



鴻隆控股
HONG LONG
Holdings

鴻隆控股有限公司
Hong Long Holdings Limited

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

(Stock Code 股份編號: 1383)



Annual Report 年報 2009

Corporate Information	2	公司資料
Corporate Development Milestone	4	公司發展里程
Business Scope	6	公司業務架構
Group Financial Summary	8	集團財務概要
Chairman's Statement	9	主席報告
Management Discussion and Analysis	15	管理層討論及分析
Biographical Details of Directors and Senior Management	24	董事及高級管理人員之履歷
Directors' Report	31	董事會報告
Corporate Governance Report	48	企業管治報告
Independent Auditor's Report	57	獨立核數師報告
Consolidated Statement of Comprehensive Income	59	綜合全面收益表
Consolidated Balance Sheet	60	綜合資產負債表
Balance Sheet	62	資產負債表
Consolidated Statement of Changes in Equity	63	綜合權益變動表
Consolidated Cash Flows Statement	64	綜合現金流量表
Notes to the Financial Statements	66	財務報表附註

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. ZENG Yunshu (*Chairman*)
Mr. ZHANG Yijun (*Vice Chairman and Chief Executive Officer*)
Mr. ZHANG Yiyun (*Vice Chairman and Co-President*)
Mr. ZENG Sheng (*Vice Chairman and Co-President*)
Ms. YE Qingdong (*Vice President*)
Mr. OUYANG Junxin

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. LI Jun
Mr. CHEUNG Ngai Lam
Mr. WANG Fosong
Mr. LI Wai Keung

AUTHORISED REPRESENTATIVES

Mr. ZENG Yunshu
Mr. ZHANG Yijun

COMPANY SECRETARY

Mr. CHU Kin Wang, Peleus
(FCPA, FCCA, ACIS, HKICS, MBA)

AUDITOR

KPMG

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Level 8, Hong Long Building
Nanhai Avenue
Nanshan District
Shenzhen, Guangdong Province
The PRC

董事會

執行董事

曾雲樞先生(主席)
張宜均先生(副主席及總裁)
張奕炎先生(副主席及聯席總裁)
曾勝先生(副主席及聯席總裁)
葉慶東女士(副總裁)
歐陽俊新先生

獨立非執行董事

李珺博士
張毅林先生
王佛松先生
李偉強先生

授權代表

曾雲樞先生
張宜均先生

公司秘書

朱健宏先生
(FCPA、FCCA、ACIS、HKICS、MBA)

核數師

畢馬威會計師事務所

註冊辦事處

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

中國主要營業地點

中國
廣東省深圳
南山區
南海大道
鴻隆大廈8樓

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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49/F, Central Plaza
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Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Butterfield Fund Services (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
The Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26th Floor
Tesbury Centre
28 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

IN HONG KONG:

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

IN THE PRC:

China Construction Bank
Industrial and Commercial Bank of China
China Bank of Communications
Agricultural Bank of China
Hua Xia Bank
Industrial Bank Co., Ltd.
Shanghai Pudong Development Bank

INVESTOR RELATIONS

For other information relating to the Company, please contact
Corporate Communications Department
website: www.hlkg.net
e-mail: ir@hlkg.net

香港主要營業地點

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中環廣場49樓
4906室

開曼群島主要股份過戶登記處

Butterfield Fund Services (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
The Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東28號
金鐘匯中心26樓

主要往來銀行

在香港:
香港上海滙豐銀行有限公司
中國銀行(香港)有限公司

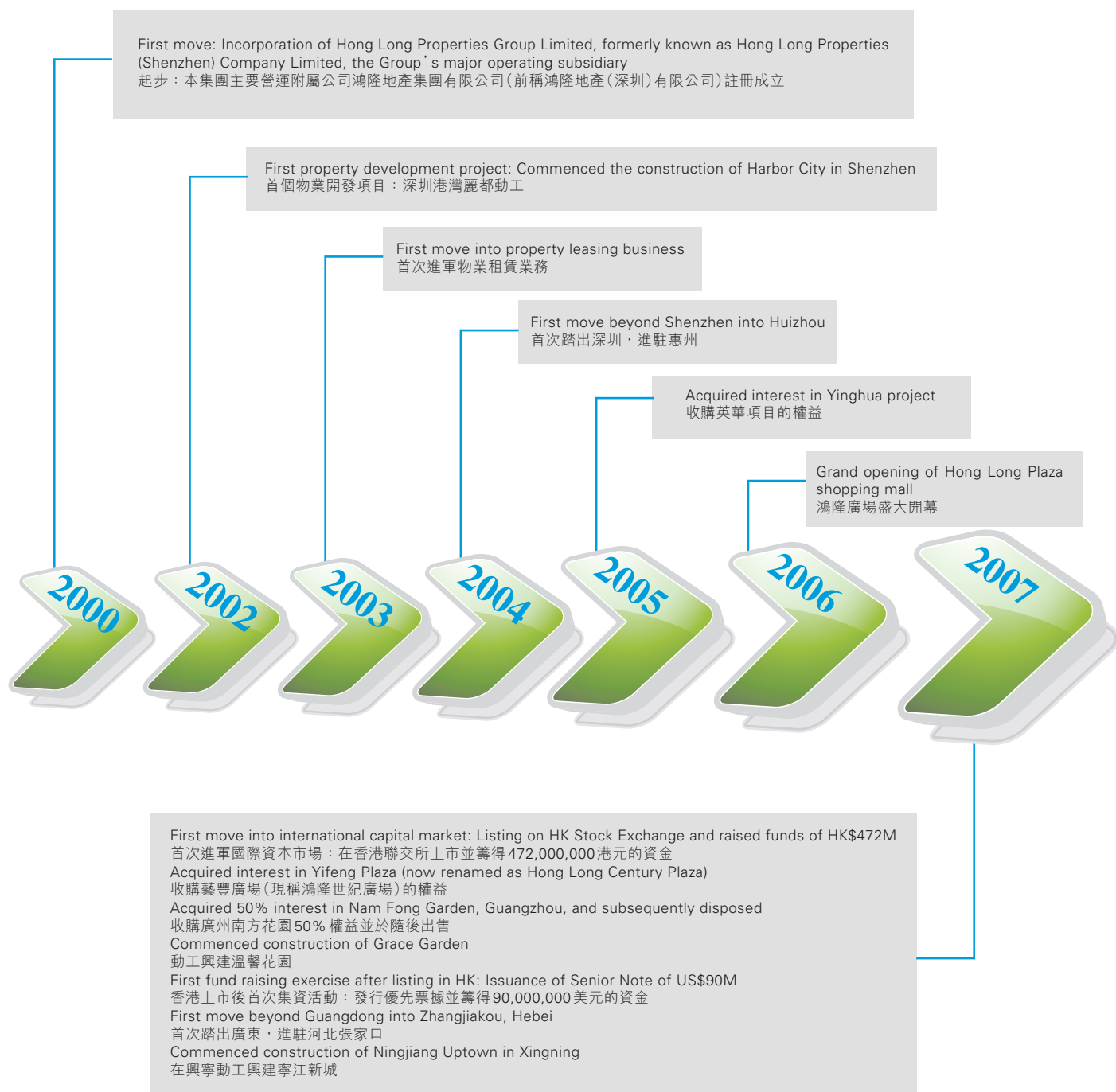
在中國:

