,383 |
| CURRENT LIABILITIES | | 流動負債 | | |
| Accruals | 33 | 應計費用 | 1,938,927 | 4,052,540 |
| Interest-bearing bank borrowings | 34 | 計息銀行貸款 | – | 20,000,000 |
| Total current liabilities | | 流動負債總值 | 1,938,927 | 24,052,540 |
| NET CURRENT ASSETS | | 流動資產淨值 | 167,168,790 | 433,190,843 |
| Net assets | | 資產淨值 | 750,436,135 | 769,244,468 |
| EQUITY | | 權益 | | |
| Issued capital | 36 | 已發行股本 | 475,439,700 | 478,530,300 |
| Reserves | 38(b) | 儲備 | 274,996,435 | 290,714,168 |
| Total equity | | 權益總值 | 750,436,135 | 769,244,468 |

Ji Guirong
季貴榮
Director
董事

Zhang Chuanjun
張傳軍
Director
董事

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

1. CORPORATE INFORMATION

CATIC International Holdings Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda.

During the year, the Group was involved in the following activities:

- (i) the supply of electric and steam power; and
- (ii) the aero-technology related business, including the share of profit from the development, manufacture and distribution of helicopters.

In the opinion of the directors, the ultimate holding company of the Company is Aviation Industry Corporation of China, which is incorporated in the People's Republic of China (the "PRC").

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for an investment property, certain plant and equipment, equity investments and derivative financial instruments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars except when otherwise indicated.

1. 公司資料

中國航空技術國際控股有限公司為一間於百慕達註冊成立之有限公司。本公司之註冊辦事處為Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda。

年內，本集團之主要業務包括：

- (i) 電力及蒸汽供應；及
- (ii) 航空技術相關業務，包括分享開發、製造及分銷直升機之溢利。

董事會認為本公司最終控股公司為中國航空工業集團公司，該公司於中華人民共和國（「中國」）註冊成立。

2.1 編製基準

此等財務報表乃根據香港會計師公會頒佈之香港財務報告準則（「香港財務報告準則」）（其中包括全部香港財務報告準則、香港會計準則（「香港會計準則」）和詮釋）、香港普遍採用之會計原則及香港公司條例之披露要求，並按歷史成本法編製，惟投資物業、若干廠房和設備、股本投資及衍生金融工具除外（以公平值計量）。此等財務報表以港元呈列（除非另有說明）。



Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2008. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

The acquisition of subsidiaries during the year has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

2.1 編製基準 (續)

綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至二零零八年十二月三十一日止年度之財務報表,並已就可能存在之不相似會計政策作出調整,以確保一致。附屬公司業績乃自其收購日期(即本集團取得控制權當天)起計入綜合財務報表內,並一直計入直至該控制權中止當天止。集團內公司間之交易及公司間結存所產生之所有收入、開支及未變現利潤及虧損於綜合賬目時悉數抵銷。

於年內收購之附屬公司已用會計之購入法計算。此方法包含把收購日之收購的可識別資產、負債及或然負債之公平值分配至業務合併成本。收購之成本乃所予資產、已發行之權益工具及於交換日發生或承擔之債務之累計公平值,以及收購之直接成本。

少數股東權益指非由本集團持有之外界股東於本公司附屬公司之業績及資產淨值中之權益。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new interpretations and amendments has had no significant effect on these financial statements.

| | | | |
|--------------------------------|---|------------------------------|---|
| HKAS 39 and HKFRS 7 Amendments | Amendments to HKAS 39 <i>Financial Instruments: Recognition and Measurement</i> and HKFRS 7 <i>Financial Instruments: Disclosure – Reclassification of Financial Assets</i> | 香港會計準則第39號及香港財務報告準則第7號 (修訂本) | 香港會計準則第39號 (修訂本) 金融工具：確認與計量及香港財務報告準則第7號 (修訂本) 金融工具：披露 – 財務資產之重新分類 |
| HK(IFRIC)-Int 11 | HKFRS 2 – <i>Group and Treasury Share Transactions</i> | 香港 (國際財務報告詮釋委員會) – 詮釋第11號 | 香港財務報告準則第2號 – 集團與庫存股份交易 |
| HK(IFRIC)-Int 12 | <i>Service Concession Arrangements</i> | 香港 (國際財務報告詮釋委員會) – 詮釋第12號 | 服務特許權安排 |
| HK(IFRIC)-Int 14 | HKAS 19 – <i>The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i> | 香港 (國際財務報告詮釋委員會) – 詮釋第14號 | 香港會計準則第19號 – 界定福利資產限額、最低資金要求及兩者相互關係 |

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement* and HKFRS 7 *Financial Instruments: Disclosures – Reclassification of Financial Assets*

The amendments to HKAS 39 permit an entity to reclassify a non-derivative financial asset classified as held for trading, other than a financial asset designated by an entity as at fair value through profit or loss upon initial recognition, out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling or repurchasing in the near term, if specified criteria are met.

2.2 新訂及經修訂之香港財務報告準則之影響

本集團於本年度財務報表中首次採用以下香港財務報告準則之新詮釋及修訂本。除若干情況下會引起會計政策新增及變更以及附加披露外，採用該等新詮釋及修訂本並未對財務報表產生重大影響。

採納此等新訂及經修訂香港財務報告準則之主要影響載列如下：

(a) 香港會計準則第39號金融工具：確認與計量及香港財務報告準則第7號金融工具：披露 – 財務資產之重新分類

香港會計準則第39號之修訂本允許實體在符合特定條件下，將持作買賣的非衍生財務資產（不包括於初始確認時被實體指定為透過損益按公平值列值的財務資產），於該財務資產不再為在近期出售或購入之目的而持有時，從透過損益按公平值列值類別重新分類至其他類別。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

(a) **Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement* and HKFRS 7 *Financial Instruments: Disclosures – Reclassification of Financial Assets* (continued)**

A debt instrument that would have met the definition of loans and receivables (if it had not been required to be classified as held for trading at initial recognition) may be classified out of the fair value through profit or loss category or (if it had not been designated as available for sale) may be classified out of the available-for-sale category to the loans and receivables category if the entity has the intention and ability to hold it for the foreseeable future or until maturity.

In rare circumstances, financial assets that are not eligible for classification as loans and receivables may be transferred from the held-for-trading category to the available-for-sale category or to the held-to-maturity category (in the case of a debt instrument), if the financial asset is no longer held for the purpose of selling or repurchasing in the near term.

The financial asset shall be reclassified at its fair value on the date of reclassification and the fair value of the financial asset on the date of reclassification becomes its new cost or amortised cost, as applicable. The amendments to HKFRS 7 require extensive disclosures of any financial asset reclassified in the situations described above. The amendments are effective from 1 July 2008.

As the Group has not reclassified any of its financial instruments, the amendments have had no impact on the financial position or results of operations of the Group.

2.2 新訂及經修訂之香港財務報告準則之影響 (續)

(a) **香港會計準則第39號金融工具：確認與計量及香港財務報告準則第7號金融工具：披露－財務資產之重新分類 (續)**

倘債務工具符合貸款或應收賬款之定義，而實體有意願及能力於可預見將來持有或持有至到期，便可從透過損益按公平值列值類別（非初始確認時被要求分類為持作買賣）或可供出售類別（非初始確認時被指定為可供出售）重新分類為貸款或應收賬款類別。

在極少數情況下，不符合條件分類為貸款或應收賬款之財務資產，倘財務資產不再為在近期出售或購回之目的而持有，可以由持作買賣類別轉為可供出售類別或持有至到期類別（倘為債務工具）。

財務資產須按其重新分類日期之公平值進行重新分類，且於重新分類日期之公平值將成為其新成本或攤銷成本（倘適用）。香港財務報告準則第7號之修訂本要求對按上述情形重新分類之任何財務資產作出廣泛披露。該等修訂自二零零八年七月一日起生效。

由於本集團並未對金融工具進行重新分類，因此該等修訂對本集團之財務狀況及經營成果並無影響。

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

(b) HK(IFRIC)-Int 11 *HKFRS 2 – Group and Treasury Share Transactions*

HK(IFRIC)-Int 11 requires arrangements whereby an employee is granted rights to the Group's equity instruments to be accounted for as an equity-settled scheme, even if the Group buys the instruments from another party, or the shareholders provide the equity instruments needed. HK(IFRIC)-Int 11 also addresses the accounting for share-based payment transactions involving two or more entities within the Group. As the Group currently has no such transactions, the interpretation has had no impact on the financial position or results of operations of the Group.

(c) HK(IFRIC)-Int 12 *Service Concession Arrangements*

HK(IFRIC)-Int 12 applies to service concession operators and explains how to account for obligation undertaken and the rights received in service concession arrangements. No member of the Group is an operator and, therefore, this interpretation has had no impact on the financial position or results of operations of the Group.

2.2 新訂及經修訂之香港財務報告準則之影響 (續)

(b) 香港（國際財務報告詮釋委員會）— 詮釋第11號香港財務報告準則第2號 – 集團與庫存股份交易

香港（國際財務報告詮釋委員會）— 詮釋第11號要求把僱員被授予本集團股本工具之安排按股本結算計劃作會計處理，即使該等工具由本集團向他人購買或由股東提供所需股本工具。香港（國際財務報告詮釋委員會）— 詮釋第11號亦詮釋了涉及集團內兩方或多方之股本償付交易之賬目處理。由於本集團當期並無此類交易，故此該詮釋對本集團之財務狀況及經營成果並無影響。

(c) 香港（國際財務報告詮釋委員會）— 詮釋第12號服務特許權安排

香港（國際財務報告詮釋委員會）— 詮釋第12號適用於服務特許權經營商並就在服務特許權安排中所承擔之義務及享有之權益所需會計處理進行了詮釋。由於本集團並無成員是經營商，故此該詮釋對本集團之財務狀況及經營成果並無影響。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

(d) HK(IFRIC)-Int 14 HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 *Employee Benefits*, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, including situations when a minimum funding requirement exists. As the Group has no defined benefit scheme, the interpretation has had no effect on these financial statements.

2.2 新訂及經修訂之香港財務報告準則之影響 (續)

(d) 香港 (國際財務報告詮釋委員會) – 詮釋第14號香港會計準則第19號 – 界定福利資產限額、最低資金要求及兩者相互關係

香港 (國際財務報告詮釋委員會) – 詮釋第14號詮釋了根據香港會計準則第19號 *僱員福利*，如何評估有關定額福利計劃，包括存在最低供款規定時，未來供款之退款或扣減款額可確認為資產之限額。由於本集團並無定額福利計劃，該詮釋對該等財務報表並無影響。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則之影響

本集團並無於本財務報表內應用以下已頒佈但尚未生效之新訂及經修訂之香港財務報告準則。

| | | | |
|--------------------------------|--|------------------------------|---|
| HKFRS 1 and HKAS 27 Amendments | Amendments to HKFRS 1 <i>First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i> ¹ | 香港財務報告準則第1號及香港會計準則第27號 (修訂本) | 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及香港會計準則第27號 (修訂本) 綜合及獨立財務報表 – 於附屬公司、共同控權公司或聯營公司的投資成本 ¹ |
| HKFRS 1 (Revised) | <i>First-time Adoption of HKFRSs</i> ² | 香港財務報告準則第1號 (經修訂) | 首次採納香港財務報告準則 ² |
| HKFRS 2 Amendments | Amendments to HKFRS 2 <i>Share-based Payment – Vesting Conditions and Cancellations</i> ¹ | 香港財務報告準則第2號 (修訂本) | 香港財務報告準則第2號 (修訂本) 股本償付 – 歸屬條件及註銷 ¹ |
| HKFRS 3 (Revised) | <i>Business Combinations</i> ² | 香港財務報告準則第3號 (經修訂) | 業務合併 ² |
| HKFRS 7 Amendments | Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments</i> ¹ | 香港財務報告準則第7號 (修訂本) | 香港財務報告準則第7號 (修訂本) 金融工具：披露 – 改進金融工具之披露 ¹ |
| HKFRS 8 | <i>Operating Segments</i> ¹ | 香港財務報告準則第8號 | 經營分部 ¹ |
| HKAS 1 (Revised) | <i>Presentation of Financial Statements</i> ¹ | 香港會計準則第1號 (經修訂) | 財務報表的呈列 ¹ |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

2.3 已頒佈但尚未生效之香港財務報告準則之影響 (續)

| | | | |
|--|--|---|--|
| HKAS 23 (Revised) | <i>Borrowing Costs</i> ¹ | 香港會計準則第23號(經修訂) | 借貸成本 ¹ |
| HKAS 27 (Revised) | <i>Consolidated and Separate Financial Statements</i> ² | 香港會計準則第27號(經修訂) | 綜合及獨立財務報表 ² |
| HKAS 32 and HKAS 1 Amendments | Amendments to HKAS 32 <i>Financial Instruments: Presentation</i> and HKAS 1 <i>Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation</i> ¹ | 香港會計準則第32號及香港會計準則第1號(修訂本) | 香港會計準則第32號(修訂本) 金融工具：呈列及香港會計準則第1號(修訂本)財務報表呈列 – 可沽售金融工具及清盤產生之責任 ¹ |
| HKAS 39 Amendment | Amendment to HKAS 39 <i>Financial Instruments: Recognition and Measurement – Eligible Hedged Items</i> ² | 香港會計準則第39號(修訂本) | 香港會計準則第39號(修訂本) 金融工具：確認及計量 – 合資格對沖項目 ² |
| HKAS 39 and HK(IFRIC)-Int 9 Amendments | Amendments to HKAS 39 <i>Financial Instruments: Recognition and Measurement</i> and HK(IFRIC)-Int 9 <i>Reassessment of Embedded Derivatives – Embedded Derivatives</i> ³ | 香港會計準則第39號及香港(國際財務報告詮釋委員會) – 詮釋第9號(修訂本) | 香港會計準則第39號(修訂本)金融工具：確認及計量及香港(國際財務報告詮釋委員會) – 詮釋第9號(修訂本)重新評估內含衍生工具 – 內含衍生工具 ³ |
| HK(IFRIC)-Int 13 | <i>Customer Loyalty Programmes</i> ³ | 香港(國際財務報告詮釋委員會) – 詮釋第13號 | 客戶忠誠計劃 ³ |
| HK(IFRIC)-Int 15 | <i>Agreements for the Construction of Real Estate</i> ¹ | 香港(國際財務報告詮釋委員會) – 詮釋第15號 | 房地產建築協議 ¹ |
| HK(IFRIC)-Int 16 | <i>Hedges of a Net Investment in a Foreign Operation</i> ⁴ | 香港(國際財務報告詮釋委員會) – 詮釋第16號 | 對沖海外業務投資淨額 ⁴ |
| HK(IFRIC)-Int 17 | <i>Distribution of Non-cash Assets to Owners</i> ² | 香港(國際財務報告詮釋委員會) – 詮釋第17號 | 向擁有人分派非現金資產 ² |
| HK(IFRIC)-Int 18 | <i>Transfers of Assets from Customers</i> ² | 香港(國際財務報告詮釋委員會) – 詮釋第18號 | 從客戶轉移資產 ² |

Apart from the above, the HKICPA has also issued *Improvements to HKFRSs** which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarify wording. Except for the amendment to HKFRS 5 which is effective for annual periods beginning on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

除上述者外，香港會計師公會亦頒佈香港財務報告準則的改進*，當中載列對多項香港財務報告準則之修訂，主要目的為刪除不一致條文及釐清措辭。儘管各項準則均個別訂有過渡條文，除香港財務報告準則第5號之修訂本乃於二零零九年七月一日或之後開始之年度期間生效外，其他修訂本均於二零零九年一月一日或之後開始之年度期間生效。

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2009

³ Effective for annual periods beginning on or after 1 July 2008

¹ 於二零零九年一月一日或之後開始之年度期間生效

² 於二零零九年七月一日或之後開始之年度期間生效

³ 於二零零八年七月一日或之後開始之年度期間生效

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

- ⁴ Effective for annual periods beginning on or after 1 October 2008
- ⁵ Effective for annual periods ending on or after 30 June 2009
- * Improvements to HKFRSs contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

The HKAS 27 Amendment requires all dividends from subsidiaries, associates or jointly-controlled entities to be recognised in the income statement in the separate financial statements. The amendment is applied prospectively only. The HKFRS 1 Amendment allows a first-time adopter of HKFRSs to measure its investment in subsidiaries, associates or jointly-controlled entities using a deemed cost of either fair value or the carrying amount under the previous accounting practice in the separate financial statements. The Group expects to adopt the HKAS 27 Amendment from 1 January 2009. The amendments have no impact on the consolidated financial statements.

HKFRS 1 (Revised) aims to improve the readability of the standard and does not contain any technical changes.

2.3 已頒佈但尚未生效之香港財務報告準則之影響 (續)

- ⁴ 於二零零八年十月一日或之後開始之年度期間生效
- ⁵ 於二零零九年六月三十日或之後開始之年度期間生效
- * 香港財務報告準則的改進包括香港財務報告準則第5號、香港財務報告準則第7號、香港會計準則第1號、香港會計準則第8號、香港會計準則第10號、香港會計準則第16號、香港會計準則第18號、香港會計準則第19號、香港會計準則第20號、香港會計準則第23號、香港會計準則第27號、香港會計準則第28號、香港會計準則第29號、香港會計準則第31號、香港會計準則第34號、香港會計準則第36號、香港會計準則第38號、香港會計準則第39號、香港會計準則第40號及香港會計準則第41號之修訂本。

香港會計準則第27號(修訂本)要求把所有從附屬公司、聯營公司和共同控權公司所得的分紅在獨立財務報表中確認。該修訂於未來應用。香港財務報告準則第1號允許初次採納者根據過往會計慣例，運用公平值或賬面值之視作成本，於獨立財務報表計量於附屬公司、聯營公司及共同控權公司之投資成本。本集團預計從二零零九年一月一日起實施香港會計準則第27號(修訂本)，該修訂本對本綜合財務報表並無影響。

香港財務報告準則第1號(經修訂)旨在提高該準則之可讀性，並不包含任何技術變更。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

The HKFRS 2 Amendments clarify that vesting conditions are service conditions and performance conditions only. Any other conditions are non-vesting conditions. Where an award does not vest as a result of a failure to meet a non-vesting condition that is within the control of either the entity or the counterparty, this is accounted for as a cancellation. The Group has not entered into share-based payment schemes with non-vesting conditions attached and, therefore, the amendments are unlikely to have any significant implications on its accounting for share-based payments.

HKFRS 3 (Revised) introduces a number of changes in the accounting for business combinations that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

HKFRS 7 Amendments intended to enhance disclosures about fair value measurement and liquidity risk. The Group expects to adopt HKFRS 7 Amendments from 1 January 2009.

HKAS 27 (Revised) requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments were made to HKAS 7 *Statement of Cash Flows*, HKAS 12 *Income Taxes*, HKAS 21 *The Effects of Changes in Foreign Exchange Rates*, HKAS 28 *Investments in Associates* and HKAS 31 *Interests in Joint Ventures*.

2.3 已頒佈但尚未生效之香港財務報告準則之影響 (續)

香港財務報告準則第2號(修訂本)澄清歸屬條件僅指服務條件和表現條件。其他任何條件均為非歸屬條件。倘當非歸屬條件在實體或其對方的控制下未能得到滿足時，獎勵不能行使，該等情形視之為註銷。本集團未訂立任何附帶非歸屬條件的股本償付計劃。因此，預期該修訂本不會對其股本償付的會計方法造成重大影響。

香港財務報告準則第3號(經修訂)闡述了與業務合併相關會計處理的一系列變化，該等變化將對業務合併中商譽的確認，收購期間的呈報業績及未來呈報業績產生影響。

香港財務報告準則第7號(修訂本)旨在提高對公平值計量和流動性風險的披露要求。本集團預期由二零零九年一月一日起採納香港財務報告準則第7號(修訂本)。

香港會計準則第27號(經修訂)規定不喪失控制權的附屬公司的擁有權權益變動被列為股權交易。因此，該變動對商譽並無影響，亦不會產生利潤或虧損。此外，經修訂準則也相應更改了對附屬公司產生的虧損以及對附屬公司喪失控制權的會計處理。此項修訂涉及到的準則有：香港會計準則第7號現金流量表，香港會計準則第12號所得稅，香港會計準則第21號匯率變動的影響，香港會計準則第28號聯營公司的投資，香港會計準則第31號合營公司的權益。



Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

The Group expects to adopt HKFRS 3 (Revised) and HKAS 27 (Revised) from 1 January 2010. The changes introduced by these revised standards must be applied prospectively and will affect future acquisitions, loss of control and transactions with minority interests.

HKFRS 8, which will replace HKAS 14 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group expects to adopt HKFRS 8 from 1 January 2009.

HKAS 1 (Revised) introduces changes in the presentation and disclosures of financial statements. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group expects to adopt HKAS 1 (Revised) from 1 January 2009.

2.3 已頒佈但尚未生效之香港財務報告準則之影響 (續)

集團預計從二零一零年一月一日起採用香港財務報告準則第3號(經修訂)和香港會計準則第27號(經修訂)。這些經修訂的準則所引入之改變須於未來應用，並且將會對未來的收購、喪失控制權及與少數股東之間的交易產生影響。

香港財務報告準則第8號將取代香港會計準則第14號*分部申報*，指明集團應當如何報告經營分部的資料，這些資料以專供行政經營決策者決定如何在各分部間進行資源分配和評估其表現的集團各種系統資訊為依據。該準則還要求披露關於分部所提供的產品和服務、集團經營範圍的區域和來自集團主要客戶的收入。本集團預計從二零零九年一月一日採用香港財務報告準則第8號。

香港會計準則第1號(經修訂)引入了財務報表的列報和披露的改變。該經修訂的準則區分了所有者和非所有者權益變動。權益變動表將只包括所有者的詳細交易，非所有者權益變動列為單行陳述。此外，該準則引入了綜合收益表：在單一報表或兩張相聯繫的報表中列報在損益表確認的收入和費用項目，並且列報其他在權益直接確認為收入和費用的項目。本集團預計從二零零九年一月一日起採用香港會計準則第1號(經修訂)。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKAS 23 has been revised to require capitalisation of borrowing costs when such costs are directly attributable to the acquisition, construction or production of a qualifying asset. As the Group's current policy for borrowing costs aligns with the requirements of the revised standard, the revised standard is unlikely to have any financial impact on the Group.

The HKAS 32 Amendments provide a limited scope exception for puttable financial instruments and instruments that impose specified obligations arising on liquidation to be classified as equity if they fulfil a number of specified features. HKAS 1 Amendments require disclosure of certain information relating to these puttable financial instruments and obligations classified as equity. As the Group currently has no such financial instruments or obligations, the amendments are unlikely to have any financial impact on the Group.

The amendment to HKAS 39 addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. It clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as hedged item. As the Group has not entered into any such hedges, the amendment is unlikely to have any financial impact on the Group.

2.3 已頒佈但尚未生效之香港財務報告準則之影響 (續)

香港會計準則第23號已修訂為要求對直接歸屬於符合條件的資產的購置、建造或生產的借貸成本進行資本化。由於本集團借貸成本之現行政策符合經修訂準則之要求，故該經修訂準則不大可能對本集團造成任何財務影響。

香港會計準則第32號(修訂本)容許當可沽售金融工具及會於清盤時導致某些責任之工具符合若干指定特徵後，可獲有限度豁免被歸類為權益。香港會計準則第1號(修訂本)要求對這些可沽售金融工具及可歸類為權益的責任進行披露。由於本集團現時並無該等金融工具或責任，故該修訂不大可能對本集團造成任何財務影響。

香港會計準則第39號(修訂本)對對沖項目中單邊風險的認定以及在特定情況下通貨膨脹作為對沖風險或部份的認定進行了解釋，該修訂澄清容許實體認定金融工具的部份公平值變動或現金流量變動為對沖項目。由於本集團沒有進行此類對沖，因此此修訂不大可能對本集團造成任何財務影響。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

HKAS 39 is amended to state that if the fair value of an embedded derivative that would have to be separated on reclassification cannot be reliably measured, the entire hybrid financial instrument must remain classified as at fair value through profit or loss. The amendment to HK(IFRIC)-Int 9 requires an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss category. As the Group does not have such contracts, these amendments are unlikely to have any financial impact on the Group.

HK(IFRIC)-Int 13 requires customer loyalty award credits to be accounted for as a separate component of the sales transaction in which they are granted. The consideration received in the sales transaction is allocated between the loyalty award credits and the other components of the sale. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished. As the Group currently has no customer loyalty award scheme, the interpretation is not applicable to the Group and therefore is unlikely to have any financial impact on the Group.

HK(IFRIC)-Int 15 will replace HK Interpretation 3 *Revenue – Pre-completion Contracts for the Sale of Development Properties*. It clarifies when and how an agreement for the construction of real estate should be accounted for as a construction contract in accordance with HKAS 11 *Construction Contracts* or an agreement for the sale of goods or services in accordance with HKAS 18 *Revenue*. As the Group currently is not involved in any construction of real estate, the interpretation is unlikely to have any financial impact on the Group.

2.3 已頒報但尚未生效之香港財務報告準則之影響 (續)

香港會計準則第39號已修訂為列明，倘重列時須分離之嵌入式衍生工具之公平值無法可靠計量，則整個混合式金融工具仍須分類為透過損益按公平值計量。香港（國際財務報告詮釋委員會）— 詮釋第9號（修訂本）要求，實體將混合式財務資產從透過損益按公平值類別重新分類至其他類別時，須評估嵌入式衍生工具是否須從主合同中分離。由於本集團並無任何該等合約，故該等修訂不大可能對本集團構成任何財務影響。

香港（國際財務報告詮釋委員會）— 詮釋第13號規定，在銷售交易過程中授予客戶的忠誠獎勵額須作為銷售交易的一個獨立組成部份列賬。銷售交易的已收代價會在忠誠獎勵額與銷售的其他組成部份之間進行分配。分配至忠誠獎勵額的款項乃參考其公平值釐定，並於獎勵獲履行前或該責任因其他原因解除前列作遞延項目。由於本集團現無客戶忠誠獎勵計劃，因此該詮釋不適用於本集團，且也不大可能對本集團造成任何財務影響。

香港（國際財務報告詮釋委員會）— 詮釋第15號取代了香港詮釋第3號收入— 銷售發展物業的預售合約。該詮釋澄清了何時以及在什麼情況下房地產建築協議應該根據香港會計準則第11號建築合同作為建築合同或根據香港會計準則第18號收入作為商品或服務的銷售。由於本集團現時沒有進行房地產建築活動，因此該詮釋不大可能對本集團造成任何財務影響。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HK(IFRIC)-Int 16 provides guidance on the accounting for a hedge of a net investment in a foreign operation. This includes clarification that (i) hedge accounting may be applied only to the foreign exchange differences arising between the functional currencies of the foreign operation and the parent entity; (ii) a hedging instrument may be held by any entities within a group; and (iii) on disposal of a foreign operation, the cumulative gain or loss relating to both the net investment and the hedging instrument that was determined to be an effective hedge should be reclassified to the income statement as a reclassification adjustment. As the Group currently has no hedge of a net investment in a foreign operation, the interpretation is unlikely to have any financial impact on the Group.

HK(IFRIC)-Int 17 standardises practice in the accounting for non-reciprocal distributions of non-cash assets to owners. The Group expects to apply the interpretation from 1 January 2010 prospectively. The interpretation clarifies that (i) a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity; (ii) an entity should measure the dividend payable at the fair value of the net assets to be distributed; and (iii) an entity should recognise the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss. Other consequential amendments were made to HKAS 10 *Events after the Balance Sheet Date* and HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. While the adoption of the interpretation may result in changes in certain accounting policies, the interpretation is unlikely to have any material financial impact on the Group.

2.3 已頒報但尚未生效之香港財務報告準則之影響 (續)

香港（國際財務報告詮釋委員會）— 詮釋第16號為境外操作下的淨投資對沖的會計處理方法提供指引，包括闡明：(i)此處的對沖會計處理方法只適用於境外和母公司實體本位幣的匯率差；(ii)對沖工具可以由集團內任何一家實體持有；及(iii)當出售境外操作時，有關淨投資和已被認定為有效對沖的對沖工具的累計匯兌利潤或虧損應以重新分類調整重新分類至利潤表。因為本集團沒有境外操作下的淨投資對沖，因此該詮釋不大可能對本集團產生任何財務影響。

香港（國際財務報告詮釋委員會）— 詮釋第17號劃一所有向擁有人單向分派非現金資產的會計處理方法。本集團預計從二零一零年一月一日起採用該詮釋。該詮釋闡明(i)當該分配已經通過審批而且已經不再受該實體操控時，應確認為應付股利；(ii)實體應該根據分配資產淨值的公平值計入應付股利；(iii)實體應該將已付股利與分配資產淨值的帳面價值的差異在損益表確認。其他後續修訂乃就香港會計準則第10號*財務報告日後事項*和香港財務報告準則第5號*持作待售的非流動資產和已終止經營業務*而作出。儘管採用該詮釋會導致若干會計政策變動，惟該詮釋不大可能對本集團產生任何重大財務影響。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

HK(IFRIC)-Int 18 clarifies the requirements of HKFRSs for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services. The interpretation is issued to provide additional guidance on the accounting for those transfers of assets from customers. The interpretation is unlikely to have any material financial impact on the Group.

In October 2008, the HKICPA issued its first *Improvements to HKFRSs* which sets out amendments to a number of HKFRSs. The Group expects to adopt the amendments from 1 January 2009. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments are expected to have a significant financial impact on the Group.

2.4 CHANGE IN AN ACCOUNTING POLICY

Inventories

Prior to 30 June 2008, the cost of inventories was determined on the first-in, first-out basis. With effect from 1 July 2008, the Group elected to adopt the weighted average basis to determine the cost of inventories. The directors believe that the weighted average basis can provide more reliable and relevant information on the Group's financial position. This change in accounting policy had no material effect on how the results for the current or prior accounting periods have been prepared and presented.

