



TCC International Holdings Limited 台泥國際集團有限公司

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

Stock Code 股份代號 : 1136

Annual Report 2009 年報



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Corporate Information and Key Dates

公司資料及重要日期

DIRECTORS

Koo, Cheng-Yun, Leslie (*Chairman*)

Wu Yih Chin (*Managing Director*)

Shan Weijian[#]

Chang, An-Ping, Nelson[#]

Chang, Kang-Lung, Jason[#]

Wang, Lishin, Elizabeth[#]

Liao Poon Huai, Donald^{*}

Chih Ching Kang, Kenneth^{*}

Shieh, Jen-Chung, Roger^{*}

[#] Non-executive Directors

^{*} Independent non-executive Directors

COMPANY SECRETARY

Kwok Pui Ha

REGISTERED OFFICE

P.O. Box 309, Ugland House

Grand Cayman

KY1-1104

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

16th Floor

Hong Kong Diamond Exchange Building

8-10 Duddell Street

Central

Hong Kong

董事

辜成允 (董事長)

吳義欽 (董事總經理)

單偉建[#]

張安平[#]

張剛綸[#]

王立心[#]

廖本懷^{*}

池慶康^{*}

謝禎忠^{*}

[#] 非執行董事

^{*} 獨立非執行董事

公司秘書

郭佩霞

註冊辦事處

P.O. Box 309, Ugland House

Grand Cayman

KY1-1104

Cayman Islands

總辦事處及主要營業地點

香港

中環

都爹利街8-10號

香港鑽石會大廈

16樓

Corporate Information and Key Dates 公司資料及重要日期

SOLICITORS

Morrison & Foerster LLP

AUDITORS

Deloitte Touche Tohmatsu

STOCK CODES

The Stock Exchange of Hong Kong Limited: 1136

WEBSITE

<http://www.tcchk.com>

SHARE REGISTRARS

Principal share registrar

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 609
Grand Cayman KY1-1107
Cayman Islands

Branch share registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

律師

美富律師事務所

核數師

德勤 • 關黃陳方會計師行

股份代號

香港聯合交易所有限公司：1136

網站

<http://www.tcchk.com>

股份過戶登記處

主要股份過戶登記處

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 609
Grand Cayman KY1-1107
Cayman Islands

股份過戶登記分處

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號舖

Corporate Information and Key Dates

公司資料及重要日期

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of China Limited
Bank of Communications Co., Ltd.
Bank of Shanghai
Bank Sinopac
Bank of Taiwan
BNP PARIBAS
Cathay United Bank Company, Limited
China Construction Bank Corporation
Chinatrust Commercial Bank, Ltd.
China Merchants Bank
DBS Bank (Hong Kong) Limited
Far Eastern International Bank
Hang Seng Bank Limited
Hongkong and Shanghai Banking Corporation Limited
Industrial and Commercial Bank of China Limited
Industrial Bank of Taiwan Co., Ltd.
Land Bank of Taiwan Co., Ltd.
Luso International Banking Ltd.
Mega International Commercial Bank Co., Ltd.
Shanghai Commercial & Savings Bank, Ltd
Shanghai Commercial Bank Limited
Shanghai Pudong Development Bank
Standard Chartered Bank (China) Limited
Taipei Fubon Commercial Bank Co Ltd
Taiwan Business Bank
Taiwan Cooperative Bank Ltd
The Bank of Tokyo-Mitsubishi UFJ, Limited

KEY DATES

Annual Results Announcement	22 March 2010
Annual Report sent to Shareholders	16 April 2010
Shares trade ex-dividend	19 May 2010
Closure of Register of Members	24-26 May 2010
Annual General Meeting	26 May 2010
Record Date of Final Dividend	26 May 2010
Payment of Final Dividend	11 June 2010

主要往來銀行

中國農業銀行股份有限公司
中國銀行股份有限公司
交通銀行股份有限公司
上海銀行股份有限公司
永豐商業銀行股份有限公司
臺灣銀行
法國巴黎銀行
國泰世華商業銀行股份有限公司
中國建設銀行股份有限公司
中國信託商業銀行股份有限公司
招商銀行
星展銀行(香港)有限公司
遠東國際商業銀行股份有限公司
恒生銀行有限公司
香港上海滙豐銀行有限公司
中國工商銀行(亞洲)有限公司
臺灣工業銀行股份有限公司
臺灣土地銀行股份有限公司
澳門國際銀行
兆豐國際商業銀行股份有限公司
上海商業儲蓄銀行股份有限公司
上海商業銀行有限公司
上海浦東發展銀行
渣打銀行(中國)有限公司
台北富邦商業銀行股份有限公司
臺灣中小企業銀行
合作金庫商業銀行股份有限公司
三菱東京UFJ銀行有限公司

重要日期

全年業績公佈	二零一零年三月二十二日
向股東寄發年報	二零一零年四月十六日
股份除息交易	二零一零年五月十九日
暫停辦理股份過戶 登記手續	二零一零年五月二十四日至 二十六日
股東週年大會	二零一零年五月二十六日
末期股息記錄日期	二零一零年五月二十六日
派付末期股息	二零一零年六月十一日

Chairman's Statement 主席報告書



The year 2009 had been characterised by a rebound in the Chinese economy and a gradual improvement in market sentiment. In Mainland China, the State government's macro budget aiming at stimulating domestic demand began to drive consumption of construction materials, in particular cement, for various infrastructure projects. Following the resumption of market confidence, the property markets in major Mainland China cities steadily picked up in the second half of the year under review. Accelerated demand had led to an upsurge in cement prices. In Southern China, where the Group has a dominant presence, cement price further strengthened due to healthy demand from urbanisation and active private sector construction.

Benefiting from improved average selling prices of cement in the last quarter of 2009 and close to optimum utilisation of enlarged capacity, the Group resumed profitability during the year under review and posted a profit attributable to the owners of the Company approximately HK\$120.3 million. The return to profitability was supported by a substantial growth in sales volume and revenue in 2009.

The Group's robust organic growth in the past few years had laid a comprehensive production and distribution platform for its establishment of a leading position in the Southern China market. Following the completion of facility development, the Group's management turned their attention to gearing up efficiency of its plants.

二零零九年中國經濟呈現反彈的跡象，且市場氣氛逐步改善。於中國政府旨在刺激內需的宏觀經濟預算已開始帶動多個基建項目對建築材料（尤其是水泥）的用量。隨着市場信心恢復，於回顧年度下半年，中國大陸主要城市之物業市場穩步回升。需求加速增長導致水泥價格飆升。於本集團佔據主導地位之華南地區，城市化進程及活躍的私營機構建築工程所帶來的穩健需求，使水泥價格進一步提升。

受惠於二零零九年第四季度水泥平均售價改善，以及本集團擴大後的產能維持接近滿負荷生產，本集團於回顧年度內錄得本公司擁有人應佔溢利約為120,300,000港元。二零零九年銷售量及收入大幅增長使集團得以轉虧為盈。

經過數年的高速自身規模擴充，本集團已建立一個綜合生產與分銷平台，以確立其華南市場的領導地位。隨着設施擴建完成，本集團管理層轉而致力於提升廠房的生產效益。

Chairman's Statement 主席報告書



Our emphasis on strengthening operation efficiency was evidenced by the high utilisation rate of our major production base at Yingde, Guangdong. With all of the four production lines in operation for the full year, the Yingde plant became a major profit contributor to the Group's performance in 2009.

In light of the State's policy of restricting new capacity expansion, the Group maintained its expansion momentum through mergers and acquisition. This approach allowed the Group to expedite its development in scale of operation and extension of market reach.

We completed the acquisition of TCC (Gui Gang) from our parent company in late September 2009. Three months' results of TCC (Gui Gang) had been booked to the Group's accounts and had further strengthened its profitability. We expect TCC (Gui Gang)'s contributions to intensify in the current year, when the Gui Gang plant's full year results are consolidated into the Group's profit and loss accounts.

Right before book close in 2009, the Group announced a HK\$3.8 billion acquisition of Upper Value Investments Limited ("Upper Value"). This is one of most significant takeovers in the Mainland China's cement industry in recent years, in terms of the size of the transaction and the number of facilities involved.

本集團於廣東英德之主要生產基地的使用率居高，反映本集團注重增強營運效益。隨着全部四條生產線全年度運行，英德廠為二零零九年本集團表現提供主要盈利貢獻。

鑑於國家限制新產能擴張的政策，本集團通過併購以保持其擴張步伐。此舉令本集團可以加快發展經營規模以及擴大市場覆蓋面。

於二零零九年九月底，本集團完成向母公司收購台泥貴港。台泥貴港的三個月業績已計入本集團之賬目內，有利於進一步增強本集團的盈利能力。本集團預期當貴港廠之全年業績併入本集團的損益表後，台泥貴港對現年度的業績貢獻將更為明顯。

緊接二零零九年度年結前，本集團宣佈以3,800,000,000港元收購Upper Value Investments Limited（「Upper Value」）。就交易規模及所涉及設施的數目而言，此項目為近年中國大陸水泥行業其中一項最大的收購活動。

Chairman's Statement 主席報告書



The transaction has been approved by our shareholders in February this year. When the transaction is completed, the acquired assets' performance is expected to be incorporated into the Group's results in 2010.

Upper Value has equity interests in 10 existing clinker and cement production lines, with 4 more under construction, which are due for completion in 2010 and 2011. Upper Value's extensive array of production lines span across Guangdong province, Yunnan province, Chongqing municipality and Sichuan province, Liaoning province and Guizhou province. The addition of over 17.5 million metric tonnes of attributable annual capacity and a significantly broadened geographical coverage will immediately elevated the Group's overall competitiveness and market position in an industry experiencing a structural transformation.

Under a State policy of escalated industry consolidation and expedited elimination of inefficient capacity, we believe there will be more opportunities for merger of corporations with strong synergies. This is expected to result in reduced segmentation within the industry, with the regional markets dominated by a few large-scale regional or national players.

該交易已於今年二月獲本公司的股東批准。於交易完成後，所收購資產的業績預期將計入本集團二零一零年的賬目。

Upper Value擁有10條現有熟料及水泥生產線的權益，且另有4條在建生產線，預期將於二零一零年及二零一一年落成。Upper Value的一系列生產線分佈在廣東省、雲南省、重慶直轄市及四川省、遼寧省以及貴州省。新增的超過17,500,000萬公噸應佔年產能以及大幅擴張的地域覆蓋面將即時提升本集團之整體競爭力，並提高其在正處於結構轉型中的水泥業的市場地位。

在加速行業整合及加快淘汰低效益產能的國家政策下，本集團相信將會出現更多具有協同效應企業的併購機遇。有利舒緩行業的分化現象，而各地區市場則將趨向由少數大型地區性或全國性企業所主導。

Chairman's Statement 主席報告書

Having secured a leading position in Southern China, in particular the Guangdong province, the Group strives to maximise the benefits of economies of scale and to maintain a stable gross profit margin, leveraging an enlarged scope of operation and a more diversified portfolio of production bases.

We are gradually realising our vision of becoming a top-notch cement conglomerate in the Mainland China market. Apart from growth in capacity, we are widening our market spread to the western, southwestern and northeastern regions of Mainland China.

Our existing facilities are expected to further enhance their profitability, through optimisation of their utilisation as well as synergetic effects among operations within the Group.

We are well aware of the importance of maintaining a reasonable rate of return from a significantly enlarged asset base. Securing a sizeable scale of operation and achieving favourable earning margins and healthy cash flow are of equal significance in our corporate road map. We will remain cautious in keeping a balance between reaching our strategic goal and rewarding our shareholders in the process of our rapid development.

Koo, Cheng-Yun, Leslie
Chairman

Hong Kong
22 March 2010

於華南地區（尤其是在廣東省）確立領導地位後，本集團將利用擴大後之經營規模及更為分散的生產基地佈局，致力達致最佳規模經濟效益及維持穩定毛利率。

本集團正逐步實現其成為中國大陸市場頂尖水泥集團之願景。除產能增長外，本集團亦正將市場拓展至中國大陸西部、西南以及東北地區。

透過充份利用現有設施及本集團內部營運的協同效應，本集團預期現有設施的盈利能力將可進一步提升。

本集團深明，繼續維持大幅擴大後之資產基礎合理回報率的重要性。於本集團之企業發展計劃中，維持龐大經營規模與實現理想利潤率及穩健現金流同樣重要。本集團將於快速發展的同時，保持審慎態度，在達成戰略目標與回報股東之間取得平衡。

主席
辜成允

香港
二零一零年三月二十二日

Management Discussion and Analysis

管理層討論及分析

OPERATION REVIEW

Overall performance

During the year 2009, we witnessed a steady but healthy improvement in the Mainland China's economy. The recovery in the overall business environment was supported by reinforced confidence in the domestic market's development. The gradual implementation of the State's RMB4 trillion economic revitalisation programme began to drive up consumption of cement in the second quarter of the year.

The Group experienced a 58 per cent growth in sales volume for the year ended 31 December 2009 to approximately 17 million metric tonnes. This was achieved through close to optimum utilisation of the Group's Yingde plant and the incorporation of sales contribution from TCC (Gui Gang) into the Group's accounts in the last quarter of the year. The Group reported a favourable upsurge in revenue, which stood at HK\$3,953.9 million.

The strong sales performance, improved average selling price ("ASP") in the last quarter of the year along with lower energy costs, enabled the Group to resume profitability in the second half of the year and report a profit attributable to owners of the Company of HK\$120.3 million for the year under review, as compared to a loss of HK\$155.5 million in the previous year.

Mainland China

Entering into the second half of the year under review, the Mainland China economy began to show obvious signs of recovery. Rising demand from public sector infrastructure development had led to growth in cement consumption. This was followed by accelerated purchase from a reviving property market. In the more affluent Southern China, the rebound was significant, particularly in the last quarter of the year. The Guangdong province, which is basically dominated by a few key players, with the Group as a market leader, experienced an improvement in market sentiment quarter by quarter.

業務回顧

整體表現

於二零零九年度，我們見證了中國大陸經濟的穩步復甦發展。整體營商環境開始回暖，在公眾對國內市場發展信心增強的推動下，國家投入的四萬億人民幣經濟振興計劃逐步實施，有助帶動水泥消耗於回顧年度第二季度開始提升。

截至二零零九年十二月三十一日止年度，本集團之水泥銷量增加58%至約17,000,000公噸。水泥銷量增加乃透過將本集團英德廠的使用率達至接近滿負荷生產，此外，台泥貴港之銷售貢獻於回顧年度最後一個季度計入本集團之賬目而達致。本集團收益錄得理想增長，因而達到3,953,900,000港元。

強勁之銷售表現，能源成本降低，加上回顧年度第四季度之水泥平均售價（「平均售價」）提升，使得本集團可於回顧年度下半年扭虧為盈，並於回顧年度錄得本公司擁有人應佔溢利120,300,000港元，而上年度則有虧損155,500,000港元。

中國大陸

進入回顧年度下半年，中國大陸經濟開始呈現明顯復甦跡象。來自基建開發項目之需求攀升促使水泥消耗量增加。隨着房地產市場復甦帶來的水泥銷售增加，對水泥需求的增幅亦進一步擴大。在較富裕之華南地區，需求回升的幅度更為明顯，回顧年度最後一個季度尤為強烈。受少數主要市場參與者（本集團為市場主導者）支配之廣東省之市場氣氛已按季逐步改善。

Management Discussion and Analysis

管理層討論及分析



Yingde

The Yingde plant's four production lines were all in operation for the first full year and had been running at close to optimum utilisation. A total of approximately 8.4 million metric tonnes of output were sold during the year. This was close to the plant's overall rated annual capacity of 9 million metric tonnes.

The continued improvement in the economic environment in Southern China had fuelled the demand for cement since the second quarter of the year under review. The rapid urbanisation in the Guangdong province and the transformation of the peripheral counties of major southern cities had brought about massive construction projects.

The Yingde plant managed to maximise the benefit of economies of scale with optimum utilisation of its enlarged capacity. Furthermore, lower coal prices and the inauguration of two residual heat power generation units during the year served to further reduce the plant's energy costs and contributed to its encouraging profitability.

英德

英德廠的四條生產線在回顧年度首次全年度運行，並以接近滿負荷運作。年內合共售出約8,400,000公噸之產出，接近該廠規劃整體年產能9,000,000公噸。

華南地區之經濟環境持續改善，帶動回顧年度第二季度開始市場對水泥之需求量。廣東省之快速城市化發展及主要南方城市周邊縣市之轉型帶來了大量建設工程。

英德廠充分利用其擴大後產能，從而達到最佳規模經濟效益。此外，煤炭價格下降以及兩套餘熱發電設備於年內投產，亦進一步降低了該廠之能源成本，並有助取得理想的盈利。

Management Discussion and Analysis

管理層討論及分析



Gui Gang

The Group completed the acquisition of TCC (Gui Gang) in the Guangxi Autonomous Region at the end of September 2009. This major transaction resulted in a further consolidation of the Group's leading position in the Southern China region, and brought its overall annual capacity of cement, clinker and slag powder up to 26 million metric tonnes. Through the operations of TCC (Gui Gang), the Group has extended its market reach to a large part of the Guangxi Autonomous Region, Western Guangdong and the Hainan province.

Since the transaction was completed at the end of the third quarter of 2009, three months of the TCC (Gui Gang) results were booked to the Group's 2009 accounts, resulting in a healthy profit contribution.

TCC (Gui Gang)'s four production lines have a rated annual capacity of 9 million metric tonnes. During the last three months of the year, a total of 2.1 million metric tonnes of cement and clinker were sold, with a significant portion distributed to the Guangdong province through Xijiang.

During the year under review, the low water table of Xijiang had hindered material movement along the river and significantly raised the transportation costs of TCC (Gui Gang). Barring this factor, the Gui Gang plant could have achieved even better results for the year.

貴港

本集團於二零零九年九月底完成收購廣西壯族自治區的台泥貴港項目。此項重要交易進一步鞏固了本集團在華南地區之領導地位，並令其水泥、熟料及礦渣粉之整體年產能提升至26,000,000公噸。本集團並透過台泥貴港之業務，將其市場覆蓋範圍拓展至廣西壯族自治區大部分地區、廣東西部及海南省。

由於此項交易已於二零零九年第三季度末完成，因此台泥貴港有三個月業績計入本集團二零零九年賬目內，並帶來穩健溢利貢獻。

台泥貴港四條生產線之規劃年產能為9,000,000公噸。於本年度最後三個月內，合共售出2,100,000公噸水泥及熟料，其中大部分是通過西江分銷至廣東省。

於回顧年度內，西江水位下降妨礙了沿江之物料運輸，使得台泥貴港之運輸成本大幅增加。倘無此因素，貴港廠於本年度將可錄得更佳業績。

Management Discussion and Analysis 管理層討論及分析



Fuzhou

During the year, the Fuzhou plant sold a total of 1.41 million metric tonnes of cement, representing a 17 per cent increase from that of 2008. However, the plant suffered from a lower ASP due to a sluggish property market in Fujian province.

The plant's third grinding facility had yet to achieve its optimum utilisation and had thus affected the plant's overall efficiency. The Fuzhou plant's gross margins were further trimmed by its reliance on clinker supply from third parties. As a result, the plant reported a loss for the year.

福州

年內，福州廠合共售出1,410,000公噸水泥，較二零零八年增加17%。然而，由於福建省房地產市場不景氣，該廠之平均售價有所下降。

福州廠第三條研磨設備尚未達致最佳效益，影響了該廠之整體效率。福州廠因依賴外來供應商供應熟料，使其毛利率進一步受壓，該廠於本年度因而錄得虧損。

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Jurong

The Jurong plant had redirected its sales focus to the domestic market, with the majority of its sales volume of approximately 2.4 million metric tonnes sold in Eastern China.

The plant's product ASP and sales volume had been pressurised by the highly competitive market environment in Eastern China. Under-utilisation of the plant's capacity had hampered its overall cost-efficiency. In addition, the Group's standardisation of all of its facilities' depreciation period had led to higher depreciation charges for Jurong plant, due to a shortened period of depreciation. As there had not been any significant improvement in the ASP in the second half of the year, the Jurong plant posted a loss for the full year.

AKB

The sales volume of Anhui King Bridge Cement Company Limited ("AKB") during the year amounted to 550,000 metric tonnes of slag powder, which was almost the same as that of the previous year. However, the plant's gross profit margins were narrowed by higher raw material costs.

The plant intensified its cost control measures and strengthened its sales to the local market. These efforts enabled the plant to maintain a modest profit during the year.

句容

句容廠將其銷售重點轉向國內市場，在其售出的約2,400,000公噸產品中，大部分銷往華東地區。

由於華東市場競爭激烈，句容廠產品的平均售價及銷量均受到較大壓力。該廠產能利用率不足對其整體成本效益造成影響。此外，由於本集團劃一所有設施之折舊年期，句容廠因折舊期縮短使得其折舊費用有所增加。由於回顧年度下半年該廠平均售價並無任何重大改善，故句容廠於全年錄得虧損。

朱家橋

年內，安徽朱家橋水泥有限公司（「朱家橋」）之礦渣粉銷量達550,000公噸，與上一年度大致相約。然而，該廠之毛利率因原材料價格上升而收窄。

該廠已強化其成本控制措施並加強向當地市場銷售。該等措施使得該廠於年度內維持微利。

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Liuzhou

The Group's 60 per cent-owned slag powder joint venture in Liuzhou reported a sales volume of 990,000 metric tonnes of slag powder, which was more or less the same as that of 2008.

The Liuzhou joint venture experienced a retreat in profit for 2009. During the first half of the year, sales volume of the venture was affected by a weak economy. When demand recovered in the second half of the year, the low water table of Xijiang had hindered its outbound logistics and elevated its transportation costs.

Given the strong demand for slag powder, particularly during the fourth quarter of the year, the joint venture could have enlarged its earnings, should there not be an impact of the freight charges.

Hong Kong

The Group's cement and concrete business in Hong Kong performed favourably during the year. The Hong Kong operation enjoyed a higher gross profit due to lower cost of sales, and reported an improved net profit during the year.

Other significant investments held

A net increase in fair value of HK\$17.5 million was recognized for held-for-trading investments upon stating them at market prices as at 31 December 2009.

柳州

本集團擁有60%權益之柳州礦渣粉合資企業礦渣粉銷量達990,000公噸，與二零零八年大致相約。

柳州合資企業於二零零九年之溢利有所回落。於回顧年度上半年，該合資企業之銷量受經濟疲弱影響。而踏入下半年雖然需求回升，但西江水位降低導致其對外物流受阻，運輸成本增加。

市場對礦渣粉的強勁需求（尤以回顧年度第四季度為甚），倘若沒有受到運費之影響，該合資企業亦可擴大其盈利。

香港

年內，本集團於香港之水泥及混凝土業務表現良好。香港業務因銷售成本下降而獲得較高毛利，且純利於年內亦有改善。

其他所持重大投資

按於二零零九年十二月三十一日之市場價格呈列後，已確認持作交易用途投資之公平值淨額增加17,500,000港元。

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LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group adopts prudent treasury policies in managing cash resources and bank borrowings.

Total unrestricted cash and bank balances of the Group as at 31 December 2009 amounted to HK\$1,053.7 million, of which 3.8%, 21.0% and 74.4% were denominated in HK\$, US\$ and RMB respectively. Highly liquid short term investments, classified as held-for-trading investments, with a market value of HK\$267.9 million as at 31 December 2009, were also held by the Group.

The maturity profile of the Group's bank borrowings as at 31 December 2009 are as follows:

Amount repayable:	須於以下期間償還之金額：
On demand or within one year	應要求或於一年內
More than one year but not exceeding two years	超過一年但不超過兩年
More than two years but not exceeding five years	超過兩年但不超過五年
Over five years	五年以上
Total bank loans	銀行貸款總計

As at 31 December 2009, HK\$2,412.0 million of the bank loans was denominated in HK\$, HK\$1,060.2 million in US\$ and HK\$3,337.7 million in RMB. All of the bank loans are of floating rate structures.

流動資金、財務資源及資本架構

本集團採用審慎之庫務政策以管理現金資源及銀行借貸。

於二零零九年十二月三十一日，本集團之無限制現金及銀行結餘總額為1,053,700,000港元，其中3.8%、21.0%及74.4%分別以港元、美元及人民幣為貨幣單位。於二零零九年十二月三十一日，本集團同時持有市值為267,900,000港元之獲分類為持作交易用途投資之高流動性短期投資。

於二零零九年十二月三十一日，本集團銀行借貸之到期詳情如下：

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

5,152,580	1,440,520
1,214,934	1,287,029
441,247	822,970
1,186	—
6,809,947	3,550,519

於二零零九年十二月三十一日，2,412,000,000港元之銀行貸款以港元為貨幣單位，1,060,200,000港元以美元為貨幣單位及3,337,700,000港元以人民幣為貨幣單位。所有銀行貸款均為浮動利率模式。

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As at 31 December 2009, the Group breached certain financial covenants as stipulated in the loan agreements or banking facilities letters entered into by the Group, which are primarily related to the ratio of consolidated liabilities to consolidated tangible net worth and the current ratio of the Group, with a total carrying amount of HK\$3,742.6 million.

As at 31 December 2009, as the lenders had not agreed to waive their rights to demand immediate payment, the non-current portion of these loans amounting to HK\$3,205 million has been classified as a current liability in the consolidated financial statement for the year ended 31 December 2009.

On discovery of the breach, the Directors of the Company informed the lenders and commenced renegotiations on the terms of the loans with the relevant banks. Up to the date of the issue of the consolidated financial statements, the negotiations are still in progress. The Directors of the Company are confident that negotiations with the lenders will ultimately reach a successful conclusion. In any event, should the lenders call for immediate repayment of the loans, the Directors of the Company believe that adequate alternative sources of finance are available to ensure that there is no threat to the continuing operations of the Group.

As at 31 December 2009, due to the classification of certain bank loans under current liabilities as stated above, the Group had net current liabilities of HK\$3,690.5 million. The gearing ratio, expressed as the ratio of total bank borrowings and amount due to an immediate holding company divided by total assets as at 31 December 2009, of the Group was 47.8%.

於二零零九年十二月三十一日，本集團違反其所訂立之貸款協議或銀行融資函件所訂明之若干財務契約（該等財務契約主要關於本集團綜合負債與綜合有形淨值之比率以及流動比率），其總賬面值為3,742,600,000港元。

於二零零九年十二月三十一日，由於貸款人並未同意豁免其要求即時償還之權利，該等貸款之非即期部份為數3,205,000,000港元已於截至二零零九年十二月三十一日止年度之綜合財務報表內分類為流動負債。

於發現違約後，本公司董事已知會貸款人並開始與有關銀行重新磋商貸款之條款。截至刊發綜合財務報表之日期，磋商仍在進行中。本公司董事有信心，與貸款人之磋商最終將達至令人滿意結論。惟無論在任何情況下，倘貸款人要求立即償還貸款，本公司董事相信，本集團擁有足夠替代融資途徑可供使用，以確保對本集團之持續經營並無構成任何威脅。

於二零零九年十二月三十一日，由於如上文所述若干銀行貸款被分類至流動負債項下，本集團擁有流動負債淨值3,690,500,000港元。本集團之資產負債比率（以於二零零九年十二月三十一日之銀行借貸總額及應付一間直屬控股公司款項除以資產總值計算）為47.8%。

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SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS

During the year, the Group acquired property, plant and equipment and intangible assets at a cost of approximately HK\$930.8 million and HK\$8.4 million respectively.

On 24 September 2009, the Group acquired the entire issued share capital of TCC International (Guangxi) Limited for total consideration of HK\$2,391,270,000, which was satisfied by the Company allotting and issuing 651,170,000 convertible preference shares. The amount of goodwill arising as a result of the acquisition was HK\$794.1 million.

On 18 December 2009, the Company announced that on 11 December 2009 the Company had entered into the conditional Acquisition Agreement with the vendor, Pro-Rise Business Limited, a wholly-owned subsidiary of Prosperity Minerals Holdings Limited. Under the Acquisition Agreement, the Company agreed to acquire the entire issued share capital of Upper Value Investments Limited from the vendor and the vendor agreed to assign certain shareholder loan to the Company. The acquisition price shall be HK\$3,800 million, which shall be satisfied by the Company according to the mechanism described in the circular to the shareholders of the Company dated 2 February 2010.

Save for aforesaid, the Group had no significant investment, material acquisitions or disposal for the year ended 31 December 2009.

CHARGE ON ASSETS

As at 31 December 2009, deposits amounting to HK\$36.9 million have been pledged by the Group as security for the letters of credit and similar obligations provided by banks in regard to the Group's purchase of plant equipments and materials.

As at 31 December 2009, certain property, plant and equipment and prepaid lease payments have been pledged to secure bank borrowings of the Group with the carrying amount of HK\$1,537.0 million and HK\$606.3 million respectively.

重大投資、重大收購或出售事項

年內，本集團分別以成本約930,800,000港元及8,400,000港元收購物業、廠房及設備以及無形資產。

於二零零九年九月二十四日，本集團收購TCC International (Guangxi) Limited之全部已發行股本，總代價為2,391,270,000港元，乃由本公司以發行651,170,000股可換股優先股方式支付。因收購事項而產生之商譽金額為794,100,000港元。

本公司於二零零九年十二月十八日宣佈，於二零零九年十二月十一日，本公司與賣方Pro-Rise Business Limited (Prosperity Minerals Holdings Limited之全資附屬公司)訂立有條件收購協議。根據收購協議，本公司已同意向賣方收購Upper Value Investments Limited之全部已發行股本，而賣方已同意向本公司轉讓若干股東貸款。收購價將為3,800,000,000港元，將由本公司根據其於二零一零年二月二日向股東發出之通函所述之方式支付。

除上文所述者外，本集團於截至二零零九年十二月三十一日止年度概無其他重大投資、重大收購或出售事項。

質押資產

於二零零九年十二月三十一日，36,900,000港元之存款已由本集團質押作為就購置廠房、設備及物料之信用證及銀行提供之類似責任之擔保。

於二零零九年十二月三十一日，若干物業、廠房及設備以及預付租賃款項已作為本集團取得賬面值分別為1,537,000,000港元及606,300,000港元之銀行借款之抵押。

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FOREIGN CURRENCY EXPOSURES

The Group utilized various methods to mitigate foreign currency exposures arising from the currency mismatch of construction material purchases and sales. To protect the benefits of shareholders, cost-efficient hedging methods will be considered in future foreign currency transactions.

No foreign exchange contracts were outstanding as at 31 December 2009.

MAJOR CAPITAL COMMITMENTS

As at 31 December 2009, the Group's capital expenditure in respect to the acquisition of property, plant and equipment contracted but not provided for in the financial statements amounted to approximately HK\$528.0 million. The Group anticipates funding those commitments from its future operating revenue, bank borrowings and other sources of finance when appropriate.

EMPLOYEES

As at 31 December 2009, the Group had 2,235 full-time employees. Total expenses in wages and salaries of the Group for the year ended 31 December 2009 amounted to HK\$102.3 million. Discretionary bonuses, recommended by management and reviewed by the remuneration committee, are payable to employees in Hong Kong and senior management of overseas subsidiaries based on performance. In addition, the Directors may invite employees, including executive Directors (in which case approval of independent non-executive Directors is required), of the Company or any of its subsidiaries and associates to take up options to subscribe for shares of the Company. During the year, no share options were granted to Directors or employees.

外幣風險

本集團運用不同方法以減低因買賣建材之不同貨幣所產生之外幣風險。為保障股東利益，於日後之外幣交易將考慮具有成本效益之對沖方法。

於二零零九年十二月三十一日，並無任何未完成之外匯兌換合約。

主要資本承擔

於二零零九年十二月三十一日，本集團之已訂約但未於財務報表撥備之購買物業、廠房及設備之資本支出約為528,000,000港元。本集團預期於適當時以未來之經營收益、銀行借貸及其他融資來源撥付該等承擔。

僱員

於二零零九年十二月三十一日，本集團共有2,235名全職僱員。本集團於截至二零零九年十二月三十一日止年度之工資及薪金總額達102,300,000港元。管理層可按香港僱員及海外附屬公司之高級管理層之表現建議向彼等發放酌情花紅，並由薪酬委員會進行審閱。此外，董事可邀請本公司或其任何附屬公司及聯營公司之僱員，包括執行董事（在此情況下須由獨立非執行董事批准），收取可認購本公司股份之購股權。年內，概無向董事或僱員授予任何購股權。

Prospects and Future Plans 展望及未來計劃

The Mainland China's economy is expected to continue its growth momentum supported by a growing domestic consumption power and determined State government policies.

The cement sector in Mainland China is encountering the dilemma of rising demand and rapidly expanding new capacity, which is likely to outpace the growth in demand. However, the cement industry has a strong territorial characteristic, and the market equilibrium varies significantly from region to region. There is also a relatively high proportion of inefficient capacity from obsolete facilities, which are due to be phased out by the government by the year 2012. The government's policy to control cement capacity expansion will also help to maintain a balance in the supply and demand.

In Southern China, in particular the more affluent coastal region, demand for cement is driven by enormous infrastructure development within and between major cities as well as urbanisation in the hinterland of the coastal area. The effect was compounded by a bullish property market in the Guangdong province.

With an established leading position in Southern China, the Group's massive facility build-up in the Guangxi Autonomous Region, Guangdong province and Fujian province has laid an effective platform for its market penetration and further consolidation of its strong presence in the region's worthy industrial and urban areas and their peripheral rural districts.

The stronger cement selling prices recorded in the last quarter of 2009 are expected to be sustained by demand from major infrastructure projects, which have an average construction period of two to three years. New residential developments in the region, on the other hand, will expedite the consumption of cement as developers are trying to replenish their saleable floor area.

國內消費動力日益增長，加上堅定的國家政策，將繼續維持中國大陸經濟預期可持續增長趨勢。

中國大陸水泥行業正面對需求上升及新產能快速擴張之兩難局面，而且產能的增速亦有可能超逾需求增長。然而，水泥行業會因區域不同而出現明顯的差異，水泥市場供需平衡常因地區不同而有差異。中國大陸的低效益產能亦佔有相對較高比例，中國政府計劃到二零一二年完全淘汰這些來自老舊設備的產能。政府控制水泥新增產能之政策亦將有助於維持供求平衡。

於華南地區，尤其是經濟較發達的沿海地區，水泥需求受惠於城市內部及城市之間龐大的基建發展以及沿海地區腹地城市化進程，加上廣東省持續向好之房地產市場帶動水泥需求提升。

在確立華南地區之領導地位後，本集團在廣西壯族自治區、廣東省及福建省的大規模設施為及進一步鞏固於該地區繁榮的工業區、市區及其周邊鄉鎮地區的主導地位及市場滲透奠下基礎。

於二零零九年最後一季度水泥售價趨升，這個趨勢預期將主要因基建項目帶動對水泥需求而持續，而這些項目的平均施工期要兩至三年。另一方面，因發展商致力補充其可供出售之樓面面積，該地區之新住宅開發也將促進水泥消耗。

Prospects and Future Plans 展望及未來計劃

With limited additional capacity and a relatively high proportion of obsolete capacity pending replacement, cement price in Guangdong province is expected to remain at a healthy level for the current year.