中國建設銀行
中國工商銀行
中國交通銀行
中國農業銀行
華夏銀行
興業銀行
上海浦東發展銀行

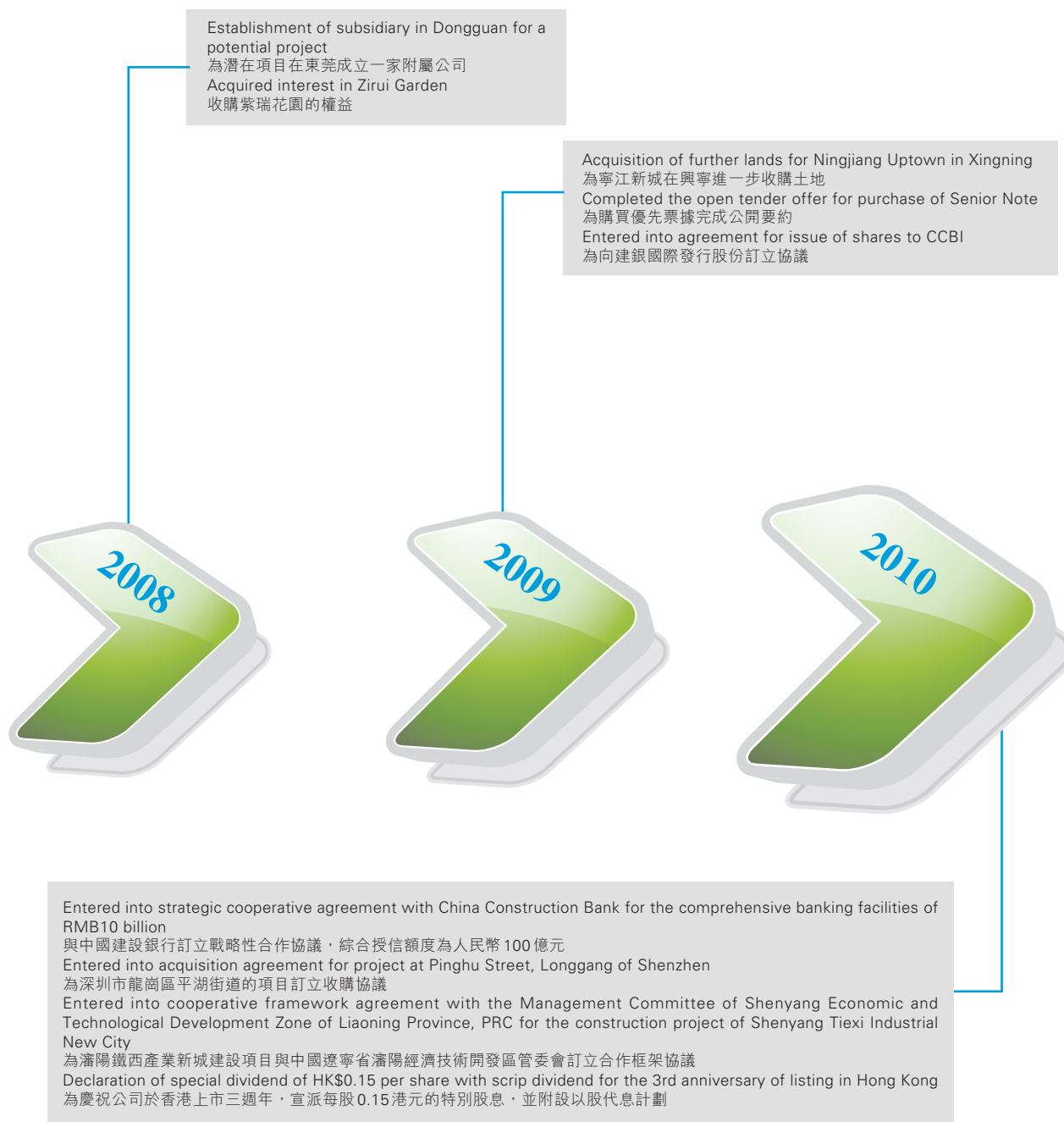
投資者關係

有關本公司的其他資料
請聯絡企業傳訊部
網址: www.hlkg.net
電郵: ir@hlkg.net

Corporate Development Milestone 公司發展里程



Corporate Development Milestone 公司發展里程

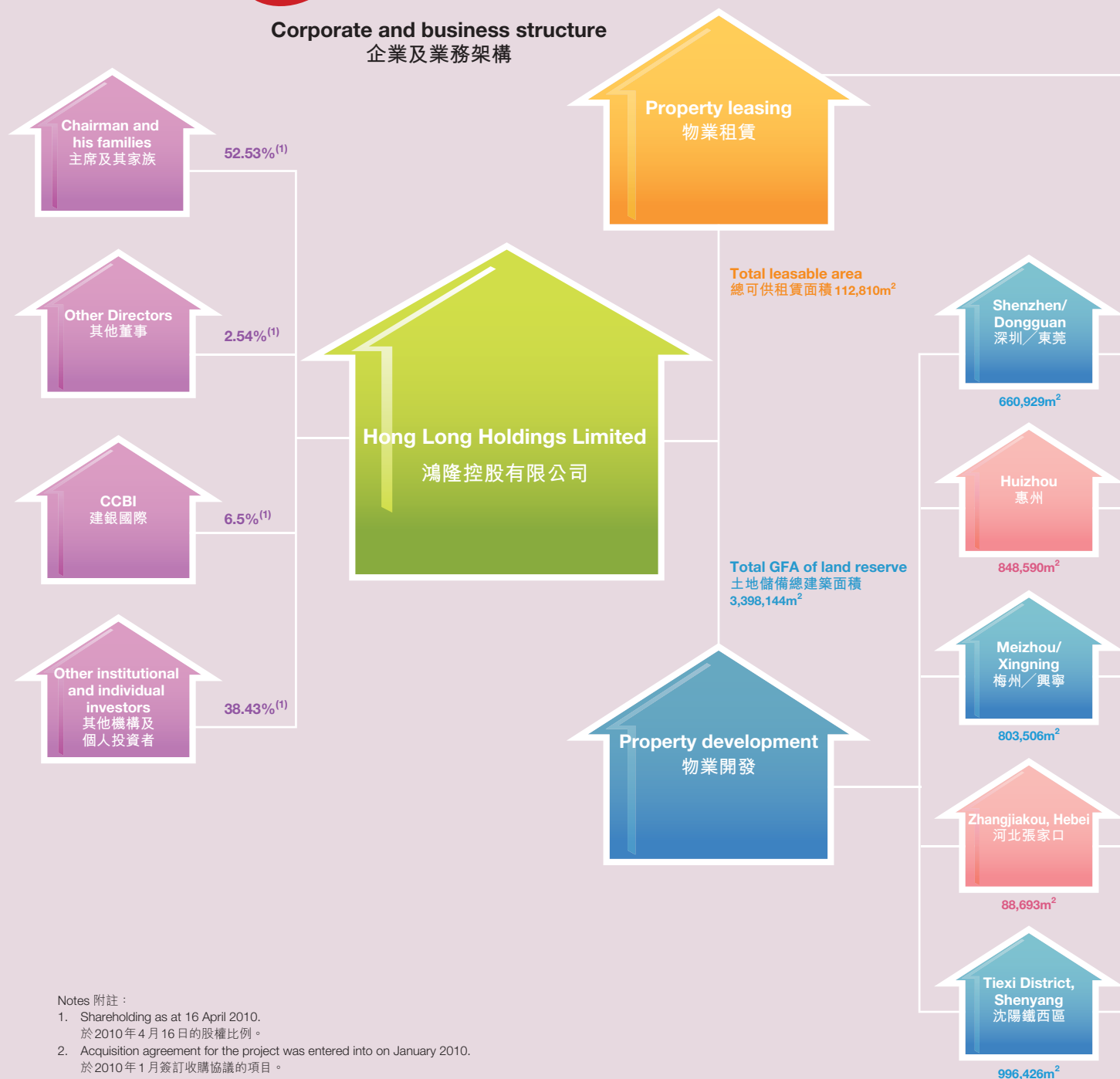


Business Scope 公司業務架構



鴻隆控股
HONG LONG
Holdings

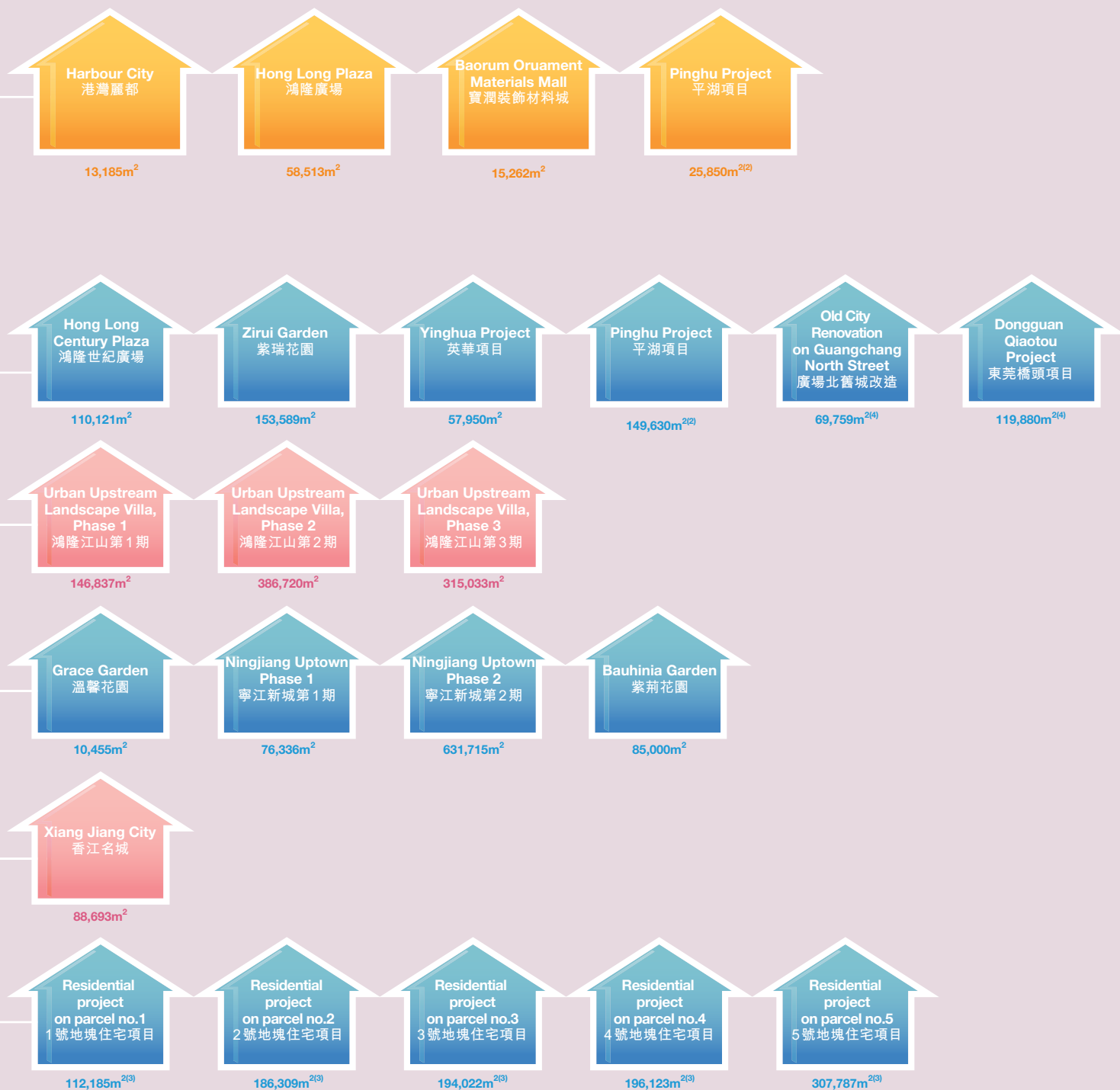
Corporate and business structure
企業及業務架構



Notes 附註：

- Shareholding as at 16 April 2010.
於2010年4月16日的股權比例。
- Acquisition agreement for the project was entered into on January 2010.
於2010年1月簽訂收購協議的項目。
- Framework agreement for the project was entered into on January 2010.
於2010年1月簽訂框架協議的項目。
- Projects under negotiation.
仍在洽談項目。

Business Scope 公司業務架構



Group Financial Summary 集團財務概要

RESULTS

業績

		For the year ended 31 December 截至12月31日止年度				
		2009	2008	2007	2006	2005
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Turnover	營業額	362,369	119,628	411,677	521,040	148,541
Net increase in fair value of investment properties	投資物業的公允值的增加淨額	56,830	62,120	180,352	566,343	7,250
Profit from operations	經營溢利	172,541	122,290	486,196	927,783	79,471
Net change in fair value of derivative financial instruments	衍生金融工具的公允值的變動淨額	(19,994)	58,533	(28,182)	432	–
Finance costs	融資成本	(87,843)	(90,227)	(55,091)	(23,170)	(361)
Profit before taxation	除稅前溢利	64,704	90,596	402,923	905,045	79,110
Income tax	所得稅	(33,497)	(87,236)	(152,421)	(206,779)	(14,814)
Profit for the year	本年度溢利	31,207	3,360	250,502	698,266	64,296
Profit attributable to equity shareholders of the Company	本公司權益股東應佔溢利	32,699	3,546	250,685	698,969	63,531

ASSETS, LIABILITIES AND MINORITY INTERESTS

資產、負債及少數股東權益

		At 31 December 於12月31日				
		2009	2008	2007	2006	2005
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Non-current assets	非流動資產	1,436,304	1,368,908	1,282,002	1,010,645	231,540
Current assets	流動資產	3,120,386	2,455,402	2,250,053	738,829	594,312
Current liabilities	流動負債	(1,210,385)	(1,255,575)	(822,079)	(818,239)	(576,893)
Non-current liabilities	非流動負債	(1,625,468)	(908,932)	(1,070,250)	(86,812)	(101,861)
Minority interests	少數股東權益	(2,732)	(13,082)	(12,268)	(23,091)	(24,694)
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益	1,718,105	1,646,721	1,627,458	821,332	122,404

The board of directors ("Board") of Hong Long Holdings Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred as "Hong Long" or the "Group") for the year ended 31 December 2009.

RESULT

The turnover and gross profit for the year were RMB 362.3 million and RMB 87.5 million respectively, representing a substantial increase of 202.9% and 90.5% compared to the previous year. Profit attributable to shareholders surged 822.1% compared to that of the previous year to approximately RMB 32.7 million. Basic earnings per share was RMB 3.14 cents, representing an increase of 823.5% compared to the previous year.

DIVIDENDS

As the Group has reached its 10th anniversary of establishment and the 3rd anniversary of listing, the Board decided on 5 February 2010 to pay a special dividend of HK\$0.15 per share as a token of thanks to the continuous support and trust given by the shareholders. Shareholders may elect to receive shares in lieu of cash at HK\$1.29 per share. Relevant cash and scrip dividends have been distributed to the shareholders on 31 March 2010. The Group will formulate appropriate dividend policy in accordance with the development needs in the future.

BUSINESS REVIEW

Since 2009, under the stimulus of various factors including the economic stimulus program introduced by the central government, the adjustment in the real estate market ended earlier than expected and was heated up again, fuelled by higher and increase in transaction volume. The Group achieved encouraging results by implementing effective marketing strategy at the right timing in accordance with the market changes.

PROPERTY DEVELOPMENT SEGMENT

This segment mainly comprises the development and sales of middle to high range residential and commercial properties.

鴻隆控股有限公司(「本公司」)董事會(「董事會」)欣然公佈本公司及其附屬公司(統稱為「鴻隆」或「本集團」)截至2009年12月31日止年度的綜合業績。

業績

營業額及毛利分別為人民幣362.3百萬元和人民幣87.5百萬元，較上年度分別大幅增加202.9%及90.5%。股東應佔溢利較上年度大幅上升822.1%至約為人民幣32.7百萬元。每股基本盈利為人民幣3.14分，較上年度增加823.5%。

股息

適逢本集團成立十週年及上市三週年，為回報股東一直以來的支持和信任，董事會於2010年2月5日決定發放特別股息每股0.15港元，股東亦可選擇以1.29港元折算以股代息。有關現金及股票股息已於2010年3月31日分派給各股東。本集團將因應未來的發展需要而制定合適的派息政策。

業務回顧

2009年以來，在中央政府推出的經濟刺激政策等多種因素的刺激下，房地產市場提前結束調整而升溫，出現了投資和價格回升和成交量增加等變化。針對市場環境變化，本集團把握時機以有效的營銷策略取得了可喜的成績。

物業開發板塊

此板塊主要是中高檔商住物業的開發和銷售。

Chairman's Statement 主席報告

PROPERTY DEVELOPMENT SEGMENT (CONT'D)

Properties developed and under development and partially sold in 2009:

Name of Project 項目名稱	Area Sold 實現銷售面積 (m ²) (平方米)	Realised Revenue 實現收入 (RMB'000) (人民幣千元)	Approximate Average Unit Price 約平均單價 (RMB'000) (人民幣千元)
Zhangjiakou Xiang Jiang City 張家口香江名城	27,841	99,778	3.58
Huizhou Urban Upstream Landscape Villa Phase 1 惠州鴻隆江山第1期 Villa Phase 1	14,431	83,276	5.77
Meizhou Grace Garden 梅州溫馨花園	22,911	54,595	2.38
Xingning Ningjiang Uptown Phase 1 興寧寧江新城第1期	19,080	51,711	2.71
	84,263	289,360	3.43

Progress of other major projects still under development:

Situated in the financial district of Lo Wu, Shenzhen, the Hong Long Century Plaza is a prime complex of high-end offices, residential units and hotel. The main structure was basically completed in 2009. Pre-sale permit was obtained on 31 March 2010 and the current sales progress is satisfactory.

Located in Shenzhen near Buji county, Zirui Garden is a high-end commercial and residential project. Ancillary facilities of the project and documentation processing were completed in 2009. Construction is expected to begin in 2010.

PROPERTY LEASING SEGMENT

This segment mainly comprises the operation of commercial real estate, such as the leasing of prime commercial projects and provision of property management services.

物業開發板塊(續)

於2009年，已開發及在開發物業並其中部份已實現銷售：

其他仍在開發的主要項目進展：

位於深圳羅湖金融區的鴻隆世紀廣場，乃集合高檔辦公樓、住宅及酒店之優質項目。在2009年基本完成主要的改造，並已於2010年3月31日取得預售許可證，目前銷售情況理想。

位於深圳靠近布吉的紫瑞花園乃高檔的商住項目。在2009年已經完成相關的配套改造和證件的辦理，預計2010年中動工。

物業租賃板塊

此板塊主要是商業地產領域方面的營運，如優質商業項目的租賃和各項物業管理服務。

PROPERTY LEASING SEGMENT (CONT'D)

Timing of the launch of "Quality Management Year" campaign by Shenzhen Hong Long Commercial Management Company Limited ("Hong Long Commercial"), a subsidiary of the Group, in 2009 was perfect, the Harbor City (Gangrun Plaza), Baorun Ornament Materials Mall and Hong Long Plaza (Gang Long City Shopping Mall) managed by Hong Long Commercial have all succeeded in enhancing brand recognition, management effectiveness and operating efficiency. Moreover, Hong Long Commercial was awarded "Gold Coordinate • 60th Anniversary of New China • Golden Operator of China Commercial Real Estate" ("金坐標•新中國60週年•中國商業地產金牌運營機構") in 2009. Mr. Zeng Sheng, the co-president of the Company, was also awarded the honorary title of "Golden Coordinate • 60th Anniversary of New China • Excellent Promoter of China Commercial Real Estate" ("金坐標•新中國60週年•中國商業地產卓越推動人物"). In addition, Gang Long City Shopping Mall, located in Hong Long Plaza, was awarded the "Golden Coordinate • 60th Anniversary of New China • the Project Award of the Top 30 Shopping Centers with the Most Growth Potential in Guangdong Province" ("金坐標•新中國60週年•廣東省購物中心30強最具成長性項目獎").

LAND RESERVE

In 2009, the Group has devoted in integration of internal resources for sustainable development in the future. The Group has already undertaken two projects at the beginning of 2010. One of the projects is located at China South City, in Pinghu Street of Longgang District, Shenzhen. Upon completion of the acquisition, the high-end residential area of the Group will be increased by approximately 150,000 square meters ("m²"), and the commercial properties managed by the Group will be increased by approximately 26,000m². The acquisition of the project will further enhance the influence of the "Hong Long" brand in Shenzhen. The second project is in Shenyang, the transaction was signed at the business promotion fair held by the Liaoning delegation in Hong Kong. We have entered into a cooperative framework agreement in relation to the construction project of Shenyang Tiexi Industrial New City with The Management Committee of Shenyang Economic and Technological Development Zone of Liaoning Province, PRC. The project involves a construction area of approximately 1 million m² with middle to high range commercial and residential properties, hotel and convention center. In addition, the Group will jointly establish Tiexi Industrial New City Investment Company with other parties to take up various property investments and developments.

As of 31 December 2009, the total gross floor area ("GFA") of the land reserve of the Group was approximately 2.25 million m². Upon implementation of the above two new projects, the total GFA of the land reserve of the Group would be increased to approximately 3.40 million m².