2.3 已頒報但尚未生效之香港財務報告準則之影響 (續)

香港（國際財務報告詮釋委員會）-詮釋第18號闡明香港財務報告準則對關於實體自客戶收取物業、廠房及設備的協議的規定，而該實體必須為客戶連接網絡或為客戶提供供應商品或服務的持續渠道。該詮釋之頒佈乃為就該等自客戶轉移資產之會計處理提供額外指引。該詮釋不大可能對本集團造成任何重大財務影響。

於二零零八年十月，香港會計師公會頒佈其首次香港財務報告準則的改進，其中制定對多項香港財務報告準則的修訂。本集團預期於二零零九年一月一日起採用該等修訂本。各項準則均各自設有過渡條文。採用其中部份修訂本可能導致會計政策變動，惟預期該等修訂概不會對本集團造成重大財務影響。

2.4 會計政策變更

存貨

二零零八年六月三十日以前，存貨成本以先入先出法釐定。由二零零八年七月一日起，本集團選擇採納加權平均成本法釐定存貨成本。董事認為，加權平均成本法可提供本集團財務狀況的更為可靠及相關之資料。會計政策之變更對本會計期間或過往會計期間之業績如何編製及呈列並無重大影響。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

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

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Joint ventures

A joint venture is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

2.5 主要會計政策概要

附屬公司

附屬公司乃本公司直接或間接控制其財務及營運政策以自其活動獲利之實體。

附屬公司之業績按已收及應收股息的金額計入本公司之利潤表內。本公司於附屬公司之權益乃以成本值減除任何減值虧損列賬。

合營公司

合營公司指根據合約安排成立的實體，據此，本集團與其他合營人士藉以進行經濟活動。合營公司作為獨立實體營運，本集團與其他合營人士均擁有權益。

合營公司各方訂立的合營協議訂明了合營各方的注資額、合營公司的期限及在合營公司解散時變現資產的基準。合營公司業務的溢利及虧損及盈餘資產的任何分派均由合營公司各方按其各自的出資額或根據合營協議的條款進行分配。



Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint ventures (continued)

A joint venture is treated as:

- (a) a subsidiary, if the Group, directly or indirectly, controls more than half of its voting power or issued share capital or controls the composition of its board of directors; or over which the Group has a contractual right to exercise a dominant influence with respect to the joint venture's financial and operating policies if the Group has unilateral control, directly or indirectly, over the joint venture;
- (b) a jointly-controlled entity, if the Group does not have unilateral control, but has joint control, directly or indirectly, over the joint venture;
- (c) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture; or
- (d) an equity investment accounted for in accordance with HKAS 39, if the Group holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

2.5 主要會計政策概要 (續)

合營公司 (續)

合營公司被視為：

- (a) 附屬公司，倘本集團直接或間接控制其半數以上投票權或已發行股本，或控制其董事會的組成；或倘本集團可單方面直接或間接控制合營公司，本集團具合約權利可就該合營公司的金融及營運政策發揮重大影響力；
- (b) 共同控權公司，倘本集團不可單方面直接或間接控制，但可共同控制該合營公司；
- (c) 聯營公司，倘本集團並無單方面或共同控制權，但直接或間接持有不少於該合營公司的20%註冊資本，並可對該合營公司施加重大影響；或
- (d) 以香港會計準則第39號計入的股本投資，倘本集團直接或間接持有少於該合營公司的20%註冊資本，且對該合營公司並無共同控制權亦不可施加重大影響。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Jointly-controlled entity

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

The Group's interest in jointly-controlled entity is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of jointly-controlled entity is included in the consolidated income statement and consolidated reserves, respectively. Goodwill arising from the acquisition of jointly-controlled entity, which was not previously eliminated or recognised in the consolidated reserves, is included as part of the Group's interest in jointly-controlled entity. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The results of jointly-controlled entity are included in the Company's income statement to the extent of dividends received and receivable. The Company's interest in jointly-controlled entity is treated as non-current asset and is stated at cost less any impairment losses.

2.5 主要會計政策概要 (續)

共同控權公司

共同控權公司是指受共同控制的合營公司，而無一參股單位可單方面控制該共同控權公司的經濟活動。

本集團於共同控權公司之權益乃以權益會計法按本集團分佔之資產淨值減除任何減值虧損計入綜合資產負債表。本集團分佔共同控權公司收購後之業績及儲備，分別載入綜合利潤表及綜合儲備。以往沒有在綜合儲備抵銷或確認之收購共同控權公司產生之商譽，乃包括在本集團於共同控權公司之權益的部份，並已就可能存在之不相似會計政策作出調整，以確保一致。

共同控權公司之業績按已收及應收股利計入本公司之利潤表內。本公司於共同控權公司之權益以非流動資產處理及以成本值減任何減值虧損列賬。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Associates

An associate is an entity, including an unincorporated entity such as a partnership, not being a subsidiary or a jointly-controlled entity, over which the Group has significant influence.

The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. Goodwill arising from the acquisition of associates, which was not previously eliminated or recognised in the consolidated reserves, is included as part of the Group's interests in associates. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Goodwill

Goodwill arising on the acquisition of subsidiaries, associates and jointly-controlled entity represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

Goodwill on acquisitions for which the agreement date is on or after 1 January 2005

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses. In the case of associates and jointly-controlled entity, goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

2.5 主要會計政策概要 (續)

聯營公司

聯營公司指附屬公司或共同控權公司以外，本集團對其有重大影響之實體，包括非法人之企業，例如合夥。

本集團於聯營公司之權益乃根據權益會計法按本集團分佔之資產淨值減任何減值虧損後計入綜合資產負債表。本集團分佔聯營公司收購後之業績及儲備，分別載於綜合利潤表及綜合儲備。以往沒有於綜合儲備抵銷或確認之收購聯營公司產生之商譽，乃包括在本集團於聯營公司之權益的部份，並已就可能存在之不相似會計政策作出調整，以確保一致。

商譽

收購附屬公司、聯營公司及共同控權公司所產生之商譽乃指企業合併成本超逾本集團於收購當日所佔被購買方之可識別資產、負債及或然負債之公平淨值之差額。

協議日期為二零零五年一月一日或其後之收購所產生之商譽

收購所產生之商譽於綜合資產負債表內確認為資產，並初始按成本值列賬，其後按成本值減任何累積減值虧損計量。收購聯營公司及共同控權公司產生之商譽則計入其賬面值內，而不在綜合資產負債表內單獨列為可識別資產。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

Goodwill on acquisitions for which the agreement date is on or after 1 January 2005 (continued)

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

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

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

2.5 主要會計政策概要 (續)

商譽 (續)

協議日期為二零零五年一月一日或其後之收購所產生之商譽 (續)

商譽之賬面值需每年進行減值測試，或在某些事項或情形的變動顯示賬面價值可能發生減值時更頻繁地進行減值測試。本集團於十二月三十一日進行商譽年度減值測試。就減值測試而言，於企業合併收購之商譽自收購當日起分配至預期可從合併之協同效益得益之本集團之現金產生單元或現金產生單元組別，而不需理會本集團的其他資產或負債是否已分配至該些單元或單元組別。

減值乃根據與商譽相關之現金產生單元（現金產生單元組別）之估計可收回金額而釐定。如現金產生單元（現金產生單元組別）的可收回金額比賬面值低，則須確認減值虧損。減值虧損不會於往後期間撥回。

如商譽組成現金產生單元（現金產生單元組別）的一部份，而該單元之部份營運被出售，則計算出售該營運之利潤或虧損時，應把與被出售之營運聯繫之商譽包括在該營運之賬面值內。在此情況下，被出售之商譽按被出售之營運及仍保留在現金產生單元之部份之相對價值計算。



Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

Goodwill previously eliminated against consolidated retained profits

Prior to the adoption of the HKICPA's Statement of Standard Accounting Practice 30 *Business Combinations* ("SSAP 30") in 2001, goodwill arising on acquisition was eliminated against consolidated retained profits in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against consolidated retained profits and is not recognised in the income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

Excess over the cost of business combinations

Any excess of the Group's interest in the net fair value of the acquirees' identifiable assets, liabilities and contingent liabilities over the cost of acquisition of subsidiaries, associates and jointly-controlled entity (previously referred to as negative goodwill), after reassessment, is recognised immediately in the income statement.

The excess for associates and jointly-controlled entity is included in the Group's share of the associates' and jointly-controlled entity's profits or losses in the period in which the investments are acquired.

2.5 主要會計政策概要 (續)

商譽 (續)

以往於綜合留存溢利扣除之商譽

於二零零一年採納香港會計師公會之會計實務準則第30號 *企業合併* (「會計實務準則第30號」) 前，收購所產生的商譽乃於收購當年於綜合留存溢利扣除。採納香港財務報告準則第3號後，當出售與該商譽有關之全部或部份業務時，或當與該商譽有關之現金產出單元減值時，該商譽仍然在綜合留存溢利內扣除而並非在利潤表內確認。

超逾業務合併成本之數額

本集團於被收購公司之可識別資產、負債及或然負債公平淨值之權益超逾收購附屬公司、聯營公司及共同控權公司之成本之任何數額 (前稱負商譽)，經重新評估後即時於綜合利潤表確認。

聯營公司及共同控權公司之超逾數額於收購投資期間應計入本集團分佔聯營公司及共同控權公司之溢利或虧損。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, construction contract assets, deferred tax assets, financial assets, investment property and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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

2.5 主要會計政策概要 (續)

除商譽以外之非財務資產之減值

每逢出現減值跡象，或於每年需就資產（存貨、建築合約資產、遞延稅項資產、財務資產、投資物業及商譽除外）進行減值測試時，便須估計該資產之可收回數額。資產之可收回數額以該資產或現金產出單元之使用價值及公平值減銷售成本兩者之較高者為準，並以個別資產釐定，除非該資產所產生之現金流入基本不獨立於其他資產或資產組別所產生之現金流入，則其可收回數額取決於該資產所屬之現金產出單元。

減值虧損僅於資產賬面值超逾其可收回數額時確認。在評估使用價值時，會使用除稅前折現率將估計未來現金流量折現至現值。該折現率應是反映市場當時所評估的貨幣時間價值和該資產的獨有風險。減值虧損按所減值資產之功能一致之開支分類於產生期間計入利潤表，惟倘有關資產以重估價值列賬，則根據經重估資產之有關會計政策處理減值虧損。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets other than goodwill (continued)

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

Related parties

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

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a jointly-controlled entity;
- (d) the party is a member of the key management personnel of the Group or its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);

2.5 主要會計政策概要 (續)

除商譽以外之非財務資產之減值 (續)

每逢結算日均須作出評估，以考慮是否有跡象顯示於過往年度已確認之減值虧損可能不再存在或有所減少。如有任何該等跡象，則須估計可收回數額。該資產（商譽除外）之先前確認之減值虧損僅於釐定資產可收回數額之估計出現變動時撥回，惟撥回後之賬面值不得超越假設過往年度並無就該資產確認減值虧損之賬面值之數額（扣除任何折舊／攤銷）。減值虧損之撥回於產生期間計入利潤表，惟倘該資產以重估數額列賬，則任何減值虧損之撥回根據經重估資產之有關會計政策處理。

關連方

以下被視為本集團之關連方，倘：

- (a) 該方透過一名或多名中介人直接或間接(i)控制本集團、受本集團控制或與本集團共同受某一來源控制；(ii)擁有本集團權益，並可對本集團發揮重大影響；或(iii)擁有本集團的共同控制權；
- (b) 該方為聯繫公司；
- (c) 該方為共同控權公司；
- (d) 該方為本集團或其母公司的關鍵管理人員之成員；
- (e) 該方為(a)或(d)項所述任何人士的直系親屬；

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than an investment property and construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment and the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

2.5 主要會計政策概要 (續)

關連方 (續)

- (f) 該方為受到(d)或(e)項所述任何人士直接或間接控制、共同控制或發揮重大影響或擁有其重大投資權的實體；或
- (g) 該方為本集團或屬於本集團關連方的任何實體的僱員利益而設立的終止受僱後福利計劃的受益人。

物業、廠房和設備及折舊

物業、廠房和設備(投資物業及在建工程除外)乃按原值或估值減累積折舊及任何減值虧損入賬。物業、廠房和設備之項目之成本包括其購買價及任何使資產達致運作狀況及地點以供擬定用途之直接相關成本。物業、廠房和設備項目投入運作後所涉及之費用(如維修保養費用)一般會在支出期間在利潤表中扣除。倘有關費用顯然可提高使用物業、廠房和設備項目之預期日後經濟利益而該項目之成本又能可靠地計量,則該費用會撥充資本,作為該資產之額外成本或作為替代。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Changes in the values of property, plant and equipment are dealt with as movements in the property, plant and equipment revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. An annual transfer from the asset revaluation reserve to retained profits is made for the difference between the depreciation based on the revalued carrying amount of an asset and the depreciation based on the asset's original cost. On disposal of a revalued asset, the relevant portion of the property, plant and equipment revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives used for this purpose are as follows:

| | |
|--|----------------------|
| Land and buildings | Over the lease terms |
| Leasehold improvements | 4 years |
| Plant and machinery | 5 years |
| Generation plant and related structure | 15 years |
| Furniture, fixtures and equipment | 5 years |
| Motor vehicles | 4 years |
| Tools and moulds | 4 years |

2.5 主要會計政策概要 (續)

物業、廠房和設備及折舊 (續)

進行估值需足夠頻密以確定重估資產的公平值與其賬面值沒有重大差異。物業、廠房和設備之價值變動作為物業、廠房和設備重估儲備之變動處理。倘儲備總額不足以彌補個別資產之虧絀，則超逾之虧絀將自利潤表內扣除，其後任何有關重估盈餘以經扣除之虧絀為限計入利潤表。基於資產經重估賬面值之折舊與基於該項資產原始成本之折舊之差額部份，每年會由資產重估儲備轉撥至留存溢利。出售經重估資產時，先前估值之有關物業、廠房和設備重估儲備部份將轉撥至留存溢利，作為儲備變動處理。

物業、廠房和設備按各項目之估計可使用年期以直線法計算折舊，以撇銷其成本或估值至其殘值。就此所採用的估計可使用年期如下：

| | |
|-----------|-----|
| 土地及房屋 | 租期 |
| 租約物業裝修 | 4年 |
| 廠房及機器 | 5年 |
| 發電廠房及有關設施 | 15年 |
| 傢俬、裝置及設備 | 5年 |
| 汽車 | 4年 |
| 工具及模具 | 4年 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents property, plant and equipment which are in their acquisition phase and is stated at cost less any impairment losses, and is not depreciated. The acquisition phase of an asset includes the period when the asset is under construction, installation and testing. Cost comprises the direct costs of construction together with borrowing costs incurred during the asset acquisition period that theoretically could have been avoided if expenditure for the asset had not been made. The capitalisation of borrowing costs ceases when substantially all of the activities necessary to prepare the asset for its intended use are completed. Construction in progress is reclassified to the appropriate category of property, plant and equipment when it is completed and ready for use, notwithstanding any delays in the issue of the relevant commissioning certificates by the relevant authorities.

2.5 主要會計政策概要 (續)

物業、廠房和設備及折舊 (續)

當物業、廠房和設備之項目的組成部份有不同的可使用年期，則該項目的成本或估值按合理之基準分配至各組成部份，每個組成部份獨立計算折舊。

殘值、可使用年期及折舊方法至少於各結算日進行檢討及調整(如適用)。

當物業、廠房和設備之項目一經出售，或預計其使用或出售不再產生未來經濟利益時，即終止確認。出售或廢棄所產生的任何利潤或虧損於資產終止確認當年在利潤表中確認，其數額為出售有關資產所得款項淨額與賬面值之差額。

在建工程指處於收購階段之物業、廠房和設備，以成本減任何減值虧損入賬，並不予折舊。資產之收購階段包括資產處於興建、安裝及測試階段之時期。成本包括直接建造成本，以及於資產收購期之借貸成本，而該等借貸成本如無就該項資產作出開支則理論上應可避免。當籌備該資產以作既定用途所需之所有活動大致完成時，則借貸成本不再撥充資本。在建工程完成並可用時，即重新分類為適當類別的物業、廠房和設備，而不論有關當局是否延遲簽發有關啟用證書。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment property

Investment property is an interest in land and building held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such property is measured initially at cost, including transaction costs. Subsequent to initial recognition, the investment property is stated at fair value, which reflects market conditions at the balance sheet date.

Gains or losses arising from changes in the fair value of the investment property are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

Leases

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

2.5 主要會計政策概要 (續)

投資物業

投資物業乃持有以賺取租金收入及／或作資本升值之土地及樓宇權益，而並非用作生產或提供貨品或服務或行政管理用途；或作為一般業務過程中之銷售。該些物業於首次計量時以成本入賬（包括交易成本）。首次確認後，投資物業以公平值列賬，以反映結算日之市場狀況。

因投資物業公平值變動而產生之利潤或虧損包括在其產生年度之利潤表內。

投資物業報廢或出售之利潤或虧損在其報廢或出售年度之利潤表內確認。

租賃

資產業權除法定業權本身以外大部份回報及風險由本集團承擔之租約列為融資租賃。融資租賃訂立時，有關成本按最低租金現值撥充資本，就有關購買及融資而連同有關承擔（不包括利息部份）一併入賬。根據撥充資本之融資租賃而持有的資產列為物業、廠房和設備，按資產租期及估計可使用年期兩者之較短者計算折舊。有關租賃之財務開支計入利潤表，以於租期內呈列固定開支。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

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

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Group assesses whether a contract contains an embedded derivative when the Group first becomes a party to it and assesses whether an embedded derivative is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

2.5 主要會計政策概要 (續)

租賃 (續)

資產業權之大部份回報及風險由租賃公司承擔之租約列為經營租約。如本集團為出租人，則本集團根據經營租約所出租之資產列為非流動資產，而根據經營租約之應收租金按直線法於租期內計入利潤表。如本集團為承租人，根據經營租約之應付租金按直線法於租期內計入利潤表。

經營租賃下之預付土地租賃款初始以成本記錄，之後在租賃期內以直線法攤銷。當租賃無法可靠地在土地和房屋兩部份之間進行分配時，則整個租賃款作為物業、廠房及設備的融資租賃，包括在土地和房屋的成本中。

投資及其他財務資產

香港會計準則第39號所述的財務資產分類為透過損益按公平值列值的財務資產、貸款及應收賬款，以及可供出售的財務資產（如適用）。首次確認財務資產時，乃按公平值加（倘投資並非透過損益按公平值列值）直接應佔交易成本列賬。

當本集團首次成為合約之訂約方時，會評估該合約是否包含嵌入式衍生工具；倘有分析顯示嵌入式衍生工具之經濟特性及風險與主合約並無密切關係，則評估該嵌入式衍生工具是否需要與主合約分開入賬。僅會於合約條款的變動將重大修訂合約項下所需的現金流量時方會進行重新評估。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include the financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on these investments are recognised in the income statement. The net fair gain or loss recognised in the income statement does not include any dividends on these financial assets, which are recognised in accordance with the policies set out for "Revenue Recognition" below.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

2.5 主要會計政策概要 (續)

投資及其他財務資產 (續)

本集團乃於首次確認後釐定財務資產的分類，並在可能及適合情況下，在結算日重新評估有關分類。

財務資產的所有一般買賣均於交易日（即本集團承諾買賣資產當日）確認。一般買賣指必須於市場所在地法例或規例一般指定之時間內交付資產的財務資產買賣。

透過損益按公平值列值的財務資產

透過損益按公平值列值的財務資產包括持作買賣之財務資產及於初始確認時指定為透過損益按公平值列值的財務資產。倘收購財務資產的目的是為在短期內出售，則該等資產分類為持作買賣。各項衍生工具（包括已分開之嵌入式衍生工具）亦分類為持作買賣，惟彼等被指定為有效對沖工具除外。該等投資之利潤或虧損在利潤表內確認。在利潤表內確認之公平值利潤或虧損淨額並未包括此等財務資產之股息，該等股息乃根據以下所載「收益之確認」之政策確認。

倘合約包括一項或多項嵌入式衍生工具，則整項混合式合約或須列為透過損益按公平值列賬之財務資產，惟若嵌入式衍生工具對現金流量並無重大影響或明確禁止將嵌入式衍生工具分開入賬則除外。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

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

Financial assets may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; (ii) the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial asset contains an embedded derivative that would need to be separately recorded.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

2.5 主要會計政策概要 (續)

投資及其他財務資產 (續)

透過損益按公平值列值的財務資產 (續)

只有符合下列條件的財務資產才可以在初始確認時指定為透過損益按公平值列值的財務資產：(i)該指定可以消除或明顯減少由於計量該資產或確認相關損益時基礎不同而導致有不一致的情況；或(ii)有關風險管理策略之正式書面檔已載明，該資產所屬之財務資產組合乃以公平值為基礎進行管理和評價；或(iii)該財務資產包含了需單獨計量的固有衍生工具。

貸款及應收賬款

貸款及應收賬款乃具有固定或可確定付款金額，但並無活躍市場報價的非衍生財務資產。有關資產其後乃按實質利率法以攤銷成本減去任何減值撥備列賬。計量攤銷成本時已考慮到獲得時產生的任何折現或溢價，包括構成實質利率及交易成本的費用。在貸款及應收賬款被終止確認、減值或在攤銷過程中時，其利潤及虧損乃於利潤表內確認。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed and unlisted securities, contractual rights and financial assets under Project EC120 as set out in notes 22 and 21, respectively, to the financial statements, that are designated as available-for-sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the income statement as "Other income" in accordance with the policies set out for "Revenue recognition" below. Losses arising from the impairment of such investments are recognised in the income statement as "Impairment losses on available-for-sale financial assets" and are transferred from the available-for-sale investment revaluation reserve.

When the fair value of unlisted securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

2.5 主要會計政策概要 (續)

投資及其他財務資產 (續)

可供出售的財務資產

可供出售的財務資產是指財務報表附註22及21所載之那些指定為可供出售的或者沒有分類為其他兩個財務資產類別的上市和非上市證券的非衍生性財務資產、合約權利以及EC120項目之財務資產。在初始確認後，可供出售的財務資產按照公平值計量，公平值變動產生的利潤或虧損作為權益的一個單獨的組成部份來確認，直至該投資終止確認，或者確認投資發生減值，在這時候，之前權益中的確認的累積利潤或虧損將撥入利潤表。利息及股息應根據以下載列於「收益之確認」之政策分別以利息收入及股息收入紀錄於利潤表之「其他收入」項下。該等投資所導致之減值虧損於利潤表之「可供出售財務資產減值虧損」確認並由可供出售投資重估儲備轉撥。

當因為(a)合理的公平值估計範圍的變動對該投資而言是重大的、或(b)在上述範圍內的各種估計價的概率不能夠合理地評估和用於估計公平值，而不能可靠計算非上市證券的公平值時，這類證券以成本減任何減值虧損列賬。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models.

Impairment of financial assets

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

Assets carried at amortised cost

If there is objective evidence that an impairment loss has been incurred on loans and receivables carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

2.5 主要會計政策概要 (續)

投資及其他財務資產 (續)

公平值

在組織化的金融市場中活躍交易的投資，其公平值乃參考結算日收盤時市場的買入報價來確定。對於沒有活躍市場的投資，其公平值由估價技術來確定。此類技術包括採用最近期的公平市場交易、參照幾乎相同的其他工具的當前市場價值、現金流量分析的折現和期權定價模型。

財務資產之減值

在每一結算日，本集團評估是否有一項財務資產或一組財務資產存在減值的客觀證據。

以攤銷成本計價的資產

倘有客觀證據顯示以攤銷成本計價的貸款及應收賬款已出現減值虧損，虧損金額按資產的賬面值與估計未來現金流量（不包括尚未產生的日後信貸損失）按財務資產原有實質利率（即初步確認時的實質利率）折現的現值之間的差額計算。資產的賬面值可直接調低或透過使用備抵賬抵減。該減值虧損在利潤表中確認。當預期將來並不可能收回及所有抵押已變現或轉撥至本集團，貸款與應收賬款連同任何相關之撥備應被撇銷。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade and bills receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

2.5 主要會計政策概要 (續)

財務資產之減值 (續)

以攤銷成本計價的資產 (續)

倘其後減值虧損金額減少，且有關減少客觀上與確認減值後發生的事件有關，則先前確認的減值虧損可透過調整備抵賬予以撥回。其後撥回的任何減值虧損於利潤表內確認，惟資產的賬面值不得超逾其於撥回當日的攤銷成本。

就應收貿易賬款及票據而言，倘出現客觀證據（如債務人可能無力償債或出現重大財務困難，及科技、市場、經濟與法律環境的重大變更對欠款人有不利影響）顯示本集團將無法按發票之原定條款收回所有到期款項，則會作出減值撥備。應收賬款之賬面值透過使用備抵賬而減少。已減值之債務一經評估為無法收回時則會終止確認。

以成本計價的資產

倘有客觀證據表明，因公平值無法可靠計算而不以公平值列賬的無報價股本工具出現減值虧損，有關虧損金額按資產賬面值與估計未來現金流量按類似財務資產現行市場回報率折讓的現值之間的差額計算。該等資產的減值虧損不得撥回。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. A provision for impairment is made for available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement. In addition, the Group evaluates other factors, such as the share price volatility. Impairment losses on equity instruments classified as available-for-sale are not reversed through the income statement.

Impairment losses on debt instruments are reversed through the income statement if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in the income statement.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.5 主要會計政策概要 (續)

財務資產之減值 (續)

可供出售的財務資產

倘可供出售的財務資產出現減值，其成本（扣除任何本金付款及攤銷）與其現行公平值兩者間的差異減去以往在利潤表內確認之任何減值虧損的款項，將從權益轉撥至利潤表。當其公平值出現重大或長期之縮減至低於其成本值或有其他客觀證據證明減值存在，將對可供出售股本投資作出減值撥備。「重大」與「長期」的界定取決於判斷。此外，本集團評估其他因素，如股價之波動性。分類為可供出售的股本工具的減值虧損不可透過利潤表撥回。

倘債權類證券的公平值的增加是客觀地與其減值虧損在利潤表確認後發生的事件相關，則債權類證券的減值撥備可以通過利潤表撥回。

終止確認財務資產

在下列情況下，財務資產（或部份財務資產或一組別相類似的財務資產的一部份（如適用））被終止確認：

- 收取資產之現金流量的權利已到期；
- 本集團保留收取資產之現金流量的權利，惟根據「轉手」安排有責任即時將有關金額悉數支付予第三者；或
- 本集團已轉讓其收取資產之現金流量的權利，且(a)已基本轉讓資產的所有風險及回報，或(b)並無轉讓或保留資產的所有風險及回報，但已轉讓資產的控制權。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets (continued)

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade and bills payable, other payables, interest-bearing bank borrowings, finance lease payables and amount due to a minority shareholder are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statement.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

2.5 主要會計政策概要 (續)

終止確認財務資產 (續)

倘本集團已轉讓其收取資產之現金流量的權利，但並無基本轉讓或保留資產的所有風險及回報，亦無轉讓資產的控制權，該資產按本集團持續參與有關資產的部份確認。以就已轉讓資產作出保證的形式作出之持續參與，乃按資產原有賬面值與本集團可能須償還的最高代價金額兩者間的較低者計算。

當以已轉讓資產的已發出及／或已購入期權（包括現金結算期權或相類似撥備）的形式持續參與，則本集團持續參與的部份為本集團可能購回的已轉讓資產的金額，惟倘為按公平值列賬資產的已發出認沽期權（包括現金結算期權或相類似撥備），則本集團持續參與的部份限於已轉讓資產的公平值與期權行使價兩者間的較低者。

以攤銷成本計價的財務負債（包括計息貸款及借款）

財務負債包括應付貿易賬款及票據、其他應付款項、計息銀行貸款、融資租賃應付款項以及應付少數股東賬款，初步按公平值減直接歸屬的交易成本確認，其後以實質利率法按攤銷成本計算，但如折現之影響甚微則除外。有關利息支出於利潤表中「財務開支」確認。

利潤及虧損乃於負債終止確認時，透過攤銷過程後於利潤表中確認。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the income statement. The net fair value gain or loss recognised in the income statement does not include any interest charged on these financial liabilities.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

2.5 主要會計政策概要 (續)

通過損益按公平值列值的財務負債

通過損益按公平值列值的財務負債包括持作買賣之財務負債及於初始確認時指定為通過損益按公平值列值之財務負債。

倘收購財務負債為於短期內出售之用，則應分類為持作買賣之財務負債。各項衍生工具（包括已分開之嵌入式衍生工具）亦分類為持作買賣，惟彼等被指定為有效對沖工具除外。持作買賣之財務負債之利潤或虧損應在利潤表中確認。於利潤表中確認之公平值利潤或虧損淨值不包括此等財務負債收取之任何利息。

倘合約包括一項或多項嵌入式衍生工具，則整項混合式合約或須列為透過損益按公平值列值的財務負債，惟若嵌入式衍生工具對現金流量並無重大影響或明確禁止將嵌入式衍生工具分開入賬則除外。

只有符合下列條件的財務負債方可於初始確認時指定為透過損益按公平值列值的財務負債：(i)該指定可以消除或明顯減少由於計量該負債或確認相關損益時基礎不同而導致有不一致的情況；或(ii)有關風險管理策略之正式書面檔已載明，該負債所屬之財務負債組合乃以公平值為基礎進行管理和評估；或(iii)該財務負債包含了需單獨計量的嵌入式衍生工具。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial guarantee contracts

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value less transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the balance sheet date; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 *Revenue*.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Inventories

Inventories are stated at the lower of cost and net realisable value, after making due allowance for any obsolete or slow-moving items. Cost is determined on the weighted average basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.5 主要會計政策概要 (續)

財務擔保合約

香港會計準則第39號範圍內之財務擔保合約乃列作財務負債入賬。財務擔保合約初步以其公平值減收購或發行財務擔保合約直接歸屬之交易成本確認，惟倘有關合約乃以公平值計入損益表者則除外。於初步確認後，本集團將以下列兩項之較高者計量財務擔保合約：(i)於結算日對履行現有責任所需開支之最佳估計金額；及(ii)初步確認之金額減（如適用）按照香港會計準則第18號收益確認之累積攤銷。

終止確認財務負債

當負債項下的責任獲解除或取消或屆滿時，終止確認財務負債。

倘現有財務負債被來自同一借款人但條款極不相同的另一項負債所取代，或對現有負債的條款進行大幅修改，上述更替或修訂將被視作終止確認原有負債及確認新負債，而有關賬面值的差額於利潤表內確認。

存貨

存貨乃就任何過時或陳舊項目作適當撥備後，按成本及可變現淨值兩者之較低者入賬。成本按加權平均成本法釐定。可變現淨值則根據估計售價減任何完成及出售所需成本計算。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

2.5 主要會計政策概要 (續)

現金及現金等值

就綜合現金流量表而言，現金及現金等值指手頭現金及活期存款，以及可隨時轉換為已知現金額而價值變動風險不大且期限較短（一般自收購起計三個月內到期）之短期高流通性投資，但不包括須按要求隨時還款並屬於本集團整體現金管理一部分之銀行透支。