After years of organic growth in Southern China, the Group began to actively engage in mergers and acquisitions of advanced cement production facilities in recent years. This approach allows the Group to expedite its expansion in scale of operation and market coverage, and to comply with the State's policy of restricting new facility development.

Following the acquisition of TCC (Gui Gang) from its parent company, the Group announced one of the largest takeovers in Mainland China's cement industry at the end of 2009. The Group's HK\$3.8 billion bid for Upper Value Investments Limited ("Upper Value"), a holding company with interests in an array of clinker and cement production lines in Guangdong province, Yunnan province, Chongqing municipality and Sichuan province, Liaoning province and Guizhou province, had been approved by its shareholders in February 2010.

Upon completion of the transaction, which is expected in the first half of the current year, the Group will significantly extend its market reach to southwestern, western and northeastern parts of China. The additional capacity from the acquisition will solidify the Group's indisputable dominant position in Guangdong province and enlist it among the top tier cement conglomerates in Mainland China.

The Group has planned to develop a 4 million-metric tonnes grinding mill in Dongguan to provide nearby processing support to the Pearl River Delta. Under the State's recently promulgated policy, the plan is now subject to review and further approval from relevant authorities.

鑑於新增產能有限，且待置換之老舊設備產能佔有相對較高比例，廣東省的水泥價格預期於本年度維持在穩健的水平。

經過多年於華南地區的自身產能擴充後，本集團於近年開始積極參與併購先進水泥生產設施。此舉可令本集團加速擴大其經營規模及市場覆蓋面，且符合國家有關限制新設施發展之政策。

本集團繼自其母公司收購台泥貴港後，於二零零九年底公佈中國大陸水泥行業其中一項最大收購行動。本集團以38億港元代價收購Upper Value Investments Limited（「Upper Value」），Upper Value是一家於廣東省、雲南省、重慶直轄市及四川省、遼寧省及貴州省之一系列熟料及水泥生產線持有權益之控股公司，有關交易於二零一零年二月獲本公司股東通過。

交易預期於本年度上半年完成，於完成該交易後，本集團可將其市場覆蓋地域伸延至中國西南部、西部及東北部。因是次收購而提升的產能將有助鞏固本集團於廣東省無可置疑之領導地位，並使本集團躋身於中國大陸頂尖水泥集團行列。

本集團計劃於東莞開發一家4,000,000公噸粉磨廠，以向珠三角提供鄰近距離加工支援。根據國家近期頒佈之政策，該計劃目前有待審核及相關部門進一步批准。

Prospects and Future Plans 展望及未來計劃

At Yingde, all of its four production lines are in efficient operation. When running at full capacity with optimum utilisation, the Yingde plant can generate a sales volume of around 10 million metric tonnes of clinker and cement per annum. The plant's two residual heat generation units were commissioned in the second half of 2009. Their full year effect is expected to further lower energy costs in the current year.

TCC (Gui Gang) will be able to further improve cost-efficiency in the current year. Phase II of the Gui Gang plant was put into service in the second quarter of 2009. They are expected to further enhance efficiency in the current year. In addition, the plant's two residual heat generation units, inaugurated in the second half of 2009, can amplify their cost saving effect, reducing one-third of the plant's electricity cost.

Transportation costs are likely to reduce, with TCC (Gui Gang)'s terminal and pier facilities at Yujiang river, a main tributary of Xijiang, becoming fully operational and the Xijiang water table resuming its normal level.

TCC (Gui Gang)'s full year results will be consolidated into the Group's accounts in the current year. It is, therefore, expected to significantly enhance the Gui Gang plant's contribution to the Group.

With the inauguration of the second production line in the first quarter of 2010, the Jurong plant will lift its annual capacity to a total of 4.5 million metric tonnes of clinker and cement. A significant portion of the plant's additional capacity will be consumed by the Fuzhou plant. The cooperation will generate mutual benefits, to both facilities in both costs and sales.

The Jurong plant's energy saving residual heat generation units will also become operational in the last quarter of this year. With the expected cost reduction from these facilities, the Jurong plant will be able to improve its cost-efficiency.

本集團在英德的所有四條生產線正處於高效運營。當其產能運行滿負荷生產而得到充份發揮後，英德廠每年可產生約10,000,000公噸之熟料及水泥銷量。該廠之兩套餘熱發電設備已於二零零九年下半年投產，其全年度經濟效益預期有助進一步降低本年度之能源成本。

台泥貴港將能於本年度進一步提升成本效益。貴港廠第二期於二零零九年第二季度投產，並預期於本年度進一步提高效率。此外，該廠於二零零九年下半年投產之兩套餘熱發電設備可減少該廠三分之一電力成本，從而擴大其成本節約效果。

由於台泥貴港在西江主要分支郁江之碼頭設施全面投產，西江水位恢復正常水平後，運輸成本有望降低。

台泥貴港的全年業績於本年度將計入本公司綜合報表，因此預期將大幅增加貴港廠對本集團的業績貢獻。

隨着句容廠第二條生產線於二零一零年第一季度投產後，該廠將提升其熟料及水泥年產能至合共4,500,000公噸。該廠大部分額外產能將供應福州廠。兩者之間的合作將在成本及銷售方面對雙方帶來協同效益。

句容廠之節能型餘熱發電設備亦將於本年度最後一季投產。由於該等設施預期會降低成本，句容廠將可提升其成本效益。

Prospects and Future Plans 展望及未來計劃

The Fuzhou plant is expected to lower its costs, with the supply of clinker from the Group's Jurong plant in the current year. An improved utilisation of the Fuzhou plant will help to strengthen its operation efficiency.

The cement industry is undergoing a phase of transformation. Supported by State policies, the industry is accelerating its pace in consolidation and elimination of inefficient capacity. We believe only those large cement enterprises with a massive scale of operation, extensive market reach and state-of-the-art facilities are able to stay ahead of market competition amidst this process of transformation.

It is for this belief that the Group maintains a rapid pace of expansion both in terms of capacity and geographical coverage. With the completion of the acquisition of Upper Value, the Group will have an attributable annual capacity of over 40 million metric tonnes of cement, clinker and slag powder. This scale of operation will enrol it in forefront of Mainland China's cement industry, and enable it to command a sizable share in regional markets.

Only with these attributes will the Group be able to embrace the upcoming changes in the industry and to continue its healthy ongoing development.

福州廠於本年度預期受惠於句容廠之熟料供應，能降低成本。福州廠之產能利用率改善將有助於提升其營運效益。

水泥行業正處於改革階段。在國家政策支持下，該行業正加快其整合及淘汰低效益產能之步伐。本集團相信，只有具備龐大規模營運、廣泛市場覆蓋及先進設施之大型水泥企業方可在改革過程維持市場競爭優勢，脫穎而出。

基於上述優勢，本集團一直維持產能及地區覆蓋方面快速擴充步伐。完成收購Upper Value後，本集團之應佔年產能將超過40,000,000公噸水泥、熟料及礦渣粉。此營運規模將使其躋身於中國大陸水泥行業之最前線，並有利於其佔有地區市場可觀份額。

只有具備以上優勢，本集團才能有效應對水泥行業的變化，並維持其穩健持續發展。

Biographical Details of Directors and Senior Management 董事及高級管理層簡歷

DIRECTORS

Executive Directors

Mr. Koo, Cheng-Yun, Leslie

Mr. Koo, aged 55, is the Chairman and an executive Director of the Company. Mr. Koo is responsible for the overall policy and direction of the Group. He became a Director of Hong Kong Cement Manufacturing Company Limited (which carried on the Group cement business in Hong Kong prior to the Group's re-organisation in September 1997) in July 1991. He is also the vice-chairman of Quon Hing Concrete Company Limited ("Quon Hing") and Director of Hong Kong Concrete Company Limited ("Hong Kong Concrete"), both being associated companies of the Company. He holds a Bachelor Degree in Accounting from the University of Washington and a Master Degree in Business Administration from the Wharton School of the University of Pennsylvania, the USA. He is currently the Chairman and president of Taiwan Cement Corporation ("T'Cement"), the ultimate holding company of the Company. Mr. Koo serves as the Chairman of China Synthetic Rubber Corporation, Chairman of Taiwan Prosperity Chemical Corporation, a Director of China Steel Chemical Co., Ltd., a Director of CTCL Corporation, the Chairman of Synpac (N.C.) Limited, USA and the Chairman of Continental Carbon Company, USA. T'Cement, China Synthetic Rubber Corporation, Taiwan Prosperity Chemical Corporation, CTCL Corporation and China Steel Chemical Co., Ltd. are companies listed on the Taiwan Stock Exchange Corporation.

Mr. Wu Yih Chin

Mr. Wu, aged 55, is the Managing Director and executive Director of the Company, the deputy managing Director of Hong Kong Concrete and Directors of Quon Hing and Yargoan Company Limited. He joined the Group in November 1993. Mr. Wu is responsible for overall management, strategic planning and business development for the Group. He holds a Bachelor Degree in Business Administration from National Cheng Chi University, Taiwan, and a Master Degree in Business Administration from the Wharton School of the University of Pennsylvania, the USA. He has more than 30 years of experience in cement-related businesses.

董事

執行董事

辜成允先生

辜先生現年55歲，為本公司董事長兼執行董事。現時負責制訂本集團之整體策略與方向。辜先生於一九九一年七月成為香港水泥有限公司董事，該公司於一九九七年九月集團重組前經營本集團之香港水泥業務。彼亦為港興混凝土有限公司（「港興」）之副主席及港九混凝土有限公司（「港九混凝土」）之董事，該兩間公司均為本公司之聯營公司。彼擁有美國華盛頓大學之會計學學士學位與賓夕法尼亞大學華頓學院之工商管理碩士學位。辜先生現任本公司之最終控股公司台灣水泥股份有限公司（「T'Cement」）董事長兼總經理。辜先生為中國合成橡膠股份有限公司董事長、信昌化學工業股份有限公司董事長、中鋼碳素化學股份有限公司董事、中鼎工程股份有限公司董事、美國Synpac (N.C.) Limited主席及美國大陸碳煙股份有限公司主席。T'Cement、中國合成橡膠股份有限公司、信昌化學工業股份有限公司、中鼎工程股份有限公司及中鋼碳素化學股份有限公司均為台灣證券交易所之上市公司。

吳義欽先生

吳先生現年55歲，為本公司董事總經理兼執行董事、港九混凝土副董事總經理及港興與翼冠有限公司董事。吳先生於一九九三年十一月加入本集團，負責本集團之整體管理、策略規劃及業務發展。彼擁有台灣國立政治大學之企業管理學士學位與美國賓夕法尼亞大學華頓學院之企業管理碩士學位。吳先生在水泥相關業務擁有逾三十年經驗。

Biographical Details of Directors and Senior Management 董事及高級管理層簡歷

Non-executive Directors

Dr. Shan Weijian

Dr. Shan, aged 56, is currently a Partner of TPG Capital Limited. Dr. Shan serves on the Boards of T'Cement, BOC Hong Kong (Holdings) Limited, Bank of China (Hong Kong) Limited, Shenzhen Development Bank Co., Ltd, Taishin Financial Holdings Co., Ltd., Chang Hwa Bank, Guanghui Automobile Services Co., Ltd and Unitrust Finance & Leasing Corporation among others. He has been an independent non-executive Director of the Company since August 1997. Prior to 1993, Dr. Shan was a professor at the Wharton School of the University of Pennsylvania, the USA. He received his Ph.D. from UC Berkeley.

Mr. Chang, An-Ping, Nelson

Mr. Chang, aged 57, is the brother-in-law of Mr. Koo, Cheng-Yun, Leslie who is the Chairman and an executive Director of the Company. Mr. Nelson Chang is also the uncle of two non-executive Directors of the Company, Mr. Chang, Kang-Lung, Jason and Ms. Wang, Lishin, Elizabeth. Mr. Nelson Chang graduated from New York University with a Master Degree in Business Administration. Mr. Nelson Chang is Directors of T'Cement and Chia Hsin Cement Corporation ("Chia Hsin Cement"), the parent company of a substantial shareholder of the Company named Chia Hsin Pacific Limited ("CHPL"). Mr. Nelson Chang is also a Director of CHPL. In addition, Mr. Nelson Chang is Directors of China Synthetic Rubber Corporation and Taiwan Prosperity Chemical Corporation. T'Cement, Chia Hsin Cement, China Synthetic Rubber Corporation and Taiwan Prosperity Chemical Corporation are companies listed on the Taiwan Stock Exchange Corporation.

非執行董事

單偉建博士

單博士現年56歲，現為美國德太投資有限公司之合夥人，也是若干公司之董事，包括T'Cement、中銀香港(控股)有限公司、中國銀行(香港)有限公司、深圳發展銀行股份有限公司、台新金融控股股份有限公司、彰化銀行、廣匯汽車服務股份有限公司及恒信金融租賃有限公司。單博士於一九九七年八月加入本公司出任獨立非執行董事。單博士於一九九三年之前任職美國賓夕法尼亞大學華頓學院教授。彼擁有美國加州柏克萊大學之博士學位。

張安平先生

張先生現年57歲，為本公司董事長兼執行董事辜成允先生之妹夫，亦為本公司兩名非執行董事張剛綸先生之叔父及王立心女士之舅父。張安平先生畢業於紐約大學，持有工商管理碩士學位。張安平先生現時為T'Cement及嘉新水泥股份有限公司(「嘉新水泥」)(本公司名為Chia Hsin Pacific Limited(「CHPL」)之主要股東之母公司)之董事。張安平先生亦為CHPL之董事。此外，張安平先生為中國合成橡膠股份有限公司及信昌化學工業股份有限公司之董事。T'Cement、嘉新水泥、中國合成橡膠股份有限公司及信昌化學工業股份有限公司均為於台灣證券交易所上市之公司。

Biographical Details of Directors and Senior Management

董事及高級管理層簡歷

Mr. Chang, Kang-Lung, Jason

Mr. Chang, aged 38, is the nephew of Mr. Chang, An-Ping, Nelson, a non-executive Director of the Company and the cousin of Ms. Wang, Lishin, Elizabeth, also a non-executive Director of the Company. Mr. Jason Chang graduated from the Massachusetts Institute of Technology, Boston, U.S.A. with a Master Degree in Management of Technology. He also has a Bachelor Degree of Arts from Carroll College, Helena, U.S.A. Mr. Jason Chang is a Director of Chia Hsin Cement, a company listed on the Taiwan Stock Exchange Corporation.

Ms. Wang, Lishin, Elizabeth

Ms. Wang, aged 36, is the niece of Mr. Chang, An-Ping, Nelson, a non-executive Director of the Company and the cousin of Mr. Chang, Kang-Lung, Jason, also a non-executive Director of the Company. Ms. Wang graduated from the Waseda University, Tokyo, Japan with a Master Degree in Organization Restructuring. She also has a Bachelor Degree of Science in Finance from Boston College, Boston, U.S.A. Ms. Wang is a Director of Chia Hsin Cement, a company listed on the Taiwan Stock Exchange Corporation.

Independent non-executive Directors

Mr. Liao Poon Huai, Donald C.B.E., J.P.

Mr. Liao, aged 80, has been an independent non-executive Director of the Company since August 1997. He was educated at the University of Hong Kong and the University of Durham, the United Kingdom. He is a senior advisor to Mitsui & Co (HK) Limited. He retired from the Hong Kong civil service in 1989 and was the former Secretary for District Administration and the Secretary for Home Affairs. He served as non-executive Directors of the Hong Kong and Shanghai Banking Corporation Limited and The HSBC China Fund Limited. He also served on the Council of the Stock Exchange between 1991 and 1995. Mr. Liao was also appointed as an Official Member of the Hong Kong Legislative Council in 1980 and of the Hong Kong Executive Council in 1985.

張剛綸先生

張先生現年38歲，為張安平先生之侄兒及王立心女士之表哥，亦為本公司之非執行董事。張剛綸先生畢業於美國波士頓麻省理工學院，持有技術管理碩士學位。彼亦持有美國海倫那市卡洛學院之文學學士學位。張剛綸先生為於台灣證券交易所上市之公司Chia Hsin Cement之董事。

王立心女士

王女士現年36歲，為本公司非執行董事張安平先生之外甥女及本公司非執行董事張剛綸先生之表妹。王女士畢業於日本東京早稻田大學，持有組織架構重組工商管理碩士學位。彼亦持有美國波士頓波士頓學院金融理學學士學位。王女士為於台灣證券交易所上市之公司嘉新水泥之董事。

獨立非執行董事

廖本懷先生 C.B.E., J.P.

廖先生現年80歲，自一九九七年八月起為本公司之獨立非執行董事，肄業於香港大學及英國達勒姆大學。廖先生現任Mitsui & Co (HK) Limited高級顧問。彼於一九八九年退任香港公務員官職，並為前民政司及政務司。曾出任香港上海滙豐銀行有限公司及滙豐中國基金有限公司之非執行董事。彼亦在一九九一年至一九九五間服務於聯交所理事會。彼於一九八零年獲委任為香港立法局官守議員及於一九八五年加入香港行政局。

Biographical Details of Directors and Senior Management

董事及高級管理層簡歷

Dr. Chih Ching Kang, Kenneth

Dr. Chih, aged 55, has been a Chief Architect Global Purchasing and Supply Chain of General Motors Corporation (“GM”) in Detroit US from 2007 to 2009. Before joining GM in 2007, Dr. Chih was the Director and Chief Information Officer of Orient Overseas Container Line Ltd., a subsidiary of Orient Overseas (International) Limited (“OOCL”) which is a company listed on the Main Board of The Stock Exchange of Hong Kong Limited. He also served as executive committee member of the Board of OOCL and was globally responsible for IT strategy, information systems development, information technology infrastructure, business process and ISO9000 facilitation. Dr. Chih also served as Directors of several OOCL subsidiary companies such as Cargo Smart Limited and IRIS Systems Limited. Before joining OOCL in 1993, Dr. Chih was the Senior Principal at American Airlines Decision Technologies. Dr. Chih also had extensive consulting experience in the US railroad transportation industry. Dr. Chih received an M.A. and a Ph.D. from Princeton University, an M.S. from the University of Texas at Austin and a B.S. from National Taiwan University.

Mr. Shieh, Jen-Chung, Roger

Mr. Shieh, aged 52, started his career with Ogilvy & Mather Advertising Taiwan since 1982. In 1999, he became managing Director of Enterprise IG, a consultancy company and a subsidiary of one of the world’s largest communications groups, WPP Group plc. In 2001, Mr. Shieh was relocated to Shanghai to set up Enterprise IG China and further develop its business and operations in the Greater China Region. He retired from WPP Group plc in 2005. Mr. Shieh has over 20 years of experience in advertising, public relations, corporate image and identity management.

池慶康博士

池博士現年55歲，於二零零七年至二零零九年間曾任職於美國底特律之通用汽車公司（「通用汽車」）之全球採購以及供應鏈管理之總建築師。池博士於二零零七年加盟通用汽車之前，曾為東方海外貨櫃航運有限公司董事兼資訊總裁，該公司為香港聯合交易所有限公司主板上市公司東方海外（國際）有限公司（「東方海外」）之附屬公司。彼亦曾擔任東方海外董事會執行委員會成員，並負責該公司之全球資訊科技策略、資訊系統發展、資訊科技建設、業務流程及促成獲取ISO9000認證。池博士亦擔任東方海外多間附屬公司之董事，包括貨訊通有限公司及IRIS Systems Limited。池博士於一九九三年加盟東方海外之前，曾為American Airlines Decision Technologies之高級主管。池博士亦於美國鐵路運輸業擁有豐富諮詢經驗。池博士持有普林斯頓大學碩士及博士學位、奧斯汀德州大學理科碩士學位及國立台灣大學理科學士學位。

謝禎忠先生

謝先生現年52歲，於一九八二年加入台灣奧美廣告公司，並於一九九九年出任全球最大行銷傳播集團WPP Group plc旗下顧問附屬公司Enterprise IG之董事總經理。謝先生於二零零一年調任往上海成立Enterprise IG China，以進一步發展該公司在大中華地區之業務。彼於二零零五年辭任WPP Group plc。謝先生於廣告、公共關係、企業形象及識別管理方面擁有逾二十年經驗。

Biographical Details of Directors and Senior Management 董事及高級管理層簡歷

SENIOR MANAGEMENT

Mr. Lu, Ker-Fu

President of TCC Yingde Cement Company Limited

Mr. Lu, aged 56, holds a Bachelor Degree in Mechanical Engineering from Tamkang University, Taiwan and joined T'Cement in 1977. He has more than 30 years of experience in cement and engineering businesses, and had worked in head office and cement plants of T'Cement before joining the Group in April 2007.

Mr. Wang, Chien-Chuan

President of TCC (Guigang) Cement Limited

Mr. Wang, aged 49, holds a Bachelor Degree in Mechanical Engineering from Feng Chia University in Taiwan, and joined T'Cement in 1985. He has over 25 years of experience in cement and engineering businesses. Between 2003 and January 2008, he joined the Group as Chief Engineer in TCC Yingde Cement Company Limited and was responsible for the construction planning and initial operation management of that plant. Mr. Wang joined TCC (Guigang) Cement Limited in April 2009.

Mr. Chen, Chen-Yuan

President of TCC Fuzhou Cement Company Limited

Mr. Chen, aged 46, holds a Bachelor Degree in the Department of Engineering from Feng Chia University in Taiwan, and joined T'Cement in 1992. He has more than 20 years of experience in cement-related engineering. He joined the Group in April 2007.

Mr. Huang, Yeou-Jinn

President of Jurong TCC Cement Company Limited

Mr. Huang, aged 61, graduated in chemical engineering from National Taipei University of Technology. He joined T'Cement in 1974 and has more than 30 years of experience in cement and engineering businesses. He joined the Group in January 2008.

高級管理層

呂克甫先生

台泥(英德)水泥有限公司總經理

呂先生現年56歲，擁有台灣淡江大學機械工程學士學位，並於一九七七年加入T'Cement，在水泥及工程業務方面擁有逾三十年經驗，及於二零零七年四月加入本集團前曾於T'Cement總部及水泥廠工作。

王建全先生

台泥(貴港)水泥有限公司總經理

王先生現年49歲，擁有臺灣逢甲大學機械工程學士學位。彼於一九八五年加入T'Cement，在水泥及工程業務方面擁有逾二十五年經驗，及於二零零三年至二零零八年一月加入本集團擔任台泥(英德)水泥有限公司總工程師，負責該廠籌建及初期營運管理工作。彼於二零零九年四月加入台泥(貴港)水泥有限公司。

陳振源先生

福州台泥水泥有限公司總經理

陳先生現年46歲，擁有台灣逢甲大學工學學士學位。彼於一九九二年加入T'Cement，擁有逾二十年水泥相關工程經驗。彼於二零零七年四月加入本集團。

黃有進先生

句容台泥水泥有限公司總經理

黃先生現年61歲，畢業於台北工專化工科。彼於一九七四年加入T'Cement，擁有逾三十年水泥和工程業務經驗。彼於二零零八年一月加入本集團。

Biographical Details of Directors and Senior Management 董事及高級管理層簡歷

Mr. Liu, Chung-Jung

President of Anhui King Bridge Cement Company Limited

Mr. Liu, aged 45, holds a Bachelor Degree in Industrial Engineering from the Taiwan Technical University, and joined T'Cement in 1991. He had worked in T'Cement's and was responsible for sales, materials and factory management. He joined the Group in March 2007.

Mr. Chou, Li

President of TCC Liuzhou Construction Materials Company Limited

Mr. Chou, aged 60, graduated in mechanical engineering from Provincial Kaohsiung Institute of Technology. Mr. Chou has joined T'Cement since 1973. He has acquired practical experience through holding various posts responsible for mechanical repair and maintenance, plant construction planning, standardized plant operation and advanced plant management. He joined the Group in April 2007.

Ms. Kwok Pui Ha

Chief Financial Officer and Company Secretary of the Group

Ms. Kwok, aged 40, joined the Group in October 2005 and is responsible for the financial control over the Group. She holds a Bachelor Degree in Accountancy from City University of Hong Kong. She is fellow members of The Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, an Associate Chartered Accountant of the Institute of Chartered Accountants in England and Wales and ordinary member of the Hong Kong Securities Institute. Prior to joining the Group, she had served senior management position in several listed companies and had 7 years' auditing experiences in an international accounting firm.

Mr. Chi, Jung-Kun

Business Development Manager of the Group

Mr. Chi, aged 50, has also been the financial controller of Quon Hing since June 1995. He holds a Bachelor Degree in Business Administration from National Chung Hsin University, Taiwan, and a Master Degree in Business Management from the Asian Institute of Management, the Philippines. He has more than 25 years of working experience in cement-related businesses.

劉仲容先生

安徽朱家橋水泥有限公司總經理

劉先生現年45歲，擁有台灣科技大學工業工程學士學位，並於一九九一年加入T'Cement，曾於T'Cement任職，負責銷售、物料及廠房管理。彼於二零零七年三月加入本集團。

周力先生

柳州台泥新型建材有限公司總經理

周先生現年60歲，畢業於省立高雄工業專科學校機械工程專業。周先生於一九七三年加入T'Cement。彼通過擔任多項職務（負責機械維修及保養、工廠建設規劃、標準化工廠運作及先進工廠管理等工作）而獲得實際工作經驗。彼於二零零七年四月加入本集團。

郭佩霞小姐

本集團財務長及公司秘書

郭小姐現年40歲，於二零零五年十月加入本集團，負責本集團之財務監控。彼擁有香港城市大學之會計學學士學位，且為香港會計師公會及英國特許公認會計師公會資深會員、英格蘭及威爾士特許會計師協會特許會計師及香港證券專業學會會員。加入本集團之前，彼曾先後於若干上市公司出任高級管理人員及財務總監。彼於一間跨國會計師行擁有七年之核數經驗。

紀榮焜先生

本集團企劃部經理

紀先生現年50歲，自一九九五年六月起擔任港興財務總監。紀先生擁有台灣國立中興大學之企業管理學士學位與菲律賓亞洲管理學院之工商管理碩士學位。彼在水泥相關業務擁有逾二十五年經驗。

Corporate Governance Report 企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the provisions of the Code on Corporate Governance Practices (the “CG Code”) set out in Appendix 14 of the Listing Rules throughout the accounting year ended 31 December 2009, save for the exceptions that the Company has not fixed the terms of appointment for the non-executive Directors which deviates from the provision of A.4.1 of the CG Code. However, they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provision to the Company’s Articles of Association (the “Articles”), and their appointment will be reviewed when they are due for re-election. As such, in the opinion of the Directors, the principle of CG Code A.4 that all directors should be subject to re-election at regular intervals has been up held.

CODES OF CONDUCT ON DIRECTORS’ SECURITIES TRANSACTION

The Company has adopted a code of conduct for securities transactions and dealings (the “Code of Conduct”) based on the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 of the Listing Rules. The terms of the Code of Conduct are no less exacting than the standards in the Model Code, and the Code of Conduct applies to all the relevant persons as defined in the Model Code, including the Directors of the Company, 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. Having made specific enquiry, all Directors have fully complied with the required standard set out in the Model Code throughout the year of 2009.

企業管治常規

於截至二零零九年十二月三十一日止會計年度整個期間內，本公司一直遵守上市規則附錄14所載之企業管治常規守則（「企業管治守則」）的條文，惟本公司並無為非執行董事訂立固定委任年期（此舉偏離企業管治守則條文第A.4.1條）之例外情況則除外。然而，該等非執行董事須根據本公司之組織章程細則（「細則」）條文於本公司之股東週年大會上輪值告退及膺選連任，而本公司將於該等非執行董事到期膺選連任時審閱其委任。故此，董事認為，本公司已遵從企業管治守則第A.4條所提出所有董事須定期膺選連任之原則。

董事進行證券交易之操守守則

本公司已根據上市規則附錄10所載之上市發行人董事進行證券交易之標準守則（「標準守則」），採納證券交易及買賣操守守則（「操守守則」）。操守守則之條款不遜於標準守則之標準，而操守守則適用於標準守則所界定之所有相關人士，包括本公司董事、本公司任何僱員，或本公司之附屬公司或控股公司之董事或僱員，而彼等因其職務或受聘可能獲得有關本公司或其證券之未公佈股價敏感資料。經作出特定查詢後，全體董事於二零零九年全年已全面遵守標準守則所載之規定標準。

BOARD OF DIRECTORS

During the year, the Board comprised two executive and seven non-executive Directors of whom three are independent as defined by the Stock Exchange. The number of independent non-executive Directors and the non-executive Directors represents 33% and 44% of the Board respectively. To enhance independence and accountability, the role and responsibility of the Group Chairman, Mr. Koo, Cheng-Yun, Leslie and the Group Managing Director, Mr. Wu Yih Chin, is separated (the biographical details of the Directors are set out on pages 23 to 28).

In accordance with the Articles, all Directors appointed to fill a causal vacancy should be subject to election by shareholders at the first general meeting after their appointment. At every annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation.

The Board meets in person or through other electronic means of communication at least four times every year. The Board is responsible for overseeing the Group's businesses and development, formulating long term strategies and policies. The Board also monitors and controls operating and financial performance in pursuit of the Group's strategic objectives. All Directors and Board committees have recourse to external legal counsel and other professionals for independent advice at the Group's expense if they require it. The Board has delegated the day-to-day management and operation of the Group's businesses to management.

Pursuant to the requirements of the CG Code, two Board committees, namely, the Audit Committee and the Remuneration Committee were established to oversee particular aspects of the Group's affairs.

董事會

年內，董事會由兩名執行董事及七名非執行董事組成，其中三名具有聯交所定義之獨立性。獨立非執行董事及非執行董事之數目分別佔董事會之33%及44%。為加強獨立性及問責性，集團主席辜成允先生與集團董事總經理吳義欽先生之角色及職責獨立開來（董事之簡歷詳情載於第23頁至28頁）。

根據細則，所有獲委任填補臨時空缺之董事須於獲委任後之首個股東大會上由股東選出。於每屆股東週年大會上，三分之一之董事（倘人數並非三或三之倍數，則以最接近但不少於三分之一之人數為準）須輪值告退。

董事會每年至少舉行四次會議，董事可親身出席或透過其他電子途徑參與。董事會負責監督本集團之業務及發展，制定長遠策略及政策。董事會亦監察及控制營運及財務表現，務求達至本集團之策略性目標。全體董事及董事委員會均可在有需要時尋求外聘法律顧問及其他專業人士之獨立意見，費用由本集團承擔。董事會已將本集團業務之日常管理及營運事宜交予管理層處理。

根據企業管治守則之規定，本公司已成立兩個董事委員會（即審核委員會及薪酬委員會），負責監督本集團事務之特定範疇。

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Details of the attendance of individual Directors at the Board meetings and the two Committees meetings during the year are set out in the table below:

各董事年內於董事會會議及兩個委員會會議之出席率詳情載於下表：

		Meetings Attended/Held 出席／舉行會議		
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會
Executive Directors	執行董事			
Mr. Koo, Cheng-Yun, Leslie	辜成允先生	6/6	N/A不適用	1/1
Mr. Wu Yih Chin	吳義欽先生	6/6	3/3*	1/1
Non-executive Directors	非執行董事			
Dr. Shan Weijian	單偉建博士	4/6	N/A不適用	N/A不適用
Mr. Chang, An-Ping, Nelson	張安平先生	4/6	N/A不適用	N/A不適用
Mr. Chang, Kang-Lung, Jason	張剛綸先生	5/6	N/A不適用	N/A不適用
Ms. Wang, Lishin, Elizabeth	王立心女士	6/6	3/3	N/A不適用
Independent Non-executive Directors	獨立非執行董事			
Mr. Liao Poon Huai, Donald	廖本懷先生	6/6	3/3	1/1
Dr. Chih Ching Kang, Kenneth	池慶康博士	5/6	2/3	1/1
Mr. Shieh, Jen-Chung, Roger	謝禎忠先生	6/6	3/3	1/1

* The Director is not a member of the committee at the relevant time but attended the meetings by invitation.

* 該董事於有關時間非委員會成員但應邀出席有關會議。

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NOMINATION OF DIRECTORS

According to the Articles of the Company, the Board has the power from time to time and at any time to appoint any person as a Director either to fill a causal vacancy or as an addition to the Board. The nomination should be taken into consideration of the nominee's qualification, ability and potential contributions to the Company.

AUDIT COMMITTEE

The Audit Committee was established in 1999 and its members comprise three independent non-executive Directors and an non-executive Director:

Mr. Liao Poon Huai, Donald (Chairman of the Committee)
Dr. Chih Ching Kang, Kenneth
Mr. Shieh, Jen-Chung, Roger
Ms. Wang, Lishin, Elizabeth

All members possess diversified industry experiences and appropriate professional qualifications as required under the Listing Rules.

The Audit Committee held three meetings during the year. Their major duties and responsibilities are set out in the terms of reference and the work conducted by the Audit Committee included the following matters:

1. Reviewed the Group's 2008 annual and 2009 interim reports, internal controls and corporate governance issues, financial and accounting policies and practices and made recommendations to the Board;
2. Recommended to the Board on the appointment of auditors and financial due diligence team for the proposed acquisition of the entire issued share capital of Upper Value Investments Limited and on the re-appointment of Deloitte Touche Tohmatsu as auditor and to develop policy on the engagement of an external auditor to supply non-audit services;

董事提名

根據本公司之細則，董事會有權不時及隨時委任任何人士為董事以填補臨時空缺或增加董事會人數。提名時應考慮獲提名人士之資格、能力及對本公司之潛在貢獻。

審核委員會

審核委員會於一九九九年成立，成員為三名獨立非執行董事及一名非執行董事，包括：

廖本懷先生（委員會主席）
池慶康博士
謝禎忠先生
王立心女士

所有成員均擁有各種行業經驗及上市規則所要求之適當專業資格。

審核委員會於年內舉行三次會議。其主要責任及職責載於職權範圍，而審核委員會之工作包括以下事宜：

1. 審閱本集團二零零八年年報及二零零九年中報報告、內部監控及企業管治事項、財務及會計之政策與守則及向董事會作出推薦建議；
2. 就建議收購Upper Value Investments Limited全部已發行股本委任核數師及財務盡職審查團隊以及就續聘德勤•關黃陳方會計師行為核數師向董事會提出建議，並制定委聘外聘核數師之政策，以提供非審計方面之服務；

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3. Discussed with the external auditors their independence and the nature and scope of the audit; and
4. Discussed with the external auditors any material queries raised by the auditors to management in respect of the accounting records, financial accounts or systems of control and management's response.