物業租賃板塊 (續)

本集團的附屬公司深圳市鴻隆商業管理有限公司(「鴻隆商業」)在2009年適時實施了「管理效益年」活動，旗下所運營的港灣麗都(港灣商業廣場)、寶潤裝飾材料城和鴻隆廣場(港隆城購物中心)均獲得品牌效益、管理效益和經營效益的三豐收。鴻隆商業亦在2009年榮獲「金坐標•新中國60週年•中國商業地產金牌運營機構」，本公司聯席總裁曾勝先生亦被授予「金坐標•新中國60週年•中國商業地產卓越推動人物」光榮稱號。另外，位於鴻隆廣場內的港隆城購物中心榮獲「金坐標•新中國60週年•廣東省購物中心30強最具成長性項目獎」。

土地儲備

本集團於2009年努力整合內部資源，為今後的持續發展做好準備。2010年伊始，本集團已經進行了兩個項目。一是位於深圳市龍崗區平湖街道華南城的項目，完成收購後，本集團將增加中高檔住宅約15萬平方米及管理商業物業約2.6萬平方米。取得該項目將進一步提高「鴻隆」品牌在深圳當地的影響力。二是瀋陽項目，本集團在遼寧省代表團於香港舉行招商會時，我們與中國遼寧省瀋陽經濟技術開發區管委會簽訂《瀋陽鐵西產業新城建設項目合作框架協議》，此包括計劃興建面積約100萬平方米的中高檔商住物業、酒店及會展中心。另外，本集團將合作組建鐵西產業新城投資公司進行各項物業投資和開發。

截止2009年12月31日，本集團土地儲備的總建築面積(「建築面積」)約為225萬平方米，若落實上述兩個新增項目後，本集團土地儲備的總建築面積可增至約為340萬平方米。

LAND RESERVE (CONT'D)

Currently, the Group is actively involved in the renovation projects in various cities including Shenzhen (such as the Old City renovation project at Guangchang North Street). At the same time, the Group has been actively seeking for more business opportunities through acquisitions of equity interest or public land auctions and other means in the cities within and outside of Guangdong Province.

PROSPECT

In respect to the real estate development trend, despite the inevitable consolidation the Chinese real estate market is facing in the short run, various factors including the macro-economic growth, increase of disposable income, abundant liquidity and the changes of consumption structure will help the real estate investment of China to continue its growth in 2010, and it is unlikely for a significant decline in real estate prices.

To create the environment for sustainable development in the future, and with the aim for establishing a solid foundation for building a long-established brand for Hong Long, we will continue adhering to the corporate culture of "Behaving ourselves honestly, Handling with matters sincerely and Loving the society cordially" and the management concept of striving for "Outstanding product, Superior potency, and High-quality service". We will implement a series of strategies and measures as follows:

- Highlighting our core competitiveness with clear positioning: Devoted in unique product development and aimed to become the developer and operator of residential + commercial and urban integrated projects.
- Comprehensive implementation of the "531" project, that is, implementing the five-year development plan of the Group; formulating fully the three year rolling development plan of residence marketing of the Group; and fully establishing and forming the overall work process and management system with more scientization, more standardization and more perfection.

土地儲備 (續)

本集團目前正在積極參與深圳市(如廣場北舊城改造項目)等城市改造項目;同時本集團積極在廣東省內外等城市通過股權收購或公開土地市場拍賣等渠道獲得更多的拓展商機。

未來展望

從發展趨勢來看,短期而言,儘管中國房地產市場面臨整固,但宏觀經濟景氣上升、居民收入增加、流動性充裕和消費結構改變等因素將使2010年中國房地產投資繼續保持增長,房價明顯下調的可能性不大。

為今後的持續發展,為把鴻隆打造成百年老店建立堅實的基礎,我們將繼續秉承「誠實做人、誠信做事、誠愛社會」的企業文化和「優異產品、優越效能、優質服務」的經營理念。我們並採取一系列的戰略和措施:

- 突顯我們的主要競爭力、明確定位:從事獨特的產品開發,特別是住宅+商業及城市綜合體營造的開發商運營商。
- 全面實施「五三一」工程,即實施本集團的五年發展計劃;全面制訂本集團的三年滾動開發住營計劃;全面建立並形成一整套更科學、更規範、更完善的工務流程和管理制度。

PROSPECT (CONT'D)

- Enhancement of six main capacities:

- (1) Strengthening and expanding the real estate business, and increasing our capacity in developing and operating urban integrated projects

As real estate is the core business of Hong Long, we must maintain a more positive spirit in business growth and further increase our land reserve as soon as possible, so as to speed up development and hence capital return. Besides paying more efforts in taking up projects of urban renewal and renovation of old cities, at the same time we will develop more commercial real estate projects featuring the style of Hong Long, creating a more mature business model.

- (2) Enhancement of corporate governance and strengthening of investor relations

We will further strengthen the Company's regulatory standards and increase the transparency of our management. At the same time, we will formulate program and strategy on investor relations and keep in contact and maintain close communication with institutional investors, analysts and shareholders, and establish good credit standing in Hong Kong and international financial markets.

- (3) Building of a professional team for better execution of the management role

We will strengthen the building up of the professional manager team, the planning of operation and management, the overall team work and co-operativeness so as to effectively enhance practical skills, and to strengthen the accountability management to the business objectives. Assessment of the accountability to business objectives of subsidiaries will be conducted, while performance appraisal programs for various departments and individual employees will be carried out gradually.

- (4) Increasing reputation of the "Hong Long" brand and enhancing the brand influences in the market

The brand of an enterprise symbolizes its competitiveness. We decide to reinforce our service motivation and improve the management standard.

未來展望(續)

- 提升六大能力：

- (1) 做強做大地產主業，提升城市綜合體的開發運營能力

鴻隆的主導產業是房地產業，我們務必保持更加積極進取的精神，儘快增加土地儲備，加快開發、加快變現，努力做好城市更新和舊城改造的大文章，同時開發建設更多的有「鴻隆」特色的商業地產項目，創造更為成熟的商業運營模式。

- (2) 提高公司管治，加強投資者關係

我們將進一步加強公司的制度水平，提高公司管理的透明度。同時將制定相關投資者關係工作的計劃和策略，要經常與機構投資者、分析員和股東保持緊密聯繫和溝通，在香港及國際金融市場建立起良好的信用。

- (3) 培育哺育職業團隊，提升經營管理團隊的執行力

我們將加強職業經理人團隊建設，加強經營管理工作計劃性，加強工作的整體性和團隊合作，切實提升實際工作能力，加強經營目標責任制管理。對附屬公司團隊進行經營目標責任制考核，對各職能部門和員工個人則要逐步推出績效考核方案。

- (4) 打造「鴻隆」品牌，提升「鴻隆」品牌的市場影響力

品牌是企業競爭力的標志。我們要強化服務意識和提升管理水平。

PROSPECT (CONT'D)

- (5) Maintaining transparency in operation in compliance with law, and enhancing the capacity of regulatory control

Maintaining transparency in operation demonstrates the business ethics of being responsible to shareholders and investors. The monitoring and control over the business process are implemented and executed appropriately by means of establishing a sound regulatory system. Such system will be implemented comprehensively in each of the project companies within the Group, so as to control the workflow monitoring-oriented management platform, promoting the business development in an effective and orderly manner, and enhancing the management and control standard of the entire multi-project and multi-location operation of the Group.

- (6) Performing with due diligence and conducting harmonious cooperation, strengthening the establishing of corporate culture, enhancing the cohesiveness of the Group, friendliness of leadership and loyalty of employees.

Despite the complicated situation in the real estate industry of China, we remain confident in 2010. Upon the 3rd anniversary of listing and the 10th anniversary of establishment, we will continue to create greater value for the Company and shareholders by taking practical actions.

SOCIAL RESPONSIBILITY

The Group is committed to bear its social responsibility and contribute to the weak and poor. The employees of the Group have actively participated in various charity activities involving cultural education, disaster relief, environmental protection, health and hygiene, as well as public transportation of the municipal. The Group will continue to promote our corporate culture of dedicating sincerity and love to the community internally, and bear our related social responsibility.

ACKNOWLEDGEMENT

After a decade of stable development, Hong Long still relies on the trust and support of the shareholders, business partners and all the staff in facing the challenges ahead. On behalf of the Board, I would like to express the sincere thanks to all parties concerned.

ZENG Yunshu

Chairman

16 April 2010

未來展望 (續)

- (5) 合法合規透明運作，提升規範管控的能力

透明化運作是對股東和投資者負責的商業道德。通過建立健全的規章制度，落實和執行好業務管控流程，企業內部各項目公司全面實施以成功控制、流程監控為目標的管理平臺推動高效、有序的業務開展，提升集團整個多項目異地的管控水平。

- (6) 盡心盡責和諧合作，加強企業文化建設，提升本集團的凝聚力，領導的親和力，員工的向心力。

儘管中國房地產行業形勢複雜，我們對2010年仍然充滿信心。今年迎接上市三週年和成立十週年，我們會繼續以實際的行動來為本公司及股東創造更大的價值。

社會責任

本集團樂於承擔其應盡的社會責任，奉獻力量扶弱濟貧。本集團的員工積極參與文化教育、賑災、環境保護、醫療衛生及市政交通等有關的公益活動。未來本集團將繼續在內部推行誠愛社會的企業文化，承擔相應的社會責任。

感謝

經歷十年的穩步發展，面向今後的挑戰，鴻隆仍要依賴股東、商業夥伴以及全體員工的信任和支持，本人謹代表董事會向各界衷心致謝。

曾雲樞

主席

2010年4月16日

Management Discussion and Analysis 管理層討論及分析

OPERATIONAL AND FINANCIAL HIGHLIGHTS

1. Turnover increased by 202.9% to approximately RMB362.3 million.
2. Profit attributable to equity shareholders of the Company increased by 822.1% to approximately RMB32.7 million.
3. Basic earnings per share increased by 823.5% to RMB3.14 cents.
4. Shareholders' funds were up 4.3% to approximately RMB1,718.1 million. Net assets per share is RMB1.65.
5. At 31 December 2009, net gearing was 85.9% with outstanding bank and other borrowings of approximately RMB1,769.6 million and cash at bank and in hand of approximately RMB290.5 million (including pledged deposits).
6. The Group completed the open tender offer for the repurchase of Senior Note, substantial part of Senior Note had been repurchased and obtained consent to waive certain key restrictive covenants.
7. As at 31 December 2009, we have land reserve of planned GFA of approximately 2.3 million m². Our land reserve can be increased to planned GFA of approximately 3.4 million m² after considering the newly signed projects and framework agreement.

營運及財務摘要

1. 營業額增長202.9%至約人民幣362.3百萬元。
2. 本公司權益股東應佔溢利增長822.1%至約人民幣32.7百萬元。
3. 每股基本盈利增長823.5%至人民幣3.14分。
4. 股東資金上升4.3%至約人民幣1,718.1百萬元。每股資產淨值為人民幣1.65元。
5. 於2009年12月31日，淨資產負債比率為85.9%，而尚未償還銀行及其他貸款為約人民幣1,769.6百萬元及銀行存款及現金為約人民幣290.5百萬元（包括抵押存款）。
6. 本集團完成購回優先票據的公開要約，購回大部份優先票據，並獲得同意豁免若干關鍵限制性契諾。
7. 於2009年12月31日，本集團擁有規劃建築面積約2.3百萬平方米的土地儲備。經計及最近簽署的項目及框架協議後，本集團的土地儲備可增至規劃建築面積約3.4百萬平方米。

Management Discussion and Analysis 管理層討論及分析

FINANCIAL REVIEW

財務回顧

		Note	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元	Change 變動 RMB'000 人民幣千元
Turnover	營業額	1			
Property development	物業開發		289,360	64,147	225,213
Property leasing	物業租賃		73,009	55,481	17,528
			362,369	119,628	242,741
Gross profit	毛利	1	87,466	45,912	41,554
Other net income	其他收益淨額	2	64,964	37,097	27,867
Other revenue	其他收入	3	31,071	55,491	(24,420)
Selling and distribution expenses	銷售及分銷費用	4	(21,775)	(5,226)	(16,549)
General and administration expenses	一般及行政費用	5			
– share option expenses	– 認股權費用		–	(342)	342
– others	– 其他		(35,304)	(31,931)	(3,373)
Other operating expenses	其他營運費用	6			
– share option expenses	– 認股權費用		–	(15,375)	15,375
– others	– 其他		(10,711)	(25,456)	14,745
Net increase in fair value of investment properties	投資物業的公允值的增加淨額	7	56,830	62,120	(5,290)
Net change in fair value of derivative financial instruments	衍生金融工具的公允值的變動淨額	8	(19,994)	58,533	(78,527)
Finance costs	融資成本	9			
– Senior Note	– 優先票據		(86,460)	(89,813)	3,353
– others	– 其他		(1,383)	(414)	(969)
Income tax	所得稅	10			
– corporate income tax	– 企業所得稅		(16,085)	(16,059)	(26)
– land appreciation tax	– 土地增值稅		(6,683)	661	(7,344)
– due to changes in tax rate on opening deferred tax balances	– 稅率變動對期初遞延稅項結餘的影響		–	(66,081)	66,081
– deferred tax	– 遞延稅項		(10,729)	(5,757)	(4,972)
Minority interests	少數股東權益		1,492	186	1,306
Profit attributable to equity shareholders of the Company	本公司權益股東應佔溢利		32,699	3,546	29,153

FINANCIAL REVIEW (CONT'D)

- Turnover and gross profit:** Turnover comprises of sales proceeds of properties delivered and property leasing income. There was substantial increase in revenue, since in 2009 we delivered approximately 79,252m² of residential units, 4,536m² of shops and 475m² of carparking spaces in four projects, while in 2008 we only delivered approximately 21,731m² of residential units and 223m² of shops in Xiang Jiang City.
- Other net income:** The increase in 2009 was mainly due to the gain on repurchases of the Senior Note.
- Other revenue:** The decrease in 2009 was mainly due to the decrease in interest income and compensation income on cancellation of swap agreement related to the Senior Note in 2008 where there is no such item in 2009.
- Selling and distribution expenses:** The increase in 2009 was mainly due to more advertisement and promotion events incurred for sales of four projects, while in 2008, we have sold certain units in Xiang Jiang City only.
- General and administrative expenses:** The decrease in share option expenses, a non-cash item, was due to no option granted during 2009. The increase in other general expenses was mainly due to the increase of manpower required to handle various properties under development.
- Other operating expenses:** The decrease in share option expenses, a non-cash item, was due to no option granted during 2009. The remaining decrease in 2009 was mainly due to provision of impairment on loans and receivables in 2008 where there is no such item in 2009.
- Net increase in fair value of investment properties:** The net increase in fair value is mainly due to the prevailing market conditions.
- Net change in fair value of derivative financial instruments:** In September 2007, the Company issued Senior Note with warrants. The change in fair value, as assessed by independent valuer has been recorded in the consolidated statement of comprehensive income. It is a non-cash item.
- Finance costs:** The decrease in 2009 was due to the repurchases of the Senior Note. The relevant finance cost thus decreased.
- Income tax:** The increase in land appreciation tax in 2009 was mainly due to more sales of properties and thus the corresponding profits. For the year ended 31 December 2008, as a result of change in tax rate in 2008, there is further provision on opening deferred tax balance resulting in the significant increase in tax for 2008.