就資產負債表而言，現金及現金等值指手頭及銀行現金，包括使用時不受限制而性質近似現金之定期存款及資產。

撥備

當因過往事件而產生即期承擔（法定或推定）並可能須於日後撥出資源應付時，倘能可靠估計有關承擔之數額，則須就此確認撥備。

倘折現影響重大，則按預期須於日後就該承擔所作之開支於結算日之現值而確認撥備。折現現值隨時間經過而增加之有關增幅於利潤表內列為財務開支。

收益稅

收益稅包括當期及遞延稅項。當期稅項於利潤表確認，惟與當期或其他期間直接計入權益之項目相關之稅項則於權益確認。

本期及過往期間的即期稅項資產及負債乃按預期自稅務機關收回或向其繳付的金額計算。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

2.5 主要會計政策概要 (續)

收益稅 (續)

遞延稅項採用負債法，就資產與負債之稅基與財務報告之有關賬面值於結算日之所有臨時差額作出撥備。

所有應課稅臨時差額均確認為遞延稅項負債，除了：

- 對於企業合併以外之交易，倘有關交易於當時對會計溢利或稅務盈虧並無影響，則有關商譽或首度確認之資產或負債所產生之遞延稅項負債不在此列；及
- 對於投資附屬公司及聯營公司之有關應課稅臨時差額，倘能控制有關臨時差額之回撥時間而於可見將來應不會回撥，則亦不在此列。

所有可抵扣臨時差額、承前未動用稅項資產及未動用稅項虧損均確認為遞延稅項資產，惟前提是可能取得應課稅溢利，以供動用可抵扣臨時差額、承前未動用稅項資產及未動用稅務虧損予以抵銷，除了：

- 對於企業合併以外之交易，倘有關交易於當時對會計溢利或稅務盈虧並無影響，則首度確認之資產或負債所產生之遞延稅項資產則不在此列；及

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.5 主要會計政策概要 (續)

收益稅 (續)

- 對於投資附屬公司及聯營公司之有關可抵扣臨時差額，則僅在有關臨時差額可能於可見將來回撥，並有應課稅溢利以供動用臨時差額予以抵銷之情況下，方會確認遞延稅項資產。

遞延稅項資產之賬面值每逢結算日檢討，倘不再可能有足夠應課稅溢利以供動用所有或部份遞延稅項資產，則遞延稅項資產將相應減少。相反，每逢結算日重新評估過去並未確認之遞延稅項資產，倘可能有足夠應課稅溢利以供動用所有或部份遞延稅項資產，則予以確認。

遞延稅項資產及負債乃根據於結算日已生效或大致生效之稅率（及稅務法例），按預期實現有關資產或清償有關負債期間之適用稅率釐定。

倘即期稅項資產與即期稅項負債可合法地互相抵銷，且遞延稅項關乎同一應課稅實體及同一稅務機關，則遞延稅項資產與遞延稅項負債可互相抵銷。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the income statement over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the rendering of contracting works services, based on the stage of completion of the construction contracts; as further explained in the accounting policy for "Recognition of income from construction contracts";
- (b) from the sale of electric and steam power, based on actual consumption derived from the reading of meters during the year;
- (c) from the development, manufacture and distribution of helicopters, when the Group's right to receive its share of profit from Project EC120 has been established (note 21);
- (d) from the rendering of services, when the services are rendered;

2.5 主要會計政策概要 (續)

政府補助金

政府補助金若能合理肯定可以收取及可達至所有附帶條件，則按公平價值確認入賬。倘屬與支出項目相關之補助金，則按有關獲補助費用之期間相應確認為收入。倘補助金與資產相關，有關公平價值會計入遞延收入賬，並按均等年度分期，於有關資產之預計可用年期撥回利潤表。

收入之確認

當本集團可能獲得經濟利益並且能可靠衡量其數額時，會以下列準則確認收入：

- (a) 建築工程服務收入根據建築合約之完成進度計算入賬，詳情載於會計政策「建築合約收入之確認」；
- (b) 出售電力及蒸汽之收入據年內由計量表讀數而出之實際消耗量計算；
- (c) 開發、製造及分銷直升機之收入乃於本集團收取其分佔EC120項目溢利之權益獲確立時確認(附註21)；
- (d) 服務收入於提供服務時確認；

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

- (e) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset;
- (f) rental income, on a time proportion basis over the lease terms;
- (g) government grants, on a systematic basis over the periods necessary to match the grant to the costs that it is intended to compensate; and
- (h) income from the sale of coal residues, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

Recognition of income from construction contracts

Profit on long term construction contracts is recognised in the income statement on the percentage of completion basis when the outcome of each contract can be ascertained with reasonable certainty and when a contract is at least 20% complete, by reference to the total estimated cost of such contract, after making due allowances for contingencies. When the outcome of a construction contract cannot be estimated reliably and when a contract is less than 20% complete, revenue is recognised only to the extent that contract costs incurred are recoverable. Provision is made for any foreseeable losses as soon as such losses are anticipated by management.

2.5 主要會計政策概要 (續)

收入之確認 (續)

- (e) 利息收入採用實質利率法按應計基準確認，就財務資產的賬面淨額，透過財務資產預算年期，應用該折現估計未來所獲現金數額之利率；
- (f) 租金收入根據有關租期按時間比例確認；
- (g) 政府補助按所收補助金與有關獲補助成本之期間相應確認；及
- (h) 銷售煤渣之收入乃於所有權之重大風險及回報已轉移至買方時予以確認，惟本集團既不會在管理參與上達到一般被視為擁有權之程度，亦不對所售貨品擁有實際控制權。

建築合約收入之確認

倘長期建築合約之溢利在各合約之結果可合理確定而合約經已完成最少20%（根據有關合約之估計總工程成本釐定），並就或然事項作出應有撥備後，按完成工程之百分比於利潤表中確認。倘建築合約之結果無法可靠估計而合約完成進展低於20%，則僅按可收回之已產生合約成本確認收入。倘管理層預期出現任何虧損，即會就可預見之虧損作出撥備。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recognition of income from construction contracts (continued)

The Group makes claims for additional work done, which may arise either under specific circumstances provided for under the contracts, or due to variations made to the contract specifications by its customers. Where the amounts of such claims have not been formally agreed at the balance sheet date, the likely amount receivable as estimated by management, based on all of the information available at the time, is included in the contract value in determining the estimated profit or foreseeable loss on the contract.

Employee benefits

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments.

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested by 1 January 2005 and to those granted on or after 1 January 2005.

2.5 主要會計政策概要 (續)

建築合約收入之確認 (續)

倘因出現合約規定之特定情況或因客戶對合約規格作出變動而須進行額外工程，則本集團將就此索取補償。倘於結算日尚未就該項索償額正式達成協議，則管理層按當時所得之全部資料估計可能收取之款額並計入合約價值內，以釐定合約之預測溢利或可預見之虧損。

僱員福利

股本償付交易

本公司設有購股權計劃，旨在鼓勵及嘉獎為本集團業務之成功作出貢獻之合資格參與者。本集團僱員（包括董事）以股本償付交易形式收取酬金，並據此提供服務作為取得股本工具的代價。

本集團已就股本結算報酬採納香港財務報告準則第2號的過渡性條文，並僅就二零零二年十一月七日後授出而於二零零五年一月一日前尚未歸屬以及二零零五年一月一日或之後授出的股本結算報酬應用香港財務報告準則第2號。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Pension schemes and other retirement benefits

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

Prior to the MPF Scheme being effective, the Group operated a defined contribution provident fund for those employees who were eligible and had elected to participate in the fund. This fund operated in a way similar to the MPF Scheme, except that when an employee left the fund prior to his/her interest in the Group's employer contributions vesting fully, the ongoing contributions payable by the Group were reduced by the relevant amount of forfeited contributions. Upon the implementation of the MPF Scheme with effect from 1 December 2000, the provident fund was frozen and no further contributions by the Group or the eligible employees were made after that date. When eligible employees leave the Group, they receive their entitlements pursuant to the existing rules of this fund.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

2.5 主要會計政策概要 (續)

僱員福利 (續)

退休計劃及其他退休福利

本集團根據強制性公積金計劃條例，為所有合資格參與該計劃之僱員提供定額供款強制性公積金退休福利計劃（「強積金計劃」）。供款乃根據僱員基本薪金之百分比計算，並於有關款項根據強積金計劃之規則須予支付時計入利潤表。強積金計劃之資產乃獨立於本集團之資產，並由獨立管理之基金持有。本集團之僱主供款於向強積金計劃作出供款時全數歸於僱員。

於強積金計劃生效前，本集團為符合資格並選擇參加之僱員設有定額供款公積金。該公積金以類似強積金計劃之方式管理，惟倘僱員在可全數獲取本集團僱主供款之權益前退出此公積金，則本集團可以沒收之有關供款額扣減其後所作之持續供款。於二零零零年十二月一日實施強積金計劃後，該公積金已被凍結，而本集團及合資格僱員其後再無作出供款。當合資格僱員離開本集團時，將根據此公積金之現行規則收取應得權益。

本集團於中國內地經營之附屬公司之僱員須參加由當地市政府所運作的中央退休計劃。該附屬公司須按其薪金成本的若干百分比向該中央退休計劃供款。有關供款於根據該中央退休計劃之規則須支付時計入利潤表。



Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expenses in the income statement in the period in which they are incurred.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.5 主要會計政策概要 (續)

借貸成本

收購、建造或生產合資格資產(即需頗長時間才可作擬定用途或銷售之資產)之直接涉及的借貸成本撥充資本作為該等資產之部份成本。有關借貸成本在資產大致可作擬定用途或銷售時不再撥充資本。

所有借貸成本於產生期間在利潤表確認為開支。

外幣

此等財務報表乃以港元呈列，港元為本公司的功能及呈報貨幣。本集團旗下各實體自行決定其功能貨幣，而各實體財務報表內的項目均以該功能貨幣呈報。外幣交易最初按交易日期適用的功能貨幣匯率入賬。以外幣為單位的貨幣資產及負債按結算日的適用功能貨幣匯率換算。所有匯兌差額計入利潤表內。按歷史成本以外幣計算的非貨幣項目按最初交易日期適用的匯率換算。按公平值以外幣計算的非貨幣項目按釐定公平值當日的適用匯率換算。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

The functional currencies of certain overseas subsidiaries, jointly-controlled entity and associates are currencies other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at exchange rates ruling at the balance sheet date and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequent recurring cash flows of the overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

2.5 主要會計政策概要 (續)

外幣 (續)

若干海外附屬公司、共同控權公司及聯營公司之功能貨幣乃港元以外之貨幣。於結算日，該些實體之資產及負債乃以結算日之匯率換算成本公司之呈報貨幣，而利潤表則按年內加權平均匯率換算成港元，所產生之匯兌差額乃計入匯兌波動儲備。於出售境外實體時，由該境外實體在權益內確認的累計金額便於利潤表內確認。

就綜合現金流量表而言，海外附屬公司之現金流量按有關產生日期之匯率折算為港元。海外附屬公司於年內經常出現之現金流量則按該年度之加權平均匯率折算為港元。

管理層編製本集團的財務報表時，須作出判斷、估計及假設，而該等判斷、估計及假設對報告當日所呈報之收入，開支，資產及負債的報告金額及或然負債披露會產生影響。然而，由於有關假設和估計存在不確定因素，因此可能導致需於將來對受影響的資產或負債的賬面值作出重大調整。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of this property which is leased out on operating leases.

Classification between investment property and owner-occupied property

The Group determines whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 重要會計判斷及估計

判斷

在應用本集團會計政策過程中，管理層所作之以下判斷（除涉及估計外）乃對財務報表所確認之金額有最重大的影響：

經營租約承擔 – 本集團作為出租人

本集團就其投資物業訂立了商業物業租約。本集團根據對安排條款及條件之評估釐定其保留了該按經營租約出租之物業業權之大部份風險及回報。

投資物業與業主自用物業之分類

本集團釐定物業是否符合為投資物業，並在作出判斷時訂下了準則。投資物業乃持有以賺取租金或作資本升值，或兩者皆是。因此，本集團會考慮物業有否產生獨立於本集團所持其他資產之現金流量。

一些物業既包括持作賺取租金的一部份，又包括持作用於生產或提供產品或服務或行政管理用途的另一部份。如果這些部份能夠分開出售（或根據融資租賃分開出租），則本集團將這些部份分開處理。如果這些部份不能分開出售，則只有當其持作用於生產或提供產品或服務或行政管理用途的部份不重要時，才會作為投資物業。進行判斷時須按個別物業基準，釐定物業之附屬服務是否重要，以致該物業不符合為投資物業。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Impairment of assets

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group has to exercise judgement in the area of asset impairment, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by the management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test.

Classification of equity investments among investment in subsidiary, interest in associate and interest in jointly-controlled entity

In determining whether an equity investment is classified as investment in subsidiary, interest in associate and interest in jointly-controlled entity, the Group considers a number of factors including (1) whether the Group has the power to exercise control; (2) whether the Group can exercise significant influence; and (3) whether the participating parties have unilateral control over the financial and operating policies of the investee company.

3. 重要會計判斷及估計 (續)

判斷 (續)

資產之減值

要確定資產是否存在減值或引致減值的事件是否不再存在，本集團須在資產減值方面作出判斷，尤其是評估：(1)是否已發生可能影響資產價值之事件或影響資產價值之事件是否不再存在；(2)按持續使用資產或終止確認而估計未來之現金流量經折算後之淨現值能否支持該項資產之賬面值；以及(3)用於預計現金流量之適當的主要假設，包括是否使用了適當折現率於該等現金流量預測。倘改變管理層用以確定減值程度之假設，包括現金流量預測中採用之折現率或增長率假設，足以對減值測試中使用的淨現值產生重大影響。

附屬公司投資、聯營公司權益及共同控權公司權益之股本投資之分類

要釐定股本投資於附屬公司、聯營公司及共同控權公司權益之分類，本集團根據多項因素作出判斷，尤其是評估集團對被投資公司的財務及營運政策(1)是否有控制能力；(2)是否有重大影響力；及(3)是否有參與方擁有單方面的控制能力。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. As at 31 December 2008, the carrying amount of goodwill on the acquisition of a subsidiary was HK\$30,493,201 (2007: HK\$38,116,502). Further details are included in note 17 to the financial statements.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. As at 31 December 2008, the amount of unrecognised tax losses was approximately HK\$15,456,000 (2007: HK\$15,456,000). Further details are included in note 23 to the financial statements.

3. 重要會計判斷及估計 (續)

估計的不確定性

下文討論於結算日有關未來的關鍵假設以及估計不確定性的其他關鍵來源，這些對下個財政年度資產及負債之賬面值造成重大調整均具有重大風險。

商譽之減值

本集團最少每年評估商譽有否減值。在進行評估時，必須估計已分配商譽的現金產生單元的使用價值。於計算此等價值時，本集團必須估計由現金產生單元所產生的預期未來現金流量，並選擇合適的折現率來計算該現金流量之現值。於二零零八年十二月三十一日，收購附屬公司之商譽之賬面值為30,493,201港元（二零零七年：38,116,502港元）。進一步詳情載於財務報表附註17。

遞延稅項資產

確認遞延稅項資產只限於可能取得應課稅溢利以供動用虧損之所有未動用之稅項虧損之部份。管理層須作重大判斷，根據未來應課稅溢利可能之時間及水準以及未來稅務策略，以釐定可確認之遞延稅項資產金額。於二零零八年十二月三十一日，未確認稅項虧損之金額約為15,456,000港元（二零零七年：15,456,000港元）。進一步詳情載於財務報表附註23。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of a financial asset under Project EC120

The Group determines whether the financial asset under Project EC120 is impaired on an annual basis. The financial asset has been valued based on discounted future cash flows generated from the sale of helicopters covering a 7-year (2007: 8-year) period by applying a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the financial asset under Project EC120 at 31 December 2008 was HK\$9,459,462 (2007: HK\$11,959,462). Further details are included in note 21 to the financial statements.

Useful lives and residual values of items of property, plant and equipment

In determining the useful lives and residual values of items of property, plant and equipment, the Group has to consider various factors, such as expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. Additional depreciation is made if the estimated useful lives and/or the residual values of items of property, plant and equipment are different from previous estimation. Useful lives and residual values are reviewed at each financial year end date based on changes in circumstances. The carrying amount of property, plant and equipment at 31 December 2008 was HK\$223,474,051 (2007: HK\$202,735,517). Further details are included in note 15 to the financial statements.

3. 重要會計判斷及估計 (續)

估計的不確定性 (續)

非財務資產 (商譽除外) 之減值

本集團於每個報告日評估全部非財務資產是否存在任何減值跡象。其他非財務資產則於出現其賬面值可能不可收回之跡象時進行減值測試。當計算使用價值時，管理層必須估計來自資產或現金產生單元之預期未來現金流量，並選擇合適之折現率以計算該等現金流量之現值。

EC120項目之財務資產之減值

本集團每年決定EC120項目之財務資產有否減值，該財務資產之估值乃應用合適之折現率來折現由銷售直升機而產生的7年期(二零零七年：八年期)的未來現金流量，以計算該現金流量之現值。於二零零八年十二月三十一日，EC120項目之財務資產之賬面值為9,459,462港元(二零零七年：11,959,462港元)。進一步詳情載於財務報表附註21。

物業、廠房和設備之可使用年期及殘值

本集團為其物業、廠房和設備之項目釐定可使用年期及殘值時，會考慮不同因素，如該資產的預期使用情況、預期耗損、資產保養及使用資產時所受到之法律或類似之限制。估計可使用年期乃根據本集團於使用同類資產之經驗所得。如估計之可使用年期及／或殘值與之前估計不同，則會作額外折舊。可使用年期及殘值於每個財政年度結算日根據情況轉變作出檢討。於二零零八年十二月三十一日，物業、廠房和設備之賬面值為223,474,051港元(二零零七年：202,735,517港元)。進一步詳情載於財務報表附註15。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of trade and bills receivables

The Group maintains an allowance for estimated losses arising from the inability of its customers to make the required payments. The Group makes its estimates based on the ageing of its trade and bills receivable balances, customers' creditworthiness, and historical write-off experience. If the financial condition of its customers was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance and its future results would be affected. The carrying amount of trade and bills receivables at 31 December 2008 was HK\$46,772,014 (2007: HK\$22,837,580). Further details are included in note 27 to the financial statements.

Fair value of unlisted investments

The unlisted investments included in available-for-sale investments have been valued based on the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics. This valuation requires the Group to make estimates about expected future cash flows and discount rates, volatility of underlying securities, risk-free interest rate and other factors relevant to the underlying securities, and hence they are subject to uncertainty. The fair value of the unlisted investments included in available-for-sale investments at 31 December 2008 was HK\$17,527,703 (2007: HK\$16,901,514). Further details are included in note 22 to the financial statements.

Management has estimated the potential effect of using reasonably possible alternatives as inputs to the valuation model, and considered that the fair values using less or more favourable assumptions are not significantly different from the carrying value.

Fair value of acquirees' identifiable assets and liabilities on business combinations

The acquirees' identifiable assets and liabilities on business combinations have been valued at their fair values. The best evidence of fair value is current prices in an active market of similar transactions. In the absence of such information, the Group determines the fair value based on the expected future cash flows and also choose a suitable discount rate in order to calculate the present value of those cash flows.

3. 重要會計判斷及估計 (續)

估計的不確定性 (續)

應收貿易賬款及票據之減值

本集團保留備抵賬處理當客戶無力償還要求之款項時所產生之估計損失，該估計乃本集團根據應收貿易賬款及票據餘額之賬齡、客戶之信譽及過往註銷經驗而作出。如客戶之財務狀況將惡化以致實際減值虧損可能高於預期時，本集團必須修改備抵賬之計量基礎，而本集團之未來業績亦隨之受到影響。於二零零八年十二月三十一日，應收貿易賬款及票據之賬面值為46,772,014港元(二零零七年：22,837,580港元)。進一步詳情載於財務報表附註27。

非上市投資之公平值

包括在可供出售的投資之非上市投資已基於類似條款及風險特徵的項目之預期現金流量用現行適用利率折現估值。此估值規定本集團就有關未來現金流量及折現率、相關證券之波幅、無風險利率及有關相關證券之其他因素作出估計，並因此而受到不明朗因素規限。於二零零八年十二月三十一日，包括在可供出售的投資之非上市投資之公平值為17,527,703港元(二零零七年：16,901,514港元)。進一步詳情載於財務報表附註22。

管理層已估計使用合理可能替代項目作為估值法的輸入項的潛在影響，並認為不論使用較遜色或較有利的假設項目的公平值均與賬面值並無重大差別。

於業務合併時被收購公司之可識別資產及負債之公平值

被收購公司之可識別資產及負債的公平值已被評估。公平值之最佳憑證為類似交易於活躍市場之現行價格。倘缺乏該方面資料，本集團則按照預期未來現金流量估計有關公平值，並選擇適當之折現率以計算該等現金流量之現值。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

4. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the electric and steam power supply segment engages in the generation and sale of electric and steam power;
- (b) the aero-technology related business segment engages in the share of profit from the development, manufacture and distribution of helicopters; and
- (c) the facade contracting works segment engages in the design, manufacture and installation of fabricated aluminium and stainless steel products for buildings, such as curtain wall and cladding systems, windows, doors, skylights and other related products.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

4. 分類資料

分類資料以下列兩種分類形式呈報：(i)按業務分類為主要呈報方式；及(ii)按地區分類為次要呈報方式。

本集團經營之業務乃根據各項業務之性質及所提供之產品及服務而獨立組成架構及管理。本集團各項業務各自代表提供不同產品及服務之策略性經營單位，以承受各自不同之風險及回報。業務分類詳情之概要如下：

- (a) 電力及蒸汽供應項目，生產及銷售電力及蒸汽；
- (b) 航空技術相關業務項目，從事開發、製造及經銷直升機；及
- (c) 大廈外牆工程項目，包括設計、製造及安裝用於大廈之鋁製及不銹鋼產品，包括玻璃幕牆及鋁牆面板系統、窗、門、採光棚及其他有關產品。

在釐定本集團之地區分類時，收益按有關客戶之所在地劃分，而資產則按資產之所在地劃分。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

4. SEGMENT INFORMATION (continued)

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 December 2008 and 2007.

4. 分類資料 (續)

(a) 業務分類

下表呈列本集團截至二零零八年及二零零七年十二月三十一日止年度之分類業務之收益、溢利/(虧損)及若干資產、負債及開支資料。

| | | Electric and steam power supply business 電力及蒸汽供應業務 | |
|---|------------------------------|---|----------------------------------|
| | | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 |
| Segment revenue: | 分類收益： | | |
| Sales to external customers | 外部客戶銷售 | 256,070 | 192,663 |
| Other income | 其他收入 | 24,000 | 9,015 |
| Total | 合計 | 280,070 | 201,678 |
| Segment results | 分類業績 | 31,974 | 27,713 |
| Interest income, rental income and unallocated gains | 利息收入、租金收入及未分攤利潤 | | |
| Unallocated expenses | 未分攤開支 | | |
| Finance costs | 財務開支 | | |
| Loss on partial disposal of equity interest in a subsidiary | 出售附屬公司股份股本權益之虧損 | | |
| Gain on deemed disposal of an associate | 被視為出售聯營公司之利潤 | | |
| Gain on disposal of an associate | 出售聯營公司之利潤 | | |
| Share of profits and losses of: | 分佔溢利及虧損： | | |
| Jointly-controlled entity | 共同控權公司 | | |
| Associates | 聯營公司 | | |
| Fair value loss on equity investments at fair value through profit or loss and derivative financial instruments | 透過損益按公平值列值的股本投資及衍生金融工具之公平值虧損 | | |
| Gain on disposal of the disposal group | 出售被出售集團之利潤 | | |
| Profit before tax | 除稅前溢利 | | |
| Tax | 稅項 | | |
| Profit for the year | 本年溢利 | | |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

Continuing operations 持續經營業務

Discontinued operation 已終止經營業務

| Aero-technology related business 航空技術相關業務 | | | | Facade contracting works business 大廈外牆工程業務 | | | | Consolidated 綜合 | |
|--|--------|----------------------------------|----------|---|---------|----------------------------------|----------|----------------------------------|--|
| 2008 二零零八年 HK\$'000 千港元 | | 2007 二零零七年 HK\$'000 千港元 | | 2008 二零零八年 HK\$'000 千港元 | | 2007 二零零七年 HK\$'000 千港元 | | 2008 二零零八年 HK\$'000 千港元 | |
| | | | | Total 合計 | | | | | |
| 4,222 | 2,425 | 260,292 | 195,088 | - | 658,641 | 260,292 | 853,729 | | |
| - | - | 24,000 | 9,015 | - | 10 | 24,000 | 9,025 | | |
| 4,222 | 2,425 | 284,292 | 204,103 | - | 658,651 | 284,292 | 862,754 | | |
| 13,020 | 14,209 | 44,994 | 41,922 | - | 23,710 | 44,994 | 65,632 | | |
| | | 13,030 | 19,332 | - | 2,512 | 13,030 | 21,844 | | |
| | | (21,988) | (14,135) | - | - | (21,988) | (14,135) | | |
| | | (6,193) | (6,384) | - | (6) | (6,193) | (6,390) | | |
| | | (7,604) | - | - | - | (7,604) | - | | |
| | | - | 32,920 | - | - | - | 32,920 | | |
| | | - | 4,396 | - | - | - | 4,396 | | |
| | | 2,165 | - | - | - | 2,165 | - | | |
| | | 6,438 | 13,149 | - | - | 6,438 | 13,149 | | |
| | | (12,169) | (33,446) | - | - | (12,169) | (33,446) | | |
| | | - | - | - | 5,580 | - | 5,580 | | |
| | | 18,673 | 57,754 | - | 31,796 | 18,673 | 89,550 | | |
| | | (8,415) | (4,594) | - | (1,454) | (8,415) | (6,048) | | |
| | | 10,258 | 53,160 | - | 30,342 | 10,258 | 83,502 | | |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

4. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

4. 分類資料 (續)

(a) 業務分類 (續)

| | | Electric and steam power supply business 電力及蒸汽供應業務 | |
|--|---------------------------------|--|----------------------------------|
| | | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 |
| Segment assets | 分類資產 | 381,242 | 326,216 |
| Interest in jointly-controlled entity | 共同控權公司權益 | | |
| Interests in associates | 聯營公司權益 | | |
| Unallocated assets | 未分配資產 | | |
| Total assets | 資產總值 | | |
| Segment liabilities | 分類負債 | 121,969 | 99,763 |
| Unallocated liabilities | 未分配負債 | | |
| Total liabilities | 負債總值 | | |
| Other segment information: | 其他分類資料： | | |
| Depreciation | 折舊 | 15,838 | 12,793 |
| Unallocated amounts | 未分配金額 | | |
| Capital expenditure | 資本開支 | 21,920 | 27,612 |
| Unallocated amounts | 未分配金額 | | |
| Surplus on revaluation of items of property, plant and equipment | 物業、廠房和設備 項目重估盈餘 | (3,701) | (2,972) |
| Impairment of a financial asset under Project EC120 | EC120項目之 財務資產減值 | - | - |
| Provision/(write-back of provision) for impairment of trade and bills receivables, net | 應收貿易賬款及票據 之減值撥備／(撥備 回撥)淨額 | 923 | (13) |
| Provision/(write-back of provision) for financial guarantee contracts | 財務擔保合約撥備／ (撥備回撥) | (1,155) | 1,499 |
| Provision for warranty | 保證撥備 | - | - |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

Continuing operations

持續經營業務

Discontinued operation

已終止經營業務

| Aero-technology related business 航空技術相關業務 | | Total 合計 | | Facade contracting works business 大廈外牆工程業務 | | Consolidated 綜合 | |
|--|----------------------------------|----------------------------------|----------------------------------|---|----------------------------------|----------------------------------|----------------------------------|
| 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 |
| 93,905 | 160,462 | 475,147 | 486,678 | - | - | 475,147 | 486,678 |
| | | | | | | 103,999 | - |
| | | | | | | 123,680 | 21,205 |
| | | | | | | 449,480 | 656,321 |
| | | | | | | 1,152,306 | 1,164,204 |
| 1,471 | 81 | 123,440 | 99,844 | - | - | 123,440 | 99,844 |
| | | | | | | 40,803 | 108,397 |
| | | | | | | 164,243 | 208,241 |
| 3 | 1 | 15,841 | 12,794 | - | 5,993 | 15,841 | 18,787 |
| | | 597 | 667 | | | 597 | 667 |
| | | 16,438 | 13,461 | | | 16,438 | 19,454 |
| 22 | - | 21,942 | 27,612 | - | 38,961 | 21,942 | 66,573 |
| | | 48 | 31 | | | 48 | 31 |
| | | 21,990 | 27,643 | | | 21,990 | 66,604 |
| - | - | (3,701) | (2,972) | - | - | (3,701) | (2,972) |
| 2,500 | 14,000 | 2,500 | 14,000 | - | - | 2,500 | 14,000 |
| - | - | 923 | (13) | - | (414) | 923 | (427) |
| - | - | (1,155) | 1,499 | - | - | (1,155) | 1,499 |
| - | - | - | - | - | 2,900 | - | 2,900 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

4. SEGMENT INFORMATION (continued)

(b) Geographical segments

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments for the years ended 31 December 2008 and 2007.

4. 分類資料 (續)

(b) 地區分類

下表呈列本集團截至二零零八年及二零零七年十二月三十一日止年度之不同地區之收益及若干資產及開支資料。

| | | Hong Kong 香港 | |
|--|------------|----------------------------------|----------------------------------|
| | | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 |
| Segment revenue: | 分類收益： | | |
| Sales to external customers | 外部客戶銷售 | - | 122,058 |
| Attributable to a discontinued operation | 分佔在已終止經營業務 | - | (122,058) |
| Revenue from continuing operations | 持續經營業務之收益 | - | - |
| Other segment information: | 其他分類資料： | | |
| Segment assets | 分類資產 | 692,231 | 646,886 |
| Capital expenditure | 資本開支 | 48 | 348 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

| Mainland China | | Macau | | United States of America | | Others | | Consolidated | |
|----------------|----------|----------|-----------|--------------------------|-----------|----------|-----------|--------------|-----------|
| 中國內地 | | 澳門 | | 美國 | | 其他 | | 綜合 | |
| 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 | 二零零八年 | 二零零七年 |
| HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| 260,292 | 259,521 | - | 150,370 | - | 146,686 | - | 175,094 | 260,292 | 853,729 |
| - | (64,433) | - | (150,370) | - | (146,686) | - | (175,094) | - | (658,641) |
| 260,292 | 195,088 | - | - | - | - | - | - | 260,292 | 195,088 |
| 460,075 | 517,318 | - | - | - | - | - | - | 1,152,306 | 1,164,204 |
| 21,942 | 38,186 | - | - | - | 27,393 | - | 677 | 21,990 | 66,604 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents an appropriate proportion of contract revenue of the construction contracts; the net invoiced value of electric and steam power sold; and income from Project EC120 for the development, manufacture and distribution of helicopters.