The Committee reviewed the Company's internal control based on the information obtained from the external auditors and Company's management and was of the opinion that there are adequate internal controls in place.

REMUNERATION COMMITTEE

The Remuneration Committee consists of three independent non-executive Directors and two executive Directors:

Mr. Liao Poon Huai, Donald (Chairman of the Committee)
Mr. Koo, Cheng-Yun, Leslie
Mr. Wu Yih Chin
Dr. Chih Ching Kang, Kenneth
Mr. Shieh, Jen-Chung, Roger

Its major terms of reference are summarized as follows:

1. To formulate and recommend to the Board the policy for the remuneration of the executive Directors and other senior executives as designated by the Board;
2. To determine the individual remuneration package of each executive Director including base salary, annual bonus plans and allocation of share options;

3. 與外聘核數師討論其獨立性及核數之性質及範圍；及
4. 與外聘核數師討論其就有關會計記錄、財務賬戶或監控系統及管理層回應而向管理層作出之重大查詢。

委員會根據自外聘核數師及本公司管理層獲取之資料檢討本公司之內部監控系統，並認為已有足夠內部監控系統。

薪酬委員會

薪酬委員會包括三名獨立非執行董事及兩名執行董事：

廖本懷先生 (委員會主席)
辜成允先生
吳義欽先生
池慶康博士
謝禎忠先生

其主要職權範圍概述如下：

1. 制定及向董事會建議由董事會指定之執行董事及其他高級行政人員之薪酬政策；
2. 釐定每一位執行董事之個別薪酬組合，包括基本薪金、年度花紅計劃及分派購股權；

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3. To consider and recommend to the Board any payment or compensation commitment to be made to an executive Director on termination of his contract;
 4. In formulating its policy, the Committee shall give due regard to the contents of the Listing Rules and shall also consider market forces and compare between different remuneration packages paid to directors of other companies of a similar size in comparable industries. The executive Directors may attend meetings of the Remuneration Committee when invited to do so, but not when their own remuneration is being discussed; and
 5. To determine any performance related remuneration schemes and executive share option schemes.
3. 考慮及向董事會建議向執行董事就終止合約支付之任何款項或補償性承擔；
 4. 在制定其政策時，委員會應充分考慮上市規則之內容，亦應考慮市場力量及比較可資比較行業類似規模之其他公司付予其董事之不同薪酬組合。執行董事可在獲邀時出席薪酬委員會會議，惟討論其自身薪酬之時除外；及
 5. 釐定任何與表現掛鈎之薪酬計劃及行政人員購股權計劃。

The Remuneration Committee is authorized by the Board to seek any information it requires from any employee of the Company in order to perform its duties.

薪酬委員會獲董事會授權向本公司任何僱員索取任何所需資料，以履行其職責。

In connection with its duties, the Remuneration Committee is required by the Board to select, set terms of reference for and appoint remuneration consultants, at the Company's expense as the Remuneration Committee deems necessary in order to perform its duties.

就其職責而言，薪酬委員會須於其認為履行其職責必須時按董事會要求選擇、制定職權範圍及委任薪酬顧問，費用由本公司承擔。

The Remuneration Committee sets the remuneration policy for the executive Directors and senior management. Specifically, the Remuneration Committee agrees their service contracts, salaries, other benefits, including bonuses and other terms and conditions of employment. It also agrees terms for their cessation of employment.

薪酬委員會制定執行董事及高級管理層之薪酬政策。尤其是薪酬委員會協定彼等之服務合約、薪金、其他福利，包括花紅及其他聘任之條款及條件。其亦協定彼等終止聘任之條款。

One meeting was held in 2009 with the attendance rate of 100%. No executive Director takes part in any discussion about his own remuneration.

本公司於二零零九年已經召開一次會議，出席率為100%。概無執行董事參與任何有關其自身薪酬之討論。

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AUDITOR'S REMUNERATION

During the year, the fees charged to the accounts of the Company and its subsidiaries for the non-statutory audit services amounted to HK\$548,000. The non-statutory audit services consist of tax compliance and the interim review. The cost of statutory audit services provided by external auditors was HK\$3,218,000. The responsibilities of the external auditors with respect to financial reporting are set out in the section of "Independent Auditor's Report" on pages 52 to 54.

CONNECTED TRANSACTIONS

During the year, the Group had issued announcement in respect of a number of 'connected transactions', details of which have been included in the Report of the Directors on pages 36 to 51 and the related announcements.

FINANCIAL REPORTING

The Board recognizes its responsibility to prepare the Company's accounts which give a true and fair view and are in accordance with generally accepted accounting standards published by the Hong Kong Institute of Certified Public Accountants. Appropriate accounting policies are selected and applied consistently; judgments and estimates made are prudent and reasonable.

INTERNAL CONTROL

The Board is entrusted with the overall responsibility for maintaining an adequate internal control system and reviewing its effectiveness through the Audit Committee. The Company management maintains and monitors the systems of controls on an ongoing basis.

Based on the assessment made by the Company's management and external auditors during its statutory audit, the Audit Committee satisfied that the internal control system is sufficient to provide reasonable assurances that the Group's assets are safeguarded against loss from unauthorized use or disposition, transactions are properly authorized and proper accounting records are maintained. In addition, the Board considered that the resources, qualifications and experience of the staff responsible for the Company's accounting and financial reporting function, their training and budget are adequate. The system is designed to provide reasonable, but not absolute assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in the Group's operational system.

核數師酬金

年內，本公司及其附屬公司賬目內就非法定核數服務扣除之費用為548,000港元。非法定核數服務包括稅務遵規及中期審閱。外聘核數師提供之法定核數服務成本為3,218,000港元。外聘核數師有關財務報告之責任載於第52至54頁「獨立核數師報告書」一節。

關連交易

年內，本集團就多宗「關連交易」發出公告，詳情載於第36至51頁之董事會報告書及有關公告。

財務申報

董事會明悉其有責任根據香港會計師公會頒佈之公認會計準則，編製真實公平之公司賬目。於編製過程中已選用適當會計政策並貫徹應用；作出之判斷及估計乃審慎合理。

內部監控

董事會之整體責任為維持充足之內部監控系統，並透過審核委員會檢討其成效。本公司管理層長期維持及監察控制系統。

根據本公司管理層及外聘核數師於進行法定審核時作出之評估，審核委員會信納內部監控系統足以提供合理保證，確保本集團之資產受到保障，以防遭未經授權使用或處置；確保交易獲適當授權及維持良好之會計紀錄。此外，董事會認為負責本公司會計及財務申報職能之員工有足夠之資源、資歷及經驗，彼等之培訓及預算亦充足。有關系統之設立目的是為提供合理但非絕對保障以防出現重大誤述或損失，及管理而非消除本集團營運系統失效之風險。

Report of the Directors 董事會報告書

The Directors are pleased to present their annual report together with the audited financial statements of the Group for the year ended 31 December 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Group consist of the import and distribution of cement in Hong Kong, the manufacture and distribution of cement, clinker and slag powder in other areas of the People's Republic of China (the "PRC"). Through its associates, the Group is also engaged in the production and distribution of ready-mixed concrete in Hong Kong and the PRC. There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDEND

The results of the Group for the year ended 31 December 2009 are set out in the consolidated statement of comprehensive income on pages 55 to 56. The Directors now recommend the payment of a final dividend of HK2.0 cents per share to the shareholders on the register of members on 22 May 2010, estimated to be HK\$44,000,000.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL

Details of movements during the year in the ordinary share capital and non-redeemable convertible preference shares of the Company are set out in note 33 and 34 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

董事謹此欣然呈報董事會報告書，以及本集團截至二零零九年十二月三十一日止年度之經審核財務報表。

主要業務

本集團之主要業務包括在香港經營水泥進口及分銷業務，在中華人民共和國（「中國」）其他地區經營水泥、熟料及礦渣粉製造及分銷業務。本集團亦透過其聯營公司在香港及中國從事生產及分銷預拌混凝土。本集團於本年度之主要業務性質並無任何重大變動。

業績及股息

本集團截至二零零九年十二月三十一日止年度之業績載於第55至56頁之綜合全面收益表。董事現建議向於二零一零年五月二十二日名列股東名冊之股東派付末期股息每股2.0港仙，預計將為44,000,000港元。

物業、廠房及設備

本集團於本年度之物業、廠房及設備變動詳情載於綜合財務報表附註16。

股本

本公司於本年度之普通股股本及不可贖回可轉換優先股之變動詳情載於綜合財務報表附註33及34。

優先購股權

本公司之公司組織章程細則或開曼群島公司法並無載有本公司須按比例向現有股東發售新股份之優先購股權規定。

Report of the Directors 董事會報告書

RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on pages 59 and 60.

At 31 December 2009, the Company's reserve, including the share premium and contributed surplus accounts, available for cash distribution and/or distribution in specie, computed in accordance with the Companies Law (2004 Revision) of the Cayman Islands, amounted to HK\$5,157,316,000. Under the laws of the Cayman Islands, a company may make distributions to its members of the share premium and contributed surplus accounts under certain circumstances.

DIRECTORS

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

Executive Directors:

KOO, Cheng-Yun, Leslie (*Chairman*)

WU Yih Chin (*Managing Director*)

Non-executive Directors:

SHAN Weijian

CHANG, An-Ping, Nelson

CHANG, Kang-Lung, Jason

WANG, Lishin, Elizabeth

Independent non-executive Directors:

LIAO Poon Huai, Donald

CHIH Ching Kang, Kenneth

SHIEH, Jen-Chung, Roger

儲備

本集團於本年度之儲備變動詳情載於第59至60頁之綜合權益變動表。

於二零零九年十二月三十一日，本公司可供現金分派及／或實物分派之儲備（包括股份溢價及繳入盈餘賬），根據開曼群島公司法（二零零四年修訂本）計算，達5,157,316,000港元。根據開曼群島法例，在若干情況下，公司可動用股份溢價及繳入盈餘賬向股東作出分派。

董事

於本年度及直至本報告日期止任職本公司之董事如下：

執行董事：

辜成允（*董事長*）

吳義欽（*董事總經理*）

非執行董事：

單偉建

張安平

張剛綸

王立心

獨立非執行董事：

廖本懷

池慶康

謝禎忠

Report of the Directors

董事會報告書

The Company has received annual confirmation from each of the independent non-executive Directors as regards their independence to the Company pursuant to Rule 3.13 of the Rules Governing the Listing Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company considers that each of the independent non-executive Directors is independent to the Company.

In accordance with Article 116 of the Articles of Association, Mr. Koo, Cheng-Yun, Leslie, Mr. Chang An-Ping, Nelson and Mr. Chang Kang-Lung, Jason shall retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

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 23 to 28.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

There were no contracts of significance to which the Company, its holding companies, any of its fellow subsidiaries or subsidiaries was a party and in which a Director had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year.

SHARE OPTION SCHEME

Pursuant to a share option scheme adopted by the Company on 5 October 1997 (the “Old Share Option Scheme”), the Company had on 31 March 2006 granted to certain Directors the rights to subscribe for shares at an exercise price of HK\$1.266 per share exercisable during the period from 1 October 2006 to 30 March 2011 (both days inclusive).

根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）第3.13條，本公司已取得所有獨立非執行董事之年度獨立確認書。本公司據此確認彼等皆與本公司概無關連。

根據細則第116條，辜成允先生、張安平先生及張剛綸先生須輪職告退，惟彼等合資格且願意於即將召開之股東週年大會膺選連任。

董事及高級管理層之履歷

本公司董事及本集團高級管理層之詳細履歷載於本年報第23至第28頁。

董事之服務合約

擬於即將召開之股東週年大會膺選連任之董事概無與本公司或其任何附屬公司訂立不可由委聘公司在一年內無須補償（法定補償除外）而予以終止之服務合約。

董事於合約之權益

董事於年末或年內任何時間概無於本公司或其任何控股公司、同系附屬公司及附屬公司參與訂立之重要合約中直接或間接擁有重大權益。

購股權計劃

根據本公司於一九九七年十月五日採納之一項購股權計劃（「舊購股權計劃」），本公司於二零零六年三月三十一日向若干董事授予以每股1.266港元之行使價認購股份之權利，該等董事可於二零零六年十月一日至二零一一年三月三十日（包括首尾兩天）期間行使有關權利。

Report of the Directors 董事會報告書

A summary of movement of the share options granted to Directors during the year is as follows:

董事獲授購股權於年內之變動概要如下：

Name of Directors	Date of grant	Exercise price	Exercise period	Number of share options		
				Balance at 1.1.2009	Exercised during the year	Balance at 31.12.2009
董事姓名	授出日期	行使價 HK\$ 港元	行使期 (Note) (附註)	於二零零九年一月一日之結餘	年內已行使	於二零零九年十二月三十一日之結餘
Koo, Cheng-Yun, Leslie 辜成允	31 March 2006 二零零六年三月三十一日	1.266	1 October 2006 to 30 March 2011 二零零六年十月一日至二零零一年三月三十日	4,040,000	(4,040,000)	-
Wu Yih Chin 吳義欽	31 March 2006 二零零六年三月三十一日	1.266	1 October 2006 to 30 March 2011 二零零六年十月一日至二零零一年三月三十日	450,000	(450,000)	-
				<u>4,490,000</u>	<u>(4,490,000)</u>	<u>-</u>

Note: The exercisable period of an option granted under the Old Share Option Scheme commences on the date falling six months after the date of grant of an option and expiring at the close of business on the day falling immediately prior to the fifth anniversary of the date of grant in respect of such option. As both of the Directors who hold the options set out above were originally seconded from Taiwan Cement Corporation ("T'Cement"), special restriction apply to the exercise period of these options: up to 40% of the share option held by each Director/employee may be exercised in 2008, a further 30% in 2009 and the entire balance from 2009 onwards. These share options will not lapse when the Director leaves the Group and returns to his original employment with T'Cement; their termination is determined by reference to the date when the Director subsequently ceases to be employed by T'Cement.

附註： 根據舊購股權計劃授出購股權之行使期自授出購股權日期後滿六個月當日開始至緊接授出該購股權日期滿五週年當日前一日營業結束時屆滿。由於兩名持有上述購股權之董事原由台灣水泥股份有限公司（「T'Cement」）臨時調任，故該等購股權之行使期須受特別限制：各董事／僱員可於二零零八年行使其所持有之購股權最多40%，於二零零九年可行使另外30%，由二零零九年開始則可行使全部餘額。該等購股權將不會因董事／僱員離任本集團並返回T'Cement之原工作崗位而失效；其終止乃按董事其後於T'Cement終止受僱之日期釐定。

Report of the Directors 董事會報告書

The market prices of the shares on the dates of which options were exercised during the year were ranged from HK\$3.08 to HK\$3.66 per share.

On 23 May 2006, the Old Share Option Scheme was cancelled and a new share option scheme was adopted by the Company. No option under this new scheme has been granted from its first adoption to 31 December 2009.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 31 December 2009, the Directors, Chief Executive or their associates had interests in the shares and underlying shares of the Company and its associated corporations as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO") as follows:

Long positions in ordinary shares of the Company

Name of Directors	Capacity and nature of interest	Number of shares held	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
董事姓名	持有權益之身份及性質	所持股份數目	股本之百分比
Koo, Cheng-Yun, Leslie 辜成允	Directly beneficially owned 直接實益擁有	15,114,000	1.17%
Wu Yih Chin 吳義欽	Directly beneficially owned 直接實益擁有	4,000,000	0.31%
Chang, Kang-Lung, Jason 張剛綸	Directly beneficially owned 直接實益擁有	2,000,000	0.16%
		<hr/>	<hr/>
		21,114,000	1.64%

The interests of the Directors in the share options of the Company are separately disclosed in note 35 to the consolidated financial statements.

於本年度購股權獲行使日期之股份市價介乎每股3.08港元至3.66港元。

舊購股權計劃於二零零六年五月二十三日已獲取消，而本公司已採納一項新購股權計劃。自其首次採納之日起至二零零九年十二月三十一日止期間，本公司概無根據該新計劃授出任何購股權。

董事及行政總裁於證券之權益

於二零零九年十二月三十一日，根據本公司按證券及期貨條例（「證券及期貨條例」）第352條置存之登記冊所示，本公司之董事、行政總裁及其聯繫人士於本公司及其相聯法團之股份及相關股份之權益載列如下：

於本公司普通股之好倉

董事於本公司購股權之權益另於綜合財務報表附註35披露。

Report of the Directors 董事會報告書

Save as disclosed above, as at 31 December 2009, the Company has not been notified of any interests or short positions were held or deemed to be held under Part XV of the SFO by any Director or Chief Executive of the Company or their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or pursuant to the Model Code or which were required pursuant to Section 352 of the SFO to be recorded in the register referred to therein. Nor any of the Directors and the Chief Executive (including their spouses and children under the age of 18) had, as at 31 December 2009, any interest in, or had been granted any right to subscribe for the securities and options of the Company and its associated corporations within the meaning of the SFO, or had exercised any such rights.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from the details disclosed under the share option scheme disclosures in note 35 to the consolidated financial statements, at no time during the year, there were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by the Directors; or was the Company, or any of its holding companies, fellow subsidiaries and subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

除上文所披露者外，於二零零九年十二月三十一日，本公司並無獲知會本公司之任何董事、行政總裁或其各自之聯繫人士持有於本公司或其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券或根據證券及期貨條例第XV部被視為持有任何權益或淡倉，而須根據證券及期貨條例第XV部第7及8分部或根據標準守則知會本公司及聯交所，或須根據證券及期貨條例第352條而記入該條所提及之登記冊內。於二零零九年十二月三十一日，董事及行政總裁（包括其配偶及未滿18歲之子女）概無亦不曾獲授任何可認購本公司及其相聯法團（定義見證券及期貨條例）之證券及購股權之權益或權利，亦從未行使任何有關權利。

董事收購股份或債券之權利

除綜合財務報表附註35之購股權計劃披露事項所披露外，本年度內本公司任何董事或彼等各自之配偶或未成年子女概未獲授權透過購入本公司股份或債券而得益，亦無董事行使該等權利；本公司或其任何控股公司、同系附屬公司及附屬公司概無參與任何安排，致使董事可收購任何其他公司之該等權利。

Report of the Directors 董事會報告書

SHAREHOLDERS WITH NOTIFIABLE INTERESTS

As at 31 December 2009, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

擁有須申報權益之股東

於二零零九年十二月三十一日，根據本公司按證券及期貨條例第336條置存之主要股東登記冊所示，下列股東已知會本公司，彼等擁有本公司已發行股本之有關權益。

Name	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
名稱	持有權益之身份及性質	所持普通股數目	百分比
TCC International Limited	Directly beneficially owned 直接實益擁有	567,518,000	44.03%
T'Cement (<i>Note 1</i>) T'Cement (<i>附註1</i>)	Through a controlled corporation 透過受控制法團	567,518,000	44.03%
Chia Hsin Pacific Limited ("CHPL")	Directly beneficially owned 直接實益擁有	356,013,000	27.62%
Chia Hsin Cement Corporation ("Chia Hsin Cement") (<i>Note 2</i>) 嘉新水泥股份有限公司 (「嘉新水泥」) (<i>附註2</i>)	Through a controlled corporation 透過受控制法團	356,013,000	27.62%

Notes:

- (1) T'Cement is interested in the shares of the Company by virtue of its beneficial ownership of the entire issued share capital of TCC International Limited.
- (2) Chia Hsin Cement is interested in the shares of the Company held by its subsidiary, CHPL.

附註：

- (1) T'Cement因實益擁有TCC International Limited全部已發行股本而擁有本公司股份之權益。
- (2) 嘉新水泥於其附屬公司CHPL持有之本公司股份中擁有權益。

Report of the Directors 董事會報告書

Save as disclosed above, as at 31 December 2009, no other person had interests or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company or the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's largest customer and its five largest customers accounted for approximately 6.2% and 25.9% of the Group's total sales revenue, respectively. Purchases from the Group's largest supplier and its five largest suppliers accounted for approximately 12.1% and 25.4% of the Group's total purchases, respectively.

Mr. Koo, Cheng-Yun, Leslie, the Chairman and Director of the Company, had an approximately 9.74% direct or indirect interest in T'Cement, and each of Messrs. Wu Yih Chin, Chang, An-Ping, Nelson and Liao Poon Huai, Donald, Directors of the Company, had less than 5% direct or indirect interest in T'Cement, one of the Group's five largest suppliers and the Company's ultimate holding company.

Apart from the above, 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 share capital, had any interest in any of the Group's five largest customers and suppliers during the year.

RELATED PARTY AND CONTINUING CONNECTED TRANSACTIONS

Related party transactions, which fall within the definition stipulated in the Hong Kong Accounting Standard 24 "Related Party Disclosures", undertaken by the Group during the year are set out in note 45 to the consolidated financial statements. The transactions included in note 45 items (i) to (xi) to the consolidated financial statements also constitute continuing connected transactions as defined under Chapter 14A of the Listing Rules on the Stock Exchange.

除上述披露者外，於二零零九年十二月三十一日，概無其他人士於本公司之股份及相關股份持有權益或淡倉，而須根據證券及期貨條例第XV部中第2及3分部之規定知會本公司及聯交所，或須記錄於本公司根據證券及期貨條例第336條存備之登記冊內。

主要客戶及供應商

於回顧年度內，向本集團最大客戶及其五大客戶作出之銷售額分別佔本集團銷售收益總額約6.2%及25.9%。向本集團最大供應商及其五大供應商作出之採購額分別佔本集團總採購額約12.1%及25.4%。

本公司主席兼董事辜成允先生於本集團五大供應商之一及本公司最終控股公司T'Cement中擁有約9.74%直接或間接權益，而吳義欽先生、張安平先生及廖本懷先生則各自擁有5%以下直接或間接權益。

除上文所述者外，本年度內，本公司董事或彼等之任何聯繫人士或據董事所知擁有本公司已發行股本5%以上之任何股東，概無於本集團五大客戶及供應商中擁有任何權益。

關連人士及持續關連交易

本集團於本年度按照香港會計準則第24條內「關連人士披露」訂明之定義進行之關連人士交易載列於綜合財務報表附註45。綜合財務報表附註45第(i)至(xi)項所載之交易亦同時構成聯交所上市規則第14A章所界定之持續關連交易。

Report of the Directors

董事會報告書

The Directors have reviewed the following continuing connected transactions under which a conditional waiver from strict compliance with the continuing connected transaction requirements as set out in Chapter 14A of the Listing Rules has been obtained:

- (i) supply of cement by the Company's ultimate holding company in the ordinary and usual course of business in Hong Kong;
- (ii) supply of cement and/or clinker by the Company's ultimate holding company and its subsidiaries in the ordinary and usual course of business in the PRC;
- (iii) leasing of a site on Tsing Yi Island, Hong Kong, from a fellow subsidiary of the Company;
- (iv) leasing of a site in Tondo, Manila, the Philippines, from an associate of the Company's ultimate holding company;
- (v) receive of logistic and unloading services from a fellow subsidiary of the Company;
- (vi) receive of maintenance service of a computer software system from fellow subsidiaries of the Company;
- (vii) sales of certain cement products to a subsidiary of a substantial shareholder;
- (viii) purchase of clinker from a subsidiary of a substantial shareholder;
- (ix) sales of limestones to a subsidiary of a substantial shareholder;

董事已對下列各項持續關連交易作出審核，該等持續關連交易已獲有條件豁免嚴格遵守上市規則第14A章所載有關持續關連交易之規定：

- (i) 由本公司之最終控股公司在香港於日常及一般業務過程中供應水泥；
- (ii) 由本公司之最終控股公司及其附屬公司在中國於日常及一般業務過程中供應水泥及／或熟料；
- (iii) 向本公司一間同系附屬公司租賃香港青衣島一塊地皮；
- (iv) 向本公司之最終控股公司之一間聯營公司租賃菲律賓馬尼拉Tondo一塊地皮；
- (v) 由本公司一間同系附屬公司提供物流及卸貨服務；
- (vi) 由本公司之同系附屬公司提供電腦軟件系統維護服務；
- (vii) 向主要股東之附屬公司銷售若干水泥產品；
- (viii) 向主要股東之附屬公司購入熟料；
- (ix) 向主要股東之附屬公司銷售石灰石；

Report of the Directors

董事會報告書

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|---|-----------------------------|
| (x) use of jetting service by a subsidiary of a substantial shareholder; | (x) 主要股東之一間附屬公司使用噴氣式飛機運載服務； |
| (xi) receive of transportation and management services from fellow subsidiaries of the Company; | (xi) 由本公司之同系附屬公司提供運輸及管理服務； |
| (xii) sales of slag powder to a minority shareholder of a subsidiary; | (xii) 向附屬公司之少數股東銷售礦渣粉； |
| (xiii) purchase of clinker from a minority shareholder of a subsidiary; and | (xiii) 向附屬公司之少數股東購入熟料；及 |
| (xiv) purchase of slag from a subsidiary of a minority shareholder of a subsidiary. | (xiv) 向附屬公司之少數股東之附屬公司購入水渣。 |

The Directors, including the independent non-executive Directors, confirmed that these continuing connected transactions have been approved by the board of Directors and, in their opinion, were:

董事（包括獨立非執行董事）確認該等持續關連交易已經獲董事會批准，並認為：

- | | |
|--|---|
| (a) conducted on normal commercial terms and in the ordinary and usual course of business of the Group; | (a) 在本集團日常及一般商業過程中按正常商業條款訂立； |
| (b) fair and reasonable so far as the shareholders of the Company are concerned; | (b) 對本公司股東而言屬公平合理； |
| (c) entered into either in accordance with the terms of the agreements governing such transactions or, where there are no such agreements, on terms that are no less favourable than those available to or from independent third parties; | (c) 根據規管該等交易之協議之條款或（倘無任何該等協議）根據不遜於提供予或可從獨立第三方獲得之條款訂立； |
| (d) within an annual limit of HK\$141 million for the year in respect of the transaction stated in (i) above; | (d) 就上文(i)項所述之交易而言，每年涉及之款額以141,000,000港元為限； |
| (e) within an annual limit of HK\$280 million for the year in respect of the transaction stated in (ii) above; | (e) 就上文(ii)項所述之交易而言，每年涉及之款額以280,000,000港元為限； |

Report of the Directors

董事會報告書

- | | |
|---|---|
| (f) within an annual limit of HK\$10 million and HK\$10 million for the year in respect of the transaction stated in (v) above; | (f) 就上文(v)項所述之交易而言，每年涉及之款額以10,000,000港元及10,000,000港元為限； |
| (g) within an annual limit of HK\$101 million for the year in respect of the transaction stated in (vii) above; | (g) 就上文(vii)項所述之交易而言，每年涉及之款額以101,000,000港元為限； |
| (h) within an annual limit of HK\$340 million for the year in respect of the transaction stated in (viii) above; | (h) 就上文(viii)項所述之交易而言，每年涉及之款額以340,000,000港元為限； |
| (i) within an annual limit of HK\$8.5 million for the year in respect of the transaction stated in (ix) above; | (i) 就上文(ix)項所述之交易而言，每年涉及之款額以8,500,000港元為限； |
| (j) within an annual limit of HK\$4.1 million for the year in respect of the transaction stated in (x) above; | (j) 就上文(x)項所述之交易而言，每年涉及之款額以4,100,000港元為限； |
| (k) within an annual limit of HK\$66 million for the year in respect of the transaction stated in (xi) above; | (k) 就上文(xi)項所述之交易而言，每年涉及之款額以66,000,000港元為限； |
| (l) within an annual limit of HK\$37 million for the year in respect of the transaction stated in (xii) above; | (l) 就上文(xii)項所述之交易而言，每年涉及之款額以37,000,000港元為限； |
| (m) within an annual limit of HK\$500 million for the year in respect of the transaction stated in (xiii) above; and | (m) 就上文(xiii)項所述之交易而言，每年涉及之款額以500,000,000港元為限；及 |
| (n) within an annual limit of HK\$60 million for the year in respect of the transaction stated in (xiv) above. | (n) 就上文(xiv)項所述之交易而言，每年涉及之款額以60,000,000港元為限。 |

Report of the Directors 董事會報告書

Details of the continuing connected transactions set out in (xii) and (xiv) above are summarised below:

就上文(xii)至(xiv)項所述之持續關連交易之詳情概述如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Sales of slag powder to a minority shareholder of the same subsidiary referred to in (xii) above (note 1)	向上文(xii)項所述之同一附屬公司之少數股東銷售礦渣粉(附註1)	-	-
Purchase of clinker from a minority shareholder of the same subsidiary referred to in (xiii) above (note 2)	向上文(xiii)項所述之同一附屬公司之少數股東購入熟料(附註2)	101,828	58,340
Purchase of slag from a subsidiary of a minority shareholder of the same subsidiary referred to in (xiv) above (note 2)	向上文(xiv)項所述之同一附屬公司之少數股東之附屬公司購入水渣(附註2)	-	45,750
		<u>-</u>	<u>45,750</u>

Note:

The above continuing connected transactions for the year ended 31 December 2009 did not exceed the annual limits as set out in (l) to (n) above. The transactions were entered into on terms no less favourable than those available from third parties.

(1) The basis of the pricing policies for the above continuing transaction is set out in greater details in circular to the shareholders of the Company dated 15 December 2006.

(2) The basis of the price determination for the above continuing transactions is set out in greater details in circular to the shareholders of the Company dated 11 January 2008.

附註：

上述截至二零零九年十二月三十一日止年度之持續關連交易，並無超過於上文(l)至(n)段所列出之年度上限。訂立該等交易之條款並不遜於第三方所提供之條款。

(1) 上文之持續關連交易之定價政策基準已詳列於二零零六年十二月十五日本公司致股東之通函內。

(2) 上文之持續關連交易之定價政策基準已詳列於二零零八年一月十一日本公司致股東之通函內。

Report of the Directors 董事會報告書

The board of Directors engaged the auditor of the Company to perform certain agreed upon procedures in respect of the above continuing connected transactions of the Group. The auditor has reported their factual findings on these procedures to the board of Directors. The independent non-executive Directors have reviewed the continuing connected transactions and the report of the auditor and have confirmed that the transactions have been entered into by the Company in the ordinary course of its business, on normal commercial terms, and in accordance with the terms of the agreement governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

DISCLOSURES PURSUANT TO RULE 13.21 OF THE LISTING RULES

In accordance with the disclosure requirements of Rule 13.21 of the Listing Rules, the following disclosures are included in respect of the Company's loan agreements, which contain covenants requiring performance obligations of the controlling shareholder of the Company.

Pursuant to a loan agreement and amendment to loan agreement dated 23 June 2005 and 6 September 2007 respectively between the Company and certain banks relating to a five-year term loan facility of HK\$500,000,000, a loan agreement dated 23 October 2008 between the Company and certain banks relating to three-year term loan facility of HK\$500,000,000, a loan agreement dated 30 July 2009 between the Company and a bank relating to a three-year loan facility of HK\$750,000,000, a termination event would arise if (i) T'Cement ceases to own legally and beneficially, at least 30% of the shares in the Company's capital or (ii) the Group fails to meet the financial covenants stipulated in the loan facility.

董事會已聘請本公司核數師就上述本集團之持續關連交易執行若干議定程序。核數師已向董事會匯報彼等執行該等程序所發現之確實結果。獨立非執行董事已審閱持續關連交易及核數師報告，並已確認交易乃由本公司在日常業務過程中進行，按一般商業條款訂立，符合規管該等交易之協議之公平合理條款，並符合本公司股東之整體利益。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司概無於年內購買、出售或贖回本公司之任何上市證券。

根據上市規則第13.21條之規定作出披露

根據上市規則第13.21條之披露規定，以下披露由本公司簽訂之貸款協議，其中載有本公司控股股東須予履行之責任之條款。

根據本公司與若干銀行分別在二零零五年六月二十三日及二零零七年九月六日訂立有關500,000,000港元之五年期貸款融資之貸款協議及貸款協議修訂，本公司與若干銀行在二零零八年十月二十三日訂立有關500,000,000港元之三年期貸款融資之貸款協議，本公司與一間銀行在二零零九年七月三十日訂立有關750,000,000港元之三年期貸款融資之貸款協議，如(i)T'Cement終止合法及實益持有本公司至少30%股權或(ii)本集團不能符合該等貸款融資所指定之財務條款，該等貸款協議將被視為發生終止事件。

Report of the Directors

董事會報告書

Pursuant to a loan agreement dated 19 March 2008 between the Company and a bank relating to a two-year loan facility of HK\$50,000,000, a termination event would arise if T'Cement ceases to own legally and beneficially, at least 30% of the shares in the Company's capital.

Pursuant to a loan agreement dated 16 May 2008 between the Company and a bank relating to a two-year loan facility of HK\$150,000,000, a loan agreement dated 23 December 2009 between the Company and a bank relating to a two-year loan facility of HK\$128,000,000, a termination event would arise if (i) T'Cement ceases to own legally and beneficially, at least 30% of the shares in the Company's capital or (ii) the Group fails to meet the financial covenants stipulated in the loan facility.

Pursuant to a loan agreement dated 18 December 2009 between the Company and a bank relating to a 18-month loan facility of HK\$387,500,000, a loan agreement dated 21 December 2009 between the Company and a bank relating to a 18-month loan facility of HK\$400,000,000, a termination event would arise if (i) T'Cement ceases to own legally and beneficially, at least 30% of the shares in the Company's capital or (ii) the Group fails to meet the financial covenants stipulated in the loan facility.

Pursuant to a loan agreement dated 24 April 2009 between the Company and a bank relating to a one-year loan facility of HK\$40,000,000, a loan agreement dated 13 January 2009 between the Company and a bank relating to a one-year loan facility of HK\$20,000,000, a termination event would arise if T'Cement, the Company's ultimate holding company, ceases to own beneficially, directly or indirectly, at least 30% of the shares in the Company's capital.