財務回顧(續)

- 營業額及毛利：**營業額包括交付物業的銷售所得款及物業租賃收入。收入大幅增加，原因是我們於2009年四個項目共交付約79,252平方米的住宅單位、4,536平方米的商舖及475平方米的停車位，而於2008年僅交付香江名城約21,731平方米的住宅單位及223平方米的商舖。
- 其他收益淨額：**2009年的增加主要由於回購優先票據之收益所致。
- 其他收入：**2009年減少主要由於利息收入減少及有關2008年取消涉及優先票據的掉期協議的賠償收入減少，而於2009年則並無此項目。
- 銷售及分銷費用：**2009年增加主要由於為銷售四個項目進行的多次廣告宣傳活動，而於2008年我們僅銷售香江名城的若干單位。
- 一般及行政費用：**非現金項目認股權費用減少，原因為於2009年並無授出認股權。其他一般費用增加，主要由於處理不同發展中物業所需的人手增加所致。
- 其他營運費用：**非現金項目認股權費用減少，原因為於2009年並無授出認股權。2009年餘下之減少主要由於2008年計提貸款及應收款項減值準備，而於2009年並無此項目。
- 投資物業的公允值的增加淨額：**公允值增加淨額原因主要是當前市況所致。
- 衍生金融工具的公允值的變動淨額：**於2007年9月，本公司發行附有認股權證的優先票據。該認股權證的公允值變動(由獨立估值師評估)已於綜合全面收益表列賬。其為一項非現金項目。
- 融資成本：**於2009年減少主要由於購回優先票據後，相關之融資成本減少所致。
- 所得稅：**土地增值稅於2009年增加，主要由於物業銷售增多，因而相關溢利亦相應上升。截至2008年12月31日止年度，由於2008年稅率變動，期初遞延稅項結餘進一步撥備，導致2008年稅項大幅增加。

FINANCIAL REVIEW (CONT'D)

SEGMENT ANALYSIS

While principally engaged in the development of middle to high range residential and commercial properties in the People's Republic of China (the "PRC"), the Group expects stronger recurrent cash flow from commercial properties leasing in the future. In 2009, property development income and property leasing income accounted for approximately 79.9% and 20.1% respectively.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

Cash at bank and in hand and pledged deposits as at 31 December 2009 amounted to approximately RMB290.5 million (31 December 2008: RMB103.9 million) which including RMB229.5 million, US\$8.1 million, and HK\$6.7 million.

The Group had total borrowings of approximately RMB1,769.6 million as at 31 December 2009 (31 December 2008: RMB1,209.8 million), RMB375.8 million was repayable within one year, RMB1,052.2 million was repayable after one year but within five years and RMB341.6 million was repayable more than five years. The Group's borrowings carried interest at fixed or floating interest rates. The Group's total bank and other borrowings divided by total assets as at 31 December 2009 was 38.8% (31 December 2008: 31.6%).

As at 31 December 2009, the Group had current assets of approximately RMB3,120.4 million (31 December 2008: RMB2,455.4 million) and current liabilities of approximately RMB1,210.4 million (31 December 2008: RMB1,255.6 million).

CHARGE ON ASSETS

As at 31 December 2009, bank and other borrowings of approximately RMB1,515.0 million were secured by certain bank deposits, investment properties and properties for future development and under development for sale of the Group of approximately RMB0.9 million, RMB1,264.0 million and RMB643.8 million respectively. Certain bank and other borrowings are secured by the Company's ordinary shares held by the ultimate holding company.

SENIOR NOTE

For the details of Senior Note, please refer to note 23(b) to the financial statement.

財務回顧(續)

分部分析

本集團主要於中華人民共和國(「中國」)從事中高檔住宅及商業物業開發，同時預期今後可從物業租賃業務產生較強大的經常性現金流量。於2009年，物業發展收入及物業租賃收入分別約佔79.9%及20.1%。

流動資金、財務資源及負債比率

於2009年12月31日，銀行存款及現金及抵押存款約達人民幣290.5百萬元(2008年12月31日：人民幣103.9百萬元)，包括人民幣229.5百萬元、8.1百萬美元及6.7百萬港元。

於2009年12月31日，本集團的借貸總額約為人民幣1,769.6百萬元(2008年12月31日：人民幣1,209.8百萬元)，須於一年內償還的借貸額人民幣375.8百萬元；一年後，但於五年內償還為人民幣1,052.2百萬元和多於五年償還約為人民幣341.6百萬元。本集團借貸以定息或浮動息率計息。而本集團於2009年12月31日的銀行及其他借貸總額除以總資產為38.8%(2008年12月31日：31.6%)。

於2009年12月31日，本集團有流動資產約人民幣3,120.4百萬元(2008年12月31日：人民幣2,455.4百萬元)及流動負債約人民幣1,210.4百萬元(2008年12月31日：人民幣1,255.6百萬元)。

對資產的抵押

於2009年12月31日，銀行及其他借貸約人民幣1,515.0百萬元由本集團分別約值人民幣0.9百萬元、人民幣1,264.0百萬元及人民幣643.8百萬元之若干銀行存款、投資物業及開發中及有待開發的銷售物業作抵押。部份銀行及其他借貸由最終控股公司所持有本公司普通股股份作抵押。

優先票據

有關優先票據之詳情，請參考財務報表附註23(b)。

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's monetary assets, loans and transactions are principally denominated in Renminbi. Except for the Senior Note and a US\$40 million credit note facilities, all of the Group's borrowings are denominated in Renminbi. The Group did not engage in any derivative activities and did not commit to any financial instruments to hedge its balance sheet exposure as at 31 December 2009.

CONTINGENT LIABILITIES

Save for the guarantees given to banks for mortgage facilities (at a maximum of RMB370 million) granted to purchasers of the Group's properties, the Group had no other material contingent liabilities as at 31 December 2009.

TREASURY POLICIES AND CAPITAL STRUCTURE

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

EMPLOYEES

As at 31 December 2009, the Group had a staff force of approximately 412 employees. Of this, most were stationed in the PRC. The remuneration of employees was in line with the market trend and commensurable to the level of pay in the industry. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives (such as pre-IPO Share Options and Share Option Scheme). Total staff costs incurred for the year 2009 was approximately RMB25.8 million.

FINAL DIVIDEND

The Board did not recommend the payment of a dividend for the year 2009 (2008: nil).

匯率波動風險及有關對沖

本集團的貨幣資產、貸款和交易主要以人民幣計值。除優先票據及一項40百萬美元之信貸票據額度外，本集團借貸全部以人民幣計值。於2009年12月31日，本集團並沒有參與任何衍生工具活動及並無對任何金融工具作出承擔以對沖資產負債表的風險。

或然負債

除就授予本集團物業買方之抵押信貸給予銀行之擔保(最高為人民幣370百萬元)，本集團於2009年12月31日並無任何其他重大或然負債。

財資政策及資本結構

本集團就其財資政策採取審慎策略，並專注於風險管理及與本集團之相關業務有直接關係之交易。

僱員

於2009年12月31日，本集團擁有約412名員工，其中絕大部份在中國工作。僱員的薪酬與市場趨勢一致，可與業內的薪酬水平相比。本集團僱員的薪酬包括基本薪金、花紅及長期獎勵(如首次公開發售前認股權及認股權計劃)。2009年所產生的員工成本總額約為人民幣25.8百萬元。

末期股息

董事會已議決不宣派2009年度之股息(2008年：無)。

BUSINESS REVIEW

The Group is principally engaged in the development of middle to high range residential and commercial properties as well as leasing of commercial properties in the Guangdong and Hebei Provinces, the PRC.

The Group has its business presence in Guangdong, including Shenzhen, Huizhou, Meizhou and Xingning. Since 2007, the Group has further expanded beyond Guangdong by acquiring Xiang Jiang City project in Zhangjiakou of Hebei Province. The expansion signifies the Group's successful launch of the projects and confidence in second and third tier cities in the PRC where there is great demand for better living environment.

For investment properties portfolio, the Group's leasable GFA is approximately 87,000m², out of which, the Group owned approximately 59,000m² of Hong Long Plaza following its completion in late 2006. Hong Long Plaza generates recurring cash inflows supplement to the Group's future investment plan.

Summary of development and status of existing projects are reported in the following paragraphs.

Hong Long Century Plaza (formerly known as Yifeng Plaza): In April 2007, the Group acquired approximately 70,000m² GFA of Hong Long Century Plaza in a public auction at a consideration of approximately RMB482 million. Since then, the Group has acquired further GFA from other owners for consolidated development. It is a complex of offices, residential units and hotel of approximately 110,000m² GFA located at the prime location in Luohu district, Shenzhen. In April 2010, the Group has launched pre-sales of certain offices and was well received by the market. It is a great achievement of the Group to step into the development of offices and hotel.

Urban Upstream Landscape Villa: The total site area and planned GFA is approximately 500,000m² and 863,000m² respectively. Out of which, the site area and planned GFA for phase 1 is approximately 121,000m² and 161,000m² respectively. The Group commenced the pre-sales of phase 1 in October 2008. The Group has delivered approximately 14,000m² GFA in 2009.

業務回顧

本集團主要在中國廣東省及河北省從事中高檔住宅及商業物業的開發和商業物業的租賃業務。

本集團於廣東的業務版圖包括深圳、惠州、梅州及興寧。自2007年起，本集團透過取得位於河北省張家口的香江名城項目而擴展至廣東以外。該擴展象徵著本集團所推出項目的成功，並確立信心發展對優質生活環境有龐大需求的二線及三線城市。

在投資物業組合方面，隨著鴻隆廣場於2006年尾竣工後（其中約59,000平方米為本集團所擁有），本集團可供租賃之建築面積增加至約87,000平方米。鴻隆廣場產生經常性現金流入，補充本集團的未來投資計劃所需。

現有項目之發展及狀況於下文概述。

鴻隆世紀廣場（前稱藝豐廣場）：於2007年4月，本集團透過公開拍賣以約人民幣482百萬元的代價收購鴻隆世紀廣場約70,000平方米建築面積。自此以後，本集團進一步向其他業權擁有人收購了若干建築面積，作綜合發展之用。鴻隆世紀廣場是一座含寫字樓、住宅單位及酒店的綜合樓宇，建築面積約110,000平方米，處於深圳羅湖區黃金地段。於2010年4月，本集團開始預售若干辦公單位，市場反應熱烈，標誌著本集團向寫字樓及酒店開發邁出了重要一步。

鴻隆江山：總地盤面積及規劃建築面積分別約為500,000平方米及863,000平方米，其中第一期之地盤面積及規劃建築面積分別約為121,000平方米及161,000平方米。本集團於2008年10月開始第一期的預售。本集團於2009年已交付建築面積約14,000平方米。

BUSINESS REVIEW (CONT'D)

In March 2009, the Group disposed of a 18% equity interest in the subsidiary which holds the project. The Group believes that the disposal will provide additional funds for other properties under development of the Group. Taking into account the benefits of the disposal, the Group is of the view that the terms of the disposal are fair and reasonable and is in the interests of the Group and its shareholders as a whole.

Grace Garden: In July 2007, the Group acquired 100% equity interest in a PRC company, which holds a piece of land in Meizhou on which has developed a project named as "Grace Garden", at consideration of RMB11 million. It consists of 2 residential blocks and some retail shops of approximately 33,000m² GFA. The Group commenced the pre-sales in June 2008. The Group has completed the construction of the project and delivered approximately 23,000m² GFA in 2009.

Ningjiang Uptown: In October 2007, the Group formed a new wholly-owned subsidiary in Xingning for development of a landmark project named as "Ningjiang Uptown". The phase 1 is a large scale complex of 9 residential blocks and some retail shops of approximately 95,000m² GFA. The Group commenced the pre-sales in October 2008. The Group has delivered approximately 19,000m² GFA in 2009. In addition, the Group has paid approximately RMB183 million in 2009 for land reserve of Ningjiang Uptown Phase 2, with approximately 187,000m² site area and approximately 632,000m² GFA, and the land use right has been obtained.

Xiang Jiang City: In November 2007, the Group completed the acquisition of a company which holds 100% interest in Xiang Jiang City project in Zhangjiakou of Hebei Province. It is a residential and commercial complex of approximately 212,000m² GFA. Xiang Jiang City is a project under development upon acquisition by the Group. The Group has delivered approximately 74,000m² and 22,000m² GFA in 2007 and 2008 respectively and generated revenue of approximately RMB171.7 million and RMB64.1 million respectively. Further, the Group has delivered approximately 28,000m² in 2009.

業務回顧(續)

於2009年3月，本集團出售持有該項目之附屬公司之18%股本權益。本集團相信出售將為本集團其他在開發物業之建築成本提供額外財務資源。考慮到出售帶來之利益，本集團認為出售之條款乃公平合理，並符合本集團及其股東之整體利益。

溫馨花園：於2007年7月，本集團以代價人民幣11百萬元收購一間中國公司的100%股本權益，該公司於梅州擁有一幅土地，已發展為一項名為「溫馨花園」的項目，包括建築面積約33,000平方米之兩幢住宅大廈及若干零售商舖。本集團於2008年6月開始預售。本集團已完成本項目之建設工程，並於2009年已交付建築面積約23,000平方米。

寧江新城：於2007年10月，本集團於興寧開立一間新組成的全資附屬公司，發展一項名為「寧江新城」的地標項目。第1期為9幢住宅大廈及若干零售商舖組成的大型綜合樓宇，建築面積約95,000平方米。本集團於2008年10月開始預售，並已於2009年交付建築面積約19,000平方米。此外，本集團已於2009年就寧江新城第2期土地儲備的地盤面積約187,000平方米及建築面積約632,000平方米支付代價約人民幣183百萬元，並已取得其土地使用權。

香江名城：於2007年11月，本集團完成收購一間公司，該公司持有河北省張家口香江名城項目的100%權益。香江名城為一項住宅與商業綜合樓宇，建築面積約212,000平方米。於被本集團收購時，香江名城為一個在開發項目。本集團已於2007年及2008年分別交付建築面積約74,000平方米及22,000平方米，分別帶來收入約人民幣171.7百萬元及人民幣64.1百萬元。此外，本集團於2009年已交付約28,000平方米。

BUSINESS REVIEW (CONT'D)

Zirui Garden: In March 2008, the Group entered into an agreement with an independent third party for acquiring 100% equity interest in Shenzhen City Zirui Real Estate Development Company Limited ("Shenzhen Zirui"). Shenzhen Zirui holds the Zirui Garden project in Buji County, Shenzhen. Zirui Garden consists of premier villa, residential units and retail shops with planned GFA of approximately 154,000m². The Group plans to construct and deliver by phases in 2011 to 2012.