An analysis of revenue, other income and gains is as follows:

5. 收益、其他收入及利潤

收益（亦即本集團之營業額）乃指所執行合約工程之價值、源自銷售電力及蒸汽之發票淨值，以及來自開發、製造及經銷直升機之EC120項目之收入。

收益、其他收入及利潤分析如下：

| | | Group 本集團 | |
|---|----------------------------|--------------------|-------------|
| | | 2008 | 2007 |
| | | 二零零八年 | 二零零七年 |
| | | HK\$ | HK\$ |
| | | 港元 | 港元 |
| Revenue | 收益 | Note | 附註 |
| Generation and sale of electric and steam power | 生產及銷售電力及蒸汽 | 256,070,516 | 192,663,175 |
| Share of profit from Project EC120 for the development, manufacture and distribution of helicopters | 分佔來自開發、製造及經銷直升機之EC120項目之溢利 | 4,221,752 | 2,424,485 |
| Attributable to continuing operations reported in the consolidated income statement | 分佔在綜合利潤表所呈報之持續經營業務 | 260,292,268 | 195,087,660 |
| Value of contracting works performed attributable to a discontinued operation | 分佔在已終止經營業務之已執行合約工程之價值 | 12 | 658,641,389 |
| | | 260,292,268 | 853,729,049 |
| Other income | 其他收入 | | |
| Bank interest income | 銀行利息收入 | 11,915,653 | 11,709,055 |
| Interest income on a convertible bond | 可換股債券之利息收入 | 312,000 | 244,899 |
| Income from installation of infrastructure for steam supply | 安裝供汽結構之收入 | 9,701,412 | 5,177,136 |
| Government grants* | 政府補助金* | 10,217,822 | 701,754 |
| Income from sale of coal residues | 出售煤渣之收入 | 3,635,468 | 3,011,930 |
| Gross rental income | 租金收入總額 | 802,680 | 587,760 |
| Others | 其他 | 444,727 | 134,335 |
| | | 37,029,762 | 21,566,869 |
| Gains | 利潤 | - | 2,000 |
| | | 37,029,762 | 21,568,869 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS (continued)

5. 收益、其他收入及利潤 (續)

| | | Group 本集團 | |
|---|----------------------------|-------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| | Note 附註 | | |
| Attributable to a discontinued operation | 分佔在已終止 經營業務 | 12 | 2,522,203 |
| Attributable to continuing operations reported in the consolidated income statement | 分佔在綜合利潤表 所呈報之持續經營 業務 | 37,029,762 | 19,046,666 |
| | | 37,029,762 | 21,568,869 |

* Various coal prices subsidies and government grants relating to anti-pollution research activities in Hangzhou, the PRC, have been received from the government authorities in Hangzhou. Government grants received for which related expenditure has not yet been undertaken are included in deferred income in the balance sheet. There are no unfulfilled conditions or contingencies relating to these grants.

* 杭州市政府部門已提供多項煤炭價格補貼及在中國杭州進行之環保研究活動提供多項政府補助金。相關費用並未支出但已收到的政府補貼於資產負債表中遞延收入一項記賬。有關此等補助金均未出現任何無法履行之情況或或然事項。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

6. PROFIT BEFORE TAX

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

6. 除稅前溢利

本集團之除稅前溢利已扣除／(計
入)：#

| | | | 2008 二零零八年 | 2007 二零零七年 |
|--|-----------------------|-------------|--------------------|---------------|
| | | Notes 附註 | HK\$ 港元 | HK\$ 港元 |
| Cost of contracting works: | 合約工程成本： | | | |
| Cost of contracting works performed | 已執行合約工程之成本 | | - | 572,857,173 |
| Warranty provision | 保證撥備 | | - | 2,900,000 |
| | | 12 | - | 575,757,173 |
| Cost of electric and steam power supply | 供應電力及蒸汽之成本 | | 238,474,441 | 163,678,387 |
| | | | 238,474,441 | 739,435,560 |
| Depreciation | 折舊 | 15 | 16,437,890 | 19,454,624 |
| Less: Amounts capitalised to long term construction contracts | 減：撥作長期建築合約資本之款額 | 40(a)(iv) | - | (3,714,342) |
| | | | 16,437,890 | 15,740,282 |
| Minimum lease payments under operating leases on land and buildings | 土地及樓宇經營租約之最低租金 | | 613,600 | 8,848,171 |
| Less: Amounts capitalised to long term construction contracts | 減：撥作長期建築合約資本之款額 | | - | (5,155,697) |
| | | | 613,600 | 3,692,474 |
| Recognition of prepaid land lease payments | 確認預付土地租賃款 | 16 | 777,903 | 959,990 |
| Employee benefit expense (excluding directors' remuneration (note 8)): | 僱員福利費用(不包括董事酬金(附註8)): | | | |
| Wages and salaries | 工資及薪金 | | 13,896,916 | 59,173,435 |
| Pension scheme contributions | 退休金計劃供款 | | 456,898 | 2,817,629 |
| Less: Forfeited contributions | 減：已沒收供款 | | - | (144,363) |
| Net pension scheme contributions* | 退休金計劃供款淨額* | | 456,898 | 2,673,266 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

6. PROFIT BEFORE TAX (continued)

6. 除稅前溢利 (續)

| | | 2008 二零零八年 | 2007 二零零七年 |
|--|---------------------------------|----------------------|---------------|
| | Note 附註 | HK\$ 港元 | HK\$ 港元 |
| Other operating expenses/(income), net: | 其他經營開支／ (利潤)淨額： | | |
| Provision/(write-back of provision) for impairment of trade and bills receivables, net | 應收貿易賬款及 票據之減值撥備／ (撥備回撥)淨額 | 27 922,680 | (426,965) |
| Write-off of an other receivable | 其他應收賬款之撇銷 | 75,348 | 327,000 |
| Provision/(write-back of provision) for financial guarantee contracts | 財務擔保合約撥備／ (撥備回撥) | (1,155,116) | 1,498,929 |
| | | (157,088) | 1,398,964 |
| Loss on disposal of items of property, plant and equipment | 出售物業、廠房和 設備項目之虧損 | 1,399,488 | 916,523 |
| Auditors' remuneration | 核數師酬金 | 1,330,000 | 2,150,000 |
| Foreign exchange differences, net | 外匯兌換差額淨額 | (761,809) | (1,783,433) |
| Net rental income | 租金收入淨額 | (802,680) | (587,760) |

* At 31 December 2008, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2007: nil).

The disclosures presented in this note include those amounts charged/credited in respect of the discontinued operation.

* 於二零零八年十二月三十一日，本集團並無任何已沒收供款可用作減少未來年度之退休計劃供款（二零零七年：無）。

本附註所呈列包括有關已終止經營業務之此等已扣除／計入之賬目。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

7. FINANCE COSTS

7. 財務開支

| | | Group 本集團 | |
|---|------------------------|------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| | Notes 附註 | | |
| Interest on bank overdrafts and bank loans wholly repayable within five years | 須於五年內全部償還之銀行透支及銀行貸款之利息 | 6,192,381 | 8,043,200 |
| Less: Amounts capitalised to long term construction contracts | 減：撥作長期建築合約資本之款項 | 40(a)(iv) – | (1,663,970) |
| | | 6,192,381 | 6,379,230 |
| Interest on a finance lease | 融資租賃之利息 | 611 | 11,352 |
| | | 6,192,992 | 6,390,582 |
| Attributable to a discontinued operation | 分佔在已終止經營業務 | 12 – | 6,487 |
| Attributable to continuing operations reported in the consolidated income statement | 分佔在綜合利潤表所呈報之持續經營業務 | 6,192,992 | 6,384,095 |
| | | 6,192,992 | 6,390,582 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

8. DIRECTORS' REMUNERATION

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

8. 董事酬金

根據上市規則及香港公司條例第161條披露之董事酬金如下：

| | | Group 本集團 | |
|---|-------------|------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| Fees: | 袍金： | | |
| Executive Directors | 執行董事 | 270,554 | 252,000 |
| Non-executive Directors | 非執行董事 | 420,000 | 420,000 |
| | | 690,554 | 672,000 |
| Other emoluments (Executive Directors): | 其他酬金(執行董事)： | | |
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | 4,108,050 | 5,825,520 |
| Pension scheme contributions | 退休金計劃供款 | 250,717 | 359,160 |
| | | 4,358,767 | 6,184,680 |
| | | 5,049,321 | 6,856,680 |

(a) Independent Non-executive Directors

The fees paid to Independent Non-executive Directors during the year were as follows:

(a) 獨立非執行董事

於年內支付予獨立非執行董事之袍金如下：

| | | 2008 二零零八年 | 2007 二零零七年 |
|--------------------|-----|----------------|---------------|
| | | HK\$ 港元 | HK\$ 港元 |
| Chu Yu Lin, David | 朱幼麟 | 120,000 | 120,000 |
| Li Ka Cheung, Eric | 李家祥 | - | 117,419 |
| Li Zhaoxi | 李兆熙 | 60,000 | 60,000 |
| Li Ka Fai, David | 李家暉 | 120,000 | 2,581 |
| | | 300,000 | 300,000 |

There were no other emoluments payable to the Independent Non-executive Directors during the year (2007: nil).

於年內並無其他應付予獨立非執行董事的酬金(二零零七年：無)。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

8. DIRECTORS' REMUNERATION (continued)

(b) Executive Directors and a Non-executive Director

| | Fees | Salaries, | Pension | Total |
|--------------------------------|----------------|---------------------------------------|-------------------------|-----------|
| | | allowances and benefits in kind | scheme contributions | |
| | 薪金、津貼 及實物利益 | 退休金 計劃供款 | 酬金總額 | |
| 2008 | HK\$ | HK\$ | HK\$ | HK\$ |
| 二零零八年 | 港元 | 港元 | 港元 | 港元 |
| Executive Directors: 執行董事： | | | | |
| Fu Shula 付舒拉 | 36,000 | - | - | 36,000 |
| Wang Xinkuo 王心闊 | 36,000 | - | - | 36,000 |
| Ji Guirong 季貴榮 | 36,000 | 3,463,600 | 219,000 | 3,718,600 |
| Ma Zhiping 馬志平 | 36,000 | - | - | 36,000 |
| Pan Linwu 潘林武 | 32,586 | - | - | 32,586 |
| Liu Rongchun 劉榮春 | 36,000 | - | - | 36,000 |
| Zhang Chuanjun 張傳軍 | 32,586 | 644,450 | 31,717 | 708,753 |
| Diao Weicheng 刁偉程 | 21,968 | - | - | 21,968 |
| Ren Haifeng 任海峰 | 3,414 | - | - | 3,414 |
| | 270,554 | 4,108,050 | 250,717 | 4,629,321 |
| Non-executive Director: 非執行董事： | | | | |
| Ip Tak Chuen, Edmond 葉德銓 | 120,000 | - | - | 120,000 |
| | 390,554 | 4,108,050 | 250,717 | 4,749,321 |

8. 董事酬金 (續)

(b) 執行董事及一名非執行董事

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

8. DIRECTORS' REMUNERATION (continued)

(b) Executive Directors and a Non-executive Director (continued)

| | Fees 袍金 | Salaries, allowances and benefits in kind 薪金、津貼 及實物利益 | | Pension scheme contributions 退休金 計劃供款 | Total remuneration 酬金總額 |
|--------------------------------|------------|--|------------|---|-------------------------------|
| | | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | |
| 2007 二零零七年 | | | | | |
| Executive Directors: 執行董事： | | | | | |
| Fu Shula 付舒拉 | 36,000 | – | – | – | 36,000 |
| Wang Xinkuo 王心闊 | 36,000 | – | – | – | 36,000 |
| Ji Guirong 季貴榮 | 36,000 | 3,386,520 | 219,000 | – | 3,641,520 |
| Ma Zhiping 馬志平 | 36,000 | – | – | – | 36,000 |
| Diao Weicheng 刁偉程 | 36,000 | – | – | – | 36,000 |
| Liu Rongchun 劉榮春 | 36,000 | – | – | – | 36,000 |
| Ren Haifeng 任海峰 | 36,000 | 2,439,000 | 140,160 | – | 2,615,160 |
| | 252,000 | 5,825,520 | 359,160 | – | 6,436,680 |
| Non-executive Director: 非執行董事： | | | | | |
| Ip Tak Chuen, Edmond 葉德銓 | 120,000 | – | – | – | 120,000 |
| | 372,000 | 5,825,520 | 359,160 | – | 6,556,680 |

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

年內並無任何安排致使董事放棄或同意放棄任何酬金。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees included two (2007: two) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining three (2007: three) non-director, highest paid employees for the year are as follows:

9. 五名最高薪僱員

五名最高薪僱員包括兩名(二零零七年: 兩名)董事, 彼等酬金之詳情載於上文附註8。其餘三名(二零零七年: 三名)最高薪非董事僱員之酬金之詳情如下:

| | | Group 本集團 | |
|---|--------------|------------------|------------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| Basic salaries, allowances and benefits in kind | 基本薪金、津貼及實物利益 | 2,362,000 | 4,304,144 |
| Pension scheme contributions | 退休金計劃供款 | 113,880 | 267,728 |
| Performance related bonuses | 工作表現相關花紅 | 220,000 | 1,020,000 |
| | | 2,695,880 | 5,591,872 |

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

酬金在下列範圍之最高薪非董事僱員數目:

| | | Number of employees 僱員數目 | |
|-------------------------------|---------------------------|-----------------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| HK\$500,001 – HK\$1,000,000 | 500,001港元 – 1,000,000港元 | 3 | – |
| HK\$1,500,001 – HK\$2,000,000 | 1,500,001港元 – 2,000,000港元 | – | 2 |
| HK\$2,000,001 – HK\$2,500,000 | 2,000,001港元 – 2,500,000港元 | – | 1 |
| | | 3 | 3 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

10. TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year. Hong Kong profits tax had been provided at the rate of 17.5% on the estimated assessable profits arising in Hong Kong during the year ended 31 December 2007. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

10. 稅項

由於本集團於年內並無任何源於香港之應課稅溢利，故並無作出香港利得稅撥備。本集團已就截至二零零七年十二月三十一日止年度源於香港之估計應課稅溢利以17.5%之稅率作出香港利得稅撥備。其他地區應課稅溢利之稅項開支按本集團經營所在國家／管轄區域當時之稅率，根據有關之現行法例、詮釋及慣例計算。

| | | Group | |
|--|-------------------------|------------------|-------------|
| | | 本集團 | |
| | | 2008 | 2007 |
| | | 二零零八年 | 二零零七年 |
| | | HK\$ | HK\$ |
| | | 港元 | 港元 |
| Current | 即期 | | |
| – Hong Kong | – 香港 | – | 3,015,856 |
| – Elsewhere | – 其他地區 | 5,338,452 | 6,284,961 |
| Deferred (note 23) | 遞延 (附註23) | 3,076,938 | (3,252,791) |
| Total tax charge for the year | 本年稅項開支總額 | 8,415,390 | 6,048,026 |
| Represented by: | 以下列各項代表： | | |
| Tax charge attributable to a discontinued operation (note 12) | 分佔在已終止經營業務之稅項開支 (附註12) | – | 1,453,856 |
| Tax charge attributable to continuing operations reported in the consolidated income statement | 分佔在綜合利潤表所呈報之持續經營業務之稅項開支 | 8,415,390 | 4,594,170 |
| | | 8,415,390 | 6,048,026 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

10. TAX (continued)

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax using the statutory rates for the countries/jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax charge for the year is as follows:

Group – 2008

本集團 – 二零零八年

| | | Hong Kong | Mainland | Elsewhere | Total |
|---|---------------------|--------------|-------------|-----------|-------------|
| | | 香港 | China | 其他地區 | 合計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 |
| Profit/(loss) before tax | 除稅前溢利／(虧損) | (38,831,614) | 57,504,660 | – | 18,673,046 |
| Tax at the statutory tax rates | 按法定稅率計算之稅項 | (6,407,216) | 10,350,839 | – | 3,943,623 |
| Profits and losses attributable to jointly-controlled entity and associates | 分佔共同控權公司及聯營公司之溢利及虧損 | 1,188,000 | (190,408) | – | 997,592 |
| Income not subject to tax | 毋須繳稅收入 | (2,389,898) | (3,832,906) | – | (6,222,804) |
| Expenses not deductible for tax | 不得扣稅之開支 | 7,609,114 | 2,087,865 | – | 9,696,979 |
| Tax charge for the year | 本年稅項開支 | – | 8,415,390 | – | 8,415,390 |

10. 稅項 (續)

按本公司及其主要附屬公司所在國家／管轄區域法定稅率計算適用於除稅前溢利／(虧損)的稅項支出／(抵減)與本年稅項支出之調節表如下：

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

10. TAX (continued)

Group – 2007
本集團 – 二零零七年

10. 稅項 (續)

| | | Hong Kong | Mainland | Elsewhere | Total |
|--|-------------------------------|-------------|--------------|-------------|--------------|
| | | 香港 | China | 其他地區 | 合計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 |
| Profit before tax (including profit from a discontinued operation) | 除稅前溢利 (包括來自已終止經營 業務之溢利) | 5,420,941 | 69,799,487 | 14,329,837 | 89,550,265 |
| Tax at the statutory tax rates | 按法定稅率計算之稅項 | 948,665 | 23,033,831 | 3,348,456 | 27,330,952 |
| Lower tax rates for specific provinces | 特定省份之較低稅率 | – | (7,525,454) | – | (7,525,454) |
| Deemed income of the PRC construction business | 中國建築業之假設收入 | – | 1,460,574 | – | 1,460,574 |
| Profits and losses attributable to associates | 分佔聯營公司之溢利及虧損 | – | (986,205) | – | (986,205) |
| Income not subject to tax | 毋須繳稅收入 | (5,191,890) | (12,897,024) | (4,038,718) | (22,127,632) |
| Expenses not deductible for tax | 不得扣稅之開支 | 5,616,427 | 2,599,578 | – | 8,216,005 |
| Tax losses utilised from previous periods | 動用過往期間稅項虧損 | (161) | (1,091,130) | (1,560,000) | (2,651,291) |
| Increase in unprovided tax losses carried forward | 未撥備結轉稅項虧損 增加 | 2,142,815 | – | 188,262 | 2,331,077 |
| Tax charge/(credit) for the year | 本年稅項開支/(抵減) | 3,515,856 | 4,594,170 | (2,062,000) | 6,048,026 |

During the 5th Session of the 10th National People's Congress, which was concluded on 16 March 2007, the PRC Corporate Income Tax Law (the "New Corporate Income Tax Law") was approved and became effective on 1 January 2008. The New Corporate Income Tax Law introduces a wide range of changes which include, but are not limited to, the unification of the income tax rate for domestic-invested and foreign-invested enterprises at 25%. In addition, for those enterprises benefiting from lower preferential tax rates, such preferential rates will be gradually phased out by increasing them to 25% over five years from its effective date.

於二零零七年三月十六日閉幕的第十屆全國人民代表大會第五次會議上，中國企業所得稅法（「新企業所得稅法」）已獲批准，並於二零零八年一月一日起生效。新企業所得稅法引入一系列變動，包括（但不限於）將內外資企業的所得稅率劃一為25%。此外，對於享受稅務優惠的企業而言，優惠稅率將在生效日期起計五年內獲逐步調高至25%。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

10. TAX (continued)

The share of tax attributable to associates and jointly-controlled entity amounting to HK\$2,810,058 (2007: HK\$1,314,066) and nil (2007: nil), respectively, is included in "Share of profits and losses of jointly-controlled entity and associates" on the face of the consolidated income statement.

11. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The consolidated profit attributable to equity holders of the parent for the year ended 31 December 2008 includes a loss of HK\$15,243,420 (2007: profit of HK\$92,771,529) which has been dealt with in the financial statements of the Company (note 38(b)).

12. DISCONTINUED OPERATION

On 30 August 2007, the Company announced the decision of its board of directors to dispose of FEA Holdings Limited ("FEA") and its subsidiaries (collectively the "FEA Group"). FEA Group engages in the facade contracting works including the design, manufacture and installation of curtain walls, aluminium windows and other related products, and is a separate business segment that is part of the Mainland China, Hong Kong, Macau and the United States of America operations. The Group had decided to cease its facade contracting works business although it was profit-making because it planned to focus its resources on its aero-technology related business. The disposal of FEA Group was completed on 28 December 2007. Details of the net assets of FEA Group disposed of are disclosed in note 39 to the financial statements.

10. 稅項 (續)

分佔聯營公司及共同控權公司之稅項分別為2,810,058港元(二零零七年:1,314,066港元)及無(二零零七年:無)已包括在綜合利潤表之「分佔共同控權公司及聯營公司之溢利及虧損」內。

11. 公司權益持有人應佔溢利

截至二零零八年十二月三十一日止年度之公司權益持有人應佔綜合溢利中,包括了於本公司財務報表所載之虧損15,243,420港元(二零零七年:溢利92,771,529港元)(附註38(b))。

12. 已終止經營業務

於二零零七年八月三十日,本公司宣佈董事會決定出售FEA Holdings Limited(「FEA」)及其附屬公司(統稱「FEA集團」)。FEA集團從事大廈外牆工程,包括設計、製造及安裝玻璃幕牆、鋁窗及其他有關產品,乃於國內、香港、澳門及美國經營的其中一個獨立業務分部。儘管大廈外牆工程是錄得盈利之業務,但本集團決定終止其大廈外牆工程業務,因為本集團計劃集中其資源在航空技術相關業務上。出售FEA集團在二零零七年十二月二十八日完成。有關出售FEA集團資產淨值之詳情於財務報表附註39披露。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

12. DISCONTINUED OPERATION (continued)

The results of FEA Group for the year ended 31 December 2007 are presented below:

12. 已終止經營業務 (續)

FEA集團於截至二零零七年十二月三十一日止年度之業績呈列如下：

| | | Notes 附註 | 2007 二零零七年 HK\$ 港元 |
|---|-------------------|-------------|-----------------------------|
| Revenue | 收益 | 5 | 658,641,389 |
| Cost of sales | 銷售成本 | 6 | (575,757,173) |
| Gross profit | 毛利 | | 82,884,216 |
| Other income | 其他收入 | 5 | 2,522,203 |
| Administrative expenses | 行政管理費用 | | (59,597,499) |
| Other operating income, net | 其他經營開支淨額 | | 414,160 |
| Finance costs | 財務開支 | 7 | (6,487) |
| Profit of the discontinued operation | 已終止經營業務之溢利 | | 26,216,593 |
| Gain on disposal of FEA Group | 出售FEA集團之利潤 | 39 | 5,579,462 |
| Profit before tax from the discontinued operation | 已終止經營業務之 除稅前溢利 | | 31,796,055 |
| Tax | 稅項 | 10 | (1,453,856) |
| Profit for the year from the discontinued operation | 已終止經營業務之年內 溢利 | | 30,342,199 |
| Attributable to: | 下列各項應佔： | | |
| Equity holders of the parent | 公司權益持有人 | | 30,622,579 |
| Minority interests | 少數股東 | | (280,380) |
| | | | 30,342,199 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

12. DISCONTINUED OPERATION (continued)

The net cash flows incurred by FEA Group are as follows:

12. 已終止經營業務 (續)

FEA集團產生之現金流動淨額如下

| | | 2007 二零零七年 HK\$ 港元 |
|--|--------------|-----------------------------|
| Operating activities | 經營活動 | 83,421,428 |
| Investing activities | 投資活動 | (36,345,208) |
| Financing activities | 融資活動 | (4,386,533) |
| Net cash inflow | 現金流入淨額 | 42,689,687 |
| Earnings per share: | 每股溢利： | |
| Basic, from the discontinued operation | 基本，來自已終止經營業務 | HK0.68 cent 港仙 |
| Diluted, from the discontinued operation | 攤薄，來自已終止經營業務 | HK0.68 cent 港仙 |

The calculations of basic and diluted earnings per share from the discontinued operation are based on:

來自已終止經營業務之每股基本及攤薄溢利乃按下列各項計算：

| | | 2007 二零零七年 |
|--|----------------------------|-------------------|
| Profit attributable to ordinary equity holders of the parent from the discontinued operation | 公司普通權益持有人應佔來自已終止經營業務之溢利 | HK\$30,622,579 港元 |
| Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation | 用於計算每股基本溢利之年內已發行普通股加權平均數 | 4,512,755,055 |
| Weighted average number of ordinary shares used in the diluted earnings per share calculation (note 13) | 用於計算每股攤薄溢利之普通股加權平均數 (附註13) | 4,543,534,340 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the year.

A diluted earnings per share amount for the year ended 31 December 2008 has not been disclosed as no diluting events existed during the year.

The calculation of diluted earnings per share amount for the year ended 31 December 2007 was based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation was the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

13. 公司普通權益持有人應佔每股溢利

每股基本溢利乃根據公司普通權益持有人應佔本年溢利及年內已發行普通股之加權平均數計算。

由於年內並無出現任何攤薄事件，故此並無披露截至二零零八年十二月三十一日止年度之每股攤薄溢利金額。

截至二零零七年十二月三十一日止年度每股攤薄溢利乃按公司普通權益持有人應佔年內溢利計算。用作計算之普通股加權平均數乃計算每股基本溢利所用之年內已發行普通股數目，以及假設將按零代價發行，並視作已行使或轉換所有攤薄潛在普通股為普通股之普通股加權平均數。

每股基本及攤薄溢利的計算乃根據：

| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|---|----------------|-----------------------------|-----------------------------|
| Earnings | 溢利 | | |
| Profit attributable to ordinary equity holders of the parent: | 公司普通權益持有人應佔溢利： | | |
| From continuing operations | 來自持續經營業務 | 1,852,044 | 47,373,617 |
| From a discontinued operation | 來自已終止經營業務 | - | 30,622,579 |
| | | 1,852,044 | 77,996,196 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

13. 公司普通權益持有人應佔 每股溢利 (續)

| | | 2008 二零零八年 | 2007 二零零七年 |
|--|---------------------------|----------------------|---------------|
| Number of shares | 股份數目 | | |
| Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation | 用於計算每股基本盈利之年內已發行普通股之加權平均數 | 4,777,761,578 | 4,512,755,055 |
| Effect on dilution – weighted average number of ordinary shares: | 攤薄效應 – 普通股加權平均數： | | |
| Share options | 購股權 | – | 30,779,285 |
| | | 4,777,761,578 | 4,543,534,340 |

14. INVESTMENT PROPERTY

14. 投資物業

| | | Group and Company 本集團及本公司 | |
|--|----------------|------------------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| Carrying amount at 1 January | 於一月一日之賬面值 | 24,200,000 | 14,900,000 |
| Net profit/(loss) from a fair value adjustment | 公平值調整之淨利潤／(虧損) | (5,900,000) | 9,300,000 |
| Carrying amount at 31 December | 於十二月三十一日之賬面值 | 18,300,000 | 24,200,000 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

14. INVESTMENT PROPERTY *(continued)*

The Group's and the Company's investment property was revalued on 31 December 2008 by BMI Appraisals Limited, independent professionally qualified valuers, at HK\$18,300,000 (2007: HK\$24,200,000) on an open market, existing use basis. The investment property is leased to a shareholder of the Company under an operating lease, further details of which are included in notes 41(a) and 44(a)(i) to the financial statements.

The Group's and the Company's investment property is situated in Hong Kong and is held under a medium term lease. At 31 December 2007, this investment property was pledged to secure a bank loan of the Group and the Company (*note 34(a)*).