根據本公司與一間銀行在二零零八年三月十九日訂立有關50,000,000港元之兩年期貸款融資之貸款協議，如T'Cement終止合法及實益持有本公司至少30%股權，該貸款協議將被視為發生終止事件。

根據本公司與一間銀行在二零零八年五月十六日訂立有關150,000,000港元之兩年期貸款融資之貸款協議，本公司與一間銀行在二零零九年十二月二十三日訂立有關128,000,000港元之兩年期貸款融資之貸款協議，如(i)T'Cement終止合法及實益持有本公司至少30%股權或(ii)本集團不能符合該等貸款融資所指定之財務條款，該貸款協議將被視為發生終止事件。

根據本公司與一間銀行在二零零九年十二月十八日訂立有關387,500,000港元之十八個月期貸款融資之貸款協議，本公司與一間銀行在二零零九年十二月二十一日訂立有關400,000,000港元之十八個月期貸款融資之貸款協議，如(i)本公司之最終控股公司T'Cement終止實益持有本公司至少30%股權或(ii)本集團不能符合該貸款融資所指定之財務條款，該貸款協議將被視為發生終止事件。

根據本公司與一間銀行在二零零九年四月二十四日訂立有關40,000,000港元之一年期貸款融資之貸款協議，本公司與一間銀行在二零零九年一月十三日訂立有關20,000,000港元之一年期貸款融資之貸款協議，如本公司之最終控股公司T'Cement終止實益持有（直接或間接）本公司至少30%股權，該貸款協議將被視為發生終止事件。

Report of the Directors 董事會報告書

CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Company are set out in the Corporate Governance Report on pages 29 to 35.

EMOLUMENT POLICY

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

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

AUDIT COMMITTEE AND REMUNERATION COMMITTEE

Details of the Company's Audit Committee and Remuneration Committee are set out in the Corporate Governance Report on pages 29 to 35.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules throughout the year ended 31 December 2009.

企業管治

本公司實施之主要企業管治常規詳載於本年報第29至35頁企業管治報告內。

酬金政策

本集團之僱員酬金政策由薪酬委員會按僱員之表現、資格及能力而訂立。

本公司之董事酬金由薪酬委員會參照本公司之經營業績、個別表現及可供比較之市場統計數字釐定。

審核委員會及薪酬委員會

本公司之審核委員會及薪酬委員會詳情載於本年報第29至35頁企業管治報告內。

足夠公眾持股量

根據本公司所得之公開資料，並就董事所知，於截至二零零九年十二月三十一日止整個年度內，本公司符合上市規則之足夠公眾持股量規定，即本公司已發行股份不少於25%須由公眾持有。

Report of the Directors 董事會報告書

FINANCIAL SUMMARY

A summary of the Group's results and its assets and liabilities for the past five years is set out on page 172.

AUDITOR

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

By order of the Board

Koo, Cheng-Yun, Leslie
CHAIRMAN

Hong Kong
22 March 2010

財務摘要

本集團過往五年之業績、資產及負債摘要載於第172頁。

核數師

本公司將於即將召開之股東週年大會上提呈續聘德勤•關黃陳方會計師行為本公司核數師之決議案。

承董事會命

主席
辜成允

香港
二零一零年三月二十二日

Deloitte.

德勤

TO THE SHAREHOLDERS OF
TCC INTERNATIONAL HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of TCC International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 55 to 171 which comprise the consolidated statement of financial position as at 31 December 2009, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

致台泥國際集團有限公司各股東

(於開曼群島註冊成立之有限公司)

吾等已審核列載於第55至171頁台泥國際集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括於二零零九年十二月三十一日之綜合財務狀況報表，以及截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表連同主要會計政策摘要及其他附註解釋。

董事就綜合財務報表之責任

貴公司之董事須根據由香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製及真實與公平地列報該等綜合財務報表。此責任包括設計、實施及維持與編製及真實公平地列報該等綜合財務報表相關之內部監控，以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇及應用適當之會計政策；及按情況作出合理之會計估計。

Independent Auditor's Report 獨立核數師報告書

AUDITOR'S RESPONSIBILITY

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

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

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

核數師之責任

吾等之責任是根據吾等之審核，對該等綜合財務報表提出意見，並根據吾等協定之委聘條款，僅向全體股東報告本行之意見，除此以外，本報告不可用作其他用途。吾等概不就本報告內容向任何其他人士承擔或負上任何責任。吾等乃根據香港會計師公會頒佈之香港審計準則進行審核工作。該等準則要求吾等遵守道德規範，並策劃及執行審核，以合理確定該等綜合財務報表是否不存在任何重大錯誤陳述。

審核涉及執行程序以取得與該等綜合財務報表所載數額及披露事項有關之審核憑證。所選用之程序由核數師作判斷，包括評估由於欺詐或錯誤而導致該等綜合財務報表存有重大錯誤陳述之風險。當核數師作出該等風險評估時，會考慮與該實體編製及真實與公平地列報綜合財務報表相關之內部監控，以設計適合當時情況之審核程序，但並非就實體之內部控制之成效發表意見。審核亦包括評價董事所採用之會計政策是否合適，及所作出之會計估計是否合理，以及評價綜合財務報表之整體呈列方式。

吾等相信吾等已得到足夠及適當之審核憑證以作為提供該審核意見之基礎。

Independent Auditor's Report 獨立核數師報告書

OPINION

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

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
22 March 2010

意見

吾等認為，該等綜合財務報表已根據香港財務報告準則真實與公平地反映 貴集團於二零零九年十二月三十一日之財政狀況及 貴集團於截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥善編製。

德勤•關黃陳方會計師行
執業會計師
香港
二零一零年三月二十二日

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

			2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Revenue	收益	7	3,953,940	2,822,827
Cost of sales	銷售成本		<u>(3,449,871)</u>	<u>(2,517,912)</u>
Gross profit	毛利		504,069	304,915
Investment income	投資收入	8	32,286	30,743
Other income, gains and losses	其他收入、收益及虧損	9	84,572	28,817
Selling and distribution expenses	銷售及分銷開支		(173,606)	(181,341)
General and administrative expenses	一般及行政開支		(151,772)	(145,409)
Impairment loss on intangible assets	無形資產減值虧損		-	(23,983)
Impairment loss of property, plant and equipment	物業、廠房及設備減值虧損		-	(4,584)
Finance costs	融資成本	10	(148,859)	(129,356)
			146,690	(120,198)
Share of results of associates	應佔聯營公司之業績		<u>25,052</u>	<u>30,140</u>
Profit (loss) before tax	除稅前溢利(虧損)	11	171,742	(90,058)
Income tax expense	所得稅支出	13	(16,922)	(12,367)
Profit (loss) for the year	本年度溢利(虧損)		<u>154,820</u>	<u>(102,425)</u>
Other comprehensive income	其他全面收入			
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額		109,262	114,657
Gain (loss) on revaluation of property	物業重估之收益(虧損)		16,700	(2,404)
Share of other comprehensive income of associates	應佔聯營公司之其他全面收入		(1,929)	42
Income tax relating to revaluation of property	有關物業重估之所得稅		(2,862)	586
Other comprehensive income for the year	本年度之其他全面收入		<u>121,171</u>	<u>112,881</u>
Total comprehensive income for the year	本年度全面收入總額		<u>275,991</u>	<u>10,456</u>

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

		Notes	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
		附註		
Profit (loss) for the year	以下應佔本年度溢利			
attributable to:	(虧損):			
Owners of the Company	本公司擁有人		120,254	(155,523)
Minority interests	少數股東權益		34,566	53,098
			<u>154,820</u>	<u>(102,425)</u>
Total comprehensive income	以下應佔全面收入總額:			
attributable to:				
Owners of the Company	本公司擁有人		238,257	(48,694)
Minority interests	少數股東權益		37,734	59,150
			<u>275,991</u>	<u>10,456</u>
Earnings (loss) per share	每股盈利(虧損)	15		
- basic	- 基本		<u>HK8.2 cents港仙</u>	<u>HK(12.0) cents港仙</u>
- diluted	- 攤薄		<u>HK8.2 cents港仙</u>	<u>N/A不適用</u>

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2009 於二零零九年十二月三十一日

		Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	8,815,063	5,053,368
Prepaid lease payments	預付租賃款項	17	907,934	702,429
Intangible assets	無形資產	18	812,578	7,839
Mining rights	採礦權	19	205,512	55,990
Interests in associates	聯營公司權益	21	116,808	116,285
Loan to an associate	聯營公司貸款	21	14,400	16,800
Long term deposits	長期存款		720	720
Loan receivables	應收貸款	23	84,750	–
Deposit for the acquisition of property, plant and equipment	採購物業、廠房及設備之訂金		245,969	302,561
Deposit for acquisition of subsidiaries	收購附屬公司之訂金		804,410	–
Available-for-sale investments	可供出售投資	22	54,509	58,713
Deferred tax asset	遞延稅項資產	31	–	33
			12,062,653	6,314,738
Current assets	流動資產			
Inventories	存貨	24	671,108	410,283
Prepaid lease payments	預付租賃款項	17	24,881	20,019
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		395,390	123,048
Loan receivables	應收貸款	23	12,121	49,309
Trade receivables	應收貿易賬款	25	553,872	210,435
Tax recoverables	可收回稅款		1,303	–
Held-for-trading investments	持作交易用途之投資	22	267,943	257,810
Pledged bank deposits	已抵押銀行存款	26	36,913	452
Time deposits	定期存款	26	85,137	111,703
Cash and bank balances	現金及銀行結餘	26	968,611	921,882
			3,017,279	2,104,941
Current liabilities	流動負債			
Trade payables	應付貿易賬款	27	681,993	311,572
Other payables and accrued liabilities	其他應付款項及應計負債		428,455	264,501
Tax payable	應付稅項		24,592	4,756
Bank loans	銀行貸款	28	5,152,580	1,440,520
Amount due to a minority shareholder	應付一位少數股東款項	29	14,619	17,619
Amount due to an immediate holding company	應付一間直屬控股公司款項	30	405,500	–
			6,707,739	2,038,968
Net current (liabilities) assets	流動(負債)資產淨值		(3,690,460)	65,973
Total assets less current liabilities	總資產減流動負債		8,372,193	6,380,711

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2009 於二零零九年十二月三十一日

			2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
		Notes 附註		
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	31	202,634	143,748
Bank loans	銀行貸款	28	1,657,367	2,109,999
Amount due to an immediate holding company	應付一間直屬控股公司款項	30	—	265,500
			<u>1,860,001</u>	<u>2,519,247</u>
			<u>6,512,192</u>	<u>3,861,464</u>
Capital and reserves	股本及儲備			
Share capital – ordinary shares	股本—普通股	33	128,905	128,245
Share capital – non-redeemable convertible preference shares	股本—不可贖回可轉換優先股	34	65,117	—
Reserves	儲備	36	6,126,214	3,562,096
Equity attributed to owners of the Company	本公司擁有人應佔權益		<u>6,320,236</u>	3,690,341
Minority interests	少數股東權益		<u>191,956</u>	<u>171,123</u>
			<u>6,512,192</u>	<u>3,861,464</u>

The consolidated financial statements on pages 55 to 171 were approved and authorised for issue by the Board of Directors on 22 March 2010 and are signed on its behalf by:

第55至171頁之綜合財務報表已於二零一零年三月二十二日獲董事會通過及授權發表。

KOO CHENG YUN, LESLIE

辜成允

CHAIRMAN

主席

WU YIH CHIN

吳義欽

MANAGING DIRECTOR

董事總經理

Consolidated Statement of Changes in Equity

綜合權益變動表

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

	Attributable to owners of the Company 本公司擁有人應佔											Total equity 權益總額 HK\$'000 千港元			
	Share capital - ordinary shares 股本 - 普通股 HK\$'000 千港元	Share capital - convertible preference shares 股本 - 可轉換優先股 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Shares to be issued 待予發行股份 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Capital redemption reserve 贖回儲備 HK\$'000 千港元	Land and building revaluation reserve 土地及樓宇重估儲備 HK\$'000 千港元	Exchange fluctuation reserve 外匯浮動儲備 HK\$'000 千港元	Statutory reserve fund 法定儲備基金 HK\$'000 千港元		Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Minority interests 少數股東權益 HK\$'000 千港元
At 1 January 2008 於二零零八年一月一日	128,159	-	6,745,816	152,894	2,655	206,263	2,076	3,678	31,980	184,693	17,888	(3,719,754)	3,757,728	161,253	3,918,981
Loss for the year 本年虧損	-	-	-	-	-	-	-	-	-	-	-	(155,523)	(155,523)	53,098	(102,425)
Other comprehensive income for the year 本年度其他全面收入	-	-	-	-	-	-	-	-	(1,818)	109,846	(1,199)	-	106,829	6,052	112,881
Total comprehensive income for the year, net of tax 本年度全面總收入，扣除稅項	-	-	-	-	-	-	-	-	(1,818)	109,846	(1,199)	(155,523)	(48,694)	59,150	10,456
Issue of share capital 股本發行	1,330	-	151,564	(152,894)	-	-	-	-	-	-	-	-	-	-	(5)
Share issue expenses 股份發行開支	-	-	(5)	-	-	-	-	-	-	-	-	-	(5)	-	(5)
Share repurchase 股份購回	(1,452)	-	(19,869)	-	-	-	-	-	-	-	-	-	(1,452)	-	(1,452)
- repurchase of shares - 購回股份	-	-	(19,869)	-	-	-	-	-	-	-	-	-	(19,869)	-	(19,869)
- premium on repurchase of shares - 購回股份之溢價	-	-	(1,452)	-	-	-	1,452	-	-	-	-	-	-	-	-
- transfer - 轉撥	-	-	3,040	(615)	-	-	-	-	-	-	-	-	2,633	-	2,633
Exercise of share options 行使購股權	208	-	-	-	(615)	-	-	-	-	-	-	-	-	-	-
Dividends paid to minority shareholders 派付少數股東股息	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve fund 轉撥至法定儲備基金	-	-	-	-	-	-	-	-	-	10,722	-	(10,722)	-	-	-
Elimination of accumulated losses 於股份溢價賬結銷	-	-	-	-	-	-	-	-	-	-	-	-	-	(49,280)	(49,280)
as at 31 December 2007 against share premium account (note) 二零零七年十二月三十一日之累計虧損 (附註)	-	-	(3,719,754)	-	-	-	-	-	-	-	-	3,719,754	-	-	-
At 31 December 2008 於二零零八年十二月三十一日	128,245	-	3,159,340	-	2,040	206,263	2,076	5,130	29,562	294,539	27,391	(166,246)	3,690,341	171,123	3,861,464

Consolidated Statement of Changes in Equity

綜合權益變動表

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

	Attributable to owners of the Company 本公司擁有人應佔											Total equity 權益總額 HK\$'000 千港元		
	Share capital - ordinary shares 股本 - 普通股 HK\$'000 千港元	Share capital - convertible preference shares 股本 - 可轉換優先股 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Shares to be issued 將予發行股份 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Capital redemption reserve 贖回儲備 HK\$'000 千港元	Land and building revaluation reserve 土地及樓宇重估儲備 HK\$'000 千港元	Exchange fluctuation reserve 外匯浮動儲備 HK\$'000 千港元	Statutory reserve fund 法定儲備基金 HK\$'000 千港元		Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Profit for the year 本年度溢利	-	-	-	-	-	-	-	-	-	-	-	120,254	34,656	154,820
Other comprehensive income for the year 本年度其他全面收入	-	-	-	-	-	-	-	13,838	106,142	(1,977)	-	118,003	3,168	121,171
Total comprehensive income for the year, net of tax 本年度全面總收入，扣除稅項	-	-	-	-	-	-	-	13,838	106,142	(1,977)	120,254	238,257	37,734	275,991
Issue of share capital 股本發行	65,117	-	2,318,165	-	-	-	-	-	-	-	-	2,383,282	-	2,383,282
Exercise of share options 行使購股權	680	-	9,647	-	(1,951)	-	-	-	-	-	-	8,356	-	8,356
Dividend paid to minority shareholders 派付少數股東股息	-	-	-	-	-	-	-	-	-	-	-	-	(16,901)	(16,901)
Transfer to statutory reserve fund 轉撥至法定儲備基金	-	-	-	-	-	-	-	-	-	3,162	(3,162)	-	-	-
At 31 December 2009 於二零零九年十二月三十一日	128,905	65,117	5,487,152	-	89	208,263	2,076	43,400	400,681	28,576	(49,153)	6,320,236	191,956	6,512,192

Note: Pursuant to a special resolution passed at the annual general meeting of the Company held on 27 May 2008, the amount of HK\$3,719,754,000 standing to the credit of the share premium account of the Company was set off in full of the accumulated losses in accordance with the articles of association of the Company and all applicable laws.

附註：根據本公司於二零零八年五月二十七日舉行之股東週年大會通過之特別決議案，本公司已按照本公司之組織章程細則及所有適用法律之規定，已將股份溢價賬為數3,719,754,000港元之進賬用於悉數抵銷累計虧損。

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	<i>Notes</i> <i>附註</i>		
Cash flows from operating activities	經營活動之現金流量		
Profit (loss) before tax	除稅前溢利(虧損)	171,742	(90,058)
Adjustments for:	經以下調整:		
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	330,791	238,337
Interest expenses	利息開支	148,859	129,356
Interest income	利息收入	(17,989)	(14,081)
Amortisation of intangible assets	無形資產攤銷	2,062	7,889
Amortisation of mining rights	採礦權攤銷	3,481	2,196
Amortisation of prepaid lease payments	預付租賃款項攤銷	21,382	20,008
Impairment loss on intangible assets	無形資產減值虧損	-	23,983
Impairment loss of property, plant and equipment	物業、廠房及 設備減值虧損	-	4,584
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	958	50
Gain on disposal of available-for-sale investments	出售可供出售 投資之收益	-	(8,185)
Share of results of associates	應佔聯營公司之業績	(25,052)	(30,140)
Exchange adjustments	匯兌調整	4,498	(31,420)
Operating cash flows before movements in working capital	營運資金變動前之 經營現金流量	640,732	252,519
Increase in inventories	存貨增加	(117,832)	(137,522)
(Increase) decrease in prepayments, deposits and other receivables	預付款項、按金及 其他應收款項(增加)減少	(218,322)	2,038
(Increase) decrease in held-for-trading investments	持作交易用途之投資 (增加)減少	(10,133)	77,228
Decrease in trade receivables	應收貿易賬款減少	87,762	109,788
Increase in trade payables	應付貿易賬款增加	358,829	181,361
(Decrease) increase in other payables and accrued liabilities	其他應付款項及 應計負債(減少)增加	(201,315)	37,887
Cash generated from operations	經營所得現金	539,721	523,299
Income taxes paid	已付所得稅	(10,469)	(22,587)
Net cash generated from operating activities	經營活動之現金流入淨額	529,252	500,712

Consolidated Statement of Cash Flows

綜合現金流量表

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

		Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Cash flows from investing activities	投資活動之現金流量			
Interest received	已收利息		17,989	14,081
Dividend received from associates	已收聯營公司股息		22,600	18,150
Repayment of advance to an associate	一間聯營公司償還墊款		2,400	9,146
Purchase of property, plant and equipment	購買物業、廠房及設備		(848,159)	(926,773)
Purchase of mining rights	購買採礦權		(1,679)	-
Purchase of intangible assets	購買無形資產		(8,378)	-
Increase in prepaid lease payments	預付租賃款項增加		(6,968)	(53)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項		401	1,132
Proceeds from disposal of available-for-sale investments	出售可供出售投資之所得款項		5,713	22,484
Proceeds from disposal of intangible assets	出售無形資產之所得款項		2	-
Deposits paid for acquisition of subsidiaries	收購附屬公司之已付按金		(804,410)	-
Decrease in time deposits	定期存款減少		26,566	1,249
Advance to loan receivables	墊支應收貸款		-	(22,018)
Repayment of loan receivables	償還應收貸款		82,388	-
Increase in pledged bank deposits	已抵押銀行存款增加		(36,856)	-
Decrease in pledged bank deposits	已抵押銀行存款減少		395	3,199
Net cash inflow from acquisition of subsidiaries	收購附屬公司所得現金淨額	32	166,943	-
Net cash used in investing activities	投資活動所用現金淨額		(1,381,053)	(879,403)
Cash flows from financing activities	融資活動之現金流量			
Interest paid	已付利息		(174,877)	(164,906)
New bank loans raised	新增銀行貸款		2,285,092	2,197,546
Repayment of bank loans	償還銀行貸款		(1,345,956)	(1,678,883)
Dividend paid to minority interest	已付少數股東權益股息		(16,901)	(49,280)
Advance from an immediate holding company	一間直屬控股公司墊款		118,160	265,500
(Repayment to) advance from a minority shareholder	(償還)少數股東墊款		(3,000)	52
Proceeds from exercise of share options	行使購股權所得款項		8,356	2,633
Expenses on issue of shares	股份發行開支		-	(5)
Repurchase of shares	購回股份		-	(21,321)
Net cash generated from financing activities	融資活動所得現金淨額		870,874	551,336
Net increase in cash and cash equivalents for the year	年內現金及現金等值淨額增加		19,073	172,645
Cash and cash equivalents at beginning of year	年初之現金及現金等值		921,882	725,937
Effect of foreign exchange rate changes	外匯匯率變動之影響		27,656	23,300
Cash and cash equivalents at end of year, represented by Cash and bank balances	年末之現金及現金等值，即現金及銀行結餘		968,611	921,882

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company is a public listed company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activities of the Company and its subsidiaries (the “Group”) consisted of the import and distribution of cement in Hong Kong, the manufacture and distribution of cement, clinker and slag powder in other areas of the People’s Republic of China (the “PRC”). Through its associates, the Group is also engaged in the production and distribution of ready-mixed concrete in Hong Kong and the PRC. There were no significant changes in the nature of the Group’s principal activities during the year.

The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information and Key Dates” section to the Annual Report.

The parent company of the Company is TCC International Limited (incorporated in the British Virgin Islands). In the opinion of the Directors, Taiwan Cement Corporation (“T’Cement”), a company incorporated and whose shares are listed in Taiwan, is the Company’s ultimate holding company.

The consolidated financial statements are presented in Hong Kong dollars (“HKD”) whereas the functional currency of the Company is Renminbi (“RMB”).

1. 一般資料

本公司為一公眾上市公司，於開曼群島註冊成立，其股份於香港聯合交易所有限公司（「聯交所」）上市。

本公司及其附屬公司（「本集團」）之主要業務包括在香港經營水泥進口及分銷業務，在中華人民共和國（「中國」）其他地區經營水泥、熟料及礦渣粉製造及分銷業務。本集團亦透過其聯營公司在香港及中國從事生產及分銷預拌混凝土。本集團於本年度之主要業務性質並無任何重大變動。

本公司之註冊辦事處及主要營業地點已於本年報「公司資料及重要日期」一節披露。

本集團之母公司為TCC International Limited（於英屬處女群島註冊成立）。董事認為，在台灣註冊成立及其股份在台灣上市之台灣水泥股份有限公司（「T’Cement」）為本公司之最終控股公司。

綜合財務報表以港元（「港元」）列值，而本公司之功能貨幣為人民幣（「人民幣」）。

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綜合財務報表附註

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

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

As at 31 December 2009, the Group had net current liabilities of HK\$3,690,460,000 which included bank loans of HK\$5,152,580,000. Subsequent to the end of the reporting period, the Group has obtained new bank loans amounting to US\$300,000,000 (equivalent to approximately HK\$2,325,000,000). On 22 January 2010, a total of 256,568,000 ordinary shares are placed and fully subscribed at HK\$3.3. As a result, net proceed of HK\$825,700,000 was derived from the placing of new shares.

Taking into account of the financial resources available to the Group, including internally generated funds and the financial support from the ultimate holding company, the Directors of the Company are of the view that the Group has sufficient working capital for its present requirements for the next twelve months from the end of the reporting period and accordingly, the consolidated financial statements have been prepared on a going concern basis.

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

In the current year, the Group has applied the following new and revised standards, amendments and interpretations of Hong Kong Financial Reporting Standards (“HKFRSs”) (hereinafter collectively referred to as “new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

2. 財務報表編製基準

於二零零九年十二月三十一日，本集團之流動負債淨額為3,690,460,000港元，其中包括貸款5,152,580,000港元。於截至報告期間止後，本集團已獲得新增銀行貸款300,000,000美元（相當於約2,325,000,000港元）。於二零一零年一月二十二日，合共256,568,000股普通股以3.3港元獲配售及悉數認購。因此，自配售新股所得款項淨額為825,700,000港元。

經計及本集團可動用之財務資源（包括內部資金及來自最終控股公司之財務支持），本公司董事認為本集團擁有充足營運資金，可滿足自報告期間止起計十二個月之現時所需，因此，綜合財務報表已按持續基準編製。

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團應用由香港會計師公會（「香港會計師公會」）頒佈之下列新訂及經修訂香港財務報告準則（「香港財務報告準則」）、修訂及詮釋（以下統稱為「新訂及經修訂香港財務報告準則」）。

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綜合財務報表附註

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

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

HKAS 1 (Revised 2007)	Presentation of financial statements
HKAS 23 (Revised 2007)	Borrowing costs
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate
HKFRS 2 (Amendment)	Vesting conditions and cancellations
HKFRS 7 (Amendment)	Improving disclosures about financial instruments
HKFRS 8	Operating segments
HK(IFRIC*) – INT 9 & HKAS 39 (Amendments)	Embedded derivatives
HK(IFRIC) – INT 13	Customer loyalty programmes
HK(IFRIC) – INT 15	Agreements for the construction of real estate
HK(IFRIC) – INT 16	Hedges of a net investment in a foreign operation
HK(IFRIC) – INT 18	Transfers of assets from customers

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港會計準則第1號 (經二零零七年修訂)	財務報表之呈報
香港會計準則第23號 (經二零零七年修訂)	借貸成本
香港會計準則第32號及 第1號(修訂本)	可沽售金融工具及清盤時產生之責任
香港財務報告準則第1號 及香港會計準則第27號 (修訂本)	於附屬公司、共同控制實體或聯營公司之投資成本
香港財務報告準則第2號 (修訂本)	歸屬條件及註銷
香港財務報告準則第7號 (修訂本)	金融工具之披露修訂
香港財務報告準則第8號	營業分部
香港(國際財務報告詮釋委員會) – 詮釋第9號 及香港會計準則第39號 (修訂本)	嵌入式衍生工具
香港(國際財務報告詮釋委員會) – 詮釋第13號	客戶忠誠計劃
香港(國際財務報告詮釋委員會) – 詮釋第15號	建造房地產之協議
香港(國際財務報告詮釋委員會) – 詮釋第16號	對海外業務之淨投資進行對沖
香港(國際財務報告詮釋委員會) – 詮釋第18號	來自客戶之資產轉讓

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綜合財務報表附註

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

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

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

Except as described below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been made.

New and revised HKFRSs affecting presentation and disclosure only

HKAS 1 (Revised 2007) Presentation of financial statements

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

HKFRS 8 Operating segments

HKFRS 8 is a disclosure standard that has not resulted in a redesignation of the Group's reportable segments (see note 6).

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則（修訂本）	二零零八年頒佈之香港財務報告準則之改進（惟於二零零九年七月一日或以後開始之年度期間生效之香港財務報告準則第5號之修訂除外）
香港財務報告準則（修訂本）	二零零九年頒佈有關修訂香港會計準則第39號第80段之香港財務報告準則之改進

除下述者外，採納新訂及經修訂香港財務報告準則對本集團於本會計期間或上一會計期間之綜合財務報表並無重大影響。故毋須作出前期調整。

僅影響呈報及披露之新訂及經修訂香港財務報告準則

香港會計準則第1號（經二零零七年修訂）財務報表之呈報

香港會計準則第1號（經二零零七年修訂）引入更改若干專門用語（包括修訂財務報表之標題）及改變財務報表之格式及內容。

香港財務報告準則第8號營業分部

香港財務報告準則第8號乃一項披露準則，其不會導致本集團重新界定其可呈報分類（見附註6）。

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綜合財務報表附註

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

New and revised HKFRSs affecting presentation and disclosure only (Continued)

HKFRSs (Amendments) Improvements to HKFRSs 2009

The Group has early applied part of Improvements to HKFRSs issued in 2009 related to HKFRS 8 Operating segments. The improvements clarifies that a measure of segment assets should be disclosed only if that amount is regularly provided to the chief operation decision marker.

The Group has not early applied the following new and revised Standards, Amendments or Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKAS 24 (Revised)	Related party disclosure ⁵
HKAS 27 (Revised)	Consolidated and separate financial statements ¹
HKAS 32 (Amendment)	Classification of right issues ⁴
HKAS 39 (Amendment)	Eligible hedged items ¹
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters ³
HKFRS 1 (Amendment)	Limited exemption from comparative HKFRS 7 disclosure for first-time adopters ⁵

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

僅影響呈報及披露之新訂及經修訂香港財務報告準則（續）

香港財務報告準則（修訂本）二零零九年頒佈之香港財務報告準則之改進

本集團已提早應用於二零零九年頒佈之香港財務報告準則之改進中有關香港財務報告準則第八號營業分部部份。改進已澄清，分類資產計量僅在金額定期向主要營運決策者提供的情況下予以披露。

本集團並無提早應用下列已頒佈但仍未生效之新訂及經修訂準則、修訂或詮釋：

香港財務報告準則（修訂本）	就改進二零零八年頒佈之香港財務報告準則修訂香港財務報告準則第5號 ¹
香港財務報告準則（修訂本）	二零零九年頒佈之香港財務報告準則之改進 ²
香港會計準則第24號（經修訂）	有關連人士披露 ⁵
香港會計準則第27號（經修訂）	綜合及獨立財務報表 ¹
香港會計準則第32號（修訂本）	供股分類 ⁴
香港會計準則第39號（修訂本）	合資格對沖項目 ¹
香港財務報告準則第1號（修訂本）	首次採納者之額外豁免 ³
香港財務報告準則第1號（修訂本）	首次採納香港財務報告準則第7號之披露對比較數字之有限豁免 ⁵

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

HKFRS 2 (Amendment)	Group cash-settled share-based payment transactions ³
HKFRS 3 (Revised)	Business combinations ¹
HKFRS 9	Financial instruments ⁷
HK(IFRIC) – INT 14 (Amendment)	Prepayments of a minimum funding requirement ⁶
HK(IFRIC) – INT 17	Distributions of non-cash assets to owners ¹
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instrument ⁵

* IFRIC represents the International Financial Reporting Interpretations Committee.

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

² Amendments that are effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate.

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

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

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

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

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

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第2號（修訂本）	集團之現金結算股份付款交易 ³
香港財務報告準則第3號（經修訂）	業務合併 ¹
香港財務報告準則第9號	金融工具 ⁷
香港（國際財務報告詮釋委員會）－詮釋第14號（修訂本）	最低資金要求之預付款 ⁶
香港（國際財務報告詮釋委員會）－詮釋第17號	向擁有人分派非現金資產 ¹
香港（國際財務報告詮釋委員會）－詮釋第19號	以股本工具抵銷金融負債 ⁵

* 國際財務報告詮釋委員會指國際財務報告詮釋委員會。

¹ 於二零零九年七月一日或以後開始之年度期間生效。

² 修訂於二零零九年七月一日及二零一零年一月一日（視乎情況而定）或以後開始之年度期間生效。

³ 於二零一零年一月一日或以後開始之年度期間生效。

⁴ 於二零一零年二月一日或以後開始之年度期間生效。

⁵ 於二零一零年七月一日或以後開始之年度期間生效。

⁶ 於二零一一年一月一日或以後開始之年度期間生效。

⁷ 於二零一三年一月一日或以後開始之年度期間生效。

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

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

HKFRS 9 *Financial instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 *Financial instruments: Recognition and measurement* to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group’s financial assets.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

採納香港財務報告準則第3號（經修訂）可能影響收購日期為二零一零年一月一日或之後之業務合併會計處理。香港會計準則第27號（經修訂）將影響本集團對附屬公司之所有權權益變動之會計處理方法。

香港財務報告準則第9號金融工具引入了有關金融資產分類及計量之新規定，將於二零一三年一月一日生效，亦可提前應用。該準則規定在香港會計準則第39號金融工具：確認及計量範圍內之所有已確認金融資產以攤銷成本或公平值計量。具體而言，(i)於業務模式內以收取合約現金流為目的而持有，及(ii)持有僅支付本金及尚未償還本金之利息之合約現金流而持有之債務投資，一般以攤銷成本計量。所有其他債務投資及權益投資則以公平值計量。應用香港財務報告準則第9號可能影響本集團金融資產之分類及計量。

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綜合財務報表附註

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

In addition, as part of *Improvements to HKFRSs* issued in 2009, HKAS 17 *Leases* has been amended in relation to the classification of leasehold land. The amendments will be effective from 1 January 2010, with earlier application permitted. Before the amendments to HKAS 17, lessees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The application of the amendments to HKAS 17 might affect the classification and measurement of the Group's leasehold land.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

此外，作為於二零零九年所頒佈香港財務報告準則改進之部份，香港會計準則第17號租賃已修訂有關租賃土地之劃分。該等修訂將於二零一零年一月一日起生效，亦可提前應用。於修訂香港會計準則第17號之前，承租人須將租賃土地分類為經營租賃，並於綜合財務狀況報表列作預付租賃款項。該等修訂已廢除此項規定。取而代之，該等修訂規定租賃土地須根據香港會計準則第17號所載之一般原則（即根據出租人或承租人就租賃資產之擁有權所承擔附帶之風險及回報為基準）分類。應用香港會計準則第17號之修訂可能影響本集團之租賃土地之分類及計量。

本公司董事預期，應用其他新訂及經修訂準則、修訂或詮釋不會對綜合財務報表構成重大影響。

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綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of consolidation

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

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

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

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

4. 主要會計政策

該等綜合財務報表乃按過往成本法編製，惟若干物業及金融工具如下文所載主要會計政策所述乃按重估金額或公平值計算。

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表已載入聯交所證券上市規則及香港公司條例規定之適用披露。

綜合基準

綜合財務報表包括本公司及本公司控制之實體（其附屬公司）之財務報表。當本公司有權決定一個實體之財務及營運政策，從而透過其活動獲利時即取得該實體之控制權。

綜合全面收益表包括於本年度所購入或出售之附屬公司之業績，由有效收購日期起計或計至有效出售日期（倘適用）。

如有需要，附屬公司之財務報表會作出調整，以使其會計政策與本集團其他成員公司採用之會計政策一致。

所有集團內部交易、結餘、收入及開支已於綜合賬目時對銷。

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綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

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

Business combinations

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

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

4. 主要會計政策 (續)

綜合基準 (續)

於綜合附屬公司之淨資產內少數股東權益與本集團之權益分開呈列。淨資產內少數股東權益包括於最初業務合併日期之該等權益及自合併日期以來少數股東應佔權益變動。超出於附屬公司權益之少數股東權益之少數股東應佔虧損計入本集團之權益內，除非少數股東受具約束力之責任所規限並且有能力作出額外投資彌補虧損則除外。

業務合併

收購業務以採購法入賬。收購成本按於交易日期所付出資產、所產生或承擔之負債之公平值總額，以及本集團為取得被收購公司之控制權而發行之股本工具，再加因業務合併而直接產生之任何成本計算。被收購公司符合香港財務報告準則第3號業務合併規定之確認條件之可辨識資產、負債及或然負債於收購日期按公平值確認。

收購所產生之商譽確認為資產，並最初以成本計量，即業務合併之成本高於本集團應佔已確認可識別資產、負債及或然負債之公平淨值之差額。倘重估後，本集團應佔收購公司之可識別資產、負債及或然負債之公平淨值超過業務合併成本，則多出之金額即時於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations (Continued)

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

Goodwill

Goodwill arising on an acquisition of a business is carried at cost less any accumulated impairment losses and is presented as an intangible asset.