Pinghu Project: In January 2010, the Group entered into acquisition agreement for a project at Pinghu Street, Longgang of Shenzhen. It is a residential and commercial complex of approximately 150,000m² and 26,000m² respectively. It shall be developed in phases from 2010 to 2012.

Shenyang Project: In January 2010, the Group entered into cooperative framework agreement with the Management Committee of Shenyang Economic and Technological Development Zone of Liaoning Province ("Management Committee"), PRC for the construction project of Shenyang Tiexi Industrial New City. Subject to further discussion with Management Committee, the Group will jointly develop (1) Binshui Liwan Project (濱水麗灣項目), which will be developed into high-end residential and commercial integrated community, including golf park, commercial ancillary facilities, international medical institution, international educational institution (kindergarten, primary school and middle school) and landscape belt, of which 75 mu will be used for commercial and public services facilities and 800 mu for residential developments, with total investment of approximately RMB4 billion; (2) Core Area Project of the Management Committee, including international exhibition centre, five-star hotel, headquarters economy building of which the services building of Shenyang Economic and Technological Development Zone will be located, and adjacent residential developments, with total investment of approximately RMB1 billion; and (3) two parties will jointly establish Tiexi Industrial New City Investment Company (鐵西產業新城投資公司), in which the Group shall hold 40% equity interests.

業務回顧 (續)

紫瑞花園：於2008年3月，本集團與一獨立第三方訂立協議，收購深圳市紫瑞房地產開發有限公司(「深圳紫瑞」)100%股本權益。深圳紫瑞持有深圳布吉鎮紫瑞花園。紫瑞花園由高級別墅、住宅單位及零售商舖組成，規劃建築面積約154,000平方米。本集團計劃於2011年至2012年分期建設及交付。

平湖項目：於2010年1月，本集團訂立收購協議以收購深圳市龍崗平湖街道的項目。該項目為一個商住兩用綜合樓宇，住宅及商業單位分別約為150,000平方米及26,000平方米，將於2010年至2012年分期開發。

沈陽項目：於2010年1月，本集團與中國遼寧省瀋陽經濟技術開發區管委會(「管委會」)簽署了合作框架協議，以進行瀋陽鐵西產業新城的建設項目。待與管委會進一步商討後，本集團將共同開發(1)濱水麗灣項目：發展高檔的居住和商業的綜合小區，設施包括高爾夫公園、商業配套區、國際醫療機構、國際教育機構(幼兒園、小學和中學)和公園景觀帶，其中商業和公共服務設施項目佔地75畝，居住項目用地800畝，總投資約人民幣40億元；(2)管委會核心建設項目：包括國際會展中心、五星級酒店、總部經濟大樓(包括瀋陽經濟技術開發區服務大廈)和周邊住宅項目，總投資約人民幣10億元；及(3)雙方合作組建鐵西產業新城投資公司，其中本集團應佔40%股本權益。

BUSINESS REVIEW (CONT'D)

Bauhinia Garden: In July 2004, the Group acquired a land of site area of approximately 29,000m² near the train station of Xingning for the development of Bauhinia Garden with planned GFA of approximately 85,000m². The Group plans to commence the development in 2010.

Yinghua Project: In March 2005, the Group acquired a 85.71% equity interest in Shenzhen Yinghua Development Company Limited (“Yinghua”) which holds a land of site area of approximately 9,000m² with planned GFA of approximately 58,000m². In November 2009, the Group completed the acquisition of remaining 14.29% equity interest in Yinghua and now wholly owned the project. The Group plans to commence the development in late 2010.

Old City Renovation on Guangchang North Street: In 2007, the Group obtained approval from Luohu district government, Shenzhen, for an old city renovation on Guangchang North Street (「廣場北街」舊城改造). It is located at the south of Hongbao Road (紅寶路), the west of Heping Road (和平路) and Dongmen Old Street (東門老街), the north of Shennan Road East (深南東路) and Shun Hing Plaza (深圳信興廣場地王大廈) and the east of Baoan Road South (寶安南路). It is located in the central commercial district of Luohu district of Shenzhen. The first phase of the project will occupy site area and planned GFA of approximately 11,000m² and 70,000m² respectively. The Group is arranging the pre-preparation works.

Dongguan Qiaotou Project: In March 2008, the Group established a 90% owned subsidiary in Dongguan. The Group is considering a residential and commercial complex of approximately 120,000m² GFA. The Group plans to develop the project by phases in late 2010.

業務回顧(續)

紫荊花園: 於2004年7月,本集團收購興寧市火車站附近之一幅地盤面積約為29,000平方米之土地,以開發紫荊花園,其規劃建築面積約85,000平方米。本集團計劃於2010年開始開發工作。

英華項目: 於2005年3月,本集團收購深圳市英華實業發展有限公司(「英華」)85.71%之股本權益,該公司持有地盤面積約9,000平方米及規劃建築面積約58,000平方米之土地。於2009年11月,本集團完成收購英華餘下之14.29%之股本權益,現全資擁有該項目。本集團計劃於2010年末開始開發工作。

廣場北街舊城改造: 於2007年,本集團獲得深圳羅湖區政府批准進行「廣場北街」舊城改造項目。該項目位於紅寶路以南、和平路及東門老街以西、深南東路及深圳信興廣場地王大廈以北與寶安南路以東。該項目位於深圳羅湖區的中心商業中心區。項目首期地盤面積及規劃建築面積分別約為11,000平方米及70,000平方米。本集團正安排前期籌備工作。

東莞橋頭項目: 於2008年3月,本集團於東莞成立一間90%權益附屬公司。本集團正考慮一項建築面積約120,000平方米的住宅及商業綜合樓宇。本集團計劃於2010年末分期開發有關項目。

DIRECTORS

EXECUTIVE DIRECTORS

Mr. Zeng Yunshu, aged 57, is the chairman, an executive director, a member of the remuneration committee of the Company and the president of Hong Long Property Group Company Limited (“Hong Long Property”). Mr. Zeng is founder of Hong Long Property, the major operating subsidiary of the Group. He is responsible for determining the overall business strategies, making investment decisions and determining the overall business management direction of the Group. Prior to the establishment of the Group, Mr. Zeng worked in the Xingning City and Meizhou municipal governments from 1981 to 1990. Mr. Zeng worked in Shenzhen Petrochemical Industry (Group) Co. Ltd. from 1991. Mr. Zeng was awarded the title of “Outstanding Contributor” for the development of Xingning’s economy, and the father of Mr. Zeng Sheng, an executive director of the Company. Mr. Zeng has more than 17 years experience in the development and management of properties from 1963. Currently, He is also a standing committee member of the People’s Political Consultative Committee of Meizhou, Guangdong Province, and a member of the Hong Kong Institute of Directors. He is a director of Grand Prosperity Limited (“Grand Prosperity”), a controlling shareholder of the Company. Mr. Zeng has entered into a service contract with the Company for a term of 3 years, commencing from 22 February 2007, but subject to retirement by rotation and, being eligible, re-election, thereafter, Mr. Zeng retired by rotation and was re-elected in 2009 annual general meeting pursuant to the Company’s articles of association. The Company has entered into another service contract with Mr. Zeng for a term of 3 years since the end of the 2009 annual general meeting but subject to retirement by rotation, being eligible, for re-election in accordance with the Company’s articles of association.

董事

執行董事

曾雲樞先生，57歲，本公司董事局主席、執行董事兼薪酬委員會之成員，鴻隆地產集團有限公司（「鴻隆地產」）董事長。曾先生為本集團主要經營附屬公司鴻隆地產之創始人，負責為本集團制定發展策略、作出投資專案決策以及決定整體業務管理方向。於成立本集團前，曾先生於1981年至1990年在興寧市及梅州市政府部門工作。1991年起，任職於深圳石化工業集團股份有限公司。曾先生因發展興寧經濟而獲得「傑出貢獻」獎，並為本公司執行董事曾勝先生的父親。自1993年至今，曾先生在物業開發及管理方面擁有逾17年的豐富經驗。目前，彼亦是廣東省梅州市政協常委及香港董事學會會員。曾先生是本公司控股股東Grand Prosperity Limited（「Grand Prosperity」）之董事。曾先生與本公司訂立為期三年的服務合約，自2007年2月22日生效，惟曾先生須根據本公司組織章程輪席退任並合資格膺選連任。曾先生於2009年股東週年大會上輪席退任，並獲膺選連任。其後，本公司與曾先生於2009年股東週年大會結束後再簽署為期三年之服務合同，惟曾先生須根據本公司組織章程輪席退任並合資格膺選連任。

DIRECTORS (CONT'D)

Mr. Zhang Yijun, aged 55, joined the Company in December 2009 as the vice chairman, chief executive officer and an executive director and the chief executive officer and a director in Hong Long Property. Mr. Zhang graduated from South China Normal University in China. Mr. Zhang is now a senior economist and holds a degree of EMBA from Shanghai Jiao Tong University. He studied corporate management and real estate management in Japan with 20-year work experiences in investment and corporate management. He was previously, the commissioner of Bureau of Supervision of the Shenzhen Municipal Government, the chairman and the president of Shenzhen Construction and Investment Holdings Company Limited and an executive director and chief executive officer of Shenzhen Investment Limited (Stock Code: 0604). Mr. Zhang resigned as an executive director and the chief executive officer of Shenzhen Investment Limited (stock code: 0604) on 1 December 2009 and a non-executive director of Coastal Greenland Limited (stock code: 1124) on 7 December 2009 and Road King Infrastructure Limited (stock code: 1098) on 11 December 2009, all of which are companies listed in Hong Kong. Mr. Zhang has entered into a service contract with the Company for a term of 3 years, coming from 22 December 2009. According to the articles of association of the Company, Mr. Zhang holds office until the forthcoming general meeting and, being eligible, for re-election in the same general meeting.

Mr. Zhang Yiyan, aged 59, joined the Company in October 2008 as the vice-chairman, co-president, an executive director and the chairman of board of supervisors of Hong Long Property. Mr. Zhang is a postgraduate of economic studies, a senior accountant, and qualified as a certified public accountant of the PRC in 1994. Mr. Zhang worked in various enterprises and government departments in Xingning City, Guangdong Province from 1979 to 1989; and vice director of the general inspection office for taxation and finance of Shenzhen, assistant to chief and office director of Shenzhen Finance Bureau, director of general affair division and director of account division of Shenzhen Finance Bureau since 1989. Beginning from 2001, Mr. Zhang has acted as the Party secretary, member of Party committee and section head of disciplinary section of the Bureau, overseeing duties such as the supervision and review of finance matters. Mr. Zhang has over 40 years experience in administration corporate management and financial and accounting management. Mr. Zhang has entered into a service contract with the Company which provides for a period of 3 years, commencing from 6 October 2008, Mr. Zhang holds office until 2009 general meeting, and he retired and was re-elected in 2009 annual general meeting pursuant to the Company's articles of association. Thereafter, the Company has entered into another service contract with Mr. Zhang for a term of 3 year since the end of the 2009 annual general meeting but subject to retirement by rotation, being eligible, for re-election in accordance with the Company's articles of association.

董事(續)

張宜均先生，55歲，於2009年12月加入本公司，任董事局副主席、總裁及執行董事，鴻隆地產總裁及董事。張先生畢業於中國華南師範大學，為高級經濟師，擁有上海交通大學高級管理人員工商管理碩士學位(EMBA)。他曾赴日研修企業管理及不動產管理，在投資及企業管理等方面有逾20年的經驗。彼曾任深圳市監察局局長，深圳市建設投資控股有限公司董事局主席兼總裁，深圳控股有限公司(股份代號：0604)總裁兼執行董事。張先生於2009年12月1日辭任深圳控股有限公司之執行董事及總裁職務，及於2009年12月7日和2009年12月11日分別辭任沿海綠色家園有限公司(股份代號：1124)和路勁基建有限公司(股份代號：1098)之非執行董事職務，上述3間公司均為香港上市公司。張先生已與本公司訂立為期三年的服務合約，自2009年12月22日生效。根據本公司組織章程，張先生的任期至本公司應屆股東大會止，惟可於應屆股東大會上合資格應膺連任。

張奕炎先生，59歲，於2008年10月加入本公司，任董事局副主席、聯席總裁及執行董事，鴻隆地產監事會主席。張先生為經濟學研究生畢業，正高級會計師職稱，1994年取得中國註冊會計師資格。張先生1970年至1989年曾在廣東省興寧的多家企業和政府部門供職，並自1989年在深圳市財政局先後任深圳市稅收財務大檢查辦公室副主任、財政局局長助理兼辦公室主任、綜合處處長及會計處長，2001年開始任局機關黨委書記、黨組成員及紀檢組長，分管財政監督檢查等工作。張先生在行政管理、企業管理及財務會計管理方面擁有40年的經驗。張先生已與本公司訂立為期三年的服務合約，自2008年10月6日生效。根據本公司組織章程，張先生的任期至2009年股東大會止，張先生於2009年股東週年大會上退任，並獲膺選連任。其後，本公司與張先生於2009年股東週年大會結束後再簽署為期三年之服務合同，惟張先生須根據本公司組織章程輪席退任並合資格膺選連任。

DIRECTORS (CONT'D)

Mr. Zeng Sheng, aged 30, is vice chairman, co-president and an executive director of the Company and vice president in Hong Long Property. He is responsible for the overall planning and investment project of the Company's businesses and the decision for its commercial management company. Mr. Zeng graduated from Shenzhen University in 2001. In October 2003, Mr. Zeng completed the EMBA course in Ling Nan College of Zhongshan University. Mr. Zeng joined the Company in 2001, and has extensive experience in property investment and commercial management. Currently, He is also the vice director of China Federation of Urban Commercial Outlets Construction Administration, a council member of Shenzhen Chamber of International Commerce, and the vice president of Shenzhen Retail Business Association. He was also awarded the honorary title of "Golden Coordinate • 60th Anniversary of New China • Excellent Promoter of China Commercial Real Estate" (「金坐標 • 新中國60週年 • 中國商業地產卓越推動人物」). Mr. Zeng is a director of Grand Prosperity Limited, the controlling shareholder of the Company, and the son of Mr. Zeng Yunshu, an executive director of the Company. Mr. Zeng has entered into a service contract with the Company for a term of 3 years, commencing from 22 February 2007, but subject to retirement by rotation and being eligible, re-election in accordance with the Company's articles of association, thereafter, Mr. Zeng retired by rotation and was re-elected in 2009 annual general meeting pursuant to the Company's articles of association. Furthermore, the Company has entered into another service contract with Mr. Zeng for a term of 3 year since the end of the 2009 annual general meeting but subject to retirement by rotation and, being eligible, re-election in accordance with the Company's articles of association.