14. 投資物業 (續)

本集團及本公司之投資物業於二零零八年十二月三十一日由獨立專業合資格估值師邦盟匯駿評估有限公司按公開市值、現有用途基準重新估值為18,300,000港元(二零零七年：24,200,000港元)。投資物業根據經營租約出租予本公司之股東，進一步詳情載於財務報表附註41(a)及44(a)(i)。

本集團及本公司之投資物業乃位於香港並按中期租約持有。於二零零七年十二月三十一日，此投資物業已抵押，作為本集團及本公司銀行貸款之擔保(附註34(a))。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

15. PROPERTY, PLANT AND EQUIPMENT

Group

本集團

15. 物業、廠房和設備

| | | Construction in progress | Land and buildings | Generation plant and related structure | Furniture, fixtures and equipment | Motor vehicles | Total |
|--|----------------------------------|-----------------------------|-----------------------|---|---|-------------------|--------------|
| | | 在建工程 | 土地及樓宇 | 發電廠房及 有關設備 | 傢俬、裝置 及設備 | 汽車 | 合計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 |
| 31 December 2008 | 二零零八年十二月三十一日 | | | | | | |
| At 31 December 2007 and at 1 January 2008: | 於二零零七年十二月 三十一日及二零零八年 一月一日： | | | | | | |
| Cost or valuation | 成本或估值 | 20,086,600 | 91,716,499 | 113,554,603 | 1,520,103 | 8,477,838 | 235,355,643 |
| Accumulated depreciation | 累積折舊 | - | (25,616,473) | - | (1,082,673) | (5,920,980) | (32,620,126) |
| Net carrying amount | 賬面淨值 | 20,086,600 | 66,100,026 | 113,554,603 | 437,430 | 2,556,858 | 202,735,517 |
| At 1 January 2008, net of accumulated depreciation | 於二零零八年一月一日， 扣除累積折舊 | 20,086,600 | 66,100,026 | 113,554,603 | 437,430 | 2,556,858 | 202,735,517 |
| Additions | 添置 | 18,077,743 | 635,136 | 2,372,886 | 83,140 | 820,785 | 21,989,690 |
| Disposals | 出售 | - | (145,604) | (1,684,685) | - | (109,514) | (1,939,803) |
| Transfers | 轉撥 | (15,017,362) | - | 15,017,362 | - | - | - |
| Surplus on revaluation | 重估盈餘 | - | - | 6,811,875 | - | - | 6,811,875 |
| Depreciation provided during the year | 年內折舊撥備 | - | (3,282,367) | (12,834,085) | (218,508) | (102,930) | (16,437,890) |
| Exchange realignment | 匯兌調整 | 1,136,120 | 2,984,097 | 6,059,818 | (49) | 134,676 | 10,314,662 |
| At 31 December 2008, net of accumulated depreciation | 於二零零八年 十二月三十一日， 扣除累積折舊 | 24,283,101 | 66,291,288 | 129,297,774 | 302,013 | 3,299,875 | 223,474,051 |
| At 31 December 2008: | 於二零零八年 十二月三十一日： | | | | | | |
| Cost or valuation | 成本或估值 | 24,283,101 | 96,671,331 | 129,297,774 | 1,603,491 | 8,602,975 | 260,458,672 |
| Accumulated depreciation | 累積折舊 | - | (30,380,043) | - | (1,301,478) | (5,303,100) | (36,984,621) |
| Net carrying amount | 賬面淨值 | 24,283,101 | 66,291,288 | 129,297,774 | 302,013 | 3,299,875 | 223,474,051 |
| Analysis of cost or valuation: | 成本或估值分析： | | | | | | |
| At cost | 按成本 | 24,283,101 | 96,671,331 | - | 1,603,491 | 8,602,975 | 131,160,898 |
| At 31 December 2008 valuation | 按二零零八年 十二月三十一日之估值 | - | - | 129,297,774 | - | - | 129,297,774 |
| | | 24,283,101 | 96,671,331 | 129,297,774 | 1,603,491 | 8,602,975 | 260,458,672 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

15. PROPERTY, PLANT AND EQUIPMENT (continued)

15. 物業、廠房和設備 (續)

Group (continued)

本集團 (續)

| | | Construction in progress | Land and buildings | Leasehold improvements | Plant and machinery | Generation plant and related structure | Furniture, fixtures and equipment | Motor vehicles | Tools and moulds | Total |
|--|------------------------------|-----------------------------|-----------------------|---------------------------|------------------------|---|---|-------------------|---------------------|--------------|
| | | 在建工程 | 土地及樓宇 | 租約 物業裝修 | 廠房及機器 | 發電廠房及 有關設備 | 傢俬、裝置 及設備 | 汽車 | 工具及模具 | 合計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 |
| 31 December 2007 | 二零零七年十二月三十一日 | | | | | | | | | |
| At 1 January 2007: | 於二零零七年一月一日: | | | | | | | | | |
| Cost or valuation | 成本或估值 | 35,808,517 | 89,479,368 | 14,594,103 | 14,324,451 | 81,863,545 | 24,643,612 | 13,234,611 | 2,368,328 | 276,316,535 |
| Accumulated depreciation | 累積折舊 | - | (26,507,181) | (14,191,777) | (11,462,636) | - | (17,037,447) | (10,609,503) | (2,025,002) | (81,833,546) |
| Net carrying amount | 賬面淨值 | 35,808,517 | 62,972,187 | 402,326 | 2,861,815 | 81,863,545 | 7,606,165 | 2,625,108 | 343,326 | 194,482,989 |
| At 1 January 2007, net of accumulated depreciation | 於二零零七年一月一日， 扣除累積折舊 | 35,808,517 | 62,972,187 | 402,326 | 2,861,815 | 81,863,545 | 7,606,165 | 2,625,108 | 343,326 | 194,482,989 |
| Additions | 添置 | 24,262,472 | 21,641,662 | 1,284,523 | 8,170,024 | 5,123,879 | 2,371,399 | 3,275,699 | 474,484 | 66,604,142 |
| Disposals | 出售 | - | - | - | - | (2,188,555) | - | - | - | (2,188,555) |
| Transfers | 轉撥 | (37,897,977) | 11,062,198 | - | - | 26,835,779 | - | - | - | - |
| Disposal of subsidiaries (note 39) | 出售附屬公司 (附註39) | (4,770,134) | (29,611,413) | (1,146,110) | (8,663,436) | - | (7,647,951) | (2,154,154) | (522,751) | (54,515,949) |
| Surplus on revaluation | 重估盈餘 | - | - | - | - | 6,106,926 | - | - | - | 6,106,926 |
| Depreciation provided during the year | 年內折舊撥備 | - | (3,105,518) | (540,739) | (2,368,403) | (9,949,515) | (1,892,322) | (1,303,068) | (295,059) | (19,454,624) |
| Exchange realignment | 匯兌調整 | 2,683,722 | 3,140,910 | - | - | 5,762,544 | 139 | 113,273 | - | 11,700,588 |
| At 31 December 2007, net of accumulated depreciation | 於二零零七年 十二月三十一日， 扣除累積折舊 | 20,086,600 | 66,100,026 | - | - | 113,554,603 | 437,430 | 2,556,858 | - | 202,735,517 |
| At 31 December 2007: | 於二零零七年 十二月三十一日: | | | | | | | | | |
| Cost or valuation | 成本或估值 | 20,086,600 | 91,716,499 | - | - | 113,554,603 | 1,520,103 | 8,477,838 | - | 235,355,643 |
| Accumulated depreciation | 累積折舊 | - | (25,616,473) | - | - | - | (1,082,673) | (5,920,980) | - | (32,620,126) |
| Net carrying amount | 賬面淨值 | 20,086,600 | 66,100,026 | - | - | 113,554,603 | 437,430 | 2,556,858 | - | 202,735,517 |
| Analysis of cost or valuation: | 成本或估值分析: | | | | | | | | | |
| At cost | 按成本 | 20,086,600 | 91,716,499 | - | - | - | 1,520,103 | 8,477,838 | - | 121,801,040 |
| At 31 December 2007 valuation | 按二零零七年十二月 三十一日之估值 | - | - | - | - | 113,554,603 | - | - | - | 113,554,603 |
| | | 20,086,600 | 91,716,499 | - | - | 113,554,603 | 1,520,103 | 8,477,838 | - | 235,355,643 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

15. PROPERTY, PLANT AND EQUIPMENT (continued)

Company

本公司

15. 物業、廠房和設備 (續)

| | | Land and building | Furniture, fixtures and equipment | Motor vehicles | Total |
|--|----------------------------------|----------------------|---|-------------------|--------------------|
| | | 土地及樓宇 | 傢俬、裝置 及設備 | 汽車 | 合計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 |
| 31 December 2008 | 二零零八年 十二月三十一日 | | | | |
| At 31 December 2007 and 1 January 2008: | 於二零零七年 十二月三十一日及 二零零八年一月一日： | | | | |
| Cost | 成本 | 12,750,000 | 1,515,715 | 331,547 | 14,597,262 |
| Accumulated depreciation | 累積折舊 | (900,000) | (1,079,908) | (165,774) | (2,145,682) |
| Net carrying amount | 賬面淨值 | 11,850,000 | 435,807 | 165,773 | 12,451,580 |
| At 1 January 2008, net of accumulated depreciation | 於二零零八年一月一日， 扣除累積折舊 | 11,850,000 | 435,807 | 165,773 | 12,451,580 |
| Additions | 添置 | - | 47,622 | - | 47,622 |
| Depreciation provided during the year | 年內折舊撥備 | (300,000) | (213,511) | (82,886) | (596,397) |
| At 31 December 2008, net of accumulated depreciation | 於二零零八年 十二月三十一日， 扣除累積折舊 | 11,550,000 | 269,918 | 82,887 | 11,902,805 |
| At 31 December 2008: | 於二零零八年 十二月三十一日： | | | | |
| Cost | 成本 | 12,750,000 | 1,563,337 | 331,547 | 14,644,884 |
| Accumulated depreciation | 累積折舊 | (1,200,000) | (1,293,419) | (248,660) | (2,742,079) |
| Net carrying amount | 賬面淨值 | 11,550,000 | 269,918 | 82,887 | 11,902,805 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

15. PROPERTY, PLANT AND EQUIPMENT (continued)

Company (continued)

本公司 (續)

15. 物業、廠房和設備 (續)

| | | Land and building 土地及樓宇 HK\$ 港元 | Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$ 港元 | Motor vehicles 汽車 HK\$ 港元 | Total 合計 HK\$ 港元 |
|--|------------------------------|---|---|---------------------------------------|---------------------------|
| 31 December 2007 | 二零零七年 十二月三十一日 | | | | |
| At 1 January 2007: | 於二零零七年一月一日： | | | | |
| Cost | 成本 | 12,750,000 | 1,484,899 | 331,547 | 14,566,446 |
| Accumulated depreciation | 累積折舊 | (600,000) | (840,708) | (82,887) | (1,523,595) |
| Net carrying amount | 賬面淨值 | 12,150,000 | 644,191 | 248,660 | 13,042,851 |
| At 1 January 2007, net of accumulated depreciation | 於二零零七年一月一日， 扣除累積折舊 | 12,150,000 | 644,191 | 248,660 | 13,042,851 |
| Additions | 添置 | – | 30,816 | – | 30,816 |
| Depreciation provided during the year | 年內折舊撥備 | (300,000) | (239,200) | (82,887) | (622,087) |
| At 31 December 2007, net of accumulated depreciation | 於二零零七年 十二月三十一日， 扣除累積折舊 | 11,850,000 | 435,807 | 165,773 | 12,451,580 |
| At 31 December 2007: | 於二零零七年 十二月三十一日： | | | | |
| Cost | 成本 | 12,750,000 | 1,515,715 | 331,547 | 14,597,262 |
| Accumulated depreciation | 累積折舊 | (900,000) | (1,079,908) | (165,774) | (2,145,682) |
| Net carrying amount | 賬面淨值 | 11,850,000 | 435,807 | 165,773 | 12,451,580 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

15. PROPERTY, PLANT AND EQUIPMENT (continued)

An analysis of the lease terms of the Group's and the Company's land and buildings is as follows:

15. 物業、廠房和設備 (續)

本集團及本公司之土地及樓宇租期分析如下：

| | | Group 本集團 | | Company 本公司 | |
|--|--------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
| At cost, located in: | 按成本，位於： | | | | |
| Hong Kong, held under a medium term lease | 香港，按中期租約持有 | 12,750,000 | 12,750,000 | 12,750,000 | 12,750,000 |
| Mainland China, held under a medium term lease | 中國內地，按中期租約持有 | 83,921,331 | 78,966,499 | - | - |
| | | 96,671,331 | 91,716,499 | 12,750,000 | 12,750,000 |

At 31 December 2008, the Group's generation plant and related structure was revalued at HK\$129,297,774 (2007: HK\$113,554,603) by BMI Appraisals Limited on the open market value and existing use basis, resulting in a revaluation surplus of HK\$6,811,875 (2007: HK\$6,106,926), of which a surplus of HK\$3,111,208 (2007: HK\$3,134,520) was credited to the property, plant and equipment revaluation reserve whereas the remaining surplus of HK\$3,700,667 (2007: HK\$2,972,406) was credited to the consolidated income statement.

Had these generation plant and related structure been carried at historical cost less accumulated depreciation and impairment losses, their carrying amounts would have been HK\$107,922,564 (2007: HK\$97,979,639).

於二零零八年十二月三十一日，本集團發電廠房及有關設施經邦盟匯駿評估有限公司按公開市值及現有用途基準進行重新估值為129,297,774港元(二零零七年：113,554,603港元)，由此產生重估盈餘為6,811,875港元(二零零七年：6,106,926港元)，其中盈餘3,111,208港元(二零零七年：3,134,520港元)計入物業、廠房和設備重估儲備，餘下之盈餘3,700,667港元(二零零七年：2,972,406港元)則計入綜合利潤表內。

倘該等發電廠房及有關設施以歷史成本減除累積折舊及減值虧損後入賬，則彼等之賬面值應為107,922,564港元(二零零七年：97,979,639港元)。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

15. PROPERTY, PLANT AND EQUIPMENT (continued)

As at 31 December 2008, certain of the Group's land and buildings with a net book value of approximately HK\$27,446,295 (2007: HK\$30,817,213) were pledged to secure general banking facilities granted to the Group (note 34(a)(i)).

15. 物業、廠房和設備 (續)

於二零零八年十二月三十一日，賬面淨值約27,446,295港元（二零零七年：30,817,213港元）之本集團若干土地及樓宇經已抵押，作為本集團一般銀行信貸之擔保（附註34(a)(i)）。

16. PREPAID LAND LEASE PAYMENTS

16. 預付土地租賃款

| | | Group 本集團 | |
|---|-----------------------------|-----------------------------|-----------------------------|
| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
| Carrying amount at 1 January | 於一月一日之賬面值 | 28,921,381 | 29,539,219 |
| Exchange realignment | 匯兌調整 | 1,680,409 | 2,043,230 |
| Addition | 增加 | - | 955,613 |
| Disposal of subsidiaries (note 39) | 出售附屬公司 (附註39) | - | (2,656,691) |
| Recognised during the year (note 6) | 年內確認 (附註6) | (777,903) | (959,990) |
| Carrying amount at 31 December | 於十二月三十一日 之賬面值 | 29,823,887 | 28,921,381 |
| Current portion included in prepayments, deposits and other receivables | 流動部份，包括在預付款項、按金及其他 應收賬款內 | (725,235) | (705,465) |
| Non-current portion | 非流動部份 | 29,098,652 | 28,215,916 |

The leasehold land is held under a medium term lease and is situated in Mainland China.

該租賃土地乃按中期租約持有並位於中國內地。

As at 31 December 2008, certain of the Group's leasehold land with a net book value of approximately HK\$29,091,928 (2007: HK\$4,852,118) was pledged to secure general banking facilities granted to the Group (note 34(a)(ii)).

於二零零八年十二月三十一日，賬面淨值約29,091,928港元（二零零七年：4,852,118港元）之本集團若干租賃土地經已抵押，作為本集團一般銀行信貸之擔保（附註34(a)(ii)）。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

17. GOODWILL

17. 商譽

| | | Group |
|--|--|--------------|
| | | 本集團 |
| | | HK\$ |
| | | 港元 |
| Cost and carrying amount at 1 January 2007, 31 December 2007 and 1 January 2008 | 於二零零七年一月一日、 二零零七年十二月三十一日及 二零零八年一月一日 之成本及賬面值 | 38,116,502 |
| Partial disposal of equity interest in a subsidiary | 出售附屬公司部份股本權益 | (7,623,301) |
| Cost and carrying amount at 31 December 2008 | 於二零零八年十二月三十一日 之成本及賬面值 | 30,493,201 |

As further detailed in note 2.5 to the financial statements, the Group applied the transitional provisions of HKFRS 3 that permitted goodwill in respect of business combinations which occurred prior to 2001, to remain eliminated against consolidated retained profits.

The amounts of goodwill remaining in consolidated retained profits, arising from the acquisition of subsidiaries prior to the adoption of SSAP 30 in 2001, were HK\$162,134 as at 31 December 2007 and 2008. The amount of goodwill is stated at its cost of HK\$162,134 which arose in years prior to 1 January 2005.

Impairment testing of goodwill

Goodwill arising from the acquisition of Zhejiang Sealand Thermoelectric Share-Holding Co. ("Zhejiang Sealand") (formerly known as Hangzhou Sealand Electric Power Company Limited) has been allocated to the electric and steam power supply cash-generating unit, one of the reporting segments of the Group, for impairment testing.

誠於財務報表附註2.5所詳述，本集團採用香港財務報告準則第3號的過渡性條款，該條款容許二零零一年之前企業合併之商譽仍然在綜合留存溢利內扣除。

於二零零七年及二零零八年十二月三十一日，收購附屬公司（於二零零一年採用會計實務準則第30號前）所產生之商譽而仍然保留在綜合留存溢利之金額為162,134港元。此162,134港元之商譽乃於二零零五年一月一日前產生並按成本值列值。

商譽之減值測試

收購浙江海聯熱電股份有限公司（「海聯熱電」）（前稱杭州海聯熱電有限公司）所產生之商譽已分配至電力及蒸汽供應之現金產生單元（乃本集團其中一個呈報分類）作減值測試。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

17. GOODWILL (continued)

Impairment testing of goodwill (continued)

The recoverable amount of the electric and steam power supply cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets approved by senior management covering a five-year period. The discount rate applied to cash flow projections is 8% (2007: 8%) and cash flows beyond the first five-year period are extrapolated using a zero growth rate.

Key assumptions used in its cash flow projections to undertake impairment testing of goodwill are as follows:

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year, increased for expected efficiency improvements.

Discount rates – The discount rates used are before tax and reflect specific risks relating to the relevant units.

The values assigned to key assumptions are consistent with external information sources.

17. 商譽 (續)

商譽之減值測試 (續)

電力及蒸汽供應之現金產生單元之可收回數額乃按其使用價值計算，該使用價值按現金流量預測推算，而這些預測是根據已獲管理高層審批的五年期財務預算而作。所應用之折現率為8% (二零零七年：8%)。超逾五年期的現金流量按零增長率推斷。

進行商譽減值測試之現金流量預測所使用之主要假設如下：

預算毛利率 – 預算毛利率之數值乃根據預算年度前一年所實現的平均毛利率計算，並因應預期效能改善而增加。

折現率 – 所採用之折現率乃於稅前並反映有關個別單元之特定風險。

關鍵假設之價值與外部數據來源一致。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

18. INTERESTS IN SUBSIDIARIES

18. 附屬公司權益

| | | Company | |
|---|-------------|---------------------|--------------|
| | | 本公司 | |
| | | 2008 | 2007 |
| | | 二零零八年 | 二零零七年 |
| | | HK\$ | HK\$ |
| | | 港元 | 港元 |
| Unlisted shares, at cost | 非上市股份，按成本 | 8,864 | 7,911 |
| Due from subsidiaries | 附屬公司欠款 | 682,856,674 | 389,389,687 |
| Due to subsidiaries | 欠附屬公司款項 | (67,911,562) | (11,824,138) |
| | | 614,953,976 | 377,573,460 |
| Impairment of amounts due from subsidiaries | 應收附屬公司款項之減值 | (78,171,415) | (78,171,415) |
| | | 536,782,561 | 299,402,045 |

An impairment loss was recognised for amounts due from subsidiaries with carrying amounts of HK\$265,183,000 (before deducting the impairment loss) (2007: HK\$207,211,000) because these subsidiaries had been loss-making for some time. There was no movement in impairment of amounts due from subsidiaries during the current year.

The balances with the subsidiaries are unsecured, interest-free and are not expected to be repaid within one year. In the opinion of the directors, the amounts due from the subsidiaries are considered as quasi-equity loans to the subsidiaries.

就賬面值265,183,000港元(扣除減值虧損前)(二零零七年: 207,211,000港元)之應收附屬公司款項, 已確認減值虧損, 此乃由於該等附屬公司已呈虧一段時間。本年並無任何應收附屬公司款項之減值變動。

與附屬公司之往來款項餘額為無抵押、免息及無須於一年內償還。董事認為, 應收附屬公司款項可視為向附屬公司提供之準權益貸款。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

18. INTERESTS IN SUBSIDIARIES

(continued)

Particulars of the principal subsidiaries as at the balance sheet date are as follows:

18. 附屬公司權益 (續)

主要附屬公司於結算日之詳情如下：

| Name 名稱 | Place of incorporation/ registration and operations 註冊成立/ 註冊及營業地點 | Nominal value of issued and fully paid-up ordinary/ registered share capital 已發行及繳足 普通股本/註冊 股本之面值 | Percentage of equity attributable to the Company 本公司應佔股本 權益百分比 | | Principal activities 主要業務 |
|--|--|--|---|--|---|
| | | | Direct 直接 | Indirect 間接 | |
| Zhejiang Sealand** 海聯熱電** | PRC/Mainland China 中國/中國內地 | RMB70,000,000 (2007: RMB68,000,000) 70,000,000元人民幣 (二零零七年: 68,000,000元人民幣) | - | 56 (2007: 70) 56 (二零零七年: 70) | Generation and sale of electric and steam power 生產及銷售電力及 蒸氣 |
| CATIC Helicopter Development (Shenzhen) Limited ("CATIC Helicopter (Shenzhen)")**# 中航技直升機技術服務 (深圳)有限公司 (中航技直升機(深圳))*** | PRC/Mainland China 中國/中國內地 | HK\$42,000,000 42,000,000港元 | - | 100 | Investment holding 投資控股 |
| Billirich Investment Ltd. ("Billirich")# | British Virgin Islands/ Hong Kong 英屬處女群島/ 香港 | US\$1,000 1,000美元 | 100 | - | Investment holding 投資控股 |
| CATIC General Aviation Holdings Limited# | British Virgin Islands/ Hong Kong 英屬處女群島/ 香港 | US\$2 2美元 | 100 | - | Investment holding 投資控股 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

18. INTERESTS IN SUBSIDIARIES (continued)

- * Zhejiang Sealand is registered as a co-operative joint venture under the PRC law. During the year, the Group disposed of 14% equity interest in Zhejiang Sealand to an independent third party at a consideration of RMB12,270,000 (equivalent to approximately HK\$13,137,000) and resulted in a loss on partial disposal of equity interest in a subsidiary of HK\$7,604,122.
- ** CATIC Helicopter (Shenzhen) is registered as a wholly-foreign-owned enterprise under the PRC law.
- # All the statutory financial statements of these subsidiaries were not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

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

18. 附屬公司權益 (續)

- * 海聯熱電根據中國法例註冊為合資企業。年內，本集團向獨立第三者出售海聯熱電14%股本權益，代價為12,270,000元人民幣（相等於約13,137,000港元），產生出售附屬公司部分股本權益之虧損7,604,122港元。
- ** 中航技直升機（深圳）根據中國法例註冊為全外資企業。
- # 所有此等附屬公司的法定財務報表均並非由安永香港或其他安永國際之成員審核。

上表列出董事認為主要影響本年度業績或構成本集團資產淨值主要部份之本公司附屬公司。董事認為倘詳列其他附屬公司資料將過份冗長。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

19. INTEREST IN JOINTLY-CONTROLLED ENTITY

19. 共同控權公司權益

| | | Group 本集團 | |
|-------------------------|----------|-------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| Share of net assets | 分佔資產淨值 | 34,863,931 | - |
| Goodwill on acquisition | 收購所產生之商譽 | 7,968,846 | - |
| | | 42,832,777 | - |

Note:

As detailed in note 20 to the financial statements, during the year, the Group's rights derived from an independent third party's 40% equity interest in CATIC Siwei Co., Ltd. ("CATIC Siwei") acquired in the prior year were reclassified from interest in associate to interest in jointly-controlled entity.

During the year, upon the completion of the acquisition of 29.4% equity interest in CATIC Siwei (note 24), the Group entered into a series of arrangement with an independent third party to dispose of that 29.4% equity interest in CATIC Siwei at its then carrying amount and no gain or loss was generated from the said disposal. Subsequent to such disposal, the Group is no longer the shareholder of CATIC Siwei. Pursuant to another agreement, the Group acquired from the above party certain rights derived from the interest so disposed of as mentioned above for a consideration of HK\$16,167,451.

附註：

正如財務報表附註20所詳述，年內，本集團把之前年度向一名獨立第三者購入之四維航空遙感有限公司（「四維遙感」）40%股本權益的未來收益權由聯營公司權益重新分類至共同控權公司權益。

年內，在完成收購四維遙感29.4%股本權益（附註24）後，本集團與一名獨立第三者進行一連串安排，以當時賬面值出售四維遙感之29.4%股本權益，該出售並無產生任何利潤或虧損。出售後，本集團不再是四維遙感的股東。根據另一份協議，本集團向該第三者購入一份特定權益的未來收益權，代價為16,167,451港元。



Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

19. INTEREST IN JOINTLY-CONTROLLED ENTITY (continued)

Notes:

In the opinion of the directors, notwithstanding that the Group's had obtained the rights to enjoy certain benefits from the 69.4% equity interest disposed of by the Group, with the amendments made to the articles and associaton of CATIC Siwei during the year, none of the shareholders of CATIC Siwei has unilateral control over the economic activity of CATIC Siwei. With the Group does not have any power to control the financial and operating activities of CATIC Siwei, the directors consider it is appropriate to account for such rights using the equity method of accounting and therefore included in this account as at 31 December 2008.

The above entity was not audited by Ernst & Young Hong Kong or other member firm of Ernst & Young global network.

19. 共同控權公司權益 (續)

附註：(續)

雖然本集團擁有69.4%特定權益的未來收益權，但年內四維遙感公司章程作出修訂，概無四維遙感股東對四維遙感之經濟活動擁有單方面控制權，故本集團無權控制四維遙感之財務及營運活動。因此，董事認為適宜把該等權益以權益會計法處理，並計入二零零八年十二月三十一日之本賬目內。

以上實體均非由安永香港或其他安永國際之成員審核。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

19. INTEREST IN JOINTLY-CONTROLLED ENTITY (continued)

The following table illustrates the summarised financial information of the Group's jointly-controlled entity:

19. 共同控權公司權益 (續)

下表列出本集團共同控權公司之財務資料概要：

| | | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 |
|--|-----------------|----------------------------------|----------------------------------|
| Share of the jointly-controlled entity's assets and liabilities: | 分佔共同控權公司之資產及負債： | | |
| Current assets | 流動資產 | 17,913 | — |
| Non-current assets | 非流動資產 | 24,311 | — |
| Current liabilities | 流動負債 | (7,360) | — |
| Net assets | 資產淨值 | 34,864 | — |
| Share of the jointly-controlled entity's results: | 分佔共同控權公司之業績： | | |
| Revenue | 收益 | 1,246 | — |
| Gross profit | 毛利 | 1,259 | — |
| Other income | 其他收入 | 3,559 | — |
| | | 4,818 | — |
| Total expenses | 總開支 | (2,653) | — |
| Profit before and after tax | 除稅前及稅後溢利 | 2,165 | — |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

20. INTERESTS IN ASSOCIATES

20. 聯營公司權益

| | | Group 本集團 | |
|-------------------------------|----------|--------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| Share of net assets | 分佔資產淨值 | 92,316,457 | 18,268,976 |
| Goodwill on acquisition | 收購所產生之商譽 | 31,363,982 | 2,936,264 |
| | | 123,680,439 | 21,205,240 |
| Market value of listed shares | 上市股份之市值 | 216,882,603 | N/A不適用 |

The loan to an associate included in the Group's and the Company's current assets amounting to HK\$9,048,000 (2007: nil) is unsecured, bears interest at 3.65% per annum and is repayable within one year.

As at 31 December 2007, the Group's interests in associates included certain rights derived from an independent third party's equity interest in CATIC Siwei. During the year, the articles of association of CATIC Siwei was amended pursuant that none of the shareholders of CATIC Siwei has unilateral control over its economic activity. As a result, the aforesaid rights were reclassified to interest in jointly-controlled entity during the year ended 31 December 2008 (note 19).

向聯營公司提供之貸款9,048,000港元(二零零七年：無)包括在本集團及本公司流動資產內，乃為無抵押、按年利率3.65厘計息及須於一年內償還。

於二零零七年十二月三十一日，本集團於聯營公司之權益包括一名獨立第三者於四維遙感之特定權益的未來收益權。年內，四維遙感之公司章程作出修訂，據此概無四維遙感股東對其經濟活動擁有單方面控制權。因此，上述權利於截至二零零八年十二月三十一日止年度重新分類至共同控權公司權益(附註19)。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

20. INTERESTS IN ASSOCIATES (continued)

Particulars of the principal associate are as follows:

| Name 名稱 | Particulars of issued shares held 所持有已發行 股份詳情 | Place of incorporation/ registration 註冊成立/ 註冊地點 | Percentage of ownership interest attributable to the Group 本集團應佔擁有 權權益百分比 | Principal activities 主要業務 |
|---|---|---|---|--|
| Sino Gas Group Limited ("Sino Gas")* 中油潔能集團 有限公司 (「中油潔能」)* | Ordinary shares of HK\$0.2 each 每股0.2港元之 普通股 | Hong Kong 香港 | 24.59 | Operation of petroleum, compressed natural gas and liquefied petroleum gas refueling stations, and trading of gas related products 經營石油、壓縮天然氣及 液化石油氣加氣站，以 及買賣燃氣相關產品 |

* During the year ended 31 December 2008, the Group's interest in Sino Gas was increased to 24.59% through additional acquisition of ordinary shares of Sino Gas by the Group on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration of HK\$18,369,976. Having considered by the directors that the Group is able to exercise significant influence over Sino Gas since then, the Group discontinued to account for the Group's equity interest in Sino Gas as available-for-sale investments and equity investment at fair value through profit or loss (notes 22(a) and 29) during the year and applied the equity method to account for the Group's interest in Sino Gas as interest in an associate since then.

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

20. 聯營公司權益 (續)

主要聯營公司之詳情如下：

* 於截至二零零八年十二月三十一日止年度，本集團經香港聯合交易所有限公司（「聯交所」）以總代價18,369,976港元增購中油潔能之普通股，本集團於中油潔能之權益增加至24.59%。董事考慮到本集團自此可對中油潔能行使重大影響力，本集團年內終止將本集團於中油潔能之股本權益計入可供出售的投資及透過損益按公平值列值的股本投資（附註22(a)及29），而自此採用權益法將本集團於中油潔能之投資計入聯營公司權益。

上表列出董事認為主要影響本年度業績或構成本集團資產淨值主要部份之本公司聯營公司。董事認為倘詳列其他聯營公司資料將過份冗長。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

20. INTERESTS IN ASSOCIATES (continued)

The following table illustrates the summarised financial information of the Group's associates:

| | | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 |
|-------------|----|----------------------------------|----------------------------------|
| Assets | 資產 | 635,909 | 86,249 |
| Liabilities | 負債 | (245,412) | (28,598) |
| Revenues | 收益 | 220,627 | 184,950 |
| Profit | 溢利 | 10,062 | 60,306 |

21. FINANCIAL ASSET UNDER PROJECT EC120

The balance represents the carrying value of the Group's interest in 80% of interest of AVIC International Holding Corporation ("AVIC Int'l") (formerly known as China National Aero-Technology Import & Export Corporation), an intermediate holding company of the Company, in the net income in relation to Project EC120 which was acquired from AVIC Int'l in 2002. Project EC120 is a jointly-controlled operation established in October 1992 by AVIC Int'l in co-operation with Eurocopter S.A. and Singapore Aerospace Ltd., both independent third parties, to develop, manufacture and globally distribute the multi-purpose EC120 helicopters.

AVIC Int'l's net income derived from Project EC120 is limited to AVIC Int'l's share of income, net of all expenses, to be derived from its interest in Project EC120 in relation to (i) the sale and production of parts and spares of helicopters and profits accrued to AVIC Int'l from the sale of helicopters globally; (ii) the recovery of non-recurring costs accrued to AVIC Int'l; (iii) commission income accrued to AVIC Int'l from the sale of helicopters by AVIC Int'l; and (iv) administrative income accrued to AVIC Int'l from the operations of Project EC120.