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

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

4. 主要會計政策 (續)

業務合併 (續)

於收購公司之少數股東權益初步按少數股東於已確認資產、負債及或然負債之公平淨值比例計算。

商譽

收購一項業務所產生之商譽按成本減任何累計減值虧損入賬並列作無形資產。

就減值測試而言，收購所產生之商譽乃被分配到各有關現金產生單位，或預期從收購之協同效應中受益之現金產生單位組別。已獲配商譽之現金產生單位每年及當單位有可能出現減值之跡象時進行減值測試。就於某個財政年度之收購所產生之商譽而言，已獲配商譽之現金產生單位於該財政年度完結前進行減值測試。當現金產生單位之可收回數額少於該單位之賬面值，則減值虧損將被分配，以削減首先分配到該單位，及其後以單位各資產之賬面值為基準按比例分配到該單位之其他資產之任何商譽之賬面值。商譽之任何減值虧損乃直接於損益內確認。商譽之減值虧損於其後期間不可撥回。

於出售有關現金產生單位時，被資本化之商譽之應佔金額於出售時計入釐定損益之金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Interests in associates

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

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

4. 主要會計政策 (續)

聯營公司權益

聯營公司是指一家本集團對其有重大影響之實體，而其並非為附屬公司或於合營企業之權益。重大影響乃指擁有參與該投資對象之財務及經營決策之能力，惟並不控制或共同控制該等政策。

聯營公司之業績及資產與負債以權益會計法計入此等財務報表內。根據權益法，於聯營公司之投資乃按成本，並就本集團於收購後分佔聯營公司資產淨額作出調整，再減任何已識別減值虧損計入綜合財務狀況報表。當本集團應佔一間聯營公司之虧損等於或超越其於該聯營公司之權益（包括任何實質上構成本集團於該聯營公司之投資淨額之長期權益）時，本集團終止確認其應佔之進一步虧損。本集團會就額外應佔之虧損撥備，並會確認負債，惟僅以本集團已產生法定或推定責任或代表該聯營公司支付之款項為限。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Interests in associates (Continued)

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

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

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

Revenue recognition

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

Sales of goods are recognised when goods are delivered and risks and rewards of ownership have passed.

4. 主要會計政策 (續)

聯營公司權益 (續)

任何收購成本超出本公司應佔於收購日期確認之聯營公司可識別資產、負債及或然負債公平淨值之差額乃確認為商譽。有關商譽計入投資之賬面值及並無對個別減值進行測試。相反，投資之全部賬面值會作為單獨資產進行減值測試。任何已確認之減值虧損不可分配至構成聯營公司投資賬面值之任何資產（包括商譽）。任何減值虧損之撥回須於投資之可收回金額隨後增加後予以確認。

本集團應佔可識別資產、負債及或然負債之公平淨值超過收購成本之任何數額會於重估後立即於損益內確認。

當集團實體與本集團聯營公司進行交易時，溢利及虧損會以本集團於相關聯營公司之權益為限予以對銷。

收益確認

收益按已收或應收代價的公平值計算，即日常業務中所售出貨品及所提供服務之應收款項減折扣、退貨及銷售相關稅項之數額。

貨品銷售乃於貨品交付及所有權所產生之風險及回報轉讓後確認。

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綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

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

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

Leasing

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

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

4. 主要會計政策 (續)

收益確認 (續)

金融資產之利息收入乃參考尚未償還之本金及當時適用之實際利率按時間基準累計。實際利率指將估計日後所得現金按金融資產估計可使用年期折讓至資產賬面淨值之利率。

投資股息收入於本集團獲派股息之權利確立時確認。

租約

當租約之條款實質上將擁有權所產生之絕大部分風險及回報轉移至承租人，該等租約被分類為融資租約。所有其他租約被分類為經營租約。

本集團作為承租人

經營租約之應付租金於有關租約期間按直線法於損益中扣除。作為促使訂立經營租約之已收及應收利益，於租約期以直線法確認為租金支出扣減。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing (Continued)

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases.

Prepaid lease payments

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases.

The up-front payments to acquire leasehold interest in land are accounted for as operating leases and are stated at cost and released over the lease term on a straight-line basis.

4. 主要會計政策 (續)

租約 (續)

租賃土地及樓宇

為進行租賃分類，土地及樓宇租賃中之土地及建築物組件被單獨考慮，除非租賃款項不能可靠地在土地與建築物組件之間分配，在此情況下，整個租賃一般作為一項融資租約處理，並計為物業、廠房及設備。倘租賃款項可以可靠分配，則土地之租賃權益計為經營租約。

預付租賃款項

為進行租賃分類，土地及樓宇租賃中之土地及建築物組件被單獨考慮，除非租賃款項不能可靠地在土地與建築物組件之間分配，在此情況下，整個租賃一般作為一項融資租約處理，並計為物業、廠房及設備。倘租賃款項可以可靠分配，則土地之租賃權益計為經營租約。

收購土地之租賃權益之預付款項計為經營租約，按成本入賬，並於租約期以直線法撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies

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

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

4. 主要會計政策 (續)

外幣

於編製各集團實體之財務報表時，以該實體之功能貨幣以外貨幣（外幣）進行之交易乃按交易日期之適用匯率折算為各自之功能貨幣（即該實體經營所在之主要經濟環境所使用之貨幣）記錄。於報告期間結束時，以外幣列值之貨幣項目按該日之適用匯率重新換算。按公平值入賬及以外幣列值之非貨幣項目按公平值釐定當日之適用匯率重新換算。以外幣及按過往成本計算之非貨幣項目不進行重新換算。

因結算貨幣項目及換算貨幣項目而產生之匯兌差額，於該等差額產生期間之損益內確認。按公平值入賬之非貨幣項目因重新換算而產生之匯兌差額計入當期損益，惟非貨幣項目（其收益及虧損直接於其他全面收益內確認）因重新換算而產生之差額除外。

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綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (exchange fluctuation reserve).

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

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for the intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

4. 主要會計政策 (續)

外幣 (續)

就綜合財務報表呈列而言，本集團之業務資產及負債乃按於報告期間結束時之適用匯率換算為本集團之呈列貨幣（即港幣）。其收入及開支按該年度之平均匯率換算，除非於該期間之匯率大幅波動則除外，於此情況下，則按交易日之匯率換算。產生之匯兌差額（如有）乃按於其他全面收益內確認及累計計入權益（外匯浮動儲備）。

因於二零零五年一月一日或之後收購海外業務而對所購入之可識別資產作出之商譽及公平值調整被視為該海外業務之資產及負債，按報告期間結束時適用之匯率換算。所產生之匯兌差額在外匯浮動儲備中確認。

借貸成本

購買、興建或製造合資格資產之直接應佔借貸成本，乃撥充該等資產之成本，直至有關資產大致上可作擬定用途或銷售為止，而合資格資產為需較長時間預備以用於擬定用途或銷售之資產。借貸擬應用於合資格資產之短期投資所賺取之投資收入自合資格資本化之借貸成本中扣除。

所有其他借貸成本於發生期間在損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Employee benefits

Payments to defined contribution retirement benefits scheme including Mandatory Provident Fund Scheme and the employee's pension schemes of the respective municipal government in various places in the PRC where the Group operates are charged as an expense when employees have rendered service entitling them to the contributions.

Taxation

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

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

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

4. 主要會計政策 (續)

僱員福利

界定供款退休計劃付款包括強制性公積金計劃及本集團經營所在之中國各地市政府之僱員退休金計劃，於僱員提供服務而享有有關供款時入賬列作開支。

稅項

所得稅支出指現時應付稅項及遞延稅項。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合全面收益表中所報溢利不同，此乃由於前者不包括在其他年度應課稅或可扣稅收入或開支，並且不包括不能課稅或不可扣稅之項目。本集團之當期稅項負債採用於報告期間結束時已頒佈或實質頒佈之稅率計算。

遞延稅項為就綜合財務報表資產及負債賬面值及用以計算應課稅溢利相應稅基之差額而確認之稅項。遞延稅項負債通常會就所有應課稅臨時差額確認。確認遞延稅項資產通常會就所有可扣減臨時差額確認時乃以可能出現之可利用臨時差額抵扣應課稅溢利為限。若於一項交易中，因商譽或因企業合併以外原因初次確認其他資產及負債而引致之臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值於報告期間結束時作檢討，並在沒可能會有足夠應課稅溢利恢復全部或部分資產價值時作調減。

遞延稅項負債就於與附屬公司及聯營公司之投資有關之應課稅暫時差額予以確認，除非本集團有能力控制暫時差額撥回，而暫時差額很可能不會於可見將來撥回。與該等投資及權益相關之可扣減臨時差額所產生之遞延稅項資產，僅在按可能出現可利用臨時差額扣稅之應課稅溢利時，並預期於可見將來撥回。

遞延稅項資產及負債乃按預期於負債獲償還或資產變現期間的適用稅率（以報告期末已生效或實質上已生效的稅率（及稅法）為基準）計算。遞延稅項負債及資產的計算，反映了本集團於報告期末所預期對收回或償還其資產及負債之賬面值的方式所產生的稅務結果。遞延稅項於損益確認，惟當其與於其他全面收益確認或直接於權益確認的項目相關（於該情況下，遞延稅項亦分別於其他全面收益確認或直接於權益確認）時除外。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants related to depreciable assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets. Other government grants are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Property, plant and equipment

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

4. 主要會計政策 (續)

政府補助

政府補助於本集團確認補助擬補償的相關成本開支期間，有系統地於損益賬確認。與應計折舊資產相關的政府補助於綜合財務狀況報表內確認為有關資產賬面值的一項扣減，並於有關資產的可使用年期內轉撥至損益賬。其他政府補助於有必要將政府補助與擬補償的成本相對應的期間有系統地確認為收入。用作補償本集團已產生開支或虧損或旨在為本集團提供即時財務資助（而無未來相關成本）的應收政府補助，乃於應收期間於損益賬確認。

物業、廠房及設備

持有作生產及行政用途之租賃土地及辦公室樓宇按其重估金額（即於重估日期之公平值減其後任何累積折舊及其後任何減值虧損）於綜合財務狀況報表中列賬。重估將會定期進行，以使賬面值不會與於報告期末採用之公平值所釐定之金額相差過大。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

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

Property, plant and equipment (other than leasehold land and office building and construction in progress) are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses.

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

4. 主要會計政策 (續)

物業、廠房及設備 (續)

任何重估該等土地及樓宇所產生之重估增值均於其他全面收益確認並於土地及樓宇重估儲備累積，惟與該資產先前於損益賬確認為開支之重估減值對銷時除外，在此情況下，重估增值按先前已扣除之重估減值計入損益賬。重估該等土地及樓宇所產生之賬面淨值減少若超過該項資產於先前之有關重估土地及樓宇重估儲備之餘額（如有），則於損益賬確認。其後出售或棄用一項重估資產時，土地及樓宇重估儲備內餘下之應估重估盈餘將直接撥入累積虧損中。

物業、廠房及設備（租賃土地及辦公室樓宇以及在建工程除外）乃按成本減其後累計折舊及任何累計減值虧損列賬。

除在建工程外，折舊乃按物業、廠房及設備項目之估計可用年期及估計之殘值以直線法撇銷其成本或公平值。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment *(Continued)*

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

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

Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

4. 主要會計政策 (續)

物業、廠房及設備 (續)

在建工程指用作生產或自用用途之在建物業、廠房及設備。在建工程以成本扣除任何已確認減值虧損列賬。在建工程於竣工及可作擬定用途時分類為適當之物業、廠房及設備類別。該等資產於可作擬定用途時，按其他物業資產之基準作出折舊。

物業、廠房及設備於出售或當預期持續使用該資產將不會產生未來經濟利益時終止確認。於終止確認該資產時產生之任何收益或虧損（以出售所得款項淨額與該項目之賬面值之差額計算）乃計入於該項目終止確認年度之綜合全面收益表內。

無形資產

獨立收購之無形資產

獨立收購且擁有有限使用年期之無形資產按成本減累計攤銷及任何累計減值虧損呈列。擁有有限使用年期之無形資產以直線法於估計可使用年期内攤銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets (Continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses, being their fair value at the date of the acquisition less subsequent accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the assets is derecognised.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

4. 主要會計政策 (續)

無形資產 (續)

於業務合併中所收購之無形資產

於業務合併中所收購之無形資產倘符合無形資產之定義且其公平值可以可靠計量，則獨立於商譽識別及確認。該等無形資產之成本為該等資產於收購日期之公平值。

初步確認後，擁有有限使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬，即收購日期之公平值減其後之累計攤銷及任何累計減值虧損。擁有有限使用年期之無形資產以直線法於其估計可使用年期內攤銷。

因終止確認無形資產而產生之損益按出售所得款項淨額與資產賬面值之差額計量，並於終止確認資產時於損益賬確認。

存貨

存貨乃按成本及可變現淨值之較低者列賬。成本包括直接材料與（倘適用）直接勞工成本及將存貨運往現有地點及達致現有狀況所涉及開支。成本按加權平均法計算。可變現淨值是根據估計售價減所有預期完工成本及就推廣、銷售及分銷而產生之成本後之價值。

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綜合財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments

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

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

4. 主要會計政策 (續)

金融工具

倘集團實體成為工具合約條文之訂約方，則於綜合財務狀況報表中確認金融資產及金融負債。金融資產及金融負債初步按公平值計算。因收購或發行金融資產及金融負債（不包括按公平值計入損益之金融資產及金融負債）而直接產生之交易成本，於初次確認時加入金融資產之公平值或自金融負債之公平值扣除（如適用）。因收購按公平值計入損益之金融資產及金融負債而直接產生之交易成本即時於綜合全面收益表確認。

金融資產

本集團之金融資產分類至以下三種分類之一，包括按公平值計入損益之金融資產（「按公平值計入損益」）、貸款及應收款項及可供出售金融資產。所有一般性購買或銷售金融資產按交易日期基準確認或終止確認。一般性購買或銷售為按於市場規定或慣例確立之時間期限內交付資產之金融資產之購買或銷售。每類金融資產採納之會計政策載列如下。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated at FVTPL, of which interest income is included in investment income.

Financial assets at FVTPL

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

A financial asset is classified as held for trading if:

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

4. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法乃計算金融資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃將估計日後現金收入(包括所有支付或收取構成整體實際利率之費用及利率差價、交易成本及其他所有溢價或折價)按金融資產之預期使用年期,或較短期間(倘適用)實際折現之利率。

就債務工具(按公平值計入損益之金融資產除外,其利息收入計入投資收入)而言,收入按實際利率基準確認。

按公平值計入損益之金融資產

按公平值計入損益之金融資產分為兩個次類別,包括持作買賣之金融資產及於初步確認時按公平值計入損益之金融資產。

金融資產在以下情況分類持作買賣:

- 其主要為於不久將來出售而購買;或
- 其為本集團共同管理之已辨認金融工具組合之一部分,且最近有短期獲利之實際模式;或
- 其為衍生工具,但並非為指定及有效之對沖工具。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL (Continued)

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of the reporting period subsequent to initial recognition, loans and receivables (including trade receivables, other receivables, loan receivables, loan to an associate, time deposits, cash and bank balances and pledged bank deposits) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale financial assets

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

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the reporting period subsequent to initial recognition.

4. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值計入損益之金融資產 (續)

持作買賣投資乃以公平值計量，因重新計量而產生之公平值變動於出現期間直接在損益賬確認。在損益賬確認之淨損益不包括金融資產所賺取之任何股息或利息。

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款之非衍生性質金融資產，且並無在活躍市場報價。於初次確認後報告期末，貸款及應收款項（包括應收貿易賬款、其他應收款項、應收貸款、聯營公司貸款、定期存款、現金及銀行結餘及已抵押銀行存款）採用實際利率法按攤銷成本，減任何已識別減值虧損列賬。

可供出售金融資產

可供出售金融資產為非衍生項目，無論是否指定或劃分為按公平值計入損益之金融資產、貸款及應收款項或持至到期投資。

就可供出售之股本投資而言，倘並無活躍市場之市價報價，而其公平值未能可靠計算，則可供出售之股本投資於首次確認後之報告期末按成本值減任何已識別減值虧損計算。

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets

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

Objective evidence of impairment could include:

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

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

4. 主要會計政策 (續)

金融工具 (續)

金融資產減值

在報告期末會評估金融資產(按公平值計入損益之金融資產除外)是否有任何減值跡象。倘若有任何客觀證據表明,由於一個或多個於初始確認金融資產後發生之事項,金融資產之估計未來現金流受到影響,則金融資產會予以減值。

減值之客觀證據可能包括:

- 發行人或交易對方出現嚴重財務困難;或
- 欠繳或拖欠利息或本金付款;或
- 借款人很有可能將宣告破產或進行財務重組。

對於若干種類之金融資產,例如應收貿易賬款,資產不會被單個評估減值而是作為一個整體評估。應收賬款組合減值之客觀證據可能包括本集團之過往收款經驗,組合內延遲還款至超逾90天之平均信貸期之次數增加,以及與應收賬款逾期有關之全國或地方經濟狀況明顯改變。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

For financial assets carried at amortised cost, an impairment loss is recognised in consolidated statement of comprehensive income when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

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

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

4. 主要會計政策 (續)

金融工具 (續)

金融資產減值 (續)

就以攤銷成本列值之金融資產而言，如果有客觀證據表明資產發生減值，則減值虧損會在綜合全面收益表中確認，並按資產賬面值與按原實際利率對估計未來現金流量進行折現後之現值兩者之間之差額計量。

有關以成本列值之金融資產，減值虧損按資產賬面值與按類似金融資產當時之市場回報率對估計未來現金流量進行折現後之現值兩者之間之差額計量。有關減值虧損不會在其後期間轉回。

對於所有金融資產，金融資產賬面值會直接因減值虧損而減少，但應收貿易賬款及其他應收款項除外，在此情況下，賬面值通過採用備抵賬減少。備抵賬賬面值之變動在綜合全面收益表中確認。當應收貿易賬款及其他應收款項視為不可收回，則會與備抵賬撇銷。以前撇銷而其後收回之款項，會記入綜合全面收益表。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

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

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Effective interest method

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

Interest expense is recognised on an effective interest basis.

4. 主要會計政策 (續)

金融工具 (續)

金融資產減值 (續)

有關以已攤銷成本計量之金融資產，在後續期間，如果減值虧損金額減少，而有關減少客觀上與確認減值虧損之後發生之事項有聯繫，則以前確認之減值虧損會透過綜合全面收益表轉回，但該轉回不應導致該資產在減值轉回日期之賬面值超過不確認減值情況下之已攤銷成本。

可供出售之股本投資之減值虧損將不會在其後期間於損益內撥回。

金融負債及股本權益

由集團實體發行之金融負債及股本工具按所訂立之合約安排性質，以及金融負債及股本工具之定義而分類。股本工具為證明本集團資產剩餘權益（經扣除其所有負債）之任何合約。

實際利率法

實際利率法乃計算金融負債之攤銷成本及按有關期間攤分利息開支之方法。實際利率乃將估計日後現金付款按金融負債之預期使用年期，或較短期間（倘適用）實際折現至於初步確認時之賬面淨值之利率。

利息支出按實際利率基準確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Financial liabilities and equity *(Continued)*

Bank loans

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowings costs.

Other financial liabilities

Other financial liabilities including trade payables, other payables, amount due to a minority shareholder and amount due to immediate holding company are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of the Company's own equity instruments.

Shares to be issued

An obligation to issue a fixed number of the Company's own shares at a fixed amount is an equity instrument and recognised in the reserve (shares to be issued). The balance will be transferred to share capital and share premium once shares are issued. Any excess of par value of issued shares will be transferred to share premium.

4. 主要會計政策 (續)

金融工具 (續)

金融負債及股本權益 (續)

銀行貸款

計息銀行貸款初步按公平值計算，其後以實際利率法按攤銷成本計算。扣除交易成本後所得款項與清償或償還借貸間任何差額乃根據本集團有關借貸成本之會計政策按借貸年期確認。

其他金融負債

其他金融負債包括應付貿易賬款、其他應付款項、應付少數股東款項及應付直屬控股公司款項，其後按攤銷成本採用實際利率法計量。

股本工具

由本公司發行之股本工具按收取之款項入賬扣除直接發行成本。購回本公司自身之股本工具直接在權益中確認及扣除。購買、出售、發行或註銷本公司自身之股本工具不在損益中確認收益或虧損。

將予發行之股份

以固定金額發行本公司固定數目本身股份之責任為一項股本工具，乃於儲備中確認（將予發行股份）。一旦發行股份，結餘將轉至股本及股份溢價賬。超過已發行股份面值之部分將轉至股份溢價賬。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Non-redeemable convertible preference shares

Non-redeemable convertible preference shares in which the Group has no contractual obligation to redeem and will be only settled by the exchange of fixed number of the Group's own equity instruments is classified as equity instruments. On initial recognition, the fair value of the equity instrument is determined using the fair value of the Company's own ordinary share.

The balance will be transferred to share capital and share premium once preference shares are converted. Any excess of par value of issued ordinary shares will be transferred to share premium.

Derecognition

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

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

4. 主要會計政策 (續)

金融工具 (續)

金融負債及股本權益 (續)

不可贖回可轉換優先股

本集團並無合約責任贖回並將僅透過交換固定數目之本集團自身股本工具結算之不可贖回可轉換優先股分類為股本工具。於初步確認後，股本工具之公平值使用本公司自身普通股之公平值釐定。

一旦轉換優先股，餘額將轉撥至股本及股份溢價。超過已發行普通股面值之部分將轉至股份溢價。

終止確認

若從資產收取現金流之合約權利已屆滿，或資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則金融資產將被終止確認。終止確認金融資產時，資產賬面值與已收及應收代價及已於其他全面收益確認之任何累計損益之總和之差額，將於綜合全面收益表中確認。

倘於有關合約訂明之責任獲解除、取消或屆滿，則終止確認金融負債。終止確認之金融負債賬面值與已付及應付代價之差額乃於損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Share-based payment transactions

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

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

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

4. 主要會計政策 (續)

以股份支付款項之交易

所獲服務之公平值參考購股權於授出日期之公平值釐定，於歸屬期內以直線法支銷，並相應增加股本（購股權儲備）。

本集團於報告期結束時修訂其對預期最終歸屬之購股權數目之估計。歸屬期內修訂該等估計之影響（如有）於損益中確認，並對購股權儲備作出相應調整。

購股權獲行使時，過往於購股權儲備確認之數額將轉撥至股份溢價。當購股權於歸屬日期後遭收回或於屆滿日期仍未獲行使，則過往於購股權儲備確認之數額將轉撥至累計虧損。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

4. 主要會計政策 (續)

有形資產及無形資產(商譽除外)之減值虧損

本集團於報告期結束時審閱其有形資產及無形資產之賬面值，以釐定是否有跡象顯示該等資產已出現減值虧損。如有跡象顯示該等資產出現減值虧損，則估算其可收回金額以釐定減值虧損之限額，如有。如估計資產之可收回數額低於其賬面值，則該資產之賬面值削減至其可收回數額。除非根據另一標準入賬列為重估款項(在此情況下，減值虧損視為該標準項下之一項重估虧絀)，否則減值虧損隨即確認為一項開支。

如其後減值虧損情況逆轉，則該資產之賬面值增加至其可收回數額之經修訂估計價值，惟如於過往年度並無就該資產確認任何減值虧損，則賬面值之增幅不得超逾已釐定之賬面值。除非有關資產根據另一標準入賬列為重估款項(在此情況下，減值虧損之撥回視為該標準項下之一項重估增加)，否則減值虧損之撥回隨即確認為收入。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies which are described in note 4, management has made various estimates based on past experience, expectations of the future and other information. The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Estimated impairment of cash-generating unit ("Manufacturing and distribution of cement, clinker and slag powder operating segment")

Determining whether assets are impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the cash flow projection on financial budgets approved by management covering a 10-year period and discount rate of 8%. Cash flow beyond the 5-year period are extrapolated with zero growth rate. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2009, the carrying amount of goodwill is HK\$794,052,000 (2008: nil).

5. 不確定估計主要來源

於應用本集團載於附註4之會計政策時，管理層根據過往經驗、對未來及其他資料之預期作出各種估計。於報告期結束時構成重大風險，導致下個財務年度資產及負債之賬面值須作出重大調整而有關未來之主要假設及不確定估計之其他主要來源披露如下：

估計現金產生單位減值（「生產及分銷水泥、熟料及礦渣粉營運分類」）

釐定資產是否減值須對商譽被分配至之現金產生單位之使用價值作出估計。使用價值之計算方法規定本集團按管理層所批准涵蓋期達10年之財務預算以及8%之折現率估計預測現金流量。於5年期之後之現金流量按零增長率推斷。倘實際未來現金流量少於預期值，則可能產生重大減值虧損。於二零零九年十二月三十一日，商譽之賬面價值為794,052,000港元（二零零八年：零）。

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6. SEGMENT INFORMATION

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

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 operating 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 operating segments. Summary details of the operating segments are as follows:

- (i) the import, distribution and handling of cement segment mainly relates to housing development and infrastructure construction activities in Hong Kong;
- (ii) the manufacture and distribution of cement, clinker and slag powder segment mainly relates to construction activities in PRC;

6. 分類資料

本集團已自二零零九年一月一日起採納香港財務報告準則第8號營運分類。香港財務報告準則第8號為有關披露之準則，規定營運分類須按有關本集團組成部分之內部報告之基準而予以劃分，而有關內部呈報分類乃由主要營運決策者（即董事會）定期審閱，並對各分類進行資源分配及表現評估。相反，其前身準則（香港會計準則第14號分類呈報）規定實體採用風險與回報方法劃分兩組分類（業務及地區）。過去，本集團之主要呈報格式為業務分類。與按香港會計準則第14號所釐定之主要分類相比較，應用香港財務報告準則第8號並無導致本集團之營運分類須重新確認。採納香港財務報告準則第8號亦無改變損益分類之計量基準。

本集團之經營業務乃按業務之性質及該等業務所提供之產品及服務作出分類安排及管理。本集團每一類營運分類為一策略業務單位，所提供產品及服務之風險與回報均與其他營運分類有所不同。營運分類之詳情如下：

- (i) 於香港入口、分銷及處理主要有關屋宇發展及基建項目之水泥；
- (ii) 於中國生產及分銷主要為有關建築用途之水泥、熟料及礦渣粉分類；

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6. SEGMENT INFORMATION (Continued)

(iii) the investment holding segment invests in listed and unlisted equity securities ranging from traditional businesses, such as companies engaged in the manufacture and distribution of construction materials, to high-technology businesses, such as those providing broadband internet access and content services.

Segment revenues and results

The following tables present revenue, and results by operating segment.

6. 分類資料 (續)

(iii) 投資於上市及非上市公司股權之投資控股部分，當中包括傳統業務如從事生產及分銷建築材料之公司，以至如提供互聯網寬頻服務及資料內容服務之高科技業務。

分類收益及業績

下表呈列按營運分類劃分之收益及業績。

		Import, distribution and handling of cement		Manufacture and distribution of cement, clinker and slag powder 製造及分銷水泥、 熟料及礦渣粉		Investment holding		Consolidated	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Segment revenue	分類收益								
Sales to customers	銷售予客戶	146,305	144,160	3,807,635	2,678,667	-	-	3,953,940	2,822,827
Segment profit (loss)	分類溢利(虧損)	11,350	8,604	189,029	(50,998)	18,813	(36,344)	219,192	(78,738)
Central administration costs	中央行政成本							(6,013)	(5,871)
Unallocated other income	未分配其他收入							82,370	93,767
Finance costs	融資成本							295,549	9,158
Share of results of associates	應佔聯營公司之業績							(148,859)	(129,356)
								25,052	30,140
Profit (loss) before tax	除稅前溢利(虧損)							171,742	(90,058)

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

6. SEGMENT INFORMATION (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment profit (loss) represents the profit earned by/loss from each segment without allocation of central administration costs including Directors' salaries, certain other income, share of results of associates and finance costs. This is the measure reported to board of Directors for the purposes of resource allocation and performance assessment.

No inter-segment sales are noted for both years.

The Group has no customers that contributed over 10% of the total revenue of the Group for both years.

The major product provided by the Group is manufacturing and distribution of cement, clinker and slag powder. No other products and services contribute over 10% of the total revenue of the Group for both years.

No analysis of the Group's assets and liabilities by operating segments is disclosed as it is not regularly provided to the board of Directors for review.

6. 分類資料 (續)

營運分類之會計政策與如附錄4所述之本集團會計政策相同。分類溢利(虧損)乃指在未分配中央行政成本(包括董事薪金、若干其他收入、應佔聯營公司之業績及融資成本)之情況下,各分類所賺取之溢利/產生之虧損。此為向董事會報告以作資源分配及表現評估之方式。

兩個年度均無內部分類銷售。

兩個年度本集團並無為本集團總收入貢獻10%以上之客戶。

本集團提供之主要產品為製造及分銷水泥、熟料及礦渣粉。兩個年度概無其他產品及服務為本集團總收入貢獻10%以上。

本集團按營運分類劃分之資產及負債之分析並無作出披露,乃因其並無定期提供予董事會以供審閱。

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6. SEGMENT INFORMATION (Continued)

Geographical information

The Group's three divisions operate in two principal geographical areas – Hong Kong and PRC. The following table provides an analysis of the Group's sales by geographical markets, irrespective of the origin of the goods and services:

	Hong Kong		The PRC		Others		Consolidated	
	香港		中國		其他		綜合	
	2009	2008	2009	2008	2009	2008	2009	2008
	二零零九年	二零零八年	二零零九年	二零零八年	二零零九年	二零零八年	二零零九年	二零零八年
	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
Segment revenue: 分類收益								
Sales to customers 銷售予客戶	146,305	161,937	3,801,360	2,581,882	6,275	79,008	3,953,940	2,822,827

Analyses of the Group's non-current assets by geographical location of the assets are detailed below:

	Hong Kong		PRC		Others		Consolidated	
	香港		中國		其他		綜合	
	2009	2008	2009	2008	2009	2008	2009	2008
	二零零九年	二零零八年	二零零九年	二零零八年	二零零九年	二零零八年	二零零九年	二零零八年
	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
Non-current assets 非流動資產	977,029	156,905	10,890,370	6,039,808	41,595	42,479	11,908,994	6,239,192

Note: Non-current assets excluded loan to an associate, loan receivables, available-for-sale investment and deferred tax assets.

6. 分類資料 (續)

地區資料

本集團之三個分類於兩個主要地區—香港及中國經營。下表為按市場地區分析之銷售（不論商品或服務之原產地）：

本集團按資產所在地區劃分之非流動資產之分析詳見下文：

附註： 非流動資產不包括聯營公司貸款、應收貸款、可供出售投資及遞延稅項資產。

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6. SEGMENT INFORMATION (Continued)

Other segment information

	Import, distribution and handling of cement		Manufacture and distribution of cement, clinker and slag powder		Investment holding		Consolidated	
	2009	2008	2009	2008	2009	2008	2009	2008
	二零零九年	二零零八年	二零零九年	二零零八年	二零零九年	二零零八年	二零零九年	二零零八年
	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
Amount included in the measure of segment profit (loss):								
Depreciation and amortisation	4,151	4,169	352,936	256,835	629	7,426	357,716	268,430
Impairment losses recognised in profit or loss	-	-	-	28,567	-	-	-	28,567
Dividends from listed equity investment	-	-	-	-	14,297	16,662	14,297	16,662
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:								
Interest income	-	3	17,752	13,447	237	631	17,989	14,081
Finance costs	2	104	130,571	92,590	18,286	36,662	148,859	129,356

6. 分類資料 (續)

其他分類資料

7. REVENUE

Revenue represents invoiced amount of sales of cement, clinker and slag powder, net of trade discounts, returns and sales related taxes.

7. 收益

收益指扣除貿易折扣、退貨及相關銷售稅後之水泥、熟料及礦渣粉銷售發票額。

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

8. INVESTMENT INCOME

8. 投資收入

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest income	利息收入	17,989	14,081
Dividends from listed equity investments	上市股本投資股息	14,297	16,662
		32,286	30,743

Investment income earned from financial assets, analysed by category of asset, is as follows:

金融資產所賺取之投資收入按資產類別之分析如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Held-for-trading investments	持作交易用途之投資	14,297	16,662
Loans and receivables (including cash and bank deposits)	貸款及應收款項 (包括現金及銀行存款)	17,989	14,081
		32,286	30,743

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9. OTHER INCOME, GAINS AND LOSSES

9. 其他收入、收益及虧損

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Change in fair value of held-for-trading investments	持作交易用途之 投資公平值變動	17,506	(61,644)
Gain on disposal of available-for-sale investments	出售可供出售投資之收益	-	8,185
Handling charges	手續費用	2,685	2,590
Net exchange gain	匯兌淨收益	-	58,005
Government grants (Note)	政府補貼 (附註)	50,388	11,344
Management fee income	管理費收入	1,148	1,123
Others	其他	12,845	9,214
		84,572	28,817

Note: The amount represents the incentive subsidies provided by the PRC local authorities to the Group to encourage investments in specific location. There is no specific conditions attached to the grants, the Group recognised the grants upon receipts.