Ms. Ye Qingdong, aged 43, is vice president and an executive director of the Company and vice president in Hong Long Property. She joined the Company in 2001. She is responsible for overseeing the Group's properties development and operation. Ms. Ye graduated from Xinjiang Engineering Institute (新疆工學院) in 1988 with a degree in engineering majoring in industrial and civil architecture. Ms. Ye also completed the Executive MBA Program of Shanghai University of Finance and Economic in 2007. Before joining the Group, Ms. Ye had worked in 新疆自治區紡織設計院 (Xinjiang Textile Design College) and 中糧地產(集團)股份有限公司 (COFCO Property (Group) Joint Stock Company Limited), Ms. Ye has over 13 years of experience in architecture and structural design, project assessment as well as development. Ms. Ye was named "2003年深圳50佳地產高級經理人" (The best 50 Senior Manager of Shenzhen Property for Year 2003) in 2003. Ms. Ye has entered into a service contract with the Company for a term of 3 years, commencing from 22 February 2007, but subject to retirement by rotation and being eligible, re-election in accordance with the Company's articles of association, thereafter, Ms. Ye retired and was re-elected in 2008 annual general meeting pursuant to the Company's articles of association. Furthermore, the Company has entered into another service contract with Ms. Ye for a term of 3 year since the end of the 2008 annual general meeting but subject to retirement by rotation and, being eligible, re-election in the forthcoming annual general meeting in accordance with the Company's articles of association.

董事(續)

曾勝先生，30歲，本公司董事局副主席、聯席總裁及執行董事，鴻隆地產副總裁。曾先生負責公司業務的整體規劃及專案投資和旗下商業管理公司的決策。曾先生於2001年畢業於深圳大學。2003年10月，完成中山大學嶺南學院行政工商管理碩士課程。曾先生於2001年加入本公司，在物業投資及商業管理等方面積累了廣泛的經驗。目前，彼亦擔任中國城市商業網點建設聯合會副主任、深圳國際商會理事、深圳零售協會副會長，2009年被授予「金坐標 • 新中國60週年-中國商業地產卓越推動人物」稱號。曾先生是本公司控股股東Grand Prosperity Limited之董事，同時也是本公司執行董事曾雲樞先生之兒子。曾先生與本公司訂立為期三年的服務合約，自2007年2月22日生效，惟曾先生須根據本公司組織章程輪席退任，合資格膺選連任。曾先生於2009年股東週年大會上輪席退任，並獲膺選連任。其後，本公司與曾先生於2009年股東週年大會結束後再簽署為期三年之服務合同，惟曾先生根據本公司組織章程須輪席退任並合資格膺選連任。

葉慶東女士，43歲，本公司副總裁及執行董事，鴻隆地產副總裁。彼於2001年加入本公司，負責監管本集團的房地產開發和經營。葉女士於1988年畢業於新疆工學院，取得工業及土木建築的工程學士學位，其亦於2007年在上海財經大學考獲高級人員工商管理碩士學位。在加入本集團之前，葉女士曾任職於新疆自治區紡織設計院及中糧地產(集團)股份有限公司，在建築及結構設計、專案評估及開發等領域擁有逾13年的經驗。葉女士於2003年獲譽為「2003年深圳五十佳地產高級經理人」。葉女士與本公司訂立為期三年的服務合約，自2007年2月22日生效，惟葉女士須根據本公司組織章程輪席退任，並合資格膺選連任。葉女士於2008年股東週年大會上輪席退任，並獲膺選連任。其後，本公司與葉女士於2008年股東週年大會結束後再簽署為期三年之服務合同，惟須於應屆股東大會上輪席退任並合資格膺選連任。

DIRECTORS (CONT'D)

Mr. Ouyang Junxin, aged 40, is an executive director of the Company, and the controller of the financial management centre of Honglong Property. Mr. Ouyang joined the Group in 2000 and is responsible for the corporate finance and overall financial matters of the Group. Mr. Ouyang graduated from 鄭州市黃河科技大學商貿學院 (the Business and Trade School of Huanghe Science and Technology University in Zhengzhou City) in 1993 specialising in industrial economic management. He has more than 16 years experience in finance and accounting management. Mr. Ouyang has entered into a service contract with the Company for a term of 3 years, commencing from 22 February 2007, but subject to retirement by rotation and being eligible, re-election in accordance with the Company's articles of association, thereafter, Mr. Ouyang retired and was re-elected in 2008 annual general meeting pursuant to the Company's articles of association. Furthermore, the Company has entered into another service contract with Mr. Ouyang for a term of 3 year since the end of the 2008 annual general meeting but subject to retirement by rotation and, being eligible, re-election in the forthcoming annual general meeting in accordance with the Company's articles of association.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Li Jun, aged 48, joined the Company in January 2007 as an independent non-executive director, the chairman of the remuneration committee and the member of the audit committee and the nomination committee, respectively. Dr. Li has extensive experience in enterprise management and investment risk control. Dr. Li is currently a non-executive director of Global Flex Holdings Limited (Stock Code: 0471) and an independent non-executive director of Zhejiang Glass Company, Limited (Stock Code: 0739) respectively, he resigned an executive director of Superb Summit International Timber Company Limited (Stock Code: 1228) on February 2009, all of the companies are listed on the Hong Kong Stock Exchange. Dr. Li has entered into a service contract with the Company until the forthcoming annual general meeting but subject to retirement by rotation and, being eligible, re-election in accordance with the Company's articles of association.

Mr. Cheung Ngai Lam, aged 41, joined the Company in January 2007 as an independent non-executive director, the chairman of audit committee, a member of the remuneration committee and nomination committee. Mr. Cheung is a member of the American Institute of Certified Public Accountants and CPA Australia. Mr. Cheung obtained a Bachelor Degree in Social Sciences from the University of Hong Kong, a Master of Accounting Degree from Curtin University of Technology, Perth, Australia and a Master of Science (Investment Management) Degree in Finance from the Hong Kong University of Science and Technology. He is an independent non-executive director of China Environmental Resources

董事(續)

歐陽俊新先生，40歲，本公司執行董事，鴻隆地產財務管理中心總監。歐陽先生於2000年加入本集團，負責本集團企業融資及整體財務事宜。歐陽先生於1993年畢業於鄭州市黃河科技大學商貿學院，主修工業經濟管理。彼在金融及會計管理方面擁有逾16年的經驗。歐陽先生與本公司訂立為期三年的服務合約，自2007年2月22日生效，惟歐陽先生須根據本公司組織章程輪席退任，並合資格膺選連任。歐陽先生於2008年股東週年大會上輪席退任，並獲膺選連任。其後，本公司與歐陽先生於2008年股東週年大會結束後再簽署為期三年之服務合約，惟須根據本公司組織章程於應屆股東週年大會上輪席退任並合資格膺選連任。

獨立非執行董事

李珺博士，48歲，於2007年1月加入本公司，任獨立非執行董事、薪酬委員會主席、審核委員會及提名委員會成員。李博士於企業管理及投資風險控制方面擁有豐富經驗，現分別為佳邦環球控股有限公司(股份代號：0471)的非執行董事及浙江玻璃股份有限公司(股份代號：0739)的獨立非執行董事，於2009年2月辭任奇峰國際木業有限公司(股份代號：1228)的執行董事，上述公司均在香港聯交所上市。李博士與本公司訂立服務合約至應屆股東週年大會止，惟須根據本公司組織章程輪席退任並合資格膺選連任(如合資格)。

張毅林先生，41歲，於2007年1月加入本公司，任獨立非執行董事、審核委員會主席、薪酬委員會及提名委員會會員。張先生為美國執業會計師公會會員及澳大利亞會計師公會會員。張先生擁有香港大學社科學士。澳大利亞柏斯科廷科技大學會計碩士及香港科技大學理學碩士(投資管理學)。自2008年7月4日至今，為香港上市公司中國環境資源集團有限公司(前稱奮發國際控股有限公司(股份代號：1130))之獨立非執行董事。彼於2005年3月9日至2008年4月7日期間曾任香港上市公司馬斯葛集團有限

DIRECTORS (CONT'D)

Group Limited (formerly known as Benefun International Holdings Limited) (Stock Code: 1130), a Hong Kong listed company, since 4 July 2008. He was an independent non-executive director of Mascotte Holdings Limited (Stock Code: 0136), a Hong Kong listed company, during the period from 9 March 2005 to 7 April 2008. Mr. Cheung currently works as the Corporate Development Director for Profound Heavy Industrial Limited. Mr. Cheung served at Deloitte Touche from 1991 to 1994, and he was the vice president and executive vice president of Daiwa Securities and Japan Asia Securities from 1994 to 2002 and 2002 to 2005 respectively. Mr. Cheung also worked as the Corporate Finance Director of Grant Thornton from 2005 to 2008. Mr. Cheung has extensive experience in the accounting area and capital market. Mr. Cheung has entered into a service contract with the Company until the forthcoming annual general meeting but subject to retirement by rotation and, eligible for re-election in accordance with the Company's articles of association.

Mr. Wang Fosong, aged 77, joined the Company in October 2008 as an independent non-executive director, member of the audit committee and the chairman of the nomination committee. He is an academician of the Chinese Academy of Sciences and academician of the Third World Academy of Sciences. He acted as director of Changchun Institute of Applied Chemistry of Chinese Academy of Sciences, vice director of the Chinese Academy of Sciences, member of Presidium of the Chinese Academy of Sciences Academic Divisions, chairman of Chemistry Division, vice chairman of China Petroleum Society, vice chairman of Chinese Material Research Society. He is currently the chief of the High Polymer Science Committee of China Chemical Society, vice chairman of China Association of Senior Scientists and Technicians and vice chairman of China International Culture Exchange Centre. Mr. Wang was a member of the 7th Chinese People's Political Consultative Conference, a member of the 8th and 9th National People's Congress Standing Committee and the National People's Congress Foreign Affairs Committee. He was awarded with the National Scientific and Technological Progress Special Prize, National Natural Science Award, International Award of the Society of High Polymer Science, Japan and Science and Technology Advancement Award of Ho Leung Ho Lee Foundation. Mr. Wang has entered into a service contract with the Company until the forthcoming annual general meeting but subject to retirement by rotation and eligible for re-election in accordance with the Company's articles of association.

董事(續)

公司(股份代號:0136)之獨立非執行董事。張先生現為偉業重工有限公司企業發展部總監。張先生曾於1991年至1994年在德勤會計師事務所任職,並於1994年至2002年和2002年至2005年期間分別擔任日資大和證券和日亞證券之副總裁和執行副總裁,並於2005年至2008年期間任均富會計師行之企業融資部總監。張先生於會計及資本市場方面累積了豐富經驗。張先生與本公司訂立服務合約至應屆股東週年大會止,惟須根據本公司組織章程輪席退任並合資格膺選連任。

王佛松先生,77歲,於2008年10月加入本公司,任獨立非執行董事、審核委員會成員、提名委員會主席。王先生為中國科學院院士,發展中國家科學院院士。歷任中國科學院長春應用化學研究所所長、中國科學院副院長、中國科學院學部主席團成員、化學學部主任、中國石油學會副理事長及中國材料研究會副理事長。彼現任中國化學會高分子學科委員會主任委員、中國老科技工作者協會副理事長、中國國際文化交流中心副理事長。王先生是第七屆全國政協委員、第八屆及第九屆全國人大常務委員會委員及全國人大外事委員會委員,曾獲國家科技進步特等獎、國家自然科學獎和日本高分子學會國際獎及何梁何利科學技術進步獎等獎項。王先生已與本公司訂立服務合約至本公司應屆股東週年大會止,惟須根據本公司組織章程輪席退任並合資格膺選連任。

DIRECTORS (CONT'D)

Mr. Li Wai Keung, aged 53, joined the Company in March 2010 as an independent non-executive director and members of audit committee, remuneration committee and nomination committee. He graduated from the Hong Kong Polytechnic University and holds a master's degree in Business Administration from The University of East Asia, Macau, currently known as the University of Macau. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Li has more than 32 years of experience in financial management. Mr. Li is currently an executive director and the financial controller of GDH Limited and also the financial controller of Guangdong Holdings Limited (廣東粵海控股有限公司). He is an independent non-executive director of Shenzhen Investment Limited (stock code: 0604), Hans Energy Company Limited (stock code: 0554) and China South City Holdings Limited (stock codes: 1668). Mr. Li is a non-executive director of Guangdong Investment Limited (stock code: 0270) appointed by GDI on 30 May 2000. Mr. Li is a director of Shenzhen City Airport (Group) Company Limited (深圳市機場(集團)有限公司). He is a member on the Council of the Hong Kong Chinese Orchestra Limited. He is also the vice chairman of the Financial and Accounting Affairs Steering Committee of the Hong Kong Chinese Enterprises Association (香港中國企業協會財會專業委員會). Previously, Mr. Li had worked in the subsidiaries of Henderson Land Development Company Limited (stock code: 0012). He was a member of the Election Committee for 2007 HKSAR Chief Executive Election. Mr. Li has entered into a service contract with the Company for one year. According to the articles of association of the Company, Mr. Li holds office until the forthcoming annual general meeting of the Company and shall be eligible for re-election.

SENIOR MANAGEMENT

Mr. Chu Kin Wang, Peleus, aged 45, is the Company secretary of the Company. He joined the Company in 2006 and is responsible for corporate finance, financial reporting and compliance and company secretarial matters of the Company. Mr. Chu graduated from The University of Hong Kong with a Master Degree in Business Administration. Mr. Chu is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He is also an associate member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Company Secretaries. Mr. Chu has over 20 years experience in corporate finance, audit, accounting and taxation.