20. 聯營公司權益 (續)

下表列出本集團聯營公司之財務資料概要：

| | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 |
|-------------|----------------------------------|----------------------------------|
| Assets | 635,909 | 86,249 |
| Liabilities | (245,412) | (28,598) |
| Revenues | 220,627 | 184,950 |
| Profit | 10,062 | 60,306 |

21. EC120項目之財務資產

結餘指本集團於二零零二年從本公司之中間控股公司中國航空技術國際控股有限公司(「中航技控股」)(前稱中國航空技術進出口總公司)所購之EC120項目應計之淨收入之80%權益之權益賬面值。EC120項目是一項於一九九二年十月由中航技控股與獨立第三者Eurocopter S.A.及Singapore Aerospace Ltd.成立之共同控制項目。該等公司透過此項目合作開發、製造及全球經銷EC120型號之多用途直升機。

中航技控股來自EC120項目之淨收入，限於中航技控股在EC120項目權益所產生之應佔以下項目之收入(減所有開支)：(i)銷售及生產直升機零部件，及中航技控股自全球銷售直升機之應計溢利；(ii)收回中航技控股應計之非經常成本；(iii)就中航技控股銷售直升機之中航技控股應計佣金收入；及(iv)中航技控股於EC120項目營運之應計管理收入。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

21. FINANCIAL ASSET UNDER PROJECT EC120 (continued)

As the investment represents a contractual right to receive cash in the future from another enterprise, the investment has been classified as a non-current available-for-sale financial asset and stated at cost less any impairment losses. The allowance for impairment have been estimated using discounted cash flow analysis which requires the directors to make estimates about the expected future cash flows, which are discounted at the current rate of 8% (2007: 8%).

During the year, having considered the future cash flows and profit forecasts of Project EC120, the directors made a provision for impairment of HK\$2,500,000 (2007: HK\$14,000,000) which was recognised in the consolidated income statement in the current year.

The cost less accumulated impairment losses of the financial asset is analysed as follows:

21. EC120項目之財務資產 (續)

由於該項投資指日後從另一家企業收取現金之合約權利，故此該投資已分類為非流動可供出售的財務資產，並且按成本減任何減值虧損列賬。減值撥備已採用折現現金流量分析估計，並按8%（二零零七年：8%）的流動比率折現，該分析要求董事作出有關預期未來現金流量之估計。

年內，經考慮EC120項目之未來現金流量及溢利預測後，董事已作出減值撥備2,500,000港元（二零零七年：14,000,000港元），於年內於綜合利潤表確認。

財務資產之成本減累積減值虧損之分析如下：

| | | Group 本集團 HK\$ 港元 |
|--|-----------------------------|----------------------------|
| Cost: | 成本： | |
| At 1 January 2008 and 31 December 2008 | 於二零零八年一月一日及 二零零八年十二月三十一日 | 39,759,462 |
| Accumulated impairment: | 累積減值： | |
| At 1 January 2008 | 於二零零八年一月一日 | 27,800,000 |
| Impairment during the year | 年內減值 | 2,500,000 |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 30,300,000 |
| Carrying amount: | 賬面值： | |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 9,459,462 |
| At 31 December 2007 | 於二零零七年十二月三十一日 | 11,959,462 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

22. AVAILABLE-FOR-SALE INVESTMENTS

22. 可供出售的投資

| | | Group 本集團 | |
|---|-------------------------|-----------------------------|-----------------------------|
| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
| Non-current: | 非流動： | | |
| Listed equity investment in Hong Kong, at fair value (note (a)) | 於香港之上市股本投資，按公平值 (附註(a)) | - | 45,753,750 |
| Unlisted investments, at cost (note (b)) | 非上市投資，按成本 (附註(b)) | 45,236,030 | 53,065,716 |
| Unlisted investments, at fair value: | 非上市投資，按公平值： | | |
| Convertible bond (note (c)) | 可換股債券 (附註(c)) | - | 14,854,405 |
| Club debentures | 會所債券 | 2,162,896 | 2,047,109 |
| | | 47,398,926 | 115,720,980 |
| Current: | 流動： | | |
| Unlisted investment, at fair value: | 非上市投資，按公平值： | | |
| Convertible bond (note (c)) | 可換股債券 (附註(c)) | 15,364,807 | - |

Notes:

- (a) The fair value of the listed equity investment was based on quoted market value. During the year, the fair value loss of HK\$10,458,000 (2007: HK\$34,133,750) of such investment was recognised directly in equity.

This investment represented an equity interest in Sino Gas which was designated as an available-for-sale investment as at 31 December 2007. During the year, the Group's aggregate equity interest in Sino Gas was increased to 24.59% and, in the opinion of the directors, the Group is able to exercise significant influence over Sino Gas. Accordingly, the investment was reclassified from available-for-sale investments to interests in associates (note 20) during the year.

附註：

- (a) 上市股本投資之公平值乃根據市場報價而定。年內，該項投資之公平值虧損10,458,000港元（二零零七年：34,133,750港元）已直接於權益確認。

此項投資乃為二零零七年十二月三十一日指定為可供出售的投資之中油潔能股本權益。年內，本集團於中油潔能之總股本權益增加至24.59%，且董事認為，本集團可對中油潔能行使重大影響力。因此，年內該項投資由可供出售的投資重新分類至聯營公司權益（附註20）。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

22. AVAILABLE-FOR-SALE INVESTMENTS (continued)

Notes: (continued)

- (b) These unlisted investments consist of investments in equity securities which were designated as available-for-sale investments and have no fixed maturity date or coupon rate. These investments were stated at cost because the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair values cannot be measured reliably.
- (c) On 25 January 2007, Billirich entered into an agreement with Sino Gas to purchase a convertible bond issued by Sino Gas with a principal amount of HK\$15,600,000. The convertible bond bears interest at 2% per annum, is convertible into ordinary shares of Sino Gas at HK\$0.65 per share (subject to adjustment upon the change in capital structure of Sino Gas) and will mature in two years after the issue of the convertible bond. Sino Gas may request Billirich to convert when the market price of Sino Gas reaches certain predetermined prices. Assuming a full conversion is made by Billirich, the convertible bond can be converted into 24,000,000 ordinary shares of Sino Gas. On 25 May 2007, the conversion price of HK\$0.65 per share was adjusted to HK\$0.633 per share as a result of the issuance of the share capital of Sino Gas pursuant to a share placement during that year.

The convertible bond is a hybrid instrument that includes a non-derivative host contract and an embedded derivative. The non-derivative host contract, representing the bond component (the "Sino Gas Bond"), has been designated as an available-for-sale investment. The embedded derivative, being a derivative financial instrument, represents the conversion option (the "Embedded Derivative Asset"), which allows Billirich to convert the convertible bond into ordinary shares of Sino Gas at an established conversion rate (i.e., HK\$0.633 per share) before the maturity date of the convertible bond.

22. 可供出售的投資 (續)

附註：(續)

- (b) 此等非上市投資包括指定為可供出售的投資及無固定到期日或息率之股本證券投資。此等投資以成本列值，原因為合理公平價值估計之範圍太大，董事認為無法可靠計量公平值。
- (c) 於二零零七年一月二十五日，Billirich與中油潔能訂立協議，以購入由中油潔能發行之本金額為15,600,000港元之可換股債券。可換股債券按年利率2%計息，可以每股0.65港元（將因應中油潔能之股本架構變動而予以調整）把可換股債券轉換為中油潔能之普通股，將於發行可換股債券後兩年到期。中油潔能將可要求Billirich在中油潔能之市價達致若干預定價時轉換。假定Billirich進行全面轉換，可換股債券可予轉換為24,000,000股中油潔能之普通股。於二零零七年五月二十五日，由於中油潔能根據股本配售發行股本，因此每股0.65港元之轉換價被調整至每股0.633港元。

可換股債券為包括非衍生工具主合約及嵌入式衍生工具之混合工具。非衍生工具主合約代表債券部分（「中油潔能債券」），已被指定為可供出售的投資。嵌入式衍生工具（即衍生金融工具）代表換股期權（「嵌入式衍生資產」），這允許Billirich於可換股債券到期日期前按既定轉換價（即每股0.633港元）將可換股債券轉換為中油潔能之普通股。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

22. AVAILABLE-FOR-SALE INVESTMENTS (continued)

Notes: (continued)

As at 19 March 2007 (the issue date of the convertible bond), the fair values of the Sino Gas Bond and the Embedded Derivative Asset were stated at HK\$14,286,395 and HK\$1,313,605, respectively, based on valuation performed by independent professionally qualified valuers.

As at 31 December 2008, the fair value of the Sino Gas Bond was stated at HK\$15,364,807 (2007: HK\$14,854,405) based on valuation performed by independent professionally qualified valuers. During the year, a fair value gain of HK\$510,402 (2007: HK\$568,010) related to the Sino Gas Bond was recognised directly in equity.

The Sino Gas Bond was classified as a current asset in the consolidated balance sheet as at 31 December 2008 as the convertible bond will mature on 18 March 2009.

During the year, the gross loss of the Group's available-for-sale investments recognised directly in equity amounted to HK\$9,947,598 (2007: HK\$32,480,741).

22. 可供出售的投資 (續)

附註：(續)

於二零零七年三月十九日(可換股債券之發行日期)，根據由獨立專業合資格估值師進行之估值，中油潔能債券及嵌入式衍生資產之公平值分別列賬為14,286,395港元及1,313,605港元。

於二零零八年十二月三十一日，根據由獨立專業合資格估值師進行之估值，中油潔能債券之公平值列賬為15,364,807港元(二零零七年：14,854,405港元)。年內，有關中油潔能債券之公平值利潤510,402港元(二零零七年：568,010港元)已直接於權益確認。

由於可換股債券將於二零零九年三月十八日到期，故中油潔能債券於二零零八年十二月三十一日於綜合資產負債表分類為流動資產。

年內，直接於權益確認之本集團可供出售的投資之虧損總額為9,947,598港元(二零零七年：32,480,741港元)。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

23. DEFERRED TAX

The movements in the Group's deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

遞延稅項資產

Group

本集團

23. 遞延稅項

本集團遞延稅項資產與負債於年內之變動如下：

| | | Losses available for offsetting against future taxable profit 可供抵銷未來 應課稅溢利之虧損 HK\$ 港元 |
|---|--|--|
| At 1 January 2007 | 於二零零七年一月一日 | 3,700,000 |
| Deferred tax credited to the income statement during the year* | 年內在利潤表計入之遞延稅項* | 2,462,000 |
| Disposal of subsidiaries (note 39) | 出售附屬公司 (附註39) | (6,162,000) |
| Gross deferred tax assets at 31 December 2007, 1 January 2008 and 31 December 2008 | 於二零零七年十二月三十一日、二零零八年一月一日及二零零八年十二月三十一日之遞延稅項資產總額 | - |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

23. DEFERRED TAX (continued)

Deferred tax liabilities

遞延稅項負債

Group

本集團

23. 遞延稅項 (續)

| | | Revaluation of property, plant and equipment 重估物業、 廠房和設備 HK\$ 港元 |
|--|----------------------------------|--|
| At 1 January 2007 | 於二零零七年一月一日 | 4,511,909 |
| Deferred tax credited to the income statement during the year* | 年內在利潤表計入之遞延稅項* | (790,791) |
| Gross deferred tax liabilities at 31 December 2007 and 1 January 2008 | 於二零零七年十二月三十一日及二零零八年一月一日之遞延稅項負債總額 | 3,721,118 |
| Deferred tax charged to the income statement during the year (note 10) | 年內在利潤表扣除之遞延稅項 (附註10) | 3,076,938 |
| Gross deferred tax liabilities at 31 December 2008 | 於二零零八年十二月三十一日之遞延稅項負債總額 | 6,798,056 |

* Total deferred tax credited to the income statement during the year ended 31 December 2007 was HK\$3,252,791 (note 10).

At 31 December 2008, the Group had aggregate tax losses arising in Hong Kong of approximately HK\$15,456,000 (2007: HK\$15,456,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

* 截至二零零七年十二月三十一日止年度在利潤表計入之遞延稅項總額為3,252,791港元 (附註10)。

於二零零八年十二月三十一日，本集團在香港產生之總稅項虧損約為15,456,000港元 (二零零七年：15,456,000港元)，可用作抵銷出現虧損公司之未來應課稅溢利。由於該等虧損來自長時期出現虧損之附屬公司，而且並不認為可能有應課稅溢利以供動用稅項虧損，故此並無確認遞延稅項資產。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

23. DEFERRED TAX (continued)

Deferred tax liabilities (continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the Mainland China. The requirement has become effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries established in the Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2008, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

23. 遞延稅項 (續)

遞延稅項負債 (續)

根據中國企業所得稅法，在中國成立之外資企業向外國投資者宣派之股息須徵收10%預扣稅。該規定於二零零八年一月一日生效，適用於二零零七年十二月三十一日後之收益。倘中國與外國投資者之司法權區訂有稅收協定，或可採用較低之預扣稅率。對本集團而言，適用稅率為10%。本集團因而須為在中國成立之附屬公司就自二零零八年一月一日起產生之收益所分派之股息承擔預扣稅。

於二零零八年十二月三十一日，並無就本集團在中國成立之附屬公司之未匯出收益須支付之預扣稅確認遞延稅項。董事認為，該等附屬公司不會在可見將來分派該等收益。

本公司向股東派發股息並無附帶任何利得稅後果。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

24. DEPOSIT FOR ACQUISITION OF AN INVESTMENT

Group and Company

During the year, the Group entered into an agreement with a wholly-owned subsidiary of Sino Gas and an independent third party to set up a company in the PRC and a deposit had been paid as at 31 December 2008. As at 31 December 2008, the directors were still in the process of obtaining relevant approvals from the relevant authorities which, in the opinion of the directors, will be obtained in due course. In the opinion of the directors, the investment is intended to be held for a long term purpose. Accordingly, the said deposit was classified as a non-current asset in the balance sheets as at 31 December 2008.

In the prior year, the Group entered into a share transfer agreement with AVIC Int'l, to acquire 29.4% equity interest in CATIC Siwei and a deposit had been paid as at 31 December 2007. As at 31 December 2007, the directors were still in the process of obtaining relevant approvals from the relevant authorities. During the year, the aforesaid transaction was completed. Further details of the transaction were set out in note 19 to the financial statements.

25. DEPOSITS AND OTHER RECEIVABLES

| | | Group 本集團 | | Company 本公司 | |
|--------------------------------|-----------|---------------|---------------|----------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 |
| Deposits and other receivables | 按金及其他應收賬款 | 20,466,063 | 92,536 | 16,281,979 | — |

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there is no recent history of default.

24. 收購投資的按金

本集團及本公司

年內，本集團與中油潔能之一間全資附屬公司及一名獨立第三者訂立協議，以在中國成立一間公司。於二零零八年十二月三十一日已支付了按金。於二零零八年十二月三十一日，董事仍正從有關部門獲得有關批文（董事認為將按適當過程獲得）。董事認為，該投資擬作為長期持有。因此，於二零零八年十二月三十一日，該按金被分類為資產負債表之一項非流動資產。

於之前年度，本集團與中航技控股訂立股份轉讓協議，以收購四維遙感之29.4%股本權益。於二零零七年十二月三十一日已支付了按金。於二零零七年十二月三十一日，董事仍正從有關部門獲得有關批文。年內，上述交易已完成。交易之進一步詳情載於財務報表附註19。

25. 按金及其他應收賬款

上述資產概無任何過期或減值。計入上述結餘之財務資產與無最近違約歷史的應收賬款有關。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

26. INVENTORIES

| | | Group 本集團 | |
|---------------|----|-------------------|------------|
| | | 2008 | 2007 |
| | | 二零零八年 | 二零零七年 |
| | | HK\$ | HK\$ |
| | | 港元 | 港元 |
| Raw materials | 原料 | 31,359,134 | 17,399,830 |

At 31 December 2008, no inventories were pledged as security for the Group's bank borrowings (2007: nil).

於二零零八年十二月三十一日，並無任何存貨為本集團銀行貸款作抵押（二零零七年：無）。

27. TRADE AND BILLS RECEIVABLES

| | | Group 本集團 | |
|-----------------------------|-----------|-------------------|------------|
| | | 2008 | 2007 |
| | | 二零零八年 | 二零零七年 |
| | | HK\$ | HK\$ |
| | | 港元 | 港元 |
| Trade and bills receivables | 應收貿易賬款及票據 | 47,742,317 | 22,857,957 |
| Impairment | 減值 | (970,303) | (20,377) |
| | | 46,772,014 | 22,837,580 |

The Group's trade receivables mainly represent the receivable from the sale of electric and steam power. The Group's trading terms with these customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 60 days, extending up to 90 days for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing. The carrying amounts of the trade receivables approximate to their fair values.

27. 應收貿易賬款及票據

本集團之應收貿易賬款主要指銷售電力及蒸汽之應收款項。本集團與該些客戶之信貸期限主要為賒賬，惟新客戶除外（新客戶一般需要提前付款）。信貸期一般為60天，對於主要客戶最多延期90天。每位客戶均設有最大信貸限額。本集團務求對未清還之應收賬款維持嚴格監管，並擁有一信貸監管部門，把信貸風險降至最低。管理高層定期檢討逾期結餘。鑒於以上所述及本集團之應收貿易賬款乃來自大量分散之客戶的事實，因此並無重大信貸集中風險。應收貿易賬款並無計算利息。應收貿易賬款之賬面值與其公平值相若。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

27. TRADE AND BILLS RECEIVABLES (continued)

An aged analysis of the trade and bills receivables as at the balance sheet date, based on the invoice date and net of provisions, is as follows:

| | | Group 本集團 | |
|--------------|--------|-----------------------------|-----------------------------|
| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
| Current | 即期 | 38,742,906 | 20,085,923 |
| 31-60 days | 31-60日 | 4,786,512 | 2,259,450 |
| 61-90 days | 61-90日 | 2,388,590 | 464,476 |
| Over 90 days | 90日以上 | 854,006 | 27,731 |
| | | 46,772,014 | 22,837,580 |

The movements in provision for impairment of the trade and bills receivables are as follows:

| | | Group 本集團 | |
|---|----------------------|-----------------------------|-----------------------------|
| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
| At 1 January | 於一月一日 | 20,377 | 16,945,111 |
| Impairment losses recognised/(reversed) (note 6) | 減值虧損確認/(撥回) (附註6) | 922,680 | (426,965) |
| Amount written off as uncollectible | 按不可收回撇銷之款項 | - | (5,830,620) |
| Disposal of subsidiaries | 出售附屬公司 | - | (10,669,016) |
| Exchange realignment | 匯兌調整 | 27,246 | 1,867 |
| At 31 December | 於十二月三十一日 | 970,303 | 20,377 |

27. 應收貿易賬款及票據 (續)

於結算日，應收貿易賬款按發票日期及扣除撥備之賬齡分析如下：

應收貿易賬款及票據之減值撥備變動如下：

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

27. TRADE AND BILLS RECEIVABLES (continued)

Included in the above provision for impairment of trade and bills receivables is a provision for individually impaired trade and bills receivables of HK\$970,303 (2007: HK\$20,377) with a carrying amount of HK\$970,303 (2007: HK\$20,377). The individually impaired trade and bills receivables relate to customers that were in financial difficulties and only a portion of the receivables is expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

The aged analysis of the trade and bills receivables that are not considered to be impaired is as follows:

| | | Group | |
|-------------------------------|---------|-------------------|-------------|
| | | 本集團 | |
| | | 2008 | 2007 |
| | | 二零零八年 | 二零零七年 |
| | | HK\$ | HK\$ |
| | | 港元 | 港元 |
| Neither past due nor impaired | 未過期及未減值 | 43,529,418 | 22,345,373 |
| Less than 1 month past due | 過期少於一個月 | 2,388,590 | 464,476 |
| 1 to 3 months past due | 過期一至三個月 | 854,006 | 27,731 |
| | | 46,772,014 | 22,837,580 |

Receivables that are neither past due nor impaired relate to a large number of diversified customers for which there is no recent history of default.

Receivables that are past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

27. 應收貿易賬款及票據 (續)

計入上述應收貿易賬款及票據之減值撥備之就個別減值之應收貿易賬款及票據之撥備970,303港元(二零零七年: 20,377港元), 賬面值為970,303港元(二零零七年: 20,377港元)。個別減值之應收貿易賬款及票據與面臨財務困難之客戶有關及僅一部分應收賬款預期可予收回。本集團並未於該些結餘之上持有任何抵押或其他信貸提升。

未被視為減值之應收貿易賬款及票據之賬齡分析如下:

未過期亦未減值之應收賬款與眾多多元化客戶有關, 該類客戶無最近違約歷史。

已過期惟尚未減值之應收賬款與眾多與本集團擁有良好過往記錄之獨立客戶有關。根據過往經驗, 本公司董事認為, 概無須就該些結餘作出任何減值撥備, 因信貸質量尚無重大變動及結餘現仍被視為可全部收回。本集團並未於該些結餘之上持有任何抵押或其他信貸提升。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

28. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

28. 預付款項、按金及其他應收賬款

| | | Group 本集團 | | Company 本公司 | |
|-----------------------------------|-----------|-------------------|---------------|------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 |
| Prepayments | 預付款項 | 4,216,707 | 20,884,378 | 692,478 | 695,346 |
| Deposits and other receivables | 按金及其他應收賬款 | 34,770,208 | 41,577,069 | 1,718,287 | 640,579 |
| | | 38,986,915 | 62,461,447 | 2,410,765 | 1,335,925 |

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there is no recent history of default.

上述資產概無任何過期或減值。計入上述結餘之財務資產與無最近違約歷史的應收賬款有關。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

29. EQUITY INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS

29. 透過損益按公平值列值的股本投資

| | Group 本集團 | | |
|--|-----------------------------|-----------------------------|------------|
| | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 | |
| Listed equity investment in Hong Kong, at fair value | 於香港之上市股本投資，按公平值 | - | 54,189,450 |

As at 31 December 2007, this investment represented an equity interest in Sino Gas. Upon initial recognition, the investment had been designated as a financial asset at fair value through profit or loss as it was managed and its performance was evaluated on a fair value basis, in accordance with a documented investment strategy of the Group. Such designation was in line with the Group's strategy and increased its flexibility on resources allocation. Any fair value gains or losses on these investments were recognised in the income statement.

During the year, the Group's interest in Sino Gas was increased to 24.59% and, in the opinion of the directors, the Group is able to exercise significant influence over Sino Gas. Accordingly, the investment was reclassified from equity investment at fair value through profit or loss to interests in associates (*note 20*) during the year.

於二零零七年十二月三十一日，此投資為中油潔能之股本權益。根據本集團投資策略之正式書面文件，該投資以公平值的基礎進行管理和評價，因此於初始確認時已把其指定為透過損益按公平值列值的財務資產，此分類與本集團之策略一致，並且能增加資源分配的靈活性。任何此等投資的公平值利潤或虧損均於利潤表確認。

年內，本集團於中油潔能之權益增至24.59%，董事認為，本集團能對中油潔能行使重大影響力。因此，年內該投資由透過損益按公平值列值的股本投資重新分類至聯營公司權益（附註20）。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

30. DERIVATIVE FINANCIAL INSTRUMENTS

30. 衍生金融工具

| | | Group 本集團 | |
|---------------------------|---------|---------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| Asset: | 資產： | | |
| Embedded Derivative Asset | 嵌入式衍生資產 | - | 638,365 |
| Liability: | 負債： | | |
| Derivative liability | 衍生負債 | - | 2,209,425 |

The Group's derivative financial instruments were managed and their performance were evaluated on a fair value basis. Any fair value gains or losses are recognised in the income statement.

The Embedded Derivative Asset represents the derivative embedded in the convertible bond acquired by the Group on 19 March 2007 as detailed in note 22(c) to the financial statements. As at 31 December 2008, the fair value of the Embedded Derivative Asset was valued at nil (2007: HK\$638,365) based on the valuation performed by independent professionally qualified valuers. During the year, a fair value loss of HK\$638,365 (2007: HK\$675,240) related to the Embedded Derivative Asset was recognised in the consolidated income statement.

本集團之衍生金融工具乃按公平值基準管理及評價。任何公平值利潤或虧損均於利潤表內確認。

嵌入式衍生資產指本集團在二零零七年三月十九日購買可換股債券之嵌入式衍生工具，詳情載於財務報表附註22(c)。根據獨立專業合資格估值師進行之估值，於二零零八年十二月三十一日，嵌入式衍生資產之公平值評估為零(二零零七年：638,365港元)。年內，有關嵌入式衍生資產之公平值虧損638,365港元(二零零七年：675,240港元)已於綜合利潤表內確認。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

30. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The derivative liability as at 31 December 2007, being a financial liability at fair value through profit or loss, was measured at fair value with gain or loss being recognised through the income statement. It represented a call option issued to a company beneficially owned by a director of Sino Gas for the acquisition of 45,000,000 ordinary shares of Sino Gas from the Group at an exercise price of HK\$0.5 per share on or before 14 March 2009. As at 31 December 2007, the fair value of the derivative liability was valued at HK\$2,209,425 based on the valuation performed by independent professionally qualified valuers. On 20 March 2008, the call option was cancelled pursuant to an agreement entered into between the Group and the aforesaid company. During the year, a fair value gain of HK\$2,209,425 (2007: HK\$3,143,449) was credited to the consolidated income statement.

The fair values of derivative financial instruments have been estimated using valuation techniques based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to make estimates, including expected cash flows and volatility of the underlying securities. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated balance sheet, and the related changes in fair values, which are recorded in the consolidated income statement, are reasonable, and that they are the most appropriate values at the balance sheet date.

30. 衍生金融工具 (續)

二零零七年十二月三十一日之衍生負債為透過損益按公平值列值之財務負債，乃按公平值計量並在利潤表確認損益。此乃本集團向一名中油潔能董事實益擁有之公司所發出之認購期權，可供於二零零九年三月十四日或之前按行使價每股0.5港元認購45,000,000股中油潔能之普通股。根據獨立專業合資格估值師進行之估值，於二零零七年十二月三十一日，該衍生負債之公平值評估為2,209,425港元。於二零零八年三月二十日，該認購期權按本集團及上述公司訂立之協議已被取消。年內，2,209,425港元（二零零七年：3,143,449港元）之公平值利潤已計入綜合利潤表。

衍生金融工具之公平值乃利用估值技術根據假設估計出來，而該等假設並無已發表之市場價格或息率可供支付。估值須董事作出估計，包括預期現金流量及相關證券之波幅。董事相信使用估值技術得出而在綜合資產負債表入賬之估計公平值、以及在綜合利潤表入賬之公平值變動皆屬合理，並為結算日之最合適價值。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

31. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

31. 現金及現金等值與已抵押存款

| | | Group 本集團 | | Company 本公司 | |
|--|-------------------------------|---------------------|---------------|--------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 |
| Time deposits | 定期存款 | 360,183,792 | 492,283,203 | 147,366,917 | 443,107,614 |
| Less: Pledged short term time deposits (note 34(a)(iii)) | 減：已抵押短期定期存款 (附註34(a)(iii)) | (53,671,663) | (36,327,623) | - | - |
| | | 306,512,129 | 455,955,580 | 147,366,917 | 443,107,614 |
| Cash and bank balances | 現金及銀行結存 | 44,222,389 | 52,119,022 | 10,282,035 | 12,799,844 |
| Cash and cash equivalents | 現金及現金等值 | 350,734,518 | 508,074,602 | 157,648,952 | 455,907,458 |

At the balance sheet date, the cash and bank balances and the time deposits of the Group denominated in Renminbi ("RMB") amounted to HK\$86,982,675 (2007: HK\$88,045,113). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

於結算日，本集團以人民幣結算之現金及銀行結餘及定期存款為86,982,675港元(二零零七年：88,045,113港元)。人民幣不可自由轉換為其他貨幣，然而根據中國內地之外匯管理條例及結匯、售匯及付匯管理規定，本集團可透過獲授權進行外幣兌換之銀行將人民幣兌換為其他貨幣。

銀行存款按每日銀行存款利率計算的浮動利率計息。視乎本集團的即時現金需求，存作介乎一日至三個月等不同期間的短期定期存款，並按有關短期定期存款利率計息。銀行結存及作抵押之銀行存款乃以無近期拖欠歷史抵押予信譽昭著之銀行。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

32. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the balance sheet date, based on the invoice date, is as follows:

| | | Group 本集團 | |
|--------------|--------|--------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| Current | 即期 | 112,427,624 | 78,753,628 |
| 31-60 days | 31-60日 | 3,099,989 | 608,672 |
| 61-90 days | 61-90日 | 332,709 | — |
| Over 90 days | 90日以上 | 1,764,537 | 1,395,895 |
| | | 117,624,859 | 80,758,195 |

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

33. OTHER PAYABLES AND ACCRUALS

Other payables are non-interest-bearing and have an average term of three months.

32. 應付貿易賬款及票據

於結算日，應付貿易賬款及票據按發票日期之賬齡分析如下：

| | | Group 本集團 | |
|--------------|--------|--------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| Current | 即期 | 112,427,624 | 78,753,628 |
| 31-60 days | 31-60日 | 3,099,989 | 608,672 |
| 61-90 days | 61-90日 | 332,709 | — |
| Over 90 days | 90日以上 | 1,764,537 | 1,395,895 |
| | | 117,624,859 | 80,758,195 |

該些應付貿易賬款乃不計息及一般按90日期限清還。

33. 其他應付款項及應計費用

其他應付款項乃不計息及平均期限為三個月。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

34. INTEREST-BEARING BANK BORROWINGS

34. 計息銀行貸款

| | 2008 二零零八年 | | | 2007 二零零七年 | | |
|------------------------------------|--|-----------------|------------|---|-----------------|------------|
| | Effective interest rate (%) 實質利率(%) | Maturity 到期日 | HK\$ 港元 | Effective interest rate (%) 實質利率(%) | Maturity 到期日 | HK\$ 港元 |
| Group 集團 | | | | | | |
| Bank loans – secured 銀行貸款 – 有抵押 | 8.22 | 2009 二零零九年 | 29,411,765 | HIBOR + 1.75 to 6.73 香港銀行同業 拆息+1.75至 6.73 | 2008 二零零八年 | 96,017,131 |
| Company 公司 | | | | | | |
| Bank loans – secured 銀行貸款 – 有抵押 | N/A 不適用 | N/A 不適用 | - | HIBOR + 1.75 香港銀行同業 拆息 + 1.75 | 2008 二零零八年 | 20,000,000 |

Notes:

(a) As at 31 December 2008, the Group's banking facilities were secured by:

- (i) pledges of certain of the Group's land and buildings with an aggregate net book value of approximately HK\$27,446,295 (2007: HK\$30,817,213) (note 15);
- (ii) pledges of certain of the Group's leasehold land with an aggregate net book value of approximately HK\$29,091,928 (2007: HK\$4,852,118) (note 16);

附註：

(a) 於二零零八年十二月三十一日，本集團之銀行信貸以下列各項作為擔保：

- (i) 抵押本集團賬面淨值總額約為27,446,295港元（二零零七年：30,817,213港元）之若干土地及樓宇（附註15）；
- (ii) 抵押本集團賬面淨值總額約為29,091,928港元（二零零七年：4,852,118港元）之租賃土地（附註16）；

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

34. INTEREST-BEARING BANK BORROWINGS (continued)

Notes: (continued)

- (a) (iii) pledges of certain of the Group's short term time deposits amounting to HK\$53,671,663 (2007: HK\$36,327,623) (note 31); and

As at 31 December 2008, the Group's short term bank loans of RMB10,000,000 (equivalent to approximately HK\$11,312,217) (2007: RMB50,000,000 (equivalent to approximately HK\$53,533,191)) were guaranteed by independent third parties.