附註: 該金額指中國地方機關向本集團提供之獎勵補貼，藉以鼓勵特別地區之投資。補貼概無附帶特別條件，本公司於收到補貼時予以確認。

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10. FINANCE COSTS

10. 融資成本

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest on:	以下之利息：		
Bank loans wholly repayable within five years	須於五年內全數償還之 銀行貸款	171,518	162,866
Loan from an immediate holding company	應付直屬控股公司貸款	<u>3,359</u>	<u>2,040</u>
Total borrowing costs	總借貸成本	174,877	164,906
Less: Amounts capitalised in construction in progress	減：於在建工程中資 本化金額	<u>(26,018)</u>	<u>(35,550)</u>
		<u>148,859</u>	<u>129,356</u>

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 3.93% per annum (2008: 6.56% per annum) to expenditure on qualifying assets.

年內撥充資本之借貸成本均源自一般借貸額，並按合資格資產開支每年3.93%（二零零八年：每年6.56%）之資本化比率計算。

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11. PROFIT (LOSS) BEFORE TAX

11. 除稅前溢利(虧損)

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit (loss) before tax has been arrived at after charging:	除稅前溢利(虧損) 已扣除下列各項:		
Director's remuneration (note 12)	董事酬金(附註12)	7,882	3,822
Other staff cost	其他員工成本		
Salaries and other benefits	薪金及其他津貼	86,908	82,038
Other pension costs and mandatory provident fund contributions	其他退休金成本及強積金供款	7,499	5,266
Total staff costs	總員工成本	<u>102,289</u>	<u>91,126</u>
Cost of inventories recognised as expense	確認為開支之存貨成本	3,449,871	2,517,912
Depreciation of property, plant and equipment	物業、廠房及設備折舊	330,791	238,337
Amortisation of prepaid lease payments	預付租賃款項攤銷	21,382	20,008
Amortisation of intangible assets (included in cost of sales and general and administrative expenses)	無形資產攤銷 (已計入銷售成本及一般及行政開支)	2,062	7,889
Amortisation of mining rights (included in cost of sales)	採礦權攤銷 (已計入銷售成本)	3,481	2,196
Auditor's remuneration	核數師酬金	3,413	3,071
Operating lease payments in respect of rented premises	租賃物業之經營租賃租金	7,257	8,595
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	958	50
Share of tax of associates (included in share of results of associates)	應佔聯營公司稅項 (已計入應佔聯營公司業績)	<u>6,963</u>	<u>5,697</u>

The Group has no forfeited contributions from the retirement benefit scheme for both years.

本集團於該兩個年度並無退休金計劃之已沒收供款。

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12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

Directors' emoluments

The emoluments paid or payable to each Directors are as follows:

		Koo, Cheng-Yun, Leslie	Wu Yih Chin	Shan Weijian	Chang, An-Ping, Nelson	Chang, Kang-Lung, Jason	Wang, Lishin, Elizabeth	Liao Poon Huai, Donald	Chih Ching Kang, Kenneth	Shieh, Jen-Chung, Roger	Total 2009 總計 二零零九年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Fees	袍金	200	-	200	200	200	200	200	200	200	1,600
Other emoluments	其他酬金										
Salaries and other benefits	薪金及其他津貼	-	1,282	-	-	-	-	-	-	-	1,282
Performance related incentive bonus	與表現掛鈎之獎勵花紅	4,000	1,000	-	-	-	-	-	-	-	5,000
Total emoluments	總酬金	4,200	2,282	200	200	200	200	200	200	200	7,882
		Koo, Cheng-Yun, Leslie	Wu Yih Chin	Shan Weijian	Chang, An-Ping, Nelson	Chang, Kang-Lung, Jason	Wang, Lishin, Elizabeth	Liao Poon Huai, Donald	Chih Ching Kang, Kenneth	Shieh, Jen-Chung, Roger	Total 2008 總計 二零零八年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Fees	袍金	200	-	200	200	200	200	200	200	200	1,600
Other emoluments	其他酬金										
Salaries and other benefits	薪金及其他津貼	-	1,282	-	-	-	-	-	-	-	1,282
Performance related incentive bonus	與表現掛鈎之獎勵花紅	840	100	-	-	-	-	-	-	-	940
Total emoluments	總酬金	1,040	1,382	200	200	200	200	200	200	200	3,822

The performance related incentive bonus is determined with reference to the results of the Group.

12. 董事及僱員酬金

董事酬金

已付及應付予各董事之酬金如下：

與表現掛鈎之獎勵花紅乃根據本集團業績釐定。

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12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

Employees' emoluments

During the year, the five highest paid individuals included two Directors (2008: two Director), details of whose emoluments are set out above. The emoluments of the remaining highest paid individuals are as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Salaries and other benefits	薪金及其他津貼	2,474	2,147
Retirement benefits scheme contributions	退休金計劃供款	63	29
Performance related incentive bonus	與表現掛鈎之獎勵花紅	454	338
		2,991	2,514

Their emoluments were within the following bands:

		Number of employee 僱員人數	
		2009 二零零九年	2008 二零零八年
Up to HK\$1,000,000	不多於1,000,000港元	1	3
HK\$1,000,001 – HK\$2,000,000	1,000,001港元 – 2,000,000港元	2	–

During the year, no remuneration was paid by the Group to the Directors, supervisors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors and supervisors has waived any remuneration during the year.

12. 董事及僱員酬金 (續)

僱員酬金

本年內五名最高薪人士包括兩名董事(二零零八年: 兩名), 其薪酬已載列於上文。其餘最高薪僱員之薪酬詳情載列如下:

其薪金介乎下列範圍:

本集團於本年內並無向董事、監事或五名最高薪人士支付酬金, 以作彼等加入或加盟本集團之獎勵或作為離職之補償。概無董事及監事於本年內放棄薪金。

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13. INCOME TAX EXPENSE

13. 所得稅支出

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Current tax:	本期稅項：		
Hong Kong	香港	2,872	2,448
PRC Enterprise income tax	中國企業所得稅	24,121	8,612
Other jurisdictions	其他司法權區	161	1,723
Withholding tax	預扣稅	1,848	-
		<u>29,002</u>	<u>12,783</u>
Underprovision in prior years:	過往年度撥備不足：		
Hong Kong	香港	-	927
PRC Enterprise income tax	中國企業所得稅	-	2,208
		<u>-</u>	<u>3,135</u>
Deferred tax (Note 31):	遞延稅項(附註31)：		
Current year	本年度	(12,080)	(3,551)
		<u>16,922</u>	<u>12,367</u>

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13. INCOME TAX EXPENSE (Continued)

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which includes the reduction in corporate tax rate by 1% to 16.5% effective from the year of assessment 2008/2009. Therefore, Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Hong Kong Profits Tax is calculated at 16.5% (2008: 16.5%) of the estimated assessable profit for the year. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

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

Pursuant to the relevant laws and regulations in the PRC, certain PRC subsidiaries of the Company are exempted from PRC Enterprise Income Tax for two years starting from their first profit-making year, followed by a 50% reduction for the next three years. The tax exemptions are going to be expired starting from year 2011 to 2013.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

13. 所得稅支出 (續)

二零零八年六月二十六日，香港立法會通過二零零八年收入條例草案，當中包括自2008/2009課稅年度開始，將公司利得稅稅率調低1%至16.5%。因此，香港利得稅乃根據兩個年度之估計應課稅利潤按16.5%計算。

香港利得稅乃根據本年度之估計應課稅溢利按16.5% (二零零八年：16.5%) 之稅率計算。其他司法權區之稅項乃根據相關司法權區現行稅率計算。

根據中華人民共和國企業所得稅法（「企業所得稅法」）及企業所得稅法實施規則，中國附屬公司之稅率由二零零八年一月一日起為25%。

根據中國有關法律及法規，本公司之若干中國附屬公司自首個獲利年度起連續兩年豁免繳納中國企業所得稅，而隨後三年獲減半寬免。稅項豁免將於二零一一年起至二零一三年止到期。

其他司法權區之稅項乃根據相關司法權區現行稅率計算。

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13. INCOME TAX EXPENSE (Continued)

The total charge for the year can be reconciled to the profit (loss) per the consolidated statement of comprehensive income as follows:

13. 所得稅支出 (續)

年內之總稅項開支與綜合全面收益表內溢利(虧損)之對賬如下:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit (loss) before tax	除稅前溢利(虧損)	<u>171,742</u>	<u>(90,058)</u>
Tax at the domestic income tax rate of 25% (2008: 16.5%) (Note)	以本地所得稅率25%計算 之稅項(二零零八年: 16.5%)(附註)	42,936	(14,860)
Tax effect of share of profits of associates	應佔聯營公司溢利之 稅務影響	(6,263)	(4,973)
Tax effect of expenses that are not deductible in determining taxable profit	於釐定應課稅溢利時不可 扣稅之支出之稅務影響	15,126	26,769
Tax effect of income that are not taxable in determining taxable profit	於釐定應課稅溢利時毋須 課稅之收入之稅務影響	(7,654)	(3,971)
Underprovision in prior years	過往年度超額撥備	-	3,135
Tax effect of tax losses not recognised	未確認之稅務虧損之 稅務影響	25,463	12,451
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(9,476)	-
Effect of tax exemptions granted to PRC subsidiaries	中國附屬公司獲豁 免稅項之影響	-	(191)
Income tax on concessionary rate	按優惠稅率計算之所得稅	(30,179)	(14,976)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之 附屬公司之不同稅率之影響	(12,864)	7,006
Withholding tax on undistributed earnings	未分配盈利之預扣稅	-	1,848
Others	其他	<u>(167)</u>	<u>129</u>
Tax expense for the year	本年度稅項支出	<u>16,922</u>	<u>12,367</u>

Note: The Group's major operating subsidiaries are located in PRC and accordingly, income tax rate of 25% is adopted for the year ended 31 December 2009. In year 2008, most of the PRC subsidiaries are suffering from operating losses and the income was mostly arising from Hong Kong subsidiaries and thus Hong Kong Tax rate of 16.5% was being adopted.

附註: 本集團之主要經營附屬公司均位於中國, 因此, 截至二零零九年十二月三十一日止年度採用所得稅率25%。於二零零八年, 多數中國附屬公司蒙受經營虧損, 而收益乃多數由香港附屬公司產生, 故已採用香港稅率16.5%。

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14. DIVIDEND

The final dividend of HK2.0 cents per share in respect of the year ended 31 December 2009 (2008: nil in respects of the year ended 31 December 2008), amounting to approximately HK\$44,000,000 has been proposed by the Directors and is subject to approval by the shareholders in general meeting.

15. EARNINGS (LOSS) PER SHARE

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

14. 股息

董事建議派發截至二零零九年十二月三十一日止年度之末期股息每股2.0港仙(二零零八年:截至二零零八年十二月三十一日止年度為零)(約44,000,000港元),須待股東於股東大會上批准後,方可作實。

15. 每股盈利(虧損)

本公司擁有人應佔每股基本盈利(虧損)乃根據以下數據計算:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Earnings (loss) for the purpose of basic earnings (loss) per share	計算每股基本盈利(虧損)所用之盈利(虧損)		
Profit (loss) for the year attributable to owners of the Company	本公司擁有人應佔本年度溢利(虧損)	<u>120,254</u>	<u>(155,523)</u>

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15. EARNINGS (LOSS) PER SHARE (Continued)

Number of shares

15. 每股盈利(虧損)(續)

股份數目

		2009 二零零九年 '000 千股	2008 二零零八年 '000 千股
Weighted average number of ordinary shares and preference shares for the purpose of basic earnings (loss) per share (Note)	計算每股基本盈利(虧損)所用之普通股及優先股加權平均股數(附註)	1,460,532	<u>1,296,153</u>
Effects of dilutive potential ordinary shares:	攤薄潛在普通股之影響:		
Share options	購股權	<u>173</u>	
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	計算每股攤薄盈利(虧損)所用之普通股加權平均股數	<u>1,460,705</u>	

No dilutive loss per share has been presented for the year ended 2008 because the exercise of share options would result in a decrease in the loss per share in 2008.

由於行使購股權將引致二零零八年之每股虧損減少，故並無呈列截至二零零八年止年度之每股攤薄虧損數字。

Note: Except for the liquidation preference feature of the preference shares, the preference shares share similar characteristics of ordinary shares of the Company. Such preference shares were considered as same class as ordinary shares for the purpose of calculation of basic earnings per share.

附註：除優先股之清盤優先特徵外，優先股類似本公司普通股之特徵。該等優先股均被認為與計算每股基本盈利所用之普通股相同。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Cement plant and facilities	Leasehold land and office building	Plant and machinery	Furniture, fixtures and office equipment 傢俬、裝置 及辦公室 設備	Motor vehicles	Lighters	Construction in progress	Total
		水泥廠 及設備	租賃土地及 辦公室樓宇	廠房及機器	設備	汽車	躉船	在建工程	總數
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST OR VALUATION	成本或估值								
As at 1 January 2008	於二零零八年一月一日	1,318,851	20,700	2,343,384	29,682	11,253	7,731	519,574	4,251,175
Exchange adjustments	匯兌調整	39,751	-	86,837	1,599	629	-	17,666	146,482
Additions	添置	20,988	-	9,008	1,610	165	-	1,273,704	1,305,475
Deficit on revaluation	重估虧蝕	-	(3,000)	-	-	-	-	-	(3,000)
Disposals	出售	-	-	(421)	(558)	(4,899)	-	-	(5,878)
Transfers	轉讓	239,868	-	1,067,903	3,398	2,345	-	(1,313,514)	-
At 31 December 2008	於二零零八年十二月三十一日	1,619,458	17,700	3,506,711	35,731	9,493	7,731	497,430	5,694,254
Exchange adjustments	匯兌調整	47,171	-	106,352	1,574	456	-	13,566	169,119
Additions	添置	1,396	-	980	484	-	-	927,909	930,769
Acquisition of subsidiaries	收購附屬公司	753,019	-	1,537,862	453,015	76,814	-	189,115	3,009,825
Surplus on revaluation	重估盈餘	-	16,700	-	-	-	-	-	16,700
Disposals	出售	(16,641)	-	(1,463)	(3,707)	(1,382)	-	-	(23,193)
Transfers	轉讓	137,213	-	261,882	10,105	3,158	-	(412,358)	-
At 31 December 2009	於二零零九年十二月三十一日	2,541,616	34,400	5,412,324	497,202	88,539	7,731	1,215,662	9,797,474
Comprising:	包括:								
At cost	成本值	2,541,616	-	5,412,324	497,202	88,539	7,731	1,215,662	9,763,074
At valuation 2009	二零零九年估值	-	34,400	-	-	-	-	-	34,400
		2,541,616	34,400	5,412,324	497,202	88,539	7,731	1,215,662	9,797,474
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值								
As at 1 January 2008	於二零零八年一月一日	111,423	-	240,168	12,800	5,281	7,653	-	377,325
Exchange adjustments	匯兌調整	5,804	-	18,650	1,052	426	-	-	25,932
Provided for the year	本年度提撥	59,576	596	171,173	4,652	2,340	-	-	238,337
Impairment loss recognised in the profit and loss	於損益中確認之減值虧損	4,584	-	-	-	-	-	-	4,584
Elimination on revaluation	重估沖銷	-	(596)	-	-	-	-	-	(596)
Elimination on disposals	出售沖銷	-	-	(330)	(525)	(3,841)	-	-	(4,696)
At 31 December 2008	於二零零八年十二月三十一日	181,387	-	429,661	17,979	4,206	7,653	-	640,886
Exchange adjustments	匯兌調整	9,241	-	22,466	1,141	316	-	-	33,164
Provided for the year	本年度提撥	65,637	596	249,995	10,807	3,756	-	-	330,791
Elimination on revaluation	重估沖銷	-	(596)	-	-	-	-	-	(596)
Elimination on disposals	出售沖銷	(16,219)	-	(1,234)	(3,188)	(1,193)	-	-	(21,834)
At 31 December 2009	於二零零九年十二月三十一日	240,046	-	700,888	26,739	7,085	7,653	-	982,411
CARRYING VALUES	賬面值								
At 31 December 2009	於二零零九年十二月三十一日	2,301,570	34,400	4,711,436	470,463	81,454	78	1,215,662	8,815,063
At 31 December 2008	於二零零八年十二月三十一日	1,438,071	17,700	3,077,050	17,752	5,287	78	497,430	5,053,368

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

16. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The following rates are used for the depreciation of property, plant and equipment:

Cement plant and facilities	3 $\frac{1}{3}$ %
Leasehold land and office buildings	Over the unexpired term of lease
Plant and machinery	6 $\frac{2}{3}$ % – 10%
Furniture, fixtures and office equipment	20% – 33 $\frac{1}{3}$ %
Motor vehicles	20%
Lighters	10%

Included in construction in progress is interest capitalised of approximately HK\$26,018,000 (2008: HK\$35,550,000).

During the year, the Group acquired the property, plant and equipment on acquisition of subsidiaries. The property, plant and equipment was fair valued on 30 September 2009 at HK\$3,009,825,000 by Vigers Appraisal & Consulting Limited, an independent firm of qualified professional valuers, at open market value on existing use basis.

In 2008, the Directors conducted a review of the Group's manufacturing assets and determined that a number of those assets were impaired. Accordingly, impairment losses of HK\$4,584,000 had been recognised in respect of cement plant and facilities, which were used in the manufacture and distribution of cement, clinker and slag powder segment. These cement plant and facilities would be demolished due to the further expansion of production lines.

16. 物業、廠房及設備 (續)

物業、廠房及設備所用折舊率如下：

水泥廠及設施	3 $\frac{1}{3}$ %
租賃土地及辦公室樓宇	按租約未屆滿年期
廠房及機器	6 $\frac{2}{3}$ % – 10%
傢俬、裝置及辦公室設備	20% – 33 $\frac{1}{3}$ %
汽車	20%
躉船	10%

計入在建工程之資本化利息約為26,018,000港元(二零零八年: 35,550,000港元)。

於年內，本集團在收購附屬公司之基礎上收購物業、廠房及設備。於二零零九年九月三十日，獨立合資格專業估值師行威格斯資產評估顧問有限公司以現時用途按公開市價對物業、廠房及設備進行公平估值，估值為3,009,825,000港元。

於二零零八年，董事審閱本集團製造資產，並認為多項資產出現減值。因此，用作製造及分銷水泥、熟料及礦渣粉分部業務之有關水泥廠及設施已確認減值虧損4,584,000港元。由於生產線進一步擴充，該等水泥廠及設施將被拆毀。

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16. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The leasehold land and office building is situated in Hong Kong under long term leases and was revalued on 31 December 2009 at HK\$34,400,000 (2008: HK\$17,700,000) by Vigers Appraisal & Consulting Limited, an independent firm of qualified professional valuers, at open market value on existing use basis. The resulting surplus arising from the revaluation at 31 December 2009 of HK\$16,104,000 (deficit 2008: HK\$2,404,000) was dealt with in the land and building revaluation reserve. Had there not been any revaluation of this property, its carrying amount at cost less accumulated depreciation and any impairment losses at 31 December 2009 would be HK\$296,000 (2008: HK\$297,000).

17. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise:

16. 物業、廠房及設備 (續)

獨立合資格專業估值師行威格斯資產評估顧問有限公司於二零零九年十二月三十一日對本集團根據長期租約位於香港之租賃土地及辦公室樓宇，按其現有用途之公開市值重估為34,400,000港元(二零零八年：17,700,000港元)。於二零零九年十二月三十一日之重估盈餘為16,104,000港元(二零零八年虧絀：2,404,000港元)，已於土地及樓宇重估儲備內處理。倘並無對此物業作出重估，於二零零九年十二月三十一日之成本賬面值減累計折舊及任何減值虧損後將為296,000港元(二零零八年：297,000港元)。

17. 預付租賃款項

本集團之預付租賃款項包括：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Leasehold land outside Hong Kong Medium-term lease	位於香港境外以中期 租約租賃之土地	932,815	722,448
Analysed for reporting purposes as:	分析作呈報用途：		
Current portion	本期部份	24,881	20,019
Non-current portion	非本期部分	907,934	702,429
		932,815	722,448

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18. INTANGIBLE ASSETS

18. 無形資產

		Goodwill 商譽 HK\$'000 千港元	Customer base 客戶基礎 HK\$'000 千港元	Computer software 電腦軟件 HK\$'000 千港元	Total 總數 HK\$'000 千港元
COST		成本			
At 1 January 2008	於二零零八年一月一日	3,722,639	31,901	9,624	3,764,164
Exchange adjustments	匯兌調整	—	—	290	290
At 31 December 2008	於二零零八年 十二月三十一日	3,722,639	31,901	9,914	3,764,454
Arising on acquisition of subsidiaries	收購附屬公司時產生	794,052	—	4,179	798,231
Addition	添置	—	—	8,378	8,378
Disposal	出售	—	—	(4)	(4)
Exchange adjustments	匯兌調整	—	—	240	240
At 31 December 2009	於二零零九年 十二月三十一日	4,516,691	31,901	22,707	4,571,299
AMORTISATION AND IMPAIRMENT		攤銷及減值			
At 1 January 2008	於二零零八年一月一日	3,722,639	1,131	947	3,724,717
Charge for the year	本年度攤銷	—	6,787	1,102	7,889
Impairment loss recognised in profit and loss	於損益中確認之減值虧損	—	23,983	—	23,983
Exchange adjustments	匯兌調整	—	—	26	26
At 31 December 2008	於二零零八年 十二月三十一日	3,722,639	31,901	2,075	3,756,615
Charge for the year	本年度攤銷	—	—	2,062	2,062
Eliminated on disposal	出售沖銷	—	—	(2)	(2)
Exchange adjustments	匯兌調整	—	—	46	46
At 31 December 2009	於二零零九年 十二月三十一日	3,722,639	31,901	4,181	3,758,721
CARRYING VALUES		賬面值			
At 31 December 2009	於二零零九年 十二月三十一日	794,052	—	18,526	812,578
At 31 December 2008	於二零零八年 十二月三十一日	—	—	7,839	7,839

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18. INTANGIBLE ASSETS (Continued)

The intangible assets are amortised over their estimated useful lives, using the straight-line method, at the following rates per annum:

Customer base	21.3%
Computer software	20%

18. 無形資產 (續)

無形資產於其估計可用年期內以直線法按以下年率攤銷：

客戶基礎	21.3%
電腦軟件	20%

19. MINING RIGHTS

19. 採礦權

		HK\$'000 千港元
COST		
At 1 January 2008	於二零零八年一月一日	58,472
Exchange adjustments	匯兌調整	1,988
At 31 December 2008	於二零零八年十二月三十一日	60,460
Arising on acquisition of subsidiaries	因收購附屬公司產生	149,796
Addition	添置	1,679
Exchange adjustments	匯兌調整	1,649
At 31 December 2009	於二零零九年十二月三十一日	213,584
AMORTISATION AND IMPAIRMENT		
At 1 January 2008	於二零零八年一月一日	2,199
Charge for the year	本年度攤銷	2,196
Exchange adjustments	匯兌調整	75
At 31 December 2008	於二零零八年十二月三十一日	4,470
Charge for the year	本年度攤銷	3,481
Exchange adjustments	匯兌調整	121
At 31 December 2009	於二零零九年十二月三十一日	8,072
CARRYING VALUES		
At 31 December 2009	於二零零九年十二月三十一日	205,512
At 31 December 2008	於二零零八年十二月三十一日	55,990

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19. MINING RIGHTS (Continued)

The mining rights are amortised over their estimated useful lives, using the straight-line method, at 2% per annum based on the legal right granted.

20. IMPAIRMENT TESTING ON INTANGIBLE ASSETS

For the purposes of impairment testing, a goodwill of HK\$794,052,000 set out in note 32 and customer base of HK\$23,983,000 in year 2008 with a useful life of 4.7 years set out in note 18 have been allocated to the individual cash generating units ("CGUs"), TCC (Guigang) Cement Company Limited and Chia Hsin Cement Greater China Holding Corporation respectively, which are included in the segment of manufacture and distribution of cement, clinker and slag powder.

During the year ended 31 December 2009, management of the Group determines that there are no impairments of any of its CGU containing goodwill.

During the year ended 31 December 2008, the Group recognised an impairment loss of HK\$23,983,000 in relation to customer base arising on the acquisition of Chia Hsin Cement Greater China Holding Corporation.

19. 採礦權 (續)

採礦權乃根據已授出合法權透過其估計使用年期(使用直線法)按年息2%攤銷。

20. 無形資產減值測試

就減值測試而言，附註32所載之商譽794,052,000港元及附註18所載之於二零零八年有使用年期4.7年之客戶基礎23,983,000港元已獲分配予一個獨立之現金產生單位(「現金產生單位」)，TCC (Guigang) Cement Company Limited及嘉新水泥(中國)控股股份有限公司分別納入水泥、熟料及礦渣粉生產及經銷分部。

於截至二零零九年十二月三十一日止年度內，本集團之管理層釐定並無任何包括商譽之現金產生單位減值。

於截至二零零八年十二月三十一日止年度內，本集團就收購嘉新水泥(中國)控股股份有限公司所產生之客戶基礎確認減值虧損23,983,000港元。

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20. IMPAIRMENT TESTING ON INTANGIBLE ASSETS (Continued)

The basis of the recoverable amount of the above CGUs and its major underlying assumptions are summarised below:

The recoverable amount of these CGUs have been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 10-year period, and discount rate of 8% (2008: 8.63%). Cash flow beyond the 5-year period are extrapolated with zero growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development.

21. INTERESTS IN ASSOCIATES AND LOAN TO AN ASSOCIATE

Cost of investments in associates	聯營公司之投資成本
Unlisted	非上市
Share of post-acquisition profit, and other comprehensive income, net of dividends received	攤佔收購後之溢利及其他全面收益(扣除已收股息)
Loan to an associate	聯營公司貸款

The loan to an associate is interest-free, unsecured and will not be repaid within one year from the end of the reporting period.

20. 無形資產減值測試(續)

上述現金產生單位之可收回數額及其主要相關假設之基準概述如下:

該等現金產生單位之可收回數額乃根據使用價值計算方法釐定。該計算方法使用按照管理層所批准涵蓋期達10年之財務預算之現金流量預測,以及8%(二零零八年:8.63%)之折現率。於5年期之後之現金流量乃按零增長率推斷。其他與估計現金流入/流出相關之使用價值計算方法之主要假設包括預算銷售及毛利,該等估計乃根據該單位之過往表現及管理層對市場發展之期望而作出。

21. 聯營公司權益及聯營公司貸款

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	55,343	55,343
	61,465	60,942
	116,808	116,285
	14,400	16,800

聯營公司貸款為免息、無抵押且將不會於報告期末起一年內償還。

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21. INTERESTS IN ASSOCIATES AND LOAN TO AN ASSOCIATE (Continued)

Details of the Group's associates at 31 December 2009 and 2008 are as follows:

Name of associate	Place of incorporation and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
聯營公司名稱	註冊成立及營運地點	擁有權益之比例	投票權比例	主要業務
Quon Hing Concrete Company Limited ("Quon Hing") 港興混凝土有限公司 (「港興」)	Hong Kong 香港	50%	50%	Production and distribution of ready-mixed concrete 生產及分銷預拌混凝土
Hong Kong Concrete Company Limited 港九混凝土有限公司	Hong Kong 香港	31.5%	31.5%	Production and distribution of ready-mixed concrete 生產及分銷預拌混凝土
Kenic Investment Holdings Limited 堅力投資控股有限公司	British Virgin Islands/ Hong Kong 英屬處女群島／香港	40%	40%	Investment holding 投資控股

21. 聯營公司權益及聯營公司貸款 (續)

於二零零九年及二零零八年十二月三十一日本集團之聯營公司詳情載列如下：

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21. INTERESTS IN ASSOCIATES AND LOAN TO AN ASSOCIATE (Continued)

Summarised financial information in respect of the Group's associates is set out below:

21. 聯營公司權益及聯營公司貸款 (續)

本集團之聯營公司之財務資料摘要如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total assets	總資產	524,702	559,677
Total liabilities	總負債	(245,659)	(277,151)
Net assets	資產淨額	279,043	282,526
Group's share of associates' net assets	本集團佔聯營公司之 資產淨額	116,808	116,285
Revenue	收入	668,308	764,621
Profit for the year	本年度溢利	60,068	59,867
Other comprehensive income for the year	本年度其他綜合收益	(3,550)	425
Group's share of profit and other comprehensive income of associates for the year	本集團佔本年度聯營公司之 溢利及其他綜合收益	23,123	30,182

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22. INVESTMENTS

22. 投資

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Available-for-sale investments	可供出售投資		
Unlisted equity securities	非上市股本證券	54,509	58,713
Held-for-trading investments	持作交易用途之投資		
Listed securities	上市證券		
Equity securities listed in Hong Kong, at market value	於香港上市之股本證券，按市值	22,754	16,256
Equity securities listed elsewhere, at market value	於其他地方上市之股本證券，按市值	195,221	185,830
		217,975	202,086
Quoted investment funds, at fair value	有價投資基金，按公平值	49,968	55,724
		267,943	257,810

Available-for-sale investments

The above unlisted investments represent investments in unlisted equity securities issued by private entities incorporated in Hong Kong and Taiwan. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the Directors of the Company are of the opinion that their fair values cannot be measured reliably. In year 2008, the Group disposed HK\$12,851,000 available-for-sale investments and recognised the gain on disposal of HK\$8,185,000.

可供出售投資

以上非上市投資代表於香港及台灣註冊成立之私人實體發行之非上市股本證券投資，於報告期結束時以成本減減值計量，原因為合理公平值之估計範圍非常重大，因此本公司董事認為彼等之公平值不能可靠地計量。於二零零八年，本集團出售12,851,000港元之可供出售投資，並確認8,185,000港元之出售收益。

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22. INVESTMENTS (Continued)

Held-for-trading investments

The fair value of the held-for-trading investments are determined based on the quoted market bid prices available on the relevant exchanges or prices provided by counterparty financial institutions. The quoted investment funds can be disposed of at the prices provided by the counterparty financial institutions on a regular basis.

22. 投資 (續)

持作交易用途之投資

以上持作交易用途之投資之公平值乃根據相關交易所所報之市場買入價或金融機構所提供之價格釐定。有價投資基金可按金融機構定期提供之價格出售。

23. LOAN RECEIVABLES

23. 應收貸款

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current variable-rate loan receivables	非流動浮動息率應收貸款	84,750	—
Current variable-rate loan receivables	流動浮動息率應收貸款	12,121	49,309
		96,871	49,309

As at 31 December 2009, the loan receivables include RMB2,500,000 (equivalent to HK\$2,825,000), RMB8,227,000 (equivalent to HK\$9,296,000), and RMB75,000,000 (equivalent to HK\$84,750,000) variable rate loans with reference to the benchmark loan rate of financial institutions set by the PRC maturing on 31 March 2010, 31 December 2010, and 1 March 2018 respectively. The loan receivables have an effective interest rate of 5.40% per annum.

於二零零九年十二月三十一日，應收貸款之金額分別為人民幣2,500,000元（相當於2,825,000港元）、人民幣8,227,000元（相當於9,296,000港元）及人民幣75,000,000元（相當於84,750,000港元），乃按參考中國設定之金融機構貸款基準利率之浮動息率計息，到期日分別為二零一零年三月三十一日、二零一零年十二月三十一日及二零一八年三月一日。應收貸款所附之實際利息為每年5.40%。

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23. LOAN RECEIVABLES (Continued)

As at 31 December 2008, the loan receivables include a RMB30,000,000 (equivalent to HK\$33,000,000) and RMB14,827,000 (equivalent to HK\$16,309,000) variable rate loans with reference to the benchmark loan rate of financial institutions set by the PRC maturing on 25 April 2009 and 31 August 2009 respectively. The loan receivables have an effective interest rate of 4.26% per annum.

Management closely monitors the credit quality of the loan receivables and considers that loan receivables which are neither past due nor impaired to be of good credit quality.

23. 應收貸款 (續)

於二零零八年十二月三十一日，應收貸款之金額分別為人民幣30,000,000元（相當於33,000,000港元）及人民幣14,827,000元（相當於16,309,000港元），乃按參考中國設定之金融機構貸款基準利率之浮動息率計息，到期日分別為二零零九年四月二十五日及二零零九年八月三十一日。應收貸款所附之實際利息為每年4.26%。

管理層緊密監管應收貸款之信用程度，認為應收貸款既未過期亦無良好信用減值。

24. INVENTORIES

24. 存貨

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Raw materials and consumables	原材料及易耗品	445,094	307,792
Work in progress	在製品	116,566	46,688
Finished goods	製成品	109,448	55,803
		671,108	410,283

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25. TRADE RECEIVABLES

The Group's trade receivables comprise:

Trade receivables from outsiders	應收外界人士之貿易賬款
Trade receivables from associates	應收聯營公司之貿易賬款
Trade receivables from related parties (note)	應收關連人士之貿易賬款 (附註)

25. 應收貿易賬款

本集團應收貿易賬款包括：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Trade receivables from outsiders	546,237	199,651
Trade receivables from associates	7,156	9,831
Trade receivables from related parties (note)	479	953
	553,872	210,435

Note: The related parties refer to the subsidiaries of a substantial shareholder of the Company.

Before accepting any new customers with credit limit, the Group assesses the historical background and credibility which are available in the market. The credit limit will be based on the result of research. Credit limit will be reviewed once a year. More than 85% (2008: 85%) of the trade receivables that are neither past due nor impaired is recovered within three months after the end of reporting period. No provision has been made for the trade receivables as at 31 December 2009 (2008: nil).

附註：關連人士指本公司一位主要股東之附屬公司。

於接納任何具有賒賬限額之新客戶前，本集團會評估市場中可獲得之歷史背景及信用水平。賒賬限額將根據研究結果釐定。本集團將會每年審閱一次賒賬限額。超過85%（二零零八年：85%）之應收貿易賬款既未過期又未發生減值，且會於報告期結束後三個月內收回。於二零零九年十二月三十一日，本集團並無就應收貿易賬款作出任何撥備（二零零八年：無）。

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25. TRADE RECEIVABLES (Continued)

The Group's policy is to allow a credit period of 90 – 180 days to its trade customers (including associates and related parties). The following is an aged analysis of trade receivables based on the invoice date at the end of the reporting period:

0 – 90 days	0 – 90日
91 – 180 days	91 – 180日

There are no balances included in trade receivables which have been past due. Over 90% of trade receivables aged 91-180 days represent banks acceptance bills.