董事(續)

李偉強先生，53歲，於2010年3月加入本公司，任獨立非執行董事和審核委員會、薪酬委員會及提名委員會成員。李先生畢業於香港理工大學，並持有澳門東亞大學(現稱為澳門大學)工商管理碩士學位。彼為英國特許公會會計師公會及香港會計師資深會員。李先生在財務管理方面擁有逾32年經驗。李先生現為粵海控股集團有限公司的執行董事兼財務總監及廣東粵海控股有限公司財務總監。彼亦擔任深圳控股有限公司(股份代號：0604)、漢思能源有限公司(股份代號：0554)及華南城控股有限公司(股份代號：1668)之獨立非執行董事。李先生現任粵海投資有限公司(股份代號：0270)之非執行董事，乃於2000年5月30日由粵海投資委任。李先生現擔任深圳市機場(集團)有限公司董事及香港中樂團理事會理事。彼亦為香港中國企業協會財會專業委員會副主任委員。之前，李先生曾任職於恒基兆業地產有限公司(股份代號：0012)旗下附屬公司。彼於2007年香港特別行政區行政長官選舉中擔任選舉委員會委員。李先生與本公司訂立為期一年之服務合約，惟根據本公司組織章程，李先生的任期至本公司應屆股東週年大會為止，並合資格膺選連任。

高級管理人員

朱健宏先生，45歲，現任本公司秘書。朱先生於2006年加入本公司，負責本公司的企業財務、財務申報及合規及公司秘書事宜。朱先生畢業於香港大學，獲頒工商管理碩士學位。朱先生為香港會計師公會及特許公認會計師公會資深會員，亦是英國特許秘書及管理人員公會和香港公司秘書公會會員。朱先生於企業財務、審核、會計及稅務方面擁有逾20年經驗。

SENIOR MANAGEMENT (CONT'D)

Ms. Wei Haiyan, aged 34, is the Group's deputy chief executive and the vice president of Hong Long Property. Ms. Wei joined the Company in 2000, is mainly responsible for the administration and personnel affairs of the Group. She graduated from the International Finance Department of Shenzhen University in 1993, majoring in International Finance, and thereafter, she completed all courses in Finance, Trade and Economy Department of the Chinese Academy of Social Sciences and all courses in the master students of digital management programme at the CIMS Engineering Technology Research Centre, Tsinghua University. Currently, Ms. Wei is a committee member of the People's Political Consultative Committee of Meizhou, Guangdong Province. She has over 12 years experience in management area.

Ms. Zhong Lili, aged 49, and is currently deputy chief executive of the Group and deputy general manager of Hong Long Property. She joined the Group at the end of 2001, is responsible for the overall legal affairs of the Group. Ms. Zhong graduated from the Southwest University of Political Science and Law (西南政法大學) and obtained a Bachelor Degree in Law in 1984. Ms. Zhong worked at the Policy Research Office of the Department of Justice of Sichuan Province (四川省司法廳政策研究室) and she was appointed as a lecturer of the Law School at the Southwest China Institute for Nationalities (西南民族學院) in 1991. Ms. Zhong worked as a legal adviser to a company listed on Shenzhen Stock Exchange in 1998 and was appointed as a legal consultant in a state-owned enterprise in 1999. Ms. Zhong has extensive knowledge in PRC legal affairs and approximately 22 years in law practice.

Mr. Xie Xinhao, aged 55, and is deputy chief executive of the Company and financial controller of Hong Long Property. He joined the Group in 2003, is responsible for the financial affairs of the Group. Mr. Xie had worked in a state-owned enterprise and a property developing company. Mr. Xie has many years of experience in finance and accounting practice and in real estate development and management in the PRC.

Mr. Tsui Kin Yee, aged 55, is currently deputy chief executive of the Company and vice president of Hong Long Property. Mr. Tsui joined the Group in 2007, and is responsible for the investment and planning affairs in the real estate development projects of the Group. Mr. Xu positioned in a Hong Kong listed company engaging in real estate development from 1995 to 2003, and was responsible for the acquisition, development and management work. Mr. Xu has over 12 years experience in real estate development and management.

高級管理人員(續)

魏海燕女士，34歲，現任本公司副總裁，鴻隆地產副總裁。魏女士於2000年加入本公司，主要負責本集團行政、人事方面的管理工作。彼於1993年在深圳大學國際金融系畢業，主修國際金融，後又完成了中國社會科學院財貿經濟系國際貿易專業及清華大學國家CIMS工程技術研究中心資訊化管理研究生全部課程。目前，魏女士為廣東省梅州市政協委員，在管理方面擁有逾12年的工作經驗。

仲力立女士，49歲，現任本公司副總裁，鴻隆地產副總裁。仲女士於2001年底加入本集團，負責本集團的整體法律事務。仲女士於1984年畢業於西南政法大學，獲法學學士學位。曾在四川省司法廳政策研究室工作，1991年調任西南民族學院法學院任講師。1998年，仲女士擔任一家深圳證券交易所上市公司的法律顧問，並於1999年獲任為一家國有企業的法律顧問。仲女士擁有中國法律事務知識逾22年的經驗。

謝新浩先生，55歲，現任本公司副總裁，鴻隆地產財務總監。謝先生於2003年加入本集團，負責集團的財務工作。謝先生曾受聘於一家國有企業及一家房地產開發公司。謝先生於金融及會計執業方面以及中國房地產開發及管理方面擁有多年經驗。

徐建義先生，55歲，現任本公司副總裁，鴻隆地產副總裁。徐先生於2007年加入本集團，負責本集團房地產專案投資及策劃事務。於1995年至2003年在另外一家香港上市的房地產公司任職，負責收購、開發及管理等等事務。徐先生於房地產開發行業及管理擁有逾12年的經驗。

The board of directors (the "Board") are pleased to present their annual report and the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2009.

PRINCIPAL ACTIVITIES AND SUBSIDIARIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries as at 31 December 2009 are set out in note 15 to the financial statements.

CORPORATE REORGANISATION

Pursuant to a group reorganisation scheme to rationalise the structure of the Group in preparation for the public listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the shares of the Company were listed on the Main Board of the Stock Exchange on 22 February 2007 (the "Listing Date").

Details of the group reorganisation are fully explained in the paragraph headed "Corporate Reorganisation" in Appendix VII to the prospectus of the Company dated 8 February 2007 (the "Prospectus").

RESULTS AND DIVIDEND

The results of the Group for the year are set out in the consolidated statement of comprehensive income on page 59.

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

Subsequent to the balance sheet date, as the Group has reached its 10th anniversary of establishment and the 3rd anniversary of listing, the Board decided on 5 February 2010 to pay a special dividend of HK\$0.15 per share as a token of thanks to the continuous support and trust given by the shareholders. Shareholders may elect to receive shares in lieu of cash at HK\$1.29 per share. Relevant cash and scrip dividends have been distributed to the shareholders on 31 March 2010. The Group will formulate appropriate dividend policy in accordance with the development needs in the future.

SHARE CAPITAL

Details of the movements in the issued share capital of the Company during the year are set out in note 30 to the financial statements.

董事會(「董事會」)欣然提呈本公司及其附屬公司(統稱為「本集團」)截至2009年12月31日止年度的年報及經審核綜合財務報表。

主要業務及附屬公司

本公司為投資控股公司。於2009年12月31日，其主要附屬公司之主要業務載於財務報表附註15。

企業重組

為籌備本公司股份在香港聯合交易所有限公司(「聯交所」)公開上市，本集團據此曾進行集團重組計劃，以優化本集團的架構，本公司股份於2007年2月22日(「上市日期」)在聯交所主板上市。

集團重組詳情在本公司於2007年2月8日刊發的招股章程(「招股章程」)附錄七「公司重組」一段詳述。

業績及股息

本集團於本年度之業績載於第59頁之綜合全面收益表。

本公司董事(「董事」)並不建議派發截至2009年12月31日止年度的末期股息(2008年：無)。

於資產負債表日後，適逢本集團成立十週年及上市三週年，為回報股東一直以來的支持和信任，董事會於2010年2月5日決定發放特別股息每股0.15港元，股東亦可選擇以1.29港元折算以股代息。有關現金及股票股息已於2010年3月31日分派給各股東。本集團將因應未來的發展需要而制定合適的派息政策。

股本

本公司年內已發行股本變動詳情載於財務報表附註30。

RESERVES

Profit attributable to equity shareholders of the Company, before dividends, of approximately RMB32,699,000 (2008: approximately RMB3,546,000) have been transferred to reserves. Details of the movement in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 63 and note 30(a) to the financial statements respectively.

DONATIONS

Charitable donations made by the Group during the year amounted to RMB62,000.

INVESTMENT PROPERTIES

Details of the investment properties of the Group during the year are set out in note 16 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movement in property, plant and equipment of the Group and the Company during the year are set out in note 14 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's largest customer and the five largest customers taken together accounted for 3.1% and 7.7% of the aggregate of the Group's total turnover for the year.

During the year, the aggregate purchases attributable to the Group's largest supplier and the five largest suppliers taken together accounted for 16.0% and 32.5% of the Group's total purchases for the year.

None of the Directors, their respective associates or, so far as the Directors are aware, any shareholder who owns more than 5% of the issued share capital of the Company has any interest in any of the said top five customers and suppliers of the Group for the year.

儲備

本公司權益股東應佔溢利(未扣除股息)約人民幣32,699,000元(2008年:約人民幣3,546,000元)已轉撥至儲備。本集團及本公司年內儲備變動的詳情分別載於第63頁之綜合權益變動表及財務報表附註30(a)。

捐款

本集團年內作出之慈善捐款為人民幣62,000元。

投資物業

本集團於年內的投資物業詳情載於財務報表附註16。

物業、機器及設備

本集團及本公司於年內的物業、機器及設備詳情載於財務報表附註14。

主要客戶及供應商

年內,本集團最大客戶及五大客戶之總銷售額分別佔本集團本年度總營業額的3.1%及7.7%。

年內,本集團最大供應商及五大供應商之總採購額分別佔本集團本年度總採購的16.0%及32.5%。

概無董事、彼等各自之聯繫人、或就董事所知擁有本公司已發行股本5%之任何股東於年內擁有本集團上述任何五大客戶及供應商的權益。

DIRECTORS

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

EXECUTIVE DIRECTORS:

Mr. ZENG Yunshu (*Chairman*)
Mr. ZHANG Yijun (*appointed on 22 December 2009*)
Mr. ZHANG Yiyun
Mr. ZENG Sheng
Ms. YE Qingdong
Mr. OUYANG Junxin
Dr. HAN Qinchen (*resigned on 19 January 2010*)

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Dr. LI Jun
Mr. CHEUNG Ngai Lam
Mr. WANG Fosong
Mr. LI Wai Keung (*appointed on 16 March 2010*)

BIOGRAPHICAL DETAILS OF THE DIRECTORS

The biographical details of the current Directors are set out on page 24 to page 29 of this annual report.

DIRECTORS' SERVICE CONTRACTS AND ROTATION

Each of the executive directors has entered into a service contract with the Company for a term of 3 years commencing from their respective dates of appointment approved by the Board or re-election in general meeting pursuant to the Company's articles of association. Each service contract will continue thereafter until terminated by not less than six months' notice in writing served by either party. Each of the independent non-executive directors has been appointed to hold the office until the end of the forthcoming general meeting. In addition, the appointment of each of Directors is subject to retirement by rotation and, being eligible, offer themselves for re-election in accordance with the Company's articles of association.

董事

本公司年內及截至本報告日期之在任董事如下：

執行董事：

曾雲樞先生 (*主席*)
張宜均先生 (*於2009年12月22日獲委任*)
張奕炎先生
曾勝先生
葉慶東女士
歐陽俊新先生
韓秦春博士 (*於2010年1月19日辭任*)

獨立非執行董事：

李珺博士
張毅林先生
王佛松先生
李偉強先生 (*於2010年3月16日獲委任*)

董事履歷

現任董事履歷詳情載於本年報第24至29頁。

董事之服務合約及輪席

各執行董事與本公司訂立為期三年的服務合約，按本公司組織章程自本公司董事會批准之各自獲委任日期或股東大會獲膺選連任日期起生效。各服務合約將一直生效，直至任何一方發出最少六個月書面通知終止為止。各獨立非執行董事的任期至應屆股東週年大會結束為止。此外，各董事之委任須根據本公司組織章程輪席退任並合資格膺選連任。

DIRECTORS' SERVICE CONTRACTS AND ROTATION (CONT'D)

In accordance with the provisions of the Company's articles of association, Mr. Zhang Yijun and Mr. Li Wai Keung appointed during the year and up to the date of this report, respectively and Ms. Ye Qingdong, Mr. Quyang Junxin, Dr. Li Jun, Mr. Cheung Ngai Lam and Mr. Wang Fosong will retire from the Board by rotation at the forthcoming annual general meeting and being eligible, will offer themselves for re-election.

Other than disclosed above, none of the Directors has entered or has proposed to enter into any service contract with the Company or any of its subsidiaries which is not expiring or determinable by the employing company within one year without payment of compensation other than statutory compensation.

DIRECTORS' EMOLUMENTS

Details of Directors' emoluments on a named basis are set out in note 9 to financial statements.

ANNUAL CONFIRMATION FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company had received written confirmation from each of the independent non-executive directors of their independence pursuant to rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and both the Board and the nomination committee considered all independent non-executive directors are independent.

董事之服務合約及輪席(續)

根據本公司組織章程規定，張宜均先生和李偉強先生(分別於本年度內及截至本報告日獲委任)及葉慶東女士、歐陽俊新先生、李璿博士、張毅林先生及王佛松先生須於應屆股東週年大會輪席退任，惟彼等符合資格並願意膺選連任。

除上述所披露者外，概無董事已或擬與本公司或任何其附屬公司訂立不可於一年內不支付賠償(法定賠償除外)則終止之服務合約。

董事酬金

按姓名分類之董事酬金詳情載於財務報表附註9。

獨立非執行董事之年度確認書

本公司已收到各位獨立非執行董事有關彼等根據聯交所證券上市規則(「上市規則」)第3.13條發出的年度獨立的書面確認書，而董事會及提名委員會均認為所有獨立非執行董事均具獨立性。

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES OR DEBENTURES

As at 31 December 2009, the interests of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (the "Associated Corporations") as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

LONG POSITION IN THE SHARES OF THE COMPANY

於本公司股份之好倉

董事於股份、相關股份或債券中之權益

於2009年12月31日，董事於本公司或其任何相聯法團（按證券及期貨條例第XV部之涵義）（「相聯法團」）之股份、相關股份及債券中擁有根據證券及期貨條例第352條須存置之登記冊所記錄或根據上市發行人董事進行證券交易之標準守則（「標準守則」）而另行知會本公司及聯交所之權益如下：

Name of Director	董事姓名	Number of shares			Number of underlying shares held under equity derivatives	Total	Percentage of aggregate interests to total number of shares in issue* 佔已發行股份總數之百分比*
		Personal interests	Family interests	Corporate interests			
		個人權益	家族權益	公司權益	按股本衍生工具持有相關股份之數目	總計	%
Mr. Zeng Yunshu	曾雲樞先生	2,426,000 ¹	-	-	-	2,426,000	0.23
Mr. Zhang Yijun ²	張宜均先生 ²	-	11,500,000	-	-	11,500,000	1.11
Dr. Han Qinchun ³	韓秦春博士 ³	5,078,000 ¹	-	-	-	5,078,000	0.49
Mr. Zeng Sheng	曾勝先生	380,000 ¹	-	582,320,000 ⁴	-	582,700,000	56.02
Ms. Ye Qingdong	葉慶東女士	102,000 ¹	-	-	5,000,000 ⁵	5,102,000	0.49
Mr. Ouyang Junxin	歐陽俊新先生	104,000 ¹	-	-	2,000,000 ⁵	2,104,000	0.20
Dr. Li Jun	李珺博士	-	-	-	1,000,000 ⁵	1,000,000	0.10
Mr. Cheung Ngai Lam	張毅林先生	-	-	-	1,000,000 ⁵	1,000,000	0.10

Notes:

- This represents interests held by the relevant Director as beneficial owner.
- The shares are held by the spouse of Mr. Zhang Yijun.
- Dr. Han Qinchun has resigned as Director on 19 January 2010.