As at 31 December 2007, the Group's banking facilities had also been secured by a pledge of the Group's and the Company's investment property with carrying value of HK\$24,200,000 (note 14).

- (b) All bank borrowings are denominated in RMB as at 31 December 2008. As at 31 December 2007, except for secured bank loans of RMB71,000,000 (equivalent to HK\$76,017,131) which were denominated in RMB, all other bank borrowings were in Hong Kong dollars.

The carrying amounts of the Group's and the Company's current borrowings approximate to their fair values.

34. 計息銀行貸款 (續)

附註：(續)

- (a) (iii) 抵押本集團為數53,671,663港元(二零零七年：36,327,623港元)之若干短期定期存款(附註31)；及

於二零零八年十二月三十一日，本集團之短期銀行貸款10,000,000元人民幣(約相等於11,312,217港元)(二零零七年：50,000,000元人民幣(約相等於53,533,191港元))由獨立第三者提供擔保。

於二零零七年十二月三十一日，本集團之銀行信貸亦以本集團及本公司賬面值為24,200,000港元之投資物業作為擔保(附註14)。

- (b) 於二零零八年十二月三十一日，所有銀行借貸均以人民幣結算。於二零零七年十二月三十一日，除了有抵押銀行貸款71,000,000元人民幣(相等於76,017,131港元)以人民幣結算外，其餘貸款均以港元結算。

本集團及本公司即期借貸之賬面值與其公平值相若。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

35. FINANCE LEASE PAYABLES

In prior year, the Group leased one of its motor vehicles under a hire purchase arrangement which was repayable by instalments of over 60 months and was classified as a finance lease.

At 31 December 2007, the total future minimum lease payments under the finance lease and their present values were as follows:

Group

集團

| | | Minimum lease payments 最低租賃付款 2007 二零零七年 HK\$ 港元 | Present value of minimum lease payments 最低租賃付款 之現值 2007 二零零七年 HK\$ 港元 |
|---|-----------|--|---|
| Amounts payable within one year | 一年內應付款項 | 58,452 | 57,841 |
| Future finance charges | 未來財務開支 | (611) | |
| Total net finance lease payables | 應付融資租賃總淨額 | 57,841 | |
| Portion classified as current liabilities | 列作流動負債之部份 | (57,841) | |
| Non-current portion | 非流動部份 | - | |

At 31 December 2007, the Group's hire purchase arrangement bore interest at a fixed rate and its carrying amount approximated to its fair value.

35. 融資租賃應付款項

於之前年度，本集團根據租購合約安排租賃其中一部汽車，須按60個月以上分期償還，並列作融資租賃。

於二零零七年十二月三十一日，根據融資租賃之未來最低租賃款總額及其現值如下：

於二零零七年十二月三十一日，本集團之租購合約安排乃按固定利率計息，而其賬面值與其公平值相若。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

36. SHARE CAPITAL

36. 股本

| | | Company 本公司 | |
|--|---|----------------------|---------------|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | HK\$ 港元 | HK\$ 港元 |
| Authorised: | 法定： | | |
| 10,000,000,000 (2007: 6,000,000,000) ordinary shares of HK\$0.10 each | 10,000,000,000股 (二零零七年： 6,000,000,000股) 每股面值0.10港元 之普通股 | 1,000,000,000 | 600,000,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| 4,754,397,000 (2007: 4,785,303,000) ordinary shares of HK\$0.10 each | 4,754,397,000股 (二零零七年： 4,785,303,000股) 每股面值0.10港元 之普通股 | 475,439,700 | 478,530,300 |

During the year, the movements in share capital were as follows:

- (a) Pursuant to an ordinary resolution passed on 22 May 2008, the authorised share capital of the Company was increased from HK\$600,000,000 to HK\$1,000,000,000 by the creation of 4,000,000,000 additional shares of HK\$0.10 each, ranking pari passu in all respects with the existing share capital of the Company.

年內，股本之變動如下：

- (a) 根據於二零零八年五月二十二日通過之普通決議案，本公司透過增設4,000,000,000股每股面值0.10港元之額外股份，將法定股本由600,000,000港元增至1,000,000,000港元，額外股份於各方面均與本公司現有股本享有同等地位。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

36. SHARE CAPITAL (continued)

(b) During the year, the Company repurchased a total of 30,906,000 shares of the Company on the Stock Exchange at prices ranged from HK\$0.101 to HK\$0.120 per share for an aggregate consideration of HK\$3,564,913. All the relevant share certificates in respect of the repurchased shares have been duly cancelled. Accordingly, the issued share capital of the Company was reduced by the nominal value of these shares of HK\$3,090,600 and the premium paid of HK\$474,313 on the repurchase was charged against the share premium account.

A summary of the transactions during the year with reference to the above movements in the Company's issued share capital is as follows:

36. 股本 (續)

(b) 年內，本公司以每股0.101港元至0.120港元之價格經聯交所購回共30,906,000股本公司股份，總代價為3,564,913港元。所有購回股份的證券已被註銷。因此，本公司之已發行股本按該等股份之面值3,090,600港元削減，購回時支付之溢價474,313港元則於股份溢價賬扣減。

年內，上述本公司已發行股本之變動之交易概要如下：

| | | Number of shares in issue 已發行股份數目 | Issued capital 已發行股本 HK\$ 港元 | Share premium account 股份溢價賬 HK\$ 港元 | Share option reserve 購股權儲備 HK\$ 港元 | Total 合計 HK\$ 港元 |
|---|-----------------------------|---|--|--|---|---------------------------|
| At 1 January 2007 | 於二零零七年一月一日 | 3,985,303,000 | 398,530,300 | 4,916,879 | - | 403,447,179 |
| Issue of shares and share options | 發行股份及購股權 | 720,000,000 | 72,000,000 | 155,060,084 | 17,739,916 | 244,800,000 |
| Share issue expenses | 發股費用 | - | - | (2,472,400) | - | (2,472,400) |
| Issue of shares upon exercise of share options | 按行使購股權發行股份 | 80,000,000 | 8,000,000 | 19,200,000 | - | 27,200,000 |
| Transfer of reserve upon exercise of share options | 按行使購股權轉撥儲備 | - | - | 17,739,916 | (17,739,916) | - |
| At 31 December 2007 and 1 January 2008 | 於二零零七年十二月三十一日 及二零零八年一月一日 | 4,785,303,000 | 478,530,300 | 194,444,479 | - | 672,974,779 |
| Repurchase of shares (b) | 購回股份(b) | (30,906,000) | (3,090,600) | (474,313) | - | (3,564,913) |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 4,754,397,000 | 475,439,700 | 193,970,166 | - | 669,409,866 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

37. SHARE OPTION SCHEMES

At the annual general meeting held on 14 May 2001, the Company adopted a share option scheme (the “2001 Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations.

Subsequent to the adoption of the 2001 Scheme on 14 May 2001, the Stock Exchange introduced a number of changes to Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) on share option schemes. These new rules came into effect on 1 September 2001. In compliance with the amended Chapter 17 of the Listing Rules, a new share option scheme (the “Existing Scheme”) was adopted by the Company at the annual general meeting held on 13 May 2003 and at the same time the 2001 Scheme was terminated. Since the adoption of the Existing Scheme, no options have been granted thereunder.

Major terms of the Existing Scheme include:

1. The purpose of the Existing Scheme is to provide incentives to the participants.
2. The participants of the Existing Scheme are individuals being employees, officers or consultants of the Company or any of its subsidiaries including any executive or non-executive directors thereof.

37. 購股權計劃

在二零零一年五月十四日舉行之股東週年大會上，本公司採納了一項購股權計劃（「2001計劃」），旨在鼓勵及嘉獎為本集團業務之成功作出貢獻之合資格參與者。

於二零零一年五月十四日2001計劃獲採納後，聯交所就聯交所證券上市規則（「上市規則」）第17章有關購股權計劃之規定引入多項修訂，自二零零一年九月一日起生效。為遵守上市規則第17章經修訂之規定，本公司在二零零三年五月十三日舉行之股東週年大會上採納另一項新購股權計劃（「現有計劃」）並同時終止2001計劃。自採納現有計劃以來，並無據此計劃授出任何購股權。

現有計劃之主要條款包括：

1. 現有計劃旨在向參與者提供獎勵。
2. 現有計劃之參與者為本公司或其任何附屬公司之僱員、高級職員或顧問之個人，其中包括任何執行或非執行董事。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

37. SHARE OPTION SCHEMES (continued)

3. The total number of shares which may be issued upon exercise of all options to be granted under the Existing Scheme and the 2001 Scheme (collectively the "Schemes") must not in aggregate exceed 10% of the share capital of the Company in issue as at the date of approval of the Existing Scheme. The Company may refresh this 10% limit at any time subject to prior approval by its shareholders in a general meeting. The overall limit on the total number of shares which may be issued upon exercise of all outstanding options and yet to be exercised under the Schemes must not exceed 30% of the issued share capital of the Company at any time. No options may be granted if this will result in such limit being exceeded.
4. The total number of shares issued and to be issued upon exercise of all options (whether exercised, cancelled or outstanding) granted under the Schemes in any 12-month period immediately preceding any proposed date of grant of option to each participant must not exceed 1% of the share capital of the Company in issue as at the proposed grant date.
5. Options may be exercised at any time during a period of 10 years commencing on the date falling three to six months after the date of grant.
6. A grant of an option must be accepted within 28 days from the date of grant together with a non-refundable payment of HK\$1.00.

37. 購股權計劃 (續)

3. 因行使根據現有計劃及2001計劃(合稱「計劃」)所授全部購股權而發行之股份總數，合共不得超過本公司於通過現有計劃當日之已發行股本10%。本公司可隨時更新該10%上限，惟須獲股東於股東大會上事先批准。因行使根據計劃所授全部尚未行使購股權而發行之股份總數整體上限，不得超過本公司任何時間已發行股本30%。倘授出購股權會導致超過有關上限，則不會授出購股權。
4. 在任何建議授出購股權日期前十二個月期間因行使根據計劃所授全部購股權(不論已行使、已註銷或尚未行使)而向各參與者發行及將發行之股份總數，不得超過本公司於建議授出日期之已發行股本1%。
5. 購股權可於授出日期後三至六個月起計十年內隨時行使。
6. 購股權須於授出日期後28日內接納，並須支付不可退還款項1.00港元。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

37. SHARE OPTION SCHEMES (continued)

7. The exercise price of an option to subscribe for shares granted pursuant to the Existing Scheme shall be the highest of:
- (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day;
 - (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately proceeding the date of grant; and
 - (c) the nominal value of the shares of the Company.
8. The Existing Scheme shall be valid and effective for a period of 10 years commencing on 13 May 2003 and thereafter for as long as there are outstanding options granted and accepted pursuant thereto prior to the expiration of the said 10-year period and in order to give effect to the exercise of any such options.

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

Notwithstanding the termination of the 2001 Scheme, the relevant provisions thereof remain in full force and effect to the extent necessary to give effect to the exercise of any outstanding share options granted thereunder prior to its respective expiry.

37. 購股權計劃 (續)

7. 根據現有計劃所授可認購股份之購股權之行使價須為下列之最高者：
- (a) 股份在授出日期（須為營業日）當日於聯交所每日報價表之收市價；
 - (b) 股份在授出日期前五個營業日於聯交所每日報價表之平均收市價；及
 - (c) 本公司股份面值。
8. 現有計劃由二零零三年五月十三日起計十年內有效，而於上述十年期滿前已授出及接納之尚未行使購股權仍可行使。

購股權並無賦予持有人享有股息或於股東大會上投票之權利。

雖然2001計劃已被終止，但於有關計劃屆滿前已授出而尚未行使之購股權仍可有效按所屬計劃之規定行使。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

37. SHARE OPTION SCHEMES (continued)

The following share options were outstanding under the 2001 Scheme during the year:

| | | 2008 二零零八年 | | 2007 二零零七年 | |
|-------------------------|----------|--|----------------------|--|----------------------|
| | | Weighted average exercise price | Number of options | Weighted average exercise price | Number of options |
| | | 加權 平均行使價 HK\$ per share 每股港元 | 購股權數目 | 加權 平均行使價 HK\$ per share 每股港元 | 購股權數目 |
| At 1 January | 於一月一日 | 0.13 | 42,000,000 | 0.13 | 42,000,000 |
| Expired during the year | 年內到期 | - | (42,000,000) | - | - |
| At 31 December | 於十二月三十一日 | - | - | 0.13 | 42,000,000 |

The exercise prices and exercise periods of the share options outstanding under the 2001 Scheme as at 31 December 2007 are as follows:

| Number of options 購股權數目 | Exercise price (i) 行使價 (i) HK\$ per share 每股港元 | Exercise period (ii) 行使期 (ii) |
|----------------------------|--|---|
| 42,000,000 | 0.13 | 25/8/2003 to 24/8/2008 二零零三年八月二十五日至 二零零八年八月二十四日 |

- (i) The exercise price of the share options is subject to adjustment in case of rights or bonus issues, or other similar changes in the Company's share capital.
- (ii) Share options must be held for a minimum of six months before exercise. Exercise period shall not exceed a period of five years commencing on the expiry of a period of not less than six months after the date the option is accepted.

At the balance sheet date and the date of approval of these financial statements, there were no outstanding share options.

37. 購股權計劃 (續)

年內2001計劃下尚未行使之購股權如下：

於二零零七年十二月三十一日，2001計劃下尚未行使之購股權之行使價及行使期如下：

- (i) 購股權之行使價須就供股或派發紅股或本公司股本發生其他類似變動時作出調整。
- (ii) 必須持有至少六個月方可行使購股權。行使期由購股權獲接納當日滿六個月起計不超過五年為準。

於結算日及本財務報表獲批准當日，並無尚未行使之購股權。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

38. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 44 to 47 of this annual report.

Pursuant to the articles of association of a subsidiary operating as a co-operative joint venture in Mainland China and the relevant PRC Company Law, the subsidiary shall make an allocation from its profit after tax at the rate of 10% to the statutory surplus reserve fund, until such reserve reaches 50% of the registered capital of the subsidiary. Part of the statutory surplus reserve may be capitalised as the subsidiary's registered capital, provided that the remaining balance after the capitalisation is not less than 25% of the registered capital of the subsidiary. The statutory reserve is non-distributable other than in the event of liquidation.

Certain amounts of goodwill arising on the acquisition of subsidiaries in prior years remain eliminated against consolidated retained profits, as explained in note 17 to the financial statements.

38. 儲備

(a) 本集團

本集團本年度及以往年度之儲備額及儲備變動載於本年報第44至47頁之綜合權益變動表內。

根據一家於中國大陸以合資企業方式經營之附屬公司之公司章程及相關中國公司法例，該附屬公司須將其除稅後溢利之10%撥至法定公積金，直至有關儲備達至該附屬公司註冊資本之50%。部份法定公積金可撥充資本為附屬公司股本，惟規定資本化後之餘下結餘不少於該附屬公司註冊資本之25%。除清盤外，法定公積金不得分派。

誠如財務報表附註17所述，在過往年度收購附屬公司所產生的若干金額之商譽仍然在綜合留存溢利內扣除。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

38. RESERVES (continued)

(b) Company

| | | Share premium account | Share option reserve | Contributed surplus | Retained profits/ (accumulated losses) | Total |
|---|-----------------------------|-----------------------------|----------------------------|------------------------|---|--------------------|
| | | 股份溢價賬 HK\$ 港元 | 購股權儲備 HK\$ 港元 | 繳入盈餘 HK\$ 港元 | 留存溢利/ (累計虧損) HK\$ 港元 | 合計 HK\$ 港元 |
| At 1 January 2007 | 於二零零七年一月一日 | 4,916,879 | - | 5,243,300 | (1,745,140) | 8,415,039 |
| Issue of shares and share options | 發行股份及購股權 | 155,060,084 | 17,739,916 | - | - | 172,800,000 |
| Share issue expenses | 發股費用 | (2,472,400) | - | - | - | (2,472,400) |
| Issue of shares upon exercise of share options | 按行使購股權 發行股份 | 19,200,000 | - | - | - | 19,200,000 |
| Transfer of reserve upon exercise of share options | 按行使購股權 轉撥儲備 | 17,739,916 | (17,739,916) | - | - | - |
| Profit for the year | 本年溢利 | - | - | - | 92,771,529 | 92,771,529 |
| At 31 December 2007 and 1 January 2008 | 於二零零七年十二月三十一日 及二零零八年一月一日 | 194,444,479 | - | 5,243,300 | 91,026,389 | 290,714,168 |
| Repurchase of shares (note 36(b)) | 購回股份 (附註36(b)) | (474,313) | - | - | - | (474,313) |
| Loss for the year | 本年虧損 | - | - | - | (15,243,420) | (15,243,420) |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 193,970,166 | - | 5,243,300 | 75,782,969 | 274,996,435 |

The contributed surplus of the Company represents the difference between the consolidated net asset value of Far East Aluminium (B.V.I.) Limited on 20 November 1991 when its entire issued share capital was acquired by the Company pursuant to a group reorganisation, and the nominal amount of the Company's shares issued in consideration for such acquisition, net of accumulated losses of the Company set off in the prior years. Under the Companies Act of 1981 of Bermuda (as amended), the contributed surplus of the Company is distributable to shareholders under certain circumstances.

38. 儲備 (續)

(b) 本公司

本公司之繳入盈餘為本公司根據集團重組安排於一九九一年十一月二十日購入Far East Aluminium (B.V.I.) Limited全部已發行股本時，Far East Aluminium (B.V.I.) Limited之綜合資產淨值與本公司作為收購代價而發行之股份面值兩者之差額，並已扣除於過往年度抵銷之本公司累計虧損。根據百慕達一九八一年公司法（修訂本），本公司之繳入盈餘在若干情況下可供分派予各股東。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

38. RESERVES (continued)

(b) Company (continued)

The Company's share premium account of HK\$193,970,166 (2007: HK\$194,444,479) as at 31 December 2008 may be distributed in the form of fully paid bonus shares.

38. 儲備 (續)

(b) 本公司 (續)

本公司於二零零八年十二月三十一日之股份溢價賬193,970,166港元(二零零七年: 194,444,479港元)可以繳足紅股方式分派。

39. DISPOSAL OF SUBSIDIARIES

39. 出售附屬公司

| | | | 2008 二零零八年 | 2007 二零零七年 |
|---|----------------|----|---------------|---------------|
| | Notes 附註 | | HK\$ 港元 | HK\$ 港元 |
| Net assets disposed of: | 已出售之資產淨值: | | | |
| Property, plant and equipment | 物業、廠房及設備 | 15 | - | 54,515,949 |
| Prepaid land lease payments | 預付土地租賃款 | 16 | - | 2,656,691 |
| Available-for-sale investments | 可供出售的投資 | | - | 11,526,000 |
| Deferred tax assets | 遞延稅項資產 | 23 | - | 6,162,000 |
| Rental and utility deposits | 租務及公用事業按金 | | - | 2,213,183 |
| Pledged time deposits | 已抵押定期存款 | | - | 48,329,400 |
| Cash and bank balances | 現金及銀行結存 | | - | 90,138,232 |
| Inventories | 存貨 | | - | 502,471 |
| Trade and retention receivables | 應收貿易賬款及保固金 | | - | 227,688,107 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收賬款 | | - | 14,148,878 |
| Amounts due to contract customers, net | 欠合約客戶款項淨額 | | - | (64,283,360) |
| Trade and bills payables | 應付貿易賬款及票據 | | - | (81,764,746) |
| Tax payable | 應付稅項 | | - | (1,167,477) |
| Warranty provision | 保證撥備 | | - | (11,473,330) |
| Other payables and accruals | 其他應付款項及應計費用 | | - | (58,757,852) |
| Interest-bearing bank borrowings | 計息銀行貸款 | | - | (43,089,601) |
| | | | - | 197,344,545 |
| Gain on disposal of subsidiaries | 出售附屬公司之利潤 | 12 | - | 5,579,462 |
| | | | - | 202,924,007 |
| Satisfied by: | 支付方式: | | | |
| Cash | 現金 | | - | 205,000,000 |
| Less: Transaction expenses | 減: 交易費用 | | - | (2,075,993) |
| | | | - | 202,924,007 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

39. DISPOSAL OF SUBSIDIARIES (continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|--|--------------------|-----------------------------|-----------------------------|
| Cash consideration | 現金代價 | - | 202,924,007 |
| Cash and bank balances disposed of | 已出售之現金及銀行結存 | - | (90,138,232) |
| Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries | 出售附屬公司之現金及現金等值流入淨額 | - | 112,785,775 |

39. 出售附屬公司 (續)

出售附屬公司之現金及現金等值流入淨額分析如下：

40. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Major non-cash transactions

- (i) During the year, the Group's available-for-sale investments of HK\$35,295,750 and equity investment at fair value through profit or loss of HK\$57,785,400 were reclassified to interests in associates. Further details are set out in notes 22(a) and 29 to the financial statements, respectively.
- (ii) During the year, the Group's deposit for acquisition of an investment of HK\$20,029,325 and interests in associates with carrying amount of HK\$19,501,317 were reclassified to interest in jointly-controlled entity, respectively. Further details are set out in notes 24 and 20 to the financial statements, respectively.

40. 綜合現金流量表附註

(a) 重大非現金交易

- (i) 年內，本集團之可供出售的投資35,295,750港元及透過損益按公平值列值的股本投資57,785,400港元被重新分類至聯營公司權益。進一步詳情分別載於財務報表附註22(a)及29。
- (ii) 年內，本集團收購投資的按金20,029,325港元及賬面值為19,501,317港元之聯營公司權益分別被重新分類至共同控權公司權益。進一步詳情分別載於財務報表附註24及20。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

40. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(a) Major non-cash transactions (continued)

- (iii) During the year, the Group's other receivable from a company beneficially owned by a director of Sino Gas amounted to HK\$5,673,000 was reclassified to equity investment at fair value through profit or loss.
- (iv) During the year ended 31 December 2007, the Group capitalised depreciation charges amounting to HK\$3,714,342 (note 6) and interest expense of HK\$1,663,970 (note 7) in long term construction contracts.
- (v) During the year ended 31 December 2007, the Group's interests in associates with carrying amount of HK\$67,454,590 were reclassified to available-for-sale investments.

(b) Restricted cash and cash equivalent balances

Certain of the Group's time deposits are pledged to banks to secure banking facilities granted to the Group, as further explained in note 34(a) (iii).

Certain of the Group's cash and cash equivalent balances are not freely convertible into Hong Kong dollars (note 31).

40. 綜合現金流量表附註 (續)

(a) 重大非現金交易 (續)

- (iii) 年內，本集團應收一名中油潔能董事實益擁有之公司之其他應收賬款5,673,000港元被重新分類至透過損益按公平值列值的股本投資。
- (iv) 於截至二零零七年十二月三十一日止年度，本集團將折舊開支3,714,342港元(附註6)及利息開支1,663,970港元(附註7)撥入長期建築合約成本。
- (v) 於截至二零零七年十二月三十一日止年度，賬面值為67,454,590港元之本集團之聯營公司權益被重新分類至可供出售的投資。

(b) 有限制現金及現金等值結餘

本集團之若干定期存款已抵押予銀行，以擔保本集團獲授之銀行信貸，進一步解釋載於附註34(a)(iii)。

本集團之若干現金及現金等值結餘不可自由兌換成港元(附註31)。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

41. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group and the Company leases their investment property (note 14) under an operating lease arrangement with a lease negotiated for terms ranging from one to two years.

At 31 December 2008, the Group and the Company had total future minimum lease receivables under a non-cancellable operating lease with its tenant falling due as follows:

41. 經營租約安排

(a) 作為出租人

本集團及本公司根據租期議定為一至兩年之經營租約安排出租投資物業(附註14)。

於二零零八年十二月三十一日，本集團及本公司根據與租戶訂立介乎以下年期到期之不可撤銷經營租約享有日後租約最低應收租金總額載列如下：

Group and Company

本集團及本公司

| | | 2008 | 2007 |
|-----------------|-----|---------|---------|
| | | 二零零八年 | 二零零七年 |
| | | HK\$ | HK\$ |
| | | 港元 | 港元 |
| Within one year | 一年內 | 133,780 | 802,680 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

41. OPERATING LEASE ARRANGEMENTS (continued)

(b) As lessee

The Group and the Company leases its office premises under non-cancellable operating lease arrangements with terms ranging from one to two years.

At 31 December 2008, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

| | | Group and Company 本集團及本公司 | |
|--|---------------------|------------------------------|-----------------------------|
| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
| Within one year | 一年內 | 564,000 | 768,000 |
| In the second to fifth years, inclusive | 第二年至第五年內， 包括首尾兩年 | 12,000 | 208,000 |
| | | 576,000 | 976,000 |

42. COMMITMENTS

In addition to the operating lease commitments in note 41(b) above, the Group had the following commitments at the balance sheet date:

| | | Group 本集團 | |
|---|-------------|-----------------------------|-----------------------------|
| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
| Contracted, but not provided for: | 已訂約但尚未撥備： | | |
| Acquisition of plant and machinery | 收購廠房及機器 | 4,676,600 | 2,063,176 |
| Establishment of a joint venture (note) | 成立合營公司 (附註) | 45,248,869 | 42,826,552 |
| | | 49,925,469 | 44,889,728 |

41. 經營租約安排 (續)

(b) 作為承租人

本集團及本公司與業主訂立不可撤銷經營租約安排，租期介乎一至兩年之間。

於二零零八年十二月三十一日，根據介乎以下年期到期之不可撤銷經營租約，本集團及本公司持有日後租約最低應付租金總額載列如下：

42. 承擔

除上文附註41(b)之經營租約承擔外，本集團於結算日有以下承擔：

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

42. COMMITMENTS (continued)

Note:

On 4 January 2006, Sino-Aviation Investments Limited ("Sino-Aviation Investments"), a wholly-owned subsidiary of the Company, entered into a joint venture agreement (the "JV Agreement") with AVIC Int'l, a substantial shareholder of the Company, and Chengdu Aircraft Industry (Group) Corporation Ltd. ("Chengdu Aircraft"), for the establishment of a joint venture to engage in the research and development, design and manufacture of parts and components for commercial aircrafts, and provision of related technical services. According to the JV Agreement, the total registered capital of the joint venture will be RMB100 million (equivalent to approximately HK\$113 million), of which 40%, 15% and 45% respectively, will be contributed by Sino-Aviation Investments, AVIC Int'l and Chengdu Aircraft. The JV Agreement is conditional upon (i) the internal approval obtained by each of the three parties; and (ii) the approvals from the relevant PRC authorities. As at 31 December 2008, the JV Agreement has not become effective as the conditions stated above have not been fulfilled.

43. CONTINGENT LIABILITIES

As at 31 December 2008, the Group had contingent liabilities in respect of guarantees given to banks by the Group for banking facilities granted to major supplies of HK\$39,592,760 (2007: HK\$169,164,882) which were utilised to the extent of approximately HK\$31,364,819 (2007: HK\$140,499,465) as at that date.

42. 承擔 (續)

附註：

於二零零六年一月四日，本公司之全資附屬公司Sino-Aviation Investments Limited (「Sino-Aviation Investments」) 與本公司之主要股東中航技控股及成都飛機工業(集團)有限責任公司(「成都飛機」)訂立合營協議(「合營協議」)，以成立一家合營公司，從事商用飛機零部件之研發、設計及製造，以及提供相關技術服務。根據合營協議，合營公司之總註冊資本將為100,000,000元人民幣(相等於約113,000,000港元)，其中Sino-Aviation Investments、中航技控股及成都飛機將分別資資40%、15%及45%。合營協議須待以下條件達成後方告生效，包括(i)三方各自獲得內部批准；及(ii)獲得有關中國機構之批准。截至二零零八年十二月三十一日，由於上述條件尚未達成，因此該合營協議尚未生效。

43. 或然負債

於二零零八年十二月三十一日，本集團的或然負債為本集團就銀行給予主要供應商之銀行信貸而向銀行作出之擔保39,592,760港元(二零零七年：169,164,882港元)，於當日已動用之金額約為31,364,819港元(二零零七年：140,499,465港元)。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

44. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions described elsewhere in the financial statements, the Group had the following material transactions with related parties during the year:

| | | | 2008 二零零八年 | 2007 二零零七年 |
|---|---------------|-------------|------------------|---------------|
| | | Notes 附註 | HK\$ 港元 | HK\$ 港元 |
| Rental income received from a shareholder | 收取股東租金收入 | (i) | 802,680 | 587,760 |
| Net income from Project EC120 | 來自EC120項目之淨收入 | (ii) | 4,221,752 | 2,424,484 |
| Interest income from an associate | 來自聯營公司之利息收入 | (iii) | 156,000 | - |

Notes:

- (i) The Company entered into a tenancy agreement with CATIC (H.K.) Limited ("CATIC (H.K.)"), a deemed shareholder of the Company, on 31 December 2007, to lease the Company's investment property to CATIC (H.K.) at a monthly rental of HK\$66,890 (exclusive of rates, management fees and air-conditioning charges) for a term of one year commencing on 1 January 2008. The rental was determined with reference to open market rentals.

A supplemental agreement was entered into between the Company and CATIC (H.K.) on 10 December 2008 to extend the above tenancy agreement to 28 February 2009.

附註：

- (i) 於二零零七年十二月三十一日，本公司與本公司視作股東之中國航空技術進出口(香港)有限公司(「中航技(香港)」)訂立租賃協議，把本公司之投資物業出租予中航技(香港)，租期由二零零八年一月一日起計，為期一年，每月租金為66,890港元(不包括差餉、管理費及空調費)。所收租金乃參考公開市值租金釐定。

於二零零八年十二月十日，本公司與中航技(香港)訂立補充協議，將上述租賃協議延長至二零零九年二月二十八日。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

44. RELATED PARTY TRANSACTIONS (continued)

- (a) Notes: (continued)
- (ii) Balance represented net cash proceeds received or receivable from AVIC Int'l generated from Project EC120. Further details are set out in note 21 to the financial statements.
- (iii) The interest income from an associate represented interest income on a convertible bond issued by Sino Gas. Further details of the convertible bond are set out in note 22(c) to the financial statements.