The Group will provide fully for any receivables over 365 days because historical experience is such that receivables that are past due beyond 365 days are generally not recoverable.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

26. CASH AND BANK BALANCES/PLEGDED BANK DEPOSITS/TIME DEPOSITS

Cash and bank balances comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less, which carry at market interest rates.

25. 應收貿易賬款 (續)

本集團政策給予貿易客戶(包括聯營公司及關連人士)90至180日之賒賬期。以下為報告期結束按發票日期計算之應收貿易賬款之賬齡分析：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
0 – 90 days	480,682	181,646
91 – 180 days	73,190	28,789
	553,872	210,435

應收貿易賬款內並未有已過期結餘。超過90%賬齡為91至180日之應收貿易賬款為銀行承兌匯票。

本集團將就超過365日之任何應收款項全額計提撥備，原因為根據歷史經驗，過期超過365日之應收款項一般均無法收回。

本集團並無重大集中之信貸風險，其風險分散於大量對手方及客戶。

26. 現金及銀行結餘／已抵押銀行存款／定期存款

現金及銀行結餘包括本集團持有之現金及原為三個月或少於三個月之短期按市場利率列賬之銀行存款。

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26. CASH AND BANK BALANCES/PLEDGED BANK DEPOSITS/TIME DEPOSITS (Continued)

Bank balances carry interest at prevailing market rates which range from 0.01% to 1.44% (2008: 0.01% to 4.14%) per annum. The pledged bank deposits and time deposits carry fixed interest rate ranged from 0.15% to 3.60% (2008: 1.71% to 4.14%) per annum. The pledged bank deposit will be released upon the settlement of relevant short-term bank borrowings.

Majority of the cash and bank balances were denominated in Renminbi ("RMB") which is not a freely convertible currency in the international market. The RMB exchange rate is determined by the Government of the PRC and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

27. TRADE PAYABLES

The Group's trade payables comprise:

Trade payables to outsiders	應付外界人士之貿易賬款
Trade payables to ultimate holding company	應付最終控股公司之貿易賬款
Trade payables to fellow subsidiaries	應付同系附屬公司之貿易賬款
Trade payables to minority shareholder of a subsidiary	應付一間附屬公司少數股東之貿易賬款

26. 現金及銀行結餘／已抵押銀行存款／定期存款(續)

銀行結餘按當期市場利率介乎每年0.01%至1.44%之間(二零零八年:0.01%至4.14%)計息。已抵押銀行存款及定期存款按固定利率介乎每年0.15%至3.60%(二零零八年:1.71%至4.14%)計息。已抵押銀行存款將於結算有關銀行借貸後獲解除。

大部份之現金及銀行結餘均以人民幣(「人民幣」)計值,而人民幣乃不可於國際市場上自由兌換。人民幣匯兌率由中國政府釐定,而該等款項匯出中國境外須受中國政府施加之外匯限制所規限。

27. 應付貿易賬款

本集團應付貿易賬款包括:

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Trade payables to outsiders	655,946	204,672
Trade payables to ultimate holding company	18,306	7,699
Trade payables to fellow subsidiaries	2,656	94,357
Trade payables to minority shareholder of a subsidiary	5,085	4,844
	681,993	311,572

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27. TRADE PAYABLES (Continued)

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

0 – 90 days	0 – 90日
91 – 180 days	91 – 180日
181 – 365 days	181 – 365日
Over 365 days	超過365日

The trade balances due to the ultimate holding company, fellow subsidiaries and minority shareholder of a subsidiary are unsecured, interest-free and repayable in accordance with normal trading terms.

27. 應付貿易賬款 (續)

以下為於報告期結束時按發票日期計算之應付貿易賬款之賬齡分析：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
0 – 90 days	653,342	299,101
91 – 180 days	8,487	7,053
181 – 365 days	11,326	1,937
Over 365 days	8,838	3,481
	681,993	311,572

應付最終控股公司、同系附屬公司、一間附屬公司少數股東之貿易結餘為無抵押、免息及須按正常貿易條款償還。

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28. BANK LOANS

28. 銀行貸款

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Bank loans	銀行貸款	<u>6,809,947</u>	<u>3,550,519</u>
Secured	有抵押	390,653	675,752
Unsecured	無抵押	<u>6,419,294</u>	<u>2,874,767</u>
		<u>6,809,947</u>	<u>3,550,519</u>
The loans are repayable as follows:	款項償還期如下：		
On demand or within one year	按要求或一年內	5,152,580	1,440,520
More than one year but not exceeding two years	超過一年但不超過二年	1,214,934	1,287,029
More than two years but not exceeding five years	超過二年但不超過五年	441,247	822,970
Over five years	超過五年	<u>1,186</u>	<u>–</u>
		6,809,947	3,550,519
Less: Amount due for settlement within one year (shown under current liabilities)	減：須於一年內償還之款項 (列於流動負債項下)	<u>(5,152,580)</u>	<u>(1,440,520)</u>
Amount due for settlement after one year	須於一年後償還之款項	<u>1,657,367</u>	<u>2,109,999</u>

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28. BANK LOANS (Continued)

The Group's borrowings that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		HK\$ 港元 '000 千元	US dollars 美元 '000 千元 (HK dollar equivalent) (港元等價)
As at 31 December 2009	於二零零九年十二月三十一日	388,010	1,060,289
As at 31 December 2008	於二零零八年十二月三十一日	1,103,606	802,308

All bank loans of the Group are variable-rate loans which carry interest with reference to Hong Kong Interbank Offered Rate ("HIBOR"), London Interbank Offered Rate ("LIBOR") and benchmark loan rates of financial institutions set by The People's Bank of China.

As at the end of the reporting period, the Group has the following undrawn borrowing facilities:

28. 銀行貸款 (續)

本集團以本集團功能貨幣以外之貨幣計值之借貸如下：

本集團之銀行貸款為浮動息率貸款，乃參考香港銀行同業拆息（「香港銀行同業拆息」）、倫敦銀行同業拆息（「倫敦銀行同業拆息」）及中國人民銀行所制定之金融機構貸款基準利率計息。

於報告期結束時，本集團擁有下列尚未提取之借貸額度：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Floating rate	浮動息率		
– expiring within one year	– 於一年內屆滿	1,040,594	506,741
– expiring beyond one year	– 於一年後屆滿	966,092	448,330
		2,006,686	955,071

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28. BANK LOANS (Continued)

As at 31 December 2009, the Group breached certain financial covenants as stipulated in the loan agreements or banking facilities letters entered into by the Group, which are primarily related to the ratio of consolidated liabilities to consolidated tangible net worth and the current ratio of the Group, with a total carrying amount of HK\$3,742.6 million.

As at 31 December 2009, as the lenders had not agreed to waive their rights to demand immediate payment, the non-current portion of these loans amounting to HK\$3,205 million has been classified as a current liability in the consolidated financial statement for the year ended 31 December 2009.

On discovery of the breach, the Directors of the Company informed the lenders and commenced renegotiations on the terms of the loans with the relevant banks. Up to the date of the issue of the consolidated financial statements, the negotiations are still in progress. The Directors of the Company are confident that negotiations with the lenders will ultimately reach a successful conclusion. In any event, should the lenders call for immediate repayment of the loans, the Directors of the Company believe that adequate alternative sources of finance are available to ensure that there is no threat to the continuing operations of the Group.

29. AMOUNT DUE TO A MINORITY SHAREHOLDER

The amount due to a minority shareholder is interest-free, unsecured and repayable on demand.

30. AMOUNT DUE TO AN IMMEDIATE HOLDING COMPANY

The amount due to an immediate holding company includes HK\$140 million and HK\$265.5 million repayable in June and September 2010 respectively which is carrying interest with reference to HIBOR and unsecured.

28. 銀行貸款 (續)

於二零零九年十二月三十一日，本集團違反其所訂立之貸款協議或銀行融資函件所訂明之若干財務契約（該等財務契約主要關於本集團綜合負債與綜合有形淨值之比率以及流動比率），其總賬面值為3,742,600,000港元。

於二零零九年十二月三十一日，由於貸款人並未同意豁免其要求即時償還之權利，該等貸款之非即期部份為數3,205,000,000港元已於截至二零零九年十二月三十一日止年度之綜合財務報表內分類為流動負債。

於發現違約後，本公司董事已知會貸款人並開始與有關銀行重新磋商貸款之條款。截至刊發綜合財務報表之日期，磋商仍在進行中。本公司董事有信心，與貸款人之磋商最終將達至令人滿意結論。惟無論在任何情況下，倘貸款人要求立即償還貸款，本公司董事相信，本集團擁有足夠替代融資途徑可供使用，以確保對本集團之持續經營並無構成任何威脅。

29. 應付一位少數股東款項

應付一位少數股東款項乃免息、無抵押及於要求時償還。

30. 應付一間直屬控股公司款項

應付一間直屬控股公司款項包括分別應於二零一零年六月及九月償還之140,000,000港元及265,500,000港元，該等款項乃參考香港銀行同業拆息計息，且為無抵押。

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

31. DEFERRED TAX LIABILITIES/ASSET

The following are the major deferred tax (liabilities) asset recognised by the Group and the movements thereon during the current and prior years.

31. 遞延稅項負債／資產

本集團於本年及以往年度確認之主要遞延稅項（負債）資產及其變動如下。

		Fair value adjustment on business combination	Accelerated tax depreciation	Revaluation of land and building	Withholding tax on undistributed earnings	Others	Total
		有關業務 合併之 公平值調整	加速 稅務折舊	土地及 樓宇重估	未分派盈利 之預扣稅	其他	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	(144,113)	(299)	(3,473)	-	33	(147,852)
Credit (charge) to profit or loss for the year (note 13)	計入（扣除自）年內損益表 （附註13）	5,301	-	98	(1,848)	-	3,551
Effect of change in tax rate to other comprehensive income	稅率變動對其他全面收益之 影響	-	-	198	-	-	198
Credit to other comprehensive income	計入其他全面收益	-	-	388	-	-	388
At 31 December 2008	於二零零八年 十二月三十一日	(138,812)	(299)	(2,789)	(1,848)	33	(143,715)
Credit (charge) to profit or loss for the year (note 13)	計入（扣除自）年內損益表 （附註13）	9,944	296	98	1,848	(106)	12,080
Acquisition of subsidiaries	收購附屬公司	(68,137)	-	-	-	-	(68,137)
Credit to other comprehensive income	計入其他全面收益	-	-	(2,862)	-	-	(2,862)
At 31 December 2009	於二零零九年 十二月三十一日	<u>(197,005)</u>	<u>(3)</u>	<u>(5,553)</u>	<u>-</u>	<u>(73)</u>	<u>(202,634)</u>

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綜合財務報表附註

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

31. DEFERRED TAX LIABILITIES/ASSET

(Continued)

31. 遞延稅項負債／資產 (續)

		2009	2008
		二零零九年	二零零八年
		HK\$'000	HK\$'000
		千港元	千港元
Analysis:	分析:		
Deferred tax liabilities	遞延稅項負債	202,634	143,748
Deferred tax asset	遞延稅項資產	-	(33)
Net position	持倉淨額	<u>202,634</u>	<u>143,715</u>

The Group has tax losses of approximately HK\$142,303,000 (2008: HK\$81,708,000) available for offset against future profits. Deferred tax assets have not been recognised in respect of these losses due to the unpredictability of future profit streams. Tax losses brought forward from prior years of approximately HK\$3,353,000 (2008: HK\$3,207,000) have been expired in current year. The unrecognised tax losses may be forward indefinitely except the losses of approximately HK\$120,696,000 (2008: HK\$69,494,000) that will expire in the period from 2010 to 2014.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$12,325,000 (2008: HK\$13,138,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

本集團之稅項虧損約142,303,000港元(二零零八年: 81,708,000港元), 可用於抵銷未來溢利。由於未來溢利來源難以預測, 因此並無就該等虧損確認遞延稅項資產。以往年度結轉之稅項虧損約3,353,000港元(二零零八年: 3,207,000港元)已於本年屆滿。除約120,696,000港元(二零零八年: 69,494,000港元)之虧損, 將於二零一零年至二零一四年間屆滿外, 未確認稅項虧損可無限期結轉。

根據中國企業所得稅新稅法, 自二零零八年一月一日起, 將對中國附屬公司所獲溢利而宣派之股息徵收預扣稅。由於本集團有能力控制暫時差額還原, 而暫時差額很可能不會於可見將來還原之時間, 就中國附屬公司為數12,325,000港元(二零零八年: 13,138,000港元)之累計溢利應佔之暫時差額而言, 本集團並無於綜合財務報表內作出遞延稅項撥備。

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31. DEFERRED TAX LIABILITIES/ASSET

(Continued)

In year 2008, HK\$1,848,000 had been recognised as deferred tax liabilities in respect of undistributed earnings of a non-wholly owned subsidiary. During the current year, the undistributed profits has been distributed as dividends and thus the deferred tax liabilities has been reversed. The payment of the withholding tax had been recognised as the current tax charge.

32. ACQUISITION OF SUBSIDIARIES

The Group acquired 100% of the issued share capital of TCC International (Guangxi) Limited ("TCCI (Guangxi)"), which principal activity is investment holding and its subsidiary is engaged in manufacture and distribution of cement, from the immediate holding company on 24 September 2009 for a total consideration of HK\$2,383,282,000. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition is HK\$794,052,000.

31. 遞延稅項負債／資產 (續)

於二零零八年，1,848,000港元已確認作有關一間非全資附屬公司未分配盈利之遞延稅項負債。於本年度，未分配溢利已分配作股息，因此遞延稅項負債已撥回。預扣稅款項已確認作現時稅項開支。

32. 收購附屬公司

本集團於二零零九年九月二十四日以總代價2,383,282,000港元自直屬控股公司收購TCC International (Guangxi) Limited (「TCCI (Guangxi)」)之全部已發行股本，該公司主要從事投資控股，而其附屬公司從事製造及分銷水泥。該項收購已使用購買法入賬。因收購事項而產生之商譽金額為794,052,000港元。

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32. ACQUISITION OF SUBSIDIARIES (Continued)

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

		Acquiree's carrying amounts before combination 合併前 被收購公司之 賬面金額 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Net assets acquired:	所購得淨資產：			
Property, plant and equipment (Note)	物業、廠房及設備 (附註)	2,907,597	102,228	3,009,825
Prepaid lease payments (Note)	預付租賃款項 (附註)	48,515	170,324	218,839
Intangible assets	無形資產	4,179	-	4,179
Mining rights	採礦權	149,796	-	149,796
Loan receivables	應收貸款	129,950	-	129,950
Inventories	存貨	142,993	-	142,993
Trade receivables	應收貿易賬款	431,199	-	431,199
Prepayments, deposits and other receivables	預付款項按金及 其他應收款項	54,020	-	54,020
Cash and bank balances	現金及銀行結餘	174,931	-	174,931
Trade payables	應付貿易賬款	(11,592)	-	(11,592)
Other payables and accrued liabilities	其他應付款項及應計負債	(365,269)	-	(365,269)
Bank loans	銀行貸款	(2,251,676)	-	(2,251,676)
Amount due to immediate holding company	應付直接控股公司款項	(21,840)	-	(21,840)
Deferred tax liabilities	遞延稅項負債	-	(68,137)	(68,137)
				1,597,218
Goodwill	商譽			794,052
Total consideration	總代價			2,391,270
Total consideration satisfied by:	總代價之支付方式：			
Issuance of non-redeemable convertible preference shares (Note 34)	發行不可贖回可轉換 優先股 (附註34)			2,383,282
Direct expenses paid in connection with acquisition of subsidiaries	就收購附屬公司支付之 直接開支			7,988
Total consideration	總代價			2,391,270
Cash and bank balances acquired	所購得銀行結餘及現金			174,931
Direct expenses paid in connection with acquisition of subsidiaries	就收購附屬公司支付之 直接開支			(7,988)
Net cash inflow from acquisition of subsidiaries	收購附屬公司所得 現金淨額			166,943

32. 收購附屬公司 (續)

該交易所購得淨資產及所產生之商譽如下：

		Acquiree's carrying amounts before combination 合併前 被收購公司之 賬面金額 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Net assets acquired:	所購得淨資產：			
Property, plant and equipment (Note)	物業、廠房及設備 (附註)	2,907,597	102,228	3,009,825
Prepaid lease payments (Note)	預付租賃款項 (附註)	48,515	170,324	218,839
Intangible assets	無形資產	4,179	-	4,179
Mining rights	採礦權	149,796	-	149,796
Loan receivables	應收貸款	129,950	-	129,950
Inventories	存貨	142,993	-	142,993
Trade receivables	應收貿易賬款	431,199	-	431,199
Prepayments, deposits and other receivables	預付款項按金及 其他應收款項	54,020	-	54,020
Cash and bank balances	現金及銀行結餘	174,931	-	174,931
Trade payables	應付貿易賬款	(11,592)	-	(11,592)
Other payables and accrued liabilities	其他應付款項及應計負債	(365,269)	-	(365,269)
Bank loans	銀行貸款	(2,251,676)	-	(2,251,676)
Amount due to immediate holding company	應付直接控股公司款項	(21,840)	-	(21,840)
Deferred tax liabilities	遞延稅項負債	-	(68,137)	(68,137)
				1,597,218
Goodwill	商譽			794,052
Total consideration	總代價			2,391,270
Total consideration satisfied by:	總代價之支付方式：			
Issuance of non-redeemable convertible preference shares (Note 34)	發行不可贖回可轉換 優先股 (附註34)			2,383,282
Direct expenses paid in connection with acquisition of subsidiaries	就收購附屬公司支付之 直接開支			7,988
Total consideration	總代價			2,391,270
Cash and bank balances acquired	所購得銀行結餘及現金			174,931
Direct expenses paid in connection with acquisition of subsidiaries	就收購附屬公司支付之 直接開支			(7,988)
Net cash inflow from acquisition of subsidiaries	收購附屬公司所得 現金淨額			166,943

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32. ACQUISITION OF SUBSIDIARIES (Continued)

Note: The fair value of the property, plant and equipment and prepaid lease payment of TCCI (Guangxi) are determined by an independent appraiser, Vigers Appraisal & Consulting Limited, at the acquisition date.

As the consideration for the acquisition of TCCI (Guangxi), 651,170,000 non-redeemable convertible preference shares with par value of HK\$ 0.1 each were issued. The fair value of the preference shares of the Company, determined using the published price of the ordinary shares of the Company available at the date of the acquisition, amounted to HK\$2,383,282,000.

Goodwill of HK\$794,052,000 has been recognised from the acquisition due to the increase in fair value of the preference shares issued at the date of acquisition from the date of announcing the acquisition.

TCCI (Guangxi) contributed HK\$30 million to the Group's profit for the period between the date of acquisition and the end of reporting period.

If the acquisition had been completed on 1 January 2009, total group revenue for the year would have been HK\$4,928.9 million, and loss for the year of 2009 would have been HK\$9.1 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2009, nor is it intended to be a projection of future results.

32. 收購附屬公司 (續)

附註：於收購日期之公平值之TCCI (Guangxi) 物業、廠房及設備以及預付租賃款項乃由獨立估值師威格斯資產評估顧問有限公司釐定。

作為收購TCCI (Guangxi)之代價，已發行651,170,000股每股0.1港元之不可購回可轉換優先股。本公司優先股之公平值按收購日期本公司適用之普通股之公開叫價釐定，金額達2,383,282,000港元。

由於自收購事項公佈日期起於收購日期已發行優先股份之公平值增加，故自收購事項已確認794,052,000港元之商譽。

自收購日期起至報告期結束止期間，TCCI (Guangxi)為本集團帶來30,000,000港元之溢利。

倘收購事項於二零零九年一月一日已完成，本年度之集團年度收益總額將為4,928,900,000港元，而二零零九年年度虧損將為9,100,000港元。備考資料乃僅作說明用途，且並非為在假設收購事項於二零零九年一月一日已完成情況下本集團實際將取得之收益及經營業績之必然指示，亦不擬作未來業績之預期。

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33. SHARE CAPITAL – ORDINARY SHARES

33. 股本－普通股

		Number of ordinary shares	
		普通股數目	
		'000	HK\$'000
		千股	千港元
Authorised:	法定股本：		
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股		
– at 1 January 2008, 31 December 2008 and 31 December 2009	– 於二零零八年一月一日、 二零零八年十二月三十一日及 二零零九年十二月三十一日	2,000,000	200,000
Issued and fully paid:	已發行及繳足股本：		
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股		
– at 1 January 2008	– 於二零零八年一月一日	1,281,595	128,159
– issued in consideration for the acquisition of the issued share capital of Chia Hsin Cement Greater China Holding Corporation in 2008 (Note 1)	– 於二零零八年為收購嘉新水泥 (中國)控股股份有限公司之 已發行股本而發行之代價股份 (附註1)	13,295	1,330
– exercise of options	– 行使購股權	2,080	208
– repurchase of shares (Note 2)	– 回購股份 (附註2)	(14,520)	(1,452)
– at 31 December 2008	– 於二零零八年十二月三十一日	1,282,450	128,245
– exercise of options	– 行使購股權	6,600	660
– at 31 December 2009	– 於二零零九年十二月三十一日	1,289,050	128,905

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

33. SHARE CAPITAL – ORDINARY SHARES

(Continued)

Notes:

- (1) In the acquisition of CHCGC, approximately 519,448,000 ordinary shares of HK\$0.10 each were required to be issued for the acquisition of 100% of issued capital of CHCGC. On 30 October 2007, approximately 506,153,000 ordinary shares of HK\$0.10 each were issued to the shareholders of CHCGC who accepted the acquisition offer on or before 30 October 2007. On 9 January 2008 approximately 13,295,000 ordinary shares of HK\$0.10 each were issued to the other shareholders of CHCGC under the compulsory acquisition of the outstanding CHCGC shares pursuant to Section 88 of the Cayman Islands Company Law.
- (2) In year 2008, the Company repurchased its own shares on the Stock Exchange as follows:

Month of repurchased	Number of ordinary shares HK\$0.10 each in thousand 每股面值 0.10港元之 普通股數目， 以千股計	Price per share		Aggregate consideration paid
		Highest	Lowest	
購回月份		每股價格		已付總代價
		最高 HK\$ 港元	最低 HK\$ 港元	HK\$'000 千港元
September 2008	二零零八年九月 6,760	1.97	1.42	11,267
October 2008	二零零八年十月 7,760	1.66	0.65	10,054
	<u>14,520</u>			<u>21,321</u>

The above shares were repurchased and cancelled in year 2008.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

33. 股本－普通股 (續)

附註：

- (1) 為收購CHCGC，本公司須發行約519,448,000股每股面值0.10港元之普通股以收購CHCGC之全部已發行股本。於二零零七年十月三十日，本公司向於二零零七年十月三十日或之前接納收購要約之CHCGC股東發行約506,153,000股每股面值0.10港元之普通股。於二零零八年一月九日，按照根據開曼群島公司法第88章進行強制收購尚未收購之CHCGC股份，本公司向CHCGC之其他股東發行約13,295,000股每股面值0.10港元之普通股。
- (2) 於二零零八年，本公司於聯交所購回其股份詳情如下：

上述股份於二零零八年購回並註銷。

年內，本公司之附屬公司概無收購、出售或贖回本公司之任何上市證券。

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34. SHARE CAPITAL – NON-REDEEMABLE CONVERTIBLE PREFERENCE SHARES (“PREFERENCE SHARES”)

34. 股本 – 不可贖回可轉換優先股 (「優先股」)

		Number of convertible preference shares 可轉換優先股數目	
		'000 千股	HK\$'000 千港元
Preference Shares of HK\$0.10 each	每股面值0.10港元之優先股		
– 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	–	–
– issued in consideration for acquisition of the issued share capital of TCCI (Guangxi) in 2009 (Note)	– 於二零零九年為收購 TCCI (Guangxi) 之已發行股 本而發行之代價股份 (附註)	651,170	65,117
		<u>651,170</u>	<u>65,117</u>

The Preference Shares are non-redeemable, carry no voting right and each of the Preference Share is convertible into one ordinary share at any time after issue.

優先股為不可贖回，不附帶投票權，且均可於發行後任何時間轉換為一股普通股。

Note: In the acquisition of TCCI (Guangxi), 651,170,000 Preference Shares of HK\$ 0.1 each (note 32) were issued for the acquisition of 100% of issued capital of TCCI (Guangxi). The transaction was completed on 24 September 2009.

附註：收購TCCI (Guangxi)過程中，本公司已發行651,170,000股每股面值0.1港元之優先股(附註32)，以收購TCCI (Guangxi)之全部已發行股本。該交易於二零零九年九月二十四日完成。

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

35. SHARE BASED PAYMENT TRANSACTION

Equity settled share option scheme

Old share option scheme

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include directors, independent non-executive Directors, and employees of the Company and any of its subsidiaries and associates. The Scheme became effective upon the listing of the Company's shares on the Stock Exchange on 5 October 1997 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

As at 31 December 2009, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 300,000, representing 0.02% of the shares of the Company in issue at that date. Options may be exercised at any time from six months from the date of grant of the share option, that is, from 1 October 2006 to 30 March 2011.

Details of specific category of share options are as follows:

Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價
31 March 2006 二零零六年三月三十一日	6 months 六個月	1 October 2006 to 30 March 2011 二零零六年十月一日至 二零一一年三月三十日	HK\$1.266 1.266港元

35. 以股份支付款項之交易

以股本結算之購股權計劃

舊購股權計劃

本公司設有購股權計劃(「該計劃」)藉以鼓勵及回饋對本集團之成功經營作出貢獻之合資格參與者。該計劃合資格參與者包括本公司及其任何附屬公司及聯營公司之董事、獨立非執行董事及僱員。該計劃於一九九七年十月五日，即本公司股份於聯交所上市日，正式開始生效，除非取消或修改，否則該計劃自生效日起計十年仍具有效力。

於二零零九年十二月三十一日，根據該計劃已授出而仍未行使之購股權之有關股份數目為300,000股，佔本公司該日之已發行股份0.02%。購股權可於購股權授出日期起計六個月內(即二零零六年十月一日至二零一一年三月三十日)隨時行使。

具體類別購股權之詳情如下：

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35. SHARE BASED PAYMENT TRANSACTION

(Continued)

Equity settled share option scheme (Continued)

Old share option scheme (Continued)

The following table discloses movements of the Company's share options held by the Directors and certain employees during the year:

Name or category of participant	At 1 January 2008 於二零零八年一月一日	Exercised during 2008 於二零零八年內已行使	At 31 December 2008 於二零零八年十二月三十一日	Exercised during 2009 於二零零九年內已行使	At 31 December 2009 於二零零九年十二月三十一日	Date of grant of share options 購股權授出日期	Exercise price of share options 購股權行使價 HK\$ 港元
Directors 董事							
KOO, Cheng-Yun, Leslie 辜成允	4,400,000	(360,000)	4,040,000	(4,040,000)	-	31 March 2006 二零零六年三月三十一日	1.266
WU Yih Chin 吳義欽	900,000	(450,000)	450,000	(450,000)	-	31 March 2006 二零零六年三月三十一日	1.266
	5,300,000	(810,000)	4,490,000	(4,490,000)	-		
Other employees 其他僱員	3,680,000	(1,270,000)	2,410,000	(2,110,000)	300,000	31 March 2006 二零零六年三月三十一日	1.266
Total (Note) 總額(附註)	8,980,000	(2,080,000)	6,900,000	(6,600,000)	300,000		

35. 以股份支付款項之交易(續)

以股本結算之購股權計劃(續)

舊購股權計劃(續)

下表披露於年內本公司董事及若干僱員所持購股權之變動情況：

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35. SHARE BASED PAYMENT TRANSACTION

(Continued)

Equity settled share option scheme *(Continued)*

Old share option scheme *(Continued)*

The market prices of the shares on the dates of which options were exercised during the year were ranged from HK\$1.85 to HK\$3.69 per share.

Note: The 300,000 share options outstanding at 31 December 2009 were held by employees who were originally seconded from T'Cement, the ultimate holding company of the Company. These share options are subject to special restrictions on their exercise period: up to 40% of the share option held by each employee may be exercised in 2007, a further 30% in 2008 and the entire balance from 2009 onwards. These share options will not lapse when the employee leaves the Group and returns to his original employment with T'Cement; their termination is determined by reference to the date when the employee subsequently ceases to be employed by T'Cement.

35. 以股份支付款項之交易 (續)

以股本結算之購股權計劃 (續)

舊購股權計劃 (續)

於本年度購股權獲行使日期之股份市價介乎每股1.85港元至3.69港元。

附註： 於二零零九年十二月三十一日，300,000份尚未行使購股權乃由原由本公司最終控股公司T'Cement臨時調任之僱員持有。該等購股權之行使期須受特別限制：各僱員可於二零零七年行使其所持有之購股權最多40%，於二零零八年可行使另外30%，由二零零九年開始則可行使全部餘額。該等購股權將不會因僱員離任本集團並返回T'Cement之原工作崗位而失效；其終止乃按僱員其後於T'Cement終止受僱之日期釐定。

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35. SHARE BASED PAYMENT TRANSACTION

(Continued)

New share option scheme

The purpose of the New Share Option Scheme is to enable the Directors to grant options to selected Eligible Persons as incentives or rewards for their contribution or potential contribution to the Group. The basis of eligibility of any of the Eligible Persons to the grant of options shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution or potential contribution to the development and growth of the Group. Eligible Persons means any person falling within one of the following classes:

- (i) any Director or proposed Director (whether executive or non-executive, including any independent non-executive Director), employee of any member of the Group or any controlling shareholder, a person who controls the Company or any company controlled by a controlling shareholder (a "Category A Eligible Person"); or
- (ii) any holder of any securities issued by any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder (a "Category B Eligible Person");

and, for the purposes of the New Share Option Scheme, shall include any company controlled by one or more persons belonging to any of the above classes of persons.

35. 以股份支付款項之交易 (續)

新購股權計劃

新購股權計劃旨在賦予董事權力，將購股權授予指定合資格人士，作為彼等對本集團所作之貢獻或潛在貢獻之獎勵或報酬。任何合資格人士獲授購股權之資格，將由董事不時根據董事對彼就本集團發展及增長所作之貢獻或潛在貢獻之意見而釐定。合資格人士指任何屬於下列其中一類之人士：

- (i) 於本集團任何成員公司或任何控股股東或任何由控股股東控制之公司任職之任何董事或候任董事（不論為執行或非執行，包括任何獨立非執行董事）、僱員（「A類合資格人士」）；或
- (ii) 本集團任何成員公司或任何控股股東或任何由控股股東控制之公司發行之任何證券之任何持有人（「B類合資格人士」）；

而就新購股權計劃而言，須包括屬上述任何一類之一名或多名人士控制之任何公司。

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綜合財務報表附註

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35. SHARE BASED PAYMENT TRANSACTION

(Continued)

New share option scheme (Continued)

The total number of shares in respect of which options may be granted under the New Share Option Scheme is not permitted to exceed 10% of the shares in issue as at the date of adoption of the New Share Option Scheme. The Company can grant share options to subscribe upto 77,292,200 shares of the Company under the New Share Option Scheme. The 10% limit may be refreshed with the approval of shareholders of the Company.

The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Any option to be granted to a Director, chief executive or substantial shareholder of the Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).

If a grant of option to a substantial shareholder or independent non-executive Director (or any of their respective associates) will result in the total number of shares issued and to be issued upon exercise of options already granted and to be granted to such person under the New Share Option Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant representing in aggregate over 0.1% of the shares in issue; and in excess of HK\$5 million, such further grant of options is required to be approved by shareholders.

35. 以股份支付款項之交易 (續)

新購股權計劃 (續)

因行使根據新購股權計劃授出之購股權而可予發行之股份總數，合共不得超過新購股權計劃獲採納當日已發行股份10%。本公司可根據新購股權計劃授出購股權，以認購最多77,292,200股本公司股份。經本公司股東批准後，該10%上限可予更新。

未經本公司股東批准，任何人士於任何一年內已經及可能獲授之購股權予以行使時所發行及將予發行之股份數目，不得超過本公司於任何時間已發行股份1%。凡向董事、本公司主要行政人員或主要股東（或彼等各自之任何聯繫人）授出購股權，須經獨立非執行董事（不包括本身為購股權承授人之任何獨立非執行董事）批准。

倘向本公司主要股東或獨立非執行董事（或彼等各自之任何聯繫人）授出任何購股權，將導致於截至及包括授出日期止任何12個月內因行使根據新購股權計劃及本公司任何其他購股權計劃已向該人士授出及將授出之購股權（包括已行使、已註銷及尚未行使之購股權）而發行及將發行之股份數目合共超過已發行股份0.1%及超過5,000,000港元，則進一步授出購股權須經股東批准。

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35. SHARE BASED PAYMENT TRANSACTION

(Continued)

New share option scheme *(Continued)*

The option period commences on the Commencement Date (the date upon which the options are deemed to be granted and accepted) of such options and ends on the close of business on the day immediately preceding the tenth anniversary thereof.

The exercise price per share shall be determined by the Board, being at least the higher of (i) the closing price of the shares on the date on which an option is offered to an Eligible Person, which must be a business day ("Offer Date"); (ii) the average closing price of the shares for the five trading days immediately preceding the offer date, and (iii) the nominal value of one share.

The New Share Option Scheme shall be valid and effective for a period of 10 years commencing on the adoption date, of 23 May 2006. As at 31 December 2009, no option had been granted under the New Share Option Scheme since its adoption.

For the details of the New Share Option Scheme, please refer to the announcement of the Company on 10 May 2006 which is available in the Stock Exchange's Website.

35. 以股份支付款項之交易 (續)

新購股權計劃 (續)

購股權期間於該等購股權之起始日 (購股權被視為已授出及已獲接納之日期) 開始, 並於其緊接十週年日期前一個營業日結束時屆滿。

每股股份行使價應由董事會釐定, 並至少相等於以下三者中之較高者: (i) 在向合資格人士提呈購股權當日 (必須為營業日) 之股份收市價 (「要約日期」); (ii) 緊接要約日期前五個交易日之股份平均收市價; 及 (iii) 一股股份面值。

新購股權計劃之有效期為十年, 由採納當日 (即二零零六年五月二十三日) 起生效。於二零零九年十二月三十一日, 自採納新購股權計劃以來概無據此授出任何購股權。

有關新購股權計劃之詳情, 請參閱本公司於二零零六年五月十日刊發之通函, 該通函可於聯交所網站查閱。

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36. RESERVES

Contributed surplus

The contributed surplus of the Group represents the difference between the fair value of the combined net assets value of the subsidiaries involved in the Group reorganisation in September 1997 and the assets, liabilities and undertakings which relate to the import and distribution of cement carried out by Hong Kong Cement Manufacturing Company Limited prior to the Group reorganisation (the "Relevant Business"), as if they were acquired by the Group when the subsidiaries and the Relevant Business commenced operations, and the nominal value of the Company's shares issued in exchange therefor.

Statutory reserve fund

In accordance with the relevant PRC regulations applicable to wholly-foreign owned enterprises, one of the Company's PRC subsidiaries is required to appropriate an amount of not less than 10% of its annual after tax profit to the statutory reserve fund, which may be used to increase the paid-up capital of the PRC subsidiary.

36. 儲備

繳入盈餘

本集團之繳入盈餘指本集團於一九九七年九月進行重組涉及之附屬公司之合併資產淨值，以及假設當附屬公司及本集團重組前之香港水泥有限公司從事之水泥進口及分銷業務（「有關業務」）開始投入運作後已由本集團收購關於有關業務之資產、負債及業務之公平值，與作為換取代價之本公司已發行股份面值之差額。

法定儲備基金

根據有關適用於外商獨資企業之中國法規，本公司其中一間中國附屬公司須將不少於每年除稅後溢利10%之款項提撥作法定儲備基金，該筆款項可作該中國附屬公司增加實繳資本之用。

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37. RETIREMENT BENEFITS PLANS

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Ordinance (the "MPF Scheme") for employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries with maximum of HK\$1,000 per employee per month and are charged to the profit and loss 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, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Company's subsidiaries in the PRC are members of state-managed retirement benefit plans operated by the government of the PRC. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total expense recognised in the consolidated statement of comprehensive income of HK\$7,499,000 (2008: HK\$5,266,000) represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

37. 退休福利計劃

本集團根據強制性公積金計劃條例，為合資格參與強積金計劃之僱員設立定額供款退休福利計劃（「強積金計劃」）。有關供款按有關僱員之基本薪金若干百分比計算，最高為每位僱員每月1,000港元，並於根據強積金計劃規則應付時自收益表扣除。強積金計劃之資產由獨立管理基金持有，與本集團資產分開管理。本集團之僱主供款一旦根據強積金計劃作出，即屬僱員所有，惟倘本集團之僱員在可全數收取供款前離職，則本集團之僱主自願供款將根據強積金計劃規則退還予本集團。

本集團位於中國之附屬公司之僱員為中國政府營辦之國家管理退休福利計劃之會員。該等附屬公司須按僱員薪金之某個指定百分比向退休福利計劃作出供款，為福利計劃提供資金。本集團有關退休福利計劃之唯一責任為作出指定供款。

本集團按計劃之規則指定之比率應付該等計劃之供款總額為7,499,000港元（二零零八年：5,266,000港元），該費用已於綜合全面收益表確認入賬。

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38. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of net debt, which includes the borrowings disclosed in note 28 and amount due to immediate holding company net of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital, reserves and net of accumulated losses. The directors of the Company review the capital structure on annual basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

38. 資本風險管理

本集團之資本管理乃確保本集團內各實體將可以持續方式經營，同時透過適當平衡債務與股本結餘結構為股東帶來最大回報。過往年度本集團整體策略保持不變。

本集團之資本結構包括債務淨額（包括於附註28披露之借貸及應付直屬控股公司款項扣除現金及現金等值）及本公司股權持有人應佔權益（包括已發行股本、儲備及扣除累計虧損）。本公司董事每年均會檢討資本架構。作為此項檢討之一部份，董事會考慮資本成本及與各類資本有關之風險。本集團將透過支付股息、發行新股份及購回股份，以及新發行債務或贖回現有債務平衡其整體資本架構。

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39. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Financial assets	金融資產		
Fair value through profit or loss (FVTPL)	按公平值計入損益		
– Held-for-trading investments	– 持作交易用途之投資	267,943	257,810
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等值)	1,915,265	1,344,186
Available-for-sale financial assets	可供出售金融資產	54,509	58,713
Financial liabilities	金融負債		
Amortised cost	攤銷成本	8,045,013	4,308,702

Financial risk management objectives and policies

The Group's major financial instruments include equity investments, trade and other receivables, loan receivables, bank deposits and balances, trade and other payables, bank borrowings and amount due to an immediate holding company. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include credit risk, other price risk, interest rate risk, currency risk and liquidity risk and the policies applied by the Group to mitigate these risks are set out below. Management monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

39. 金融工具

金融工具之類別

財務風險管理目標與政策

本集團之主要金融工具包括股本投資、應收貿易賬款及其他應收款項、應收貸款、銀行存款及結餘、應付貿易賬款及其他應付款項、銀行借貸及應付一間直屬控股公司款項。該等金融工具之詳情已於有關之附註披露。下文載列與該等金融工具有關之風險（包括信貸風險、其他價格風險、利率風險、貨幣風險及流動資金風險）及本集團如何減低該等風險而採用之政策。管理層會監察該等風險，以確保及時及有效地採取適當措施。

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綜合財務報表附註

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

39. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Credit risk

At 31 December 2009, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties, is arising from the carrying amount of the respective financial assets as stated in the consolidated statement of financial position. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-standing.

The Group mainly trades on terms based on prepayments and letters of credits in most of the transactions and as at 31 December 2009 the Group's account receivables spread over a number of counterparties. Thus, the management considers that the risk is adequately monitored and does not expect any counterparty to fail to meet its obligations.

39. 金融工具 (續)

財務風險管理目標與政策 (續)

信貸風險

於二零零九年十二月三十一日，倘對手方未能履行責任而令本集團蒙受財務損失，則本集團要承受之最大信貸風險乃因綜合財務狀況報表所述各金融資產之賬面值而產生。為將信貸風險降至最低，本集團管理層已委派一組人員負責釐定信貸限額、信貸審批及其他監察程序，以確保採取跟進措施收回逾期之賬款。此外，本集團於各報告期末檢討每項個別貿易債項之可收回數額，以確保就無法收回之數額作出足夠之減值虧損撥備。就此而言，董事認為本集團之信貸風險已大幅降低。

流動資金之信貸風險有限，原因是對手方均為信譽良好之銀行。

在大部分交易中，本集團主要按照以預付款項及信用證為基準之條款進行交易，截至二零零九年十二月三十一日，本集團之應收賬款分散於多名對手方身上。因此，管理層認為有關風險受到充分監控，並預期概無任何對手方將不予履行其責任。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

39. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Credit risk (Continued)

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for all loan receivables (2008: 100%) and 93.8% (2008: 83.3%) of the total trade receivables as at 31 December 2009.

The Group has also concentration of credit risk as the loan receivables were due from three (2008: three) borrowers within the manufacture and distribution of cement, clinker and slag powder operating segment.

In order to minimise the credit risk on the loan receivables, the management of the Group closely monitor the follow-up action taken to recover any overdue loans. In addition, the Group reviews the recoverable amount of each borrower at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors of the Company consider that the Group's credit risk on the loan receivables is significantly reduced.

39. 金融工具 (續)

財務風險管理目標與政策 (續)

信貸風險 (續)

本集團之信貸風險按地區而言主要集中於中國，佔於二零零九年十二月三十一日之全部應收貸款（二零零八年：100%）及應收貿易款項總額之93.8%（二零零八年：83.3%）。

由於製造及分銷水泥、熟料及礦渣粉營運分類擁有來自三名（二零零八年：三名）借款人之應收貸款，因此本集團亦須承受應收貸款集中之信貸風險。

為將應收貸款之信貸風險降至最低，本集團管理層密切監視為收回任何逾期貸款而採取之跟進措施。此外，本集團於報告期末檢討每個借款人之可收回數額，以確保就無法收回之數額作出足夠之減值虧損撥備。就此而言，本公司董事認為本集團應收貸款之信貸風險已大幅降低。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

39. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Market risk

(i) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to floating-rate bank borrowings, loan receivables, amount due to an immediate holding company and bank balances. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise. The fair value interest rate risk on bank deposits is insignificant as the fixed deposits are short-term.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR, LIBOR and benchmark loan rates of financial institutions set by The People's Bank of China arising from the Group's borrowings.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to variable interest rates for financial instruments at the end of the reporting period. The analysis is prepared assuming the loan receivables and bank balances in PRC net of bank borrowings in PRC at the end of the reporting period and net balance was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

39. 金融工具 (續)

財務風險管理目標與政策 (續)

市場風險

(i) 利率風險

本集團面臨與浮動息率銀行借貸、應收貸款、應付一間直屬控股公司款項及銀行結餘有關之現金流利率風險。本集團現時並無利率對沖政策。然而，管理層會監控利率風險，並將於需要時考慮對沖重大利率風險。由於定期存款為短期，銀行存款之公平值利率風險甚微。

本集團之現金流利率風險主要集中在本集團之借貸產生之香港銀行同業拆息、倫敦銀行同業拆息及中國人民銀行所制定之金融機構基準貸款利率之波動。

敏感度分析

以下敏感度分析乃基於報告期末金融工具之浮動利率風險而釐定。此分析在假設於報告期末中國之應收貸款及銀行結餘扣除銀行借貸後，全年仍有尚未償還之款項淨額之情況下所編製。50個基點之增減是向主要管理人員就利率風險作內部匯報時使用，而該基點代表管理層對可能合理出現之利率變動所作出之評估。

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綜合財務報表附註

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

39. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Market risk (Continued)

(i) Interest rate risk (Continued)

Sensitivity analysis (Continued)

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2009 would decrease/increase by HK\$13,921,000 (the post-tax loss in 2008: increase/decrease by HK\$11,615,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

(ii) Currency risk

The Group is mainly exposed to United States Dollars ("USD") and HKD.

Certain bank balances and bank loans of the Group are denominated in foreign currencies (see note 28 for details). The Group currently does not have a foreign currency hedging policy in respect of foreign currency loan. However, management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

39. 金融工具 (續)

財務風險管理目標與政策 (續)

市場風險 (續)

(i) 利率風險 (續)

敏感度分析 (續)

倘利率增/減50個基點且所有其他可變因素維持不變，則本集團截至二零零九年十二月三十一日止年度之除稅後溢利將減/增13,921,000港元(二零零八年之除稅後虧損：增/減11,615,000港元)。這主要由於本集團之浮動息率銀行借貸之利率風險所致。

(ii) 貨幣風險

本集團主要涉及美元及港元風險。

本集團之若干銀行結餘及銀行貸款以外幣列值(詳情見附註28)。本集團現時並無有關外幣貸款之外幣對沖政策。然而，管理層嚴密監控相關外幣風險，並於有需要時考慮對沖重大外幣風險。

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綜合財務報表附註

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

39. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Market risk (Continued)

(ii) Currency risk (Continued)

Sensitivity analysis

The following table details the Group's sensitivity to a reasonably possible change of 5% in exchange rate of USD and HKD against relevant functional currency of Renminbi ("RMB"), while all other variables are held constant. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates.

39. 金融工具 (續)

財務風險管理目標與政策 (續)

市場風險 (續)

(ii) 貨幣風險 (續)

敏感度分析

下表詳列本集團就美元及港元兌有關功能貨幣人民幣之匯率可能有5%之合理變動之敏感度，同時所有其他變量不變。此敏感度分析僅包括尚未結清之外幣列值貨幣項目及於報告期末按外幣利率5%變動調整其換算。

		2009 二零零九年 HK\$'000 千港元
Decrease (Increase) in post-tax profit for the year	本年度除稅後溢利減少(增加)	
– if RMB weakens against USD	– 倘人民幣兌美元弱勢	32,265
– if RMB strengthens against USD	– 倘人民幣兌美元強勢	(32,265)
– if RMB weakens against HKD	– 倘人民幣兌港元弱勢	14,550
– if RMB strengthens against HKD	– 倘人民幣兌港元強勢	(14,550)
		2008 二零零八年 HK\$'000 千港元
Decrease (Increase) in post-tax loss for the year	本年度除稅後虧損減少(增加)	
– if RMB weakens against USD	– 倘人民幣兌美元弱勢	(33,070)
– if RMB strengthens against USD	– 倘人民幣兌美元強勢	33,070
– if RMB weakens against HKD	– 倘人民幣兌港元弱勢	(10,395)
– if RMB strengthens against HKD	– 倘人民幣兌港元強勢	10,395

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綜合財務報表附註

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

39. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Market risk (Continued)

(iii) Other price risk

The Group's equity investments at the end of the reporting period exposed the Group to equity security price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. The Group's equity price risk is mainly concentrated on equity securities listed in Taiwan.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks in respect of held-for-trading investments at the reporting date.

If the prices of the respective held-for-trading investments had been 20% higher/lower, the Group's post-tax profit for the year ended 31 December 2009 would increase/decrease by HK\$44,747,000 (the post-tax loss in 2008: decrease/increase by HK\$43,054,000) as a result of the changes in fair value of held-for-trading investments.

39. 金融工具 (續)

財務風險管理目標與政策 (續)

市場風險 (續)

(iii) 其他價格風險

本集團於報告期末之股本投資令本集團蒙受股本證券價格風險。管理層會透過維持具有不同風險程度之投資組合來管理此風險。本集團之股價風險主要集中於台灣上市之股本證券。

敏感度分析

以下敏感度分析乃根據於報告日期有關持作交易用途之投資之股價風險而釐定。

如果各項持作交易用途之投資之價格上升/下降20%，則由於持作交易用途之投資公平值變動，致使本集團截至二零零九年十二月三十一日止年度之除稅後虧損將增/減44,747,000港元（二零零八年之除稅後虧損：減/增43,054,000港元）。

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綜合財務報表附註

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39. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As at 31 December 2009, the Group has available unutilised bank loan facilities of approximately HK\$2,006,686,000 (2008: HK\$955,071,000). Details of which are set out in Note 28.

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

39. 金融工具 (續)

財務風險管理目標與政策 (續)

流動資金風險

就管理流動資金風險而言，本集團監察及保持管理層認為充足水平之現金及現金等值，以為本集團營運提供資金及減低現金流量波動之影響。管理層監控銀行借貸之動用情況，並確保符合貸款契約之規定。

本集團依靠銀行借貸作為流動資金之主要來源。於二零零九年十二月三十一日，本集團有可動用而尚未動用之銀行貸款額約為2,006,686,000港元（二零零八年：955,071,000港元）。其詳情載於附註28。

下表詳列根據協定還款期限之本集團金融負債之其餘合同到期情況。就非衍生金融負債而言，該表乃根據本集團須付款之最早日期之金融負債中未折現現金流量編製，包括利息及本金現金流量。倘利息流為浮動利率，則未貼現金額將根據報告期末之利率曲線計算。

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39. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Liquidity risk (Continued)

Liquidity and interest risk tables

39. 金融工具 (續)

財務風險管理目標與政策 (續)

流動資金風險 (續)

流動資金及利率風險表

		Weighted average effective interest rate 加權平均 實際利率 百分比	Repayable on demand 於要求時 償還 HK\$'000 千港元	1 – 3 months 1至3個月 HK\$'000 千港元	3 months to 1 year 3個月至 一年 HK\$'000 千港元	1 – 5 years 1至5年 HK\$'000 千港元	5 + years 5年以上 HK\$'000 千港元	Total undiscounted cash flows 未貼現 現金流總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
2009									
Non-derivative financial liabilities	二零零九年 非衍生金融負債								
Trade and other payables	應付貿易賬款及 其他應付款項	N/A 不適用	-	786,295	28,652	-	-	814,947	814,947
Amount due to a minority shareholder	應付一位少數股東款項	N/A 不適用	14,619	-	-	-	-	14,619	14,619
Bank loans	銀行貸款	Note 附註	3,742,655	328,151	1,015,091	1,865,634	1,257	6,952,788	6,809,947
Amount due to an immediate holding company	應付一間直屬控股公司 款項	Note 附註	-	2,416	412,747	-	-	415,163	405,500
			3,757,274	1,116,862	1,456,490	1,865,634	1,257	8,197,517	8,045,013
2008									
Non-derivative financial liabilities	二零零八年 非衍生金融負債								
Trade and other payables	應付貿易賬款及 其他應付款項	N/A 不適用	-	299,100	175,964	-	-	475,064	475,064
Amount due to a minority shareholder	應付一位少數股東款項	N/A 不適用	17,619	-	-	-	-	17,619	17,619
Bank loans	銀行貸款	Note 附註	-	78,991	1,190,578	2,581,028	-	3,850,597	3,550,519
Amount due to an immediate holding company	應付一間直屬控股公司 款項	Note 附註	-	1,991	5,974	269,483	-	277,448	265,500
			17,619	380,082	1,372,516	2,850,511	-	4,620,728	4,308,702

Note: The bank loans and amount due to an immediate holding company of the Group are variable-rate loans which carry interest with reference to HIBOR, LIBOR and benchmark loan rates of financial institutions set by The People's Bank of China.

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

附註：本集團之銀行貸款及應付一間直屬控股公司款項為浮動息率貸款，乃參考香港銀行同業拆息、倫敦銀行同業拆息及中國人民銀行所制定之金融機構貸款基準利率計息。

倘若浮動利率變動與報告期末釐定之利率估計不同，上文所載之非衍生金融負債的浮動利率工具金額可能有變。

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39. FINANCIAL INSTRUMENTS (Continued)

Fair value of financial assets and financial liabilities

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

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices;
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The carrying amounts of trade and other receivables, loan receivables, pledged bank deposit, time deposits, cash and bank balances, trade and other payables and amount due to a minority shareholder approximate their respective fair values due to the relatively short maturity of these financial instruments. The Directors considered that the fair value of the loan to an associate at the end of the reporting period is not significantly different from its carrying amount. The Group's bank borrowings and amount due to an immediate holding company are mainly variable-rate borrowings which are carrying at prevailing market rate. The carrying amount is approximate to their fair value. The fair values of other classes of financial assets and financial liabilities are disclosed in respective notes to consolidated financial statements.

39. 金融工具 (續)

金融資產及金融負債之公平值

金融資產及金融負債之公平值釐定如下：

- 具備標準條款及條件及於活躍流通市場買賣之金融資產及金融負債之公平值乃參考市場所報買入價釐定；
- 其他金融資產及金融負債之公平值乃以折現現金流量分析為基準之一般公認定價模式釐定。

應收貿易賬款及其他應收款項、應收貸款、已抵押銀行存款、定期存款、現金及銀行結餘、應付貿易賬款及其他應付款項及應付一位少數股東款項之賬面值與其各自之公平值相若，原因為該等金融工具均屬短期性質。董事認為，借予聯營公司之貸款之公平值於報告期末與其賬面值並無重大差異。本集團之銀行借貸及應付一間直屬控股公司款項主要為按現行市場利率計算之浮動息率借貸，賬面值與其公平值相若。其他類別之金融資產及金融負債之公平值於綜合財務報表之各附註披露。

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綜合財務報表附註

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39. FINANCIAL INSTRUMENTS (Continued)

Fair value of financial assets and financial liabilities

(Continued)

Fair value measurements recognised in the consolidated statement of financial position

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets.

39. 金融工具 (續)

金融資產及金融負債之公平值 (續)

於綜合財務狀況報表確認之公平值計量

下表提供初步以公平值確認後所計量之金融工具分析，其按可觀察公平值程度分為一級。

- 第一級公平值計量乃自己識別資產於活躍市場中所報未調整價格得出。

		As at 31 December 2009 Level 1 於二零零九年 十二月三十一日 第一級 HK\$'000 千港元
Held-for trading investment	持作交易用途之投資	
Listed equity securities	上市股本證券	267,943
Total	合計	267,943

There were no transfers between Levels in the current year.

於本年度內各級之間並無轉讓。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. CAPITAL COMMITMENTS

40. 資本承擔

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	已訂約但未於綜合財務報表撥備之購買物業、廠房及設備之資本支出	527,964	899,921
Capital expenditure in respect of acquisition of subsidiaries, contracted for but not provided in the consolidated financial statements (<i>Note</i>)	已訂約但未於綜合財務報表撥備之收購附屬公司之資本支出 (<i>附註</i>)	3,000,000	—
		3,527,964	899,921

Note:

The completion of the Acquisition is subject to the fulfillment of a number of conditions precedents which are set out in greater details in circular to the shareholders of the Company dated 2 February 2010.

附註：

收購事項之完成須待本公司於二零一零年二月二日寄發予股東之通函詳盡載列之若干先決條件獲達成後，方可作實。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

41. OPERATING LEASE COMMITMENTS

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

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within one year	一年內	6,202	6,220
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)	21,754	22,756
Over five years	超過五年	70,724	77,479
		98,680	106,455

Operating lease payments represent rentals payable by the Group for certain of its rented premises. Leases are negotiated for an average term of three years.

42. PLEDGE OF ASSETS

As at 31 December 2009, assets with the following carrying amounts have been pledged to secure borrowings of the Group (Note 28).

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	1,537,066	1,746,785
Prepaid lease payments	預付租賃款項	606,322	619,891
Pledged bank deposit	已抵押銀行存款	36,913	452
		2,180,301	2,367,128

41. 經營租約承擔

於報告期末，本集團就不可撤銷之經營租約之日後最低租賃款項擁有尚未履行之承擔，其屆滿期如下：

經營租約租金指本集團就其若干租賃物業應付之租金。議定租約平均長達三年。

42. 資產抵押

於二零零九年十二月三十一日，以下賬面值之資產已抵押，以擔保本集團之借貸（附註28）。

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綜合財務報表附註

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

43. MAJOR NON-CASH TRANSACTION

The Company issued 651,170,000 Preference Shares for the acquisition of TCC International (Guangxi) Company Limited and its subsidiary during the current year. The fair value as at the date of acquisition is HK\$3.66 per shares and thus the total consideration is amounting to HK\$2,383,282,000.

44. SUBSEQUENT EVENTS

On 22 January 2010, a total of 256,568,000 ordinary shares are placed and fully subscribed at HK\$3.3 (the "Subscription"). Net proceeds of HK\$825,700,000 was derived from this fund raising.

Moreover, on 22 January 2010, 651,170,000 Preference Shares issued in 2009 had been converted into ordinary shares representing 29.64% of the issued share capital of the Company as enlarged by the Subscription and the full exercise of the conversion right attaching to the Preference Shares. After the Subscription and conversion of Preference Shares, the total issued share capital increased to HK\$219,679,000.

43. 主要非現金交易

於本年度，本公司就收購TCC International (Guangxi) Company Limited及其附屬公司已發行651,170,000股優先股。於收購當日之公平值為每股3.66港元及因此總代價為2,383,282,000港元。

44. 結算日後事項

於二零一零年一月二十二日，本公司共配售256,568,000股普通股，及該等股份已按每股3.3港元獲悉數認購（「認購事項」），集資所得款項淨額825,700,000港元。

此外，於二零一零年一月二十二日，於二零零九年已發行之651,170,000股優先股已全部轉換為普通股，佔經認購事項及優先股所附轉換權獲悉數行使而擴大之本公司已發行股本29.64%。於認購及優先股獲轉換後，已發行總股本增至219,679,000港元。

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綜合財務報表附註

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

45. RELATED PARTIES TRANSACTIONS

In addition to the transactions and balances set out in notes 10, 21, 25, 27, 29 and 30 to the consolidated financial statements, the Group entered into the following material related party transactions during the year:

45. 關連人士交易

除於綜合財務報表附註10、21、25、27、29及30所述之交易及結餘外，於本年度，本集團已進行下列重大關連人士交易：

			2009	2008
			二零零九年	二零零八年
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
(i)	Purchases of cement and clinker from the ultimate holding company and a fellow subsidiary	(i) 向最終控股公司及同系附屬公司購買水泥及熟料	(a) 329,411	179,469
(ii)	Sales of cement to a related party (note 1)	(ii) 向一名關連人士銷售水泥 (附註1)	(b) 11,771	39,290
(iii)	Purchases of clinker from a related party (note 1)	(iii) 向一名關連人士購買熟料 (附註1)	(b) 101,828	63,133
(iv)	Maintenance service fee of a computer software system payable to fellow subsidiaries	(iv) 應付同系附屬公司之電腦軟件系統之維護服務費	(a) 4,521	2,718
(v)	Logistic and unloading services fee payable to a fellow subsidiary	(v) 應付一間同系附屬公司之物流及卸貨服務費	(a) -	2,884
(vi)	Delivery services fee payable to fellow subsidiaries	(vi) 應付同系附屬公司之運輸服務費	(a) 27,966	-
(vii)	Jetty services fee payable to a related party (note 1)	(vii) 應付一名關連人士之碼頭服務費 (附註1)	(a) -	519
(viii)	Rental expenses payable to a fellow subsidiary	(viii) 應付一間同系附屬公司之租金費用	(a) 4,320	4,320
(ix)	Rental expenses payable to a related company (note 2)	(ix) 應付一間關連公司之租金費用 (附註2)	(a) 1,054	1,258
(x)	Implementation services fee of a computer software system payable to fellow subsidiaries	(x) 應付同系附屬公司之電腦軟件系統之實施服務費	(a) 7,177	-
(xi)	Sales of cement to an associate	(xi) 向一間聯營公司銷售水泥	(b) 39,168	45,070

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綜合財務報表附註

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

45. RELATED PARTIES TRANSACTIONS

(Continued)

Notes:

- (1) The related party is the subsidiary of the substantial shareholder.
- (2) The related company is an associate of the ultimate holding company.

Notes:

- (a) The prices of these transactions were determined between the parties with reference to the agreements signed.
- (b) The price of these transactions were determined between the parties with reference to market prices.

45. 關連人士交易 (續)

附註：

- (1) 該關連人士乃本公司主要股東之附屬公司。
- (2) 該關連公司乃最終控股公司之聯營公司。

附註：

- (a) 該等交易之價格由訂約雙方參考已簽訂之協議釐定。
- (b) 該等交易之價格由訂約雙方參考市場價格釐定。

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綜合財務報表附註

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

46. SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2009 and 2008 are as follows:

46. 附屬公司

本公司於二零零九年及二零零八年十二月三十一日之主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股/ 註冊股本面值	Proportion of ownership interest		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Anhui King Bridge Cement Ltd* 安徽朱家橋水泥有限公司*	PRC 中國	Registered capital US\$15,000,000 註冊股本 15,000,000美元	-	60%	Manufacture and distribution of cement and slag powder 製造及分銷水泥及礦渣粉
Chiefolk Company Limited	Hong Kong 香港	Ordinary HK\$1,000,000 普通股 1,000,000港元	-	70%	Investment holding 投資控股
Jurong TCC Cement Co., Ltd*† 句容台泥水泥有限公司*†	PRC 中國	Registered capital US\$203,000,000 註冊股本 203,000,000美元	-	100%	Mining of limestone and production and sales of cement and cement products 開採石灰石及生產及銷售 水泥及水泥產品

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綜合財務報表附註

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

46. SUBSIDIARIES (Continued)

46. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股/ 註冊股本面值	Proportion of ownership interest 應佔擁有權益比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
HKC Investments Limited 港泥投資股份有限公司	Taiwan 台灣	Ordinary NT\$695,000,000 普通股 695,000,000新台幣	-	100%	Investment holding 投資控股
Hong Kong Cement Company Limited	Hong Kong 香港	Ordinary HK\$10,000 普通股 10,000港元	-	100%	Import and distribution of cement 進口及分銷水泥

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

46. SUBSIDIARIES (Continued)

46. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股/ 註冊股本面值	Proportion of ownership interest 應佔擁有權益比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Jiangsu TCC Investment Co., Ltd.* ⁷ 江蘇台泥投資有限公司	PRC 中國	Registered US\$100,000,000 註冊股本 100,000,000美元	-	100%	Investment holding 投資控股
Jingyang Industrial Limited 京陽實業有限公司	Hong Kong 香港	Ordinary HK\$24,000,000 普通股 24,000,000港元	-	100%	Investment holding 投資控股
Koning Concrete Limited	Hong Kong 香港	Ordinary HK\$100 普通股 100港元	-	100%	Investment holding 投資控股

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

46. SUBSIDIARIES (Continued)

46. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股/ 註冊股本面值	Proportion of ownership interest 應佔擁有權益比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
TCC Fuzhou Cement Co., Ltd* ¹ 福州台泥水泥有限公司* ¹	PRC 中國	Registered capital US\$16,250,000 註冊股本 16,250,000美元	–	100%	Manufacture and distribution of cement 製造及分銷水泥
TCC Fuzhou Yangyu Port Co., Ltd* ¹ 福州台泥洋嶼碼頭有限公司* ¹	PRC 中國	Registered capital US\$5,000,000 註冊股本 5,000,000美元	–	100%	Provision of port facility services 提供碼頭設施服務
TCC (Guigang) Cement Limited* ¹ 台泥(貴港)水泥有限公司* ¹ (acquired in 2009) (於二零零九年收購)	PRC 中國	Registered capital US\$197,875,900 註冊股本 197,875,900美元	–	100%	Manufacture and distribution of cement 製造及分銷水泥

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綜合財務報表附註

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

46. SUBSIDIARIES (Continued)

46. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股/ 註冊股本面值	Proportion of ownership interest 應佔擁有權益比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
TCC Hong Kong Cement Development Limited	BVI/Hong Kong 處女群島/香港	Ordinary US\$10 Deferred*** US\$90 普通股 10美元 遞延股*** 90美元	-	100%	Property holding 持有物業
TCC Liuzhou Construction Materials Company Limited* 柳州台泥新型建材有限公司*	PRC 中國	Registered capital US\$13,500,000 註冊股本 13,500,000美元	-	42%**	Manufacture and distribution of slag powder 製造及分銷礦渣粉

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綜合財務報表附註

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

46. SUBSIDIARIES (Continued)

46. 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立及營業地點	Nominal value of issued ordinary shares/ registered capital 已發行普通股/ 註冊股本面值	Proportion of ownership interest 應佔擁有權益比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
TCC Liuzhou Company Limited 台泥柳州有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股 10,000港元	-	70%	Investment holding 投資控股
TCC Yingde Cement Co., Ltd* 台泥(英德)水泥有限公司*	PRC 中國	Registered capital US\$199,400,000 註冊股本 199,400,000美元	-	100%	Manufacture and distribution of cement and clinker 製造及分銷水泥及熟料
Ulexite Investments Limited	BVI/Hong Kong 處女群島/香港	Ordinary US\$100 普通股 100美元	100%	-	Investment holding 投資控股

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綜合財務報表附註

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

46. SUBSIDIARIES (Continued)

- * Registered as equity joint ventures registered under the PRC law.
- *¹ Registered as wholly foreign owned enterprise registered under the PRC law.
- *² Registered as limited liability companies registered under the PRC law.
- ** A subsidiary of a non wholly-owned subsidiary of the Company and, accordingly, is accounted for as a subsidiary by virtue of the Company's control over it.
- *** The deferred shares of TCC Hong Kong Cement Development Limited are non-voting, carry no rights to dividends and are only entitled to a return of capital when the surplus exceeds US\$1,000,000,000,000,000,000.

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.

None of the subsidiaries had in issue any debt securities at 31 December 2009.

46. 附屬公司 (續)

- * 登記為根據中國法例註冊之合營公司。
- *¹ 登記為根據中國法例註冊之有限公司。
- *² 登記為根據中國法例註冊之國內有限責任公司。
- ** 本公司之非全資附屬公司之附屬公司，因此本公司對其之控制權作為附屬公司列賬。
- *** TCC Hong Kong Cement Development Limited之遞延股並不附有投票權，亦不附有獲派股息之權利，且僅在盈餘超過1,000,000,000,000,000,000美元時，方有權獲退還股本。

上表已列入董事認為對本年度業績構成了重要影響或構成本集團資產淨值之主要部分之本公司附屬公司。董事認為，載列其他附屬公司之詳情，令資料過於冗長。

於二零零九年十二月三十一日，概無附屬公司發行任何債券。

Financial Summary

財務概要

		2005 二零零五年 HK\$'000 千港元	2006 二零零六年 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	2009 二零零九年 HK\$'000 千港元
Results	業績					
Revenue	收益	<u>418,002</u>	<u>980,418</u>	<u>1,829,168</u>	<u>2,822,827</u>	<u>3,953,940</u>
Profit (loss) for the year, before impairment loss on intangible assets and impairment loss of property, plant and equipment, attributable to owners of the Company	本公司擁有人應佔無形資產減值虧損及物業、廠房及設備減值虧損前本年度溢利(虧損)	<u>50,002</u>	<u>(9,915)</u>	<u>215,994</u>	<u>(126,956)</u>	<u>120,254</u>
Profit (loss) for the year attributable to owners of the Company	本公司擁有人應佔本年度溢利(虧損)	<u>50,002</u>	<u>(18,303)</u>	<u>(3,506,645)</u>	<u>(155,523)</u>	<u>120,254</u>
Assets	資產					
Property, plant and equipment	物業、廠房及設備	1,410,042	1,611,004	3,873,850	5,053,368	8,815,063
Prepaid lease payments	預付租賃款項	50,611	64,728	714,897	702,429	907,934
Intangible assets	無形資產	-	206	39,447	7,839	812,578
Mining rights	採礦權	10,811	18,396	56,273	55,990	205,512
Available-for-sale investments	可供出售投資	77,741	71,564	71,564	58,713	54,509
Long term loan receivables	應收長期貸款	7,690	-	-	-	84,750
Long term deposits	長期存款	1,943	1,756	720	720	720
Deposit for the acquisition of property, plant and equipment	收購物業、廠房及設備之訂金	-	157,715	645,713	302,561	245,969
Deposit for acquisition of subsidiaries	收購附屬公司之訂金	-	-	-	-	804,410
Interests in associates and loan to an associate	聯營公司權益及聯營公司貸款	123,913	130,584	130,199	133,085	131,208
Deferred tax asset	遞延稅項資產	-	42	33	33	-
Current assets	流動資產	<u>963,197</u>	<u>1,121,333</u>	<u>1,943,076</u>	<u>2,104,941</u>	<u>3,017,279</u>
Total assets	總資產	<u>2,645,948</u>	<u>3,177,328</u>	<u>7,475,772</u>	<u>8,419,679</u>	<u>15,079,932</u>
Liabilities	負債					
Current liabilities	流動負債	710,096	915,705	1,391,178	2,038,968	6,707,739
Other non-current liabilities	其他非流動負債	659,079	941,426	2,017,728	2,375,499	1,657,367
Deferred tax liabilities	遞延稅項負債	<u>4,815</u>	<u>2,834</u>	<u>147,885</u>	<u>143,748</u>	<u>202,634</u>
Total liabilities	總負債	<u>1,373,990</u>	<u>1,859,965</u>	<u>3,556,791</u>	<u>4,558,215</u>	<u>8,567,740</u>



TCC International Holdings Limited
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