(b) Other transactions with related parties:

On 19 June 2008, Helicopter Shenzhen, an indirectly wholly-owned subsidiary of the Company, entered into an agreement with Jiangxi Hongdu Aviation Industry Co., Ltd. ("Hongdu"), an indirectly-owned subsidiary of Aviation Industry Corporation of China, the ultimate holding company of the Company, and AVIC Int'l, an intermediate holding company of the Company, to purchase from Hongdu 40% equity interest of Eaglet Aero-Technology Inc. ("Eaglet"), a company registered in the PRC with registered share capital of RMB10,000,000 and principally engaged in the trading of aviation products, for a cash consideration of RMB3,056,600 (equivalent to approximately HK\$3,457,692) (the "Acquisition"). Prior to the Acquisition, Eaglet was owned as to 40% by Hongdu and 60% by AVIC Int'l. Upon completion of the Acquisition on 11 September 2008, Eaglet was accounted for as an associate of the Group.

44. 關連人士交易 (續)

- (a) 附註：(續)
- (ii) 結餘乃就EC120項目從中航技控股收到或應收之現金款項淨額。進一步詳情載於財務報表附註21。
- (iii) 來自聯營公司之利息收入乃中油潔能發行之可換股債券之利息收入。可換股債券之詳情載於財務報表附註22(c)。

(b) 與關連人士之其他交易

於二零零八年六月十九日，本公司之間接全資附屬公司深圳直升機與本公司之最終控股公司中國航空工業集團公司之間接附屬公司江西洪都航空工業股份有限公司（「洪都」）及本公司之中間控股公司中航技控股訂立一份協議，以從洪都購入一間於中國註冊、註冊股本為10,000,000元人民幣及主要從事航空產品貿易之公司北京伊格萊特航空技術發展有限公司（「伊格萊特」）之40%股本權益，現金代價為3,056,600元人民幣（相等於約3,457,692港元）（「收購」）。收購前，伊格萊特由洪都及中航技控股分別擁有40%及60%權益。二零零八年九月十一日收購完成後，伊格萊特以本集團之聯營公司入賬。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

44. RELATED PARTY TRANSACTIONS (continued)

- (c) Outstanding balances with related parties:
- (i) Details of the Group's loans to an associate as at the balance sheet date are disclosed in note 20 to the financial statements.
- (ii) Details of the terms of convertible bond issued by an associate are disclosed in note 22(c) to the financial statements.
- (iii) As at 31 December 2007, the amount due to a minority shareholder was unsecured, interest-free and had no fixed terms of repayment.
- (d) Compensation of key management personnel of the Group:

| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|---|---------------|-----------------------------|-----------------------------|
| Short term employee benefits | 短期僱員福利 | 6,553,382 | 11,831,204 |
| Post-employment benefits | 僱傭後福利 | 334,827 | 512,643 |
| Total compensation paid to key management personnel | 支付關鍵管理人員之報酬總額 | 6,888,209 | 12,343,847 |

Further details of directors' emoluments are included in note 8 to the financial statements.

The related party transactions in respect of items (a)(i) and (a)(ii) also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

44. 關連人士交易 (續)

- (c) 與關連人士之未償還結餘：
- (i) 本集團於結算日向聯營公司提供的貸款之詳情於財務報表附註20披露。
- (ii) 聯營公司發行之可換股債券之條款詳情於財務報表附註22(c)披露。
- (iii) 於二零零七年十二月三十一日，應付少數股東賬款為無抵押、免息及無固定還款期限。
- (d) 本集團關鍵管理人員之報酬：

| | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|---|-----------------------------|-----------------------------|
| Short term employee benefits | 6,553,382 | 11,831,204 |
| Post-employment benefits | 334,827 | 512,643 |
| Total compensation paid to key management personnel | 6,888,209 | 12,343,847 |

有關董事酬金之進一步詳情載於財務報表附註8。

項目(a)(i)及(a)(ii)之關連人士交易亦構成持續關連交易(定義見上市規則第14A章)。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

45. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

2008

二零零八年

Financial assets

財務資產

45. 金融工具分類

於結算日，各類金融工具賬面值如下：

| | | Loans and receivables 貸款及 應收款項 <i>HK\$</i> 港元 | Group 本集團 Available- for-sale financial assets 可供出售的 財務資產 <i>HK\$</i> 港元 | Total 合計 <i>HK\$</i> 港元 |
|--|-------------------------------|--|---|----------------------------------|
| Financial asset under Project EC120 | EC120項目之 財務資產 | – | 9,459,462 | 9,459,462 |
| Available-for-sale investments | 可供出售的投資 | – | 62,763,733 | 62,763,733 |
| Deposit for acquisition of an investment | 收購投資的按金 | 61,165,927 | – | 61,165,927 |
| Financial assets included in deposits and other receivables | 計入按金及其他 應收賬款的財務 資產 | 20,466,063 | – | 20,466,063 |
| Trade and bills receivables | 應收貿易賬款及票據 | 46,772,014 | – | 46,772,014 |
| Loan to an associate | 向聯營公司提供的 貸款 | 9,048,000 | – | 9,048,000 |
| Financial assets included in prepayments, deposits and other receivables | 計入預付款項、按金 及其他應收賬款的 財務資產 | 34,770,208 | – | 34,770,208 |
| Pledged time deposits | 已抵押定期存款 | 53,671,663 | – | 53,671,663 |
| Cash and cash equivalents | 現金及現金等值 | 350,734,518 | – | 350,734,518 |
| | | 576,628,393 | 72,223,195 | 648,851,588 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

45. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows: (continued)

Financial liabilities

財務負債

45. 金融工具分類 (續)

於結算日，各類金融工具賬面值如下：(續)

| | | Financial liabilities at amortised cost 按攤銷成本列值的財務負債 HK\$ 港元 |
|---|--------------------|---|
| Trade and bills payables | 應付貿易賬款及票據 | 117,624,859 |
| Financial liabilities included in other payables and accruals | 計入其他應付款項及應計費用的財務負債 | 4,841,979 |
| Interest-bearing bank borrowings | 計息銀行貸款 | 29,411,765 |
| | | 151,878,603 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

45. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows: (continued)

2007
二零零七年
Financial assets
財務資產

45. 金融工具分類 (續)

於結算日，各類金融工具賬面值如下：(續)

| | | Group 本集團 | | | |
|--|--|--------------------------|---|-------------|-------------|
| | Financial assets at fair value through profit or loss – held for trading 透過損益按 公平值列值的 財務資產 – 持作買賣 | Loans and receivables | Available- for-sale financial assets | Total | |
| | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | HK\$ 港元 | |
| Financial asset under Project EC120 | EC120項目之 財務資產 | – | – | 11,959,462 | 11,959,462 |
| Deposit for acquisition of an investment | 收購投資的按金 | – | 20,029,325 | – | 20,029,325 |
| Available-for-sale investments | 可供出售的投資 | – | – | 115,720,980 | 115,720,980 |
| Trade and bills receivables | 應收貿易賬款 | – | 22,837,580 | – | 22,837,580 |
| Financial assets included in prepayments, deposits and other receivables | 計入預付款項、 按金及其他應收 賬款的財務資產 | – | 41,577,069 | – | 41,577,069 |
| Equity investment at fair value through profit or loss | 透過損益按公平值 列值的股本工具 | 54,189,450 | – | – | 54,189,450 |
| Derivative financial instrument | 衍生金融工具 | 638,365 | – | – | 638,365 |
| Pledged time deposits | 已抵押定期存款 | – | 36,327,623 | – | 36,327,623 |
| Cash and cash equivalents | 現金及現金等值 | – | 508,074,602 | – | 508,074,602 |
| | | 54,827,815 | 628,846,199 | 127,680,442 | 811,354,456 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

45. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows: (continued)

Financial liabilities
財務負債

45. 金融工具分類 (續)

於結算日，各類金融工具賬面值如下：(續)

| | | Financial liabilities at fair value through profit or loss – held for trading 透過損益按公平值列值的財務負債 – 持作買賣 HK\$ 港元 | Financial liabilities at amortised cost 按攤銷成本列值的財務負債 HK\$ 港元 | Total 合計 HK\$ 港元 |
|---|--------------------|---|---|---------------------------|
| Due to a minority shareholder | 應付少數股東款項 | – | 5,740,106 | 5,740,106 |
| Trade and bills payables | 應付貿易賬款及票據 | – | 80,758,195 | 80,758,195 |
| Financial liabilities included in other payables and accruals | 計入其他應付款項及應計費用的財務負債 | – | 11,213,551 | 11,213,551 |
| Derivative financial instrument | 衍生金融工具 | 2,209,425 | – | 2,209,425 |
| Interest-bearing bank borrowings | 計息銀行貸款 | – | 96,017,131 | 96,017,131 |
| Finance lease payables | 融資租賃應付款項 | – | 57,841 | 57,841 |
| | | 2,209,425 | 193,786,824 | 195,996,249 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

45. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows: (continued)

Financial assets

財務資產

| | | Company 本公司 | |
|--|-----------------------|---|---|
| | | 2008 二零零八年 | 2007 二零零七年 |
| | | Loans and receivables 貸款及 應收款項 | Loans and receivables 貸款及 應收款項 |
| | | HK\$ 港元 | HK\$ 港元 |
| Deposit for acquisition of an investment | 收購投資的按金 | 16,281,979 | – |
| Loan to an associate | 向聯營公司提供的貸款 | 9,048,000 | – |
| Financial assets included in prepayments, deposits and other receivables | 計入預付款項、按金及其他應收賬款的財務資產 | 1,718,287 | 640,579 |
| Cash and cash equivalents | 現金及現金等值 | 157,648,952 | 455,907,458 |
| | | 184,697,218 | 456,548,037 |

Financial liabilities

財務負債

| | | 2008 二零零八年 | 2007 二零零七年 |
|----------------------------------|----------|---|---|
| | | Financial liabilities at amortised cost 按攤銷成本 列值的 財務負債 | Financial liabilities at amortised cost 按攤銷成本 列值的 財務負債 |
| | | HK\$ 港元 | HK\$ 港元 |
| Due to subsidiaries | 應付附屬公司款項 | 67,911,562 | 11,824,138 |
| Interest-bearing bank borrowings | 計息銀行貸款 | – | 20,000,000 |
| | | 67,911,562 | 31,824,138 |

45. 金融工具分類 (續)

於結算日，各類金融工具賬面值如下：(續)

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise bank loans and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities, such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings from banks with a floating interest rate. As at 31 December 2008, all the Group's borrowings from banks were with fixed interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's and the Company's profit before tax (through the impact on floating rate borrowings) and the Group's and the Company's equity.

46. 財務風險管理目標及政策

本集團的主要金融工具（而非衍生）包括銀行貸款及現金及短期存款。此等金融工具的主要用途是為本集團的營運提供財源。本集團亦有各樣的其他財務資產及負債，例如應收貿易賬款及應付貿易賬款，乃直接由營運而產生。

本集團的金融工具所產生的主要風險是利率風險、外幣風險、信貸風險、流動性風險及股價風險。董事會已審議並批准管理此等風險的政策，概述如下。

利率風險

本集團面臨市場利率變動風險主要與本集團以浮動利率計息的銀行借貸有關。於二零零八年十二月三十一日，本集團所有銀行貸款為固定利率。

下表顯示在其他可變因素不變的情況下，本集團及本公司稅前溢利（透過對浮率借貸的影響）及本集團及本公司權益對利率合理變動的敏感性。

| | | Group and Company 本集團及本公司 | | |
|------------------|-------|--|---|---|
| | | Increase/ (decrease) in basis points 基點增加/ (減少) % | Increase/ (decrease) in profit before tax 稅前溢利 增加/(減少) HK\$ 港元 | Increase/ (decrease) in equity* 權益*增加/ (減少) HK\$ 港元 |
| 2007 | 二零零七年 | | | |
| Hong Kong dollar | 港元 | 1 | (200,004) | - |
| Hong Kong dollar | 港元 | (1) | 200,004 | - |

* Excluding retained earnings

* 不包括留存溢利

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk

The Group's foreign currency exposures primarily arise from certain sales or purchases by operating units in currencies other than the unit's functional currency. In view of the fact that the Group tries to match its assets and liabilities with the same currency, the Group's exposure to foreign currency risk is minimal.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, pledged time deposits, equity investments at fair value through profit or loss, available-for-sale financial assets, deposits and other receivables, a derivative financial instrument, and loans to related parties arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Group is also exposed to credit risk through the granting of financial guarantees, further details of which are disclosed in note 43 to the financial statements.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and bills receivables are disclosed in note 27 to the financial statements.

46. 財務風險管理目標及政策 (續)

外匯風險

本集團的外匯風險主要產生自營運單位的若干以該單位功能貨幣以外的其他貨幣進行的銷售及採購。鑒於本集團致力把相同貨幣的資產及負債配合，因此本集團所承受的外匯風險很低。

信貸風險

本集團僅與經認可的及信譽良好的第三者進行交易。本集團的政策是所有有意進行信貸交易的客戶均需通過信貸驗證措施。再者，本集團持續監察應收款項的結餘，因此壞賬的風險並不重大。

本集團其他財務資產（包括現金及現金等值、抵押定期存款、透過損益按公平值列值的股本投資、可供出售的財務資產、按金及其他應收賬款、衍生金融工具及向關連人士提供的貸款）的信貸風險，乃由交易對方違約而產生，有關風險以該些工具的賬面值為限。本集團亦因授出財務擔保而面臨信貸風險，進一步詳情於財務報表附註43披露。

由於本集團僅與經認可的及信譽良好的第三者進行交易，因此並無收取抵押品的需要。集中信貸風險透過客戶／交易對方管理，按地區及行業分類。由於本集團貿易應收款項客戶基礎分佈於不同產業及行業，故集團無內部集中信貸風險。

有關本集團面臨來自應收貿易賬款及票據的信貸風險的更多量化數據乃於財務報表附註27披露。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and finance leases. The Group's policy is to minimise borrowings.

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contractual undiscounted payments, is as follows:

Group

本集團

46. 財務風險管理目標及政策 (續)

流動性風險

本集團利用經常性流動規劃工具監控資金短缺風險。該工具衡量金融工具及財務資產(如應收貿易賬款)的到期日期及規劃營運產生的現金流。

本集團的目標乃是透過利用銀行貸款及融資租賃以保持融資的持續性和靈活性的平衡。本集團的政策是把借貸減至最低。

於結算日，本集團基於已訂約但未貼現付款之財務資產到期情況如下：

| | | 2008 二零零八年 | | | |
|----------------------------------|-----------|---------------|-----------------------|-----------------------------|-------------|
| | | On demand | Less than 3 months | 3 to less than 12 months | Total |
| | | 於要求時 | 少於三個月 | 三個月以上及 少於十二個月 | 合計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 |
| Trade and bills payables | 應付貿易賬款及票據 | - | 115,860,322 | 1,764,537 | 117,624,859 |
| Other payables | 其他應付款項 | - | 4,841,979 | - | 4,841,979 |
| Interest-bearing bank borrowings | 計息銀行借貸 | - | 11,312,217 | 18,099,548 | 29,411,765 |
| | | - | 132,014,518 | 19,864,085 | 151,878,603 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Group
本集團

| | | 2007 二零零七年 | | | |
|----------------------------------|-----------|---------------|-----------------------|-----------------------------|-------------|
| | | On demand | Less than 3 months | 3 to less than 12 months | Total |
| | | 於要求時 | 少於三個月 | 三個月以上及 少於十二個月 | 合計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 |
| Due to a minority shareholder | 應付少數股東賬款 | 5,740,106 | - | - | 5,740,106 |
| Trade and bills payables | 應付貿易賬款及票據 | - | 79,362,300 | 1,395,895 | 80,758,195 |
| Other payables | 其他應付款項 | - | 11,213,551 | - | 11,213,551 |
| Derivative financial instruments | 衍生金融工具 | 2,209,425 | - | - | 2,209,425 |
| Interest-bearing bank borrowings | 計息銀行借貸 | - | 20,000,000 | 76,017,131 | 96,017,131 |
| Finance lease payables | 融資租賃應付款項 | - | 57,841 | - | 57,841 |
| | | 7,949,531 | 110,633,692 | 77,413,026 | 195,996,249 |

Company

本公司

| | | 2008 二零零八年 | | | |
|---------------------|--------|---------------|-----------------------|-----------------------------|------------|
| | | On demand | Less than 3 months | 3 to less than 12 months | Total |
| | | 於要求時 | 少於三個月 | 三個月以上及 少於十二個月 | 合計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 |
| Due to subsidiaries | 應付附屬公司 | 67,911,562 | - | - | 67,911,562 |

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Company
本公司

| | | 2007 二零零七年 | | | |
|----------------------------------|--------|---------------|-----------------------|-----------------------------|------------|
| | | On demand | Less than 3 months | 3 to less than 12 months | Total |
| | | 於要求時 | 少於三個月 | 少於十二個月 | 合計 |
| | | HK\$ | HK\$ | HK\$ | HK\$ |
| | | 港元 | 港元 | 港元 | 港元 |
| Due to subsidiaries | 應付附屬公司 | 11,824,138 | - | - | 11,824,138 |
| Interest-bearing bank borrowings | 計息銀行借貸 | - | 20,000,000 | - | 20,000,000 |
| | | 11,824,138 | 20,000,000 | - | 31,824,138 |

Equity price risk

Equity price risk is the risk that the fair values of financial instruments decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group was exposed to equity price risk arising from individual financial instruments included in available-for-sale investments (note 22), equity investments at fair value through profit or loss (note 29), and derivative financial instruments (note 30) as at 31 December 2007. As at 31 December 2007, the Group's listed investments were listed on the Stock Exchange and were valued at quoted market prices. With the Group was only exposed to equity price risk arising from Embedded Derivative Asset (note 30) as at 31 December 2008 and the fair value of the Embedded Derivative Asset is stated at nil, in the opinion of the directors, the Group's exposure to equity price risk arising from its derivative financial instrument is minimal as at 31 December 2008.

46. 財務風險管理目標及政策 (續)

流動性風險 (續)

股價風險

股價風險即因股票指數水平及個別證券價值變動而使金融工具公平值降低的風險。於二零零七年十二月三十一日，本集團承受包括於可供出售的投資之金融工具(附註22)、透過損益按公平值列值之股本投資(附註29)及衍生金融工具(附註30)所產生之股價風險。於二零零七年十二月三十一日，本集團上市投資項目乃於聯交所上市，並按所報市價估值。於二零零八年十二月三十一日，本集團僅承受嵌入式衍生資產(附註30)所產生之股價風險，而嵌入式衍生資產之公平值列為零，故董事認為，本集團於二零零八年十二月三十一日因其衍生金融工具所產生之股價風險微不足道。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Equity price risk (continued)

The market equity indices for the Stock Exchange, at the close of business of the nearest trading day in the year to the balance sheet date, and their respective highest and lowest points during the year were as follows:

| | 31 December 2008 二零零八年 十二月三十一日 | High/low 高/低 2008 二零零八年 | 31 December 2007 二零零七年 十二月三十一日 | High/low 高/低 2007 二零零七年 |
|---------------------------------------|---|----------------------------------|---|----------------------------------|
| Hong Kong – Hang Seng Index 香港 – 恆生指數 | 14,387 | 27,616/11,016 | 27,812 | 31,638/18,664 |

The following table demonstrates the sensitivity to every 1% change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at 31 December 2007. For the purpose of this analysis, for the available-for-sale equity investments the impact is deemed to be on the available-for-sale investment revaluation reserve and no account is given for factors such as impairment which might impact on the income statement.

46. 財務風險管理目標及政策 (續)

股價風險 (續)

年內最接近結算日之交易日收市時聯交所市場股價指數及其於年內之最高及最低點數如下：

下表呈列於二零零七年十二月三十一日，在所有其他可變因素維持不變且不計稅項影響的條件下，基於股本投資之賬面值，其公平值每變動1%的敏感度。由於該分析之需要，對可供出售的股權投資而言，影響僅視為作用於可供出售投資重估儲備，並且未計及如減值等可影響利潤益表的因素。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Equity price risk (continued)

| | | 股價風險 (續) | | |
|---|-----------------------------------|---|---|---|
| | | Carrying amount of equity investments 股本投資 賬面值 HK\$ 港元 | Increase/ decrease in profit before tax 稅前溢利 增加/減少 HK\$ 港元 | Increase/ decrease in equity* 權益* 增加/減少 HK\$ 港元 |
| 2007 | 二零零七年 | | | |
| Investments listed in: | 投資上市於： | | | |
| Hong Kong – Available-for sale | 香港 – 可供出售 | 45,753,750 | – | 457,538 |
| – Equity investment at fair value through profit or loss | – 透過損益 按公平 值列值 的股本 投資 | 54,189,450 | 541,895 | – |

* Excluding retained earnings

* 不包括留存溢利

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Equity price risk (continued)

The following table demonstrates the sensitivity to every 1% change in the fair values of the underlying equity investments for the derivative financial instruments, with all other variables held constant and before any impact on tax, based on their carrying amounts at 31 December 2007.

| | | Increase/ (decrease) in percentage of fair value of underlying equity investment | Carrying amount of derivative financial instruments | Increase/ (decrease) in profit before tax |
|-------------------------------------|-----------------------------|--|---|--|
| | 相關股本投資 公平值百分比 增加/(減少) | % | 衍生金融工具 賬面值 HK\$ 港元 | 稅前溢利 增加/(減少) HK\$ 港元 |
| 2007 | 二零零七年 | | | |
| Unlisted investments at fair value: | 非上市投資的 公平值： | | | |
| – Derivative financial asset | – 衍生財務資產 | 1 (1) | 638,365 | 16,896 (41,788) |
| – Derivative financial liability | – 衍生財務負債 | 1 (1) | 2,209,425 | (40,625) 40,556 |

Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

46. 財務風險管理目標及政策 (續)

股價風險 (續)

下表呈列於二零零七年十二月三十一日，在所有其他可變因素維持不變且不計稅項影響的條件下，基於衍生金融工具之賬面值，其公平值每變動1%的敏感度。

| | Increase/ (decrease) in percentage of fair value of underlying equity investment | Carrying amount of derivative financial instruments | Increase/ (decrease) in profit before tax |
|-------------------------------------|--|---|--|
| 相關股本投資 公平值百分比 增加/(減少) | % | 衍生金融工具 賬面值 HK\$ 港元 | 稅前溢利 增加/(減少) HK\$ 港元 |
| 2007 | 二零零七年 | | |
| Unlisted investments at fair value: | 非上市投資的 公平值： | | |
| – Derivative financial asset | – 衍生財務資產 | 1 (1) | 16,896 (41,788) |
| – Derivative financial liability | – 衍生財務負債 | 1 (1) | (40,625) 40,556 |

資本管理

本集團資本管理的首要目標，為確保本集團具備持續發展的能力，且維持穩健的資本比率，以支持其業務運作，爭取最大的股東價值。

Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(continued)

Capital management (continued)

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2008 and 31 December 2007.

The Group monitors capital using a gearing ratio, which is bank borrowings divided by the equity attributable to equity holders of the parent. Management considers a gearing ratio of not more than 40% as reasonable. The gearing ratios as at the balance sheet dates were as follows:

Group

本集團

| | | 2008 二零零八年 HK\$ 港元 | 2007 二零零七年 HK\$ 港元 |
|---|-------------|-----------------------------|-----------------------------|
| Interest-bearing bank borrowings | 計息銀行借貸 | 29,411,765 | 96,017,131 |
| Equity attributable to equity holders of the parent | 公司權益持有人應佔權益 | 919,058,277 | 922,917,597 |
| Gearing ratio | 資本負債比率 | 3% | 10% |

46. 財務風險管理目標及政策 (續)

資本管理 (續)

本集團根據經濟情況的變動，管理其資本結構並作出調整。為維持或調整資本結構，本集團可能會向股東派發股息、向股東派回資本或發行新股。本集團不會受制於任何外部施加之資本需求。截至二零零八年及二零零七年十二月三十一日止年度內，資本管理之目標、政策或程序並無改變。

本集團以資本負債比率（銀行借貸除以公司權益持有人應佔權益），藉此監控資本的情況。管理層認為不超過40%比例的資本負債比率屬合理。結算日資本負債比率如下：



Notes to Financial Statements 財務報表附註

31 December 2008 二零零八年十二月三十一日

47. POST BALANCE SHEET EVENT

Subsequent to the balance sheet date, on 3 March 2009, Billirich, a wholly-owned subsidiary of the Company, entered into an agreement with Sino Gas, pursuant to which convertible bonds with an aggregate principal amount of HK\$27,500,000 were issued by Sino Gas to Billirich. The convertible bonds bear interest at 2% per annum and will mature in two years after the issue of the convertible bonds. Billirich has the right to convert the convertible bonds into ordinary shares of Sino Gas at HK\$0.2 per share (subject to adjustment upon the change in the capital structure of Sino Gas). Assuming a full conversion is made by Billirich, the convertible bonds can be converted into 137,500,000 ordinary shares of Sino Gas.

48. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 23 April 2009.

47. 結算日後事項

結算日後，於二零零九年三月三日，本公司之全資附屬公司Billirich與中油潔能訂立協議，據此，中油潔能向Billirich發行總本金額為27,500,000港元之可換股債券。可換股債券按年利率2厘計息，並於發行後兩年到期。Billirich有權以每股0.2港元（將因應中油潔能之股本結構變動而予以調整）將可換股債券轉換為中油潔能之普通股。假定Billirich進行全面換股，可換股債券可予轉換為137,500,000股中油潔能之普通股。

48. 財務報表之批准

財務報表已於二零零九年四月二十三日獲董事會批准及授權發放。

Five Year Financial Summary 五年財務概要

The table set out below summarises the results and the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the Group's published consolidated financial statements of the respective years and restated/reclassified as appropriate. This summary is not part of the audited financial statements.

下表載列本集團於過去五個財政年度之業績及資產、負債及少數股東權益概要，乃摘錄自本集團有關年度之已公佈綜合財務報表，並已重列／重新分類（如適用）。本概要並非經審核財務報表之任何部份。

| | | Year ended 31 December 截至十二月三十一日止年度 | | | | |
|---|--------------------------|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2008 二零零八年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 | 2006 二零零六年 HK\$'000 千港元 | 2005 二零零五年 HK\$'000 千港元 | 2004 二零零四年 HK\$'000 千港元 |
| RESULTS | 業績 | | | | | |
| CONTINUING OPERATIONS | 持續經營業務 | | | | | |
| Revenue | 收益 | 260,292 | 195,088 | 172,045 | 157,714 | 121,560 |
| PROFIT BEFORE TAX Tax | 除稅前溢利 稅項 | 18,673 (8,415) | 57,754 (4,594) | 35,176 (2,452) | 19,645 (3,680) | 5,193 (430) |
| PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS | 持續經營業務之本年溢利 | 10,258 | 53,160 | 32,724 | 15,965 | 4,763 |
| DISCONTINUED OPERATION | 已終止經營業務 | | | | | |
| Profit for the year from a discontinued operation | 已終止經營業務之 本年溢利 | - | 30,342 | 18,379 | 14,023 | 13,141 |
| PROFIT FOR THE YEAR | 本年溢利 | 10,258 | 83,502 | 51,103 | 29,988 | 17,904 |
| Attributable to: Equity holders of the parent Minority interests | 應佔溢利： 公司權益持有人 少數股東 | 1,852 8,406 | 77,996 5,506 | 47,950 3,153 | 26,054 3,934 | 13,564 4,340 |
| | | 10,258 | 83,502 | 51,103 | 29,988 | 17,904 |
| ASSETS, LIABILITIES AND MINORITY INTERESTS | 資產、負債及少數 股東權益 | | | | | |
| Total assets | 資產總值 | 1,152,306 | 1,164,204 | 1,108,772 | 948,227 | 831,458 |
| Total liabilities | 負債總值 | (164,243) | (208,241) | (483,975) | (442,305) | (358,658) |
| Minority interests | 少數股東權益 | (69,005) | (33,046) | (33,073) | (34,071) | (30,465) |
| | | 919,058 | 922,917 | 591,724 | 471,851 | 442,335 |

Particulars of an Investment Property 投資物業詳情

| Address 地址 | Lot number/ registration number 地段編號/ 登記編號 | Percentage of interest directly attributable to the Company 本公司應佔直接 權益百分比 | Tenure 期限 | Existing use 現有用途 |
|--|--|--|------------------------------|-------------------------|
| Office B2 on the 15th Floor, United Centre, 95 Queensway, Hong Kong 香港 金鐘道95號 統一中心 15樓B2室 | 8469 | 100 | Medium term lease 中期租賃 | Office 辦公室 |

DIRECTORS

Fu Shula (*Chairman*)
Ji Guirong (*Deputy Chairman and the Chief Executive Officer*)
Ma Zhiping
Pan Linwu
Liu Rongchun
Zhang Chuanjun
Ip Tak Chuen, Edmond*
Chu Yu Lin, David**
Li Ka Fai, David**
Li Zhaoxi**

* *Non-executive Director*

** *Independent Non-executive Directors*

AUDIT COMMITTEE

Chu Yu Lin, David
Li Ka Fai, David
Li Zhaoxi

REMUNERATION COMMITTEE

Fu Shula
Chu Yu Lin, David
Li Ka Fai, David

COMPANY SECRETARY

Leung Yuen Chee, Sara

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Chiyu Banking Corporation Limited
Agricultural Bank of China Limited Hong Kong Branch
Standard Chartered Bank (Hong Kong) Limited

AUDITORS

Ernst & Young

SOLICITORS

Baker & McKenzie

董事

付舒拉 (*主席*)
季貴榮 (*副主席兼行政總裁*)
馬志平
潘林武
劉榮春
張傳軍
葉德銓*
朱幼麟**
李家暉**
李兆熙**

* *非執行董事*

** *獨立非執行董事*

審核委員會

朱幼麟
李家暉
李兆熙

薪酬委員會

付舒拉
朱幼麟
李家暉

公司秘書

梁婉慈

主要銀行

香港上海滙豐銀行有限公司
集友銀行
中國農業銀行香港分行
渣打銀行(香港)有限公司

核數師

安永會計師事務所

律師

貝克•麥堅時律師事務所



Corporate Information 公司資料

REGISTERED OFFICE

Canon's Court, 22 Victoria Street,
Hamilton, HM12, Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit B, 15th Floor,
United Centre,
95 Queensway,
Hong Kong

SHARE REGISTRARS

Principal registrars

Butterfield Fund Services (Bermuda) Limited

Hong Kong registrars

Computershare Hong Kong Investor Services Limited
Rooms 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East, Wan Chai,
Hong Kong

註冊辦事處

Canon's Court, 22 Victoria Street,
Hamilton, HM12, Bermuda

總辦事處及主要營業地點

香港
金鐘道95號
統一中心
15樓B室

股份過戶登記處

主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited

香港股份過戶登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓1712-1716室