附註：

- 此指由相關董事作為實益擁有人持有之權益。
- 此等股份由張宜均先生之配偶持有。
- 韓秦春博士於2010年1月19日辭任董事職務。

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES OR DEBENTURES (CONT'D)

4. This represents interests held by Mr. Zeng Sheng through Grand Prosperity Limited ("Grand Prosperity"), which holds 582,320,000 shares of the Company. Mr. Zeng Sheng has 80% interest in Grand Prosperity, he is therefore deemed to be interested in 582,320,000 shares of the Company. Reference is made to the announcement of the Company issued on 21 December 2009 (the "Announcement") and unless the context herewith otherwise requires, terms used in this note shall have the same meanings as in the Announcement. On December 16, 2009, Grand Prosperity entered into the First Charge Over Shares in favour of the Security Trustee (acting on behalf of the Onshore Lender). Under the First Charge Over Shares, Grand Prosperity has agreed to charge the Grand Prosperity Shares to the Security Trustee (acting on behalf of the Onshore Lender). The First Charge Over Shares has been entered into as a continuing security for the Onshore Facility provided by the Onshore Lender. On December 21, 2009, the Company entered into the Credit Note with the Third Party, under which the Third Party has agreed to make available to the Company the Offshore Financing in the amount of US\$40,000,000. The Offshore Financing has a term of two years. Further, the Company has been advised that on December 21, 2009, Grand Prosperity entered into the Second Charge Over Shares in favour of the Third Party, by which Grand Prosperity agreed to charge the Grand Prosperity Shares to the Third Party as a continuing security for the Offshore Financing.
5. This represents interests in options held by the relevant Director as a beneficial owner to subscribe for the relevant underlying shares granted by the Company under the Pre-IPO Share Options or Shares Option Scheme, details of which are set out in the section headed "Share Option".
- * The percentage has been adjusted based on the total number of shares of the Company in issue as at 31 December 2009 (i.e. 1,040,250,000 shares).

Save as disclosed above, as at 31 December 2009, none of the Directors had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its Associated Corporations which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

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

董事於股份、相關股份或債券中之權益(續)

4. 此指由曾勝先生透過 Grand Prosperity Limited (「Grand Prosperity」) 持有之權益，而 Grand Prosperity 持有 582,320,000 股本公司股份。曾勝先生擁有 Grand Prosperity 之 80% 權益，因而彼視為擁有 582,320,000 股本公司股份之權益。謹提述本公司於 2009 年 12 月 21 日刊發之公告(「該公告」)及除本文另有規定外，本附註所使用之詞彙與該公告內具相同涵義。Grand Prosperity 於 2009 年 12 月 16 日訂立以抵押受託人(代表境內貸方行事)為受益人的第一股份押記。根據第一股份押記，Grand Prosperity 同意將 Grand Prosperity 股份質押予抵押受託人(代表境內貸方行事)。訂立第一股份押記乃作為境內貸方提供之境內融資的持續保證。於 2009 年 12 月 21 日，本公司與第三方訂立信貸票據，據此第三方同意向本公司提供金額為 40,000,000 美元的境外融資。境外融資之年期為兩年。此外，本公司獲通知，Grand Prosperity 於 2009 年 12 月 21 日訂立以第三方為受益人的第二股份押記，據此 Grand Prosperity 同意將 Grand Prosperity 股份抵押予第三方，作為境外融資的持續保證。
5. 此指由相關董事作為實益擁有人持有之認股權權益，可認購根據首次公開發售前認股權或認股權計劃授予之相關股份，有關詳情載於「認股權」一節。
- * 百分比已根據本公司於 2009 年 12 月 31 日已發行之股份總數(即 1,040,250,000 股)作出調整。

除上文所披露者外，於 2009 年 12 月 31 日，概無董事於本公司或其任何相聯法團之股份、相關股份或債券中擁有記入根據證券及期貨條例第 352 條所存置之登記冊或根據標準守則另行知會本公司及聯交所之任何其他權益或淡倉。

董事於重大合約的權益

本公司或任何其附屬公司或其控股公司概無訂立任何董事於其中直接或間接擁有重大權益而於年結日或年內任何時間仍然生效的重大合約。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

In order to protect the Group's interest in its current business activities, each of Grand Prosperity, Mr. Zeng Sheng and Mr. Zeng Yunshu has, as covenantor, entered into the deed of non-competition (the "Deed of Non-competition") dated 31 January 2007 in favour of the Company, the details of which are set out in the section headed "Relationship with the Controlling Shareholders" of the Prospectus. Pursuant to the Deed of Non-competition, each of the covenantors has undertaken, subject to the terms therein, to the Company (for itself and for the benefit of its subsidiaries) that it/he would not, and would procure that its/his associates and/or companies controlled by it/him (other than the Group) would not, either on its/his own account or in conjunction with or on behalf of any person, firm or company, directly or indirectly be interested or engaged in or acquire or hold an interest (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) in any business which is or is about to be engaged in any business which competes or is likely to compete directly or indirectly with the Group's business, those other businesses of the Group as set out in the Prospectus, in Hong Kong, the PRC and any other country or jurisdiction to which the Group markets or sells its products and/or in which any member of the Group carries on business mentioned above from time to time. The Company has received an annual declaration from each of Grand Prosperity, Mr. Zeng Sheng and Mr. Zeng Yunshu for its/his respective compliance with the undertakings under the Deed of Non-competition.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

As at 31 December 2009, the number of outstanding option shares granted by the Company under the Pre IPO-Share Options and Share Option Scheme to the Directors to subscribe for shares of the Company, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code is set out in the section headed "Share Option" of this report below.

董事於競爭業務中的權益

為保障本集團目前業務活動中的利益，Grand Prosperity、曾勝先生及曾雲樞先生作為授約人，各自於2007年1月31日訂立以本公司為受益人的不競爭契約（「不競爭契約」），有關詳情載於招股章程之「與控股股東的關係」一節。根據不競爭契約，各授約人已向本公司（代表其本身及為其附屬公司的利益）承諾，在不競爭契約的條款規限下，其將不會和將促使其聯繫人士及／或其所控制的公司（除本集團外）不會（不論其本身或聯合或代表任何人士、商號或公司）直接或間接在香港、中國及任何其他本集團推廣或銷售其產品及／或本集團任何成員公司不時進行上述業務的國家或司法管轄區，直接或間接於任何參與或準備參與任何與本集團業務競爭或很大機會直接或間接與本集團業務競爭的任何業務中擁有權益、參與經營或取得或持有權益（於各種情況下，不論是作為股東、夥伴、代理或其他身份及不論為賺取盈利、回報或其他）。本公司已收到Grand Prosperity、曾勝先生及曾雲樞先生各自就已遵守不競爭契約下的承諾而發出的年度聲明。

董事購買股份及債券的權利

於2009年12月31日，按照證券及期貨條例第352條須存置之登記冊所記錄或根據標準守則另行向本公司及聯交所知會，本公司根據首次公開發售前認股權及認股權計劃授予可認購本公司股份之尚未行使認股權數目載於本報告下文「認股權」一節。

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES (CONT'D)

Apart from the aforesaid, at no time during the year was the Company, its subsidiaries, its fellow subsidiaries or its holding companies a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 December 2009, the interests of those persons (other than the Directors) in the shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

董事購買股份及債券的權利(續)

除上述外，年內本公司、其附屬公司、其同系附屬公司或其控股公司概無訂立任何安排，致使董事可透過購買本公司股份或任何其他法團之股份而獲益。

主要股東於本公司股本之權益

於2009年12月31日，於本公司股份擁有根據證券及期貨條例第336條本公司須存置之登記冊所記錄之權益之該等人士(董事除外)如下：

Name 名稱	Capacity in which shares were held 於所持有股份之身份	Number of shares 股份數目	Number of underlying shares held under equity derivatives 按股本衍生 工具持有相關 股份之數目	Percentage of shares to total number of shares in issue % 股份佔已發行 股份總數 之百分比 %
Zeng Sheng ¹ 曾勝 ¹	Beneficial owner 實益擁有人	380,000	–	0.04%
	Interest of controlled corporation 受控公司權益	582,320,000	–	55.98%
Grand Prosperity ¹	Beneficial owner 實益擁有人	582,320,000	–	55.98%
Lehman Brothers Holdings Inc. ² ("LB HLD")	Interest of controlled corporation 受控公司權益	60,608,000	9,000,000	6.69%

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY (CONT'D)

Notes:

1. This represents (i) 582,320,000 shares held by Grand Prosperity which is owned as to 80% by Mr. Zeng Sheng and 20% by Mr. Zeng Yunshu, both of them are executive Directors and (ii) 380,000 shares held by Mr. Zeng Sheng as beneficial owner. On December 16, 2009, Grand Prosperity entered into the First Charge Over Shares in favour of the Security Trustee (acting on behalf of the Onshore Lender). Under the First Charge Over Shares, Grand Prosperity has agreed to charge the Grand Prosperity Shares to the Security Trustee (acting on behalf of the Onshore Lender). The First Charge Over Shares has been entered into as a continuing security for the Onshore Facility provided by the Onshore Lender. On December 21, 2009, the Company entered into the Credit Note with the Third Party, under which the Third Party has agreed to make available to the Company the Offshore Financing in the amount of US\$40,000,000. The Offshore Financing has a term of two years. Further, the Company has been advised that on December 21, 2009, Grand Prosperity entered into the Second Charge Over Shares in favour of the Third Party, by which Grand Prosperity agreed to charge the Grand Prosperity Shares to the Third Party as a continuing security for the Offshore Financing.
 2. Lehman Brothers Commercial Corporation Asia Limited ("LBCCA"), which holds in total of 69,608,000 interests in the Company as beneficial owner, is owned 50% interests by each of LBCCA Holdings I LLC ("LBCCA I") and LBCCA Holdings II LLC ("LBCCA II"). Both LBCCA I and LBCCA II themselves are wholly owned by LB HLD and accordingly, the shares in which LBCCA are shown to be interested are also included in the shares in which LB HLD is shown to be interested. The number of shares held and underlying shares held under equity derivatives have been adjusted based on the information from LB HLD.
- * The percentage has been adjusted based on the total number of shares of the Company in issue as at 31 December 2009 (i.e. 1,040,250,000 shares).

Save as disclosed above, as at 31 December 2009, the Company had not been notified of any interests and short positions in the shares and underlying shares of the Company which had been recorded in the register required to be kept under section 336 of the SFO.

PUBLIC FLOAT

Based on the information that is publicly available to the Company from the Listing Date and up to the date of this report and within the knowledge of the Directors, there was sufficiency of public float of the Company's securities as required under the Listing Rules.

主要股東於本公司股本之權益(續)

附註：

1. 此代表 (i) Grand Prosperity 持有之 582,320,000 股股份，而 Grand Prosperity 分別由曾勝先生及曾雲樞先生(均為執行董事)擁有 80% 及 20% 權益及 (ii) 曾勝先生作為實益擁有人持有之 380,000 股股份。Grand Prosperity 於 2009 年 12 月 16 日訂立以抵押受託人(代表境內貸方行事)為受益人的第一股份押記。根據第一股份押記，Grand Prosperity 同意將 Grand Prosperity 股份質押予抵押受託人(代表境內貸方行事)。訂立第一股份押記乃作為境內貸方提供之境內融資的持續保證。於 2009 年 12 月 21 日，本公司與第三方訂立信貸票據，據此第三方同意向本公司提供金額為 40,000,000 美元的境外融資。境外融資之年期為兩年。此外，本公司獲通知，Grand Prosperity 於 2009 年 12 月 21 日訂立以第三方為受益人的第二股份押記，據此 Grand Prosperity 同意將 Grand Prosperity 股份抵押予第三方，作為境外融資的持續保證。
 2. Lehman Brothers Commercial Corporation Asia Limited ("LBCCA") (作為實益擁有人持有本公司共 69,608,000 權益) 由 LBCCA Holdings I LLC ("LBCCA I") 及 LBCCA Holdings II LLC ("LBCCA II") 各自擁有 50% 權益。LBCCA I 及 LBCCA II 本身均由 LB HLD 全資擁有，因此，LBCCA 所示擁有權益之股份亦計入 LB HLD 所示擁有權益之股份內。所持有之股份及根據股本衍生工具持有之相關股份之數目已按 LB HLD 提供之資料作出調整。
- * 百分比已根據本公司於 2009 年 12 月 31 日已發行之股份總數(即 1,040,250,000 股)作出調整。

除上文所披露者外，於 2009 年 12 月 31 日，本公司並無獲知會於本公司股份及相關股份中擁有根據證券及期貨條例第 336 條須存置之登記冊所記錄之任何權益及淡倉。

公眾持股量

根據由上市日期至本報告日期本公司所獲公開資料及就董事所知，本公司具有符合上市規則所規定本公司證券之充足公眾持股量。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws in the Cayman Islands.

SHARE OPTION

On 31 January 2007, in recognition of the contributions made by employees of the Group towards its growth and success, an aggregate of 23,000,000 share options of the Company (the "Pre-IPO Share Options") have been granted by the Company to, and accepted by the relevant employees prior to listing of the Company's shares on the Stock Exchange. On the same day, a share option scheme (the "Share Option Scheme") was adopted by the shareholder's written resolution of the Company.

The Listing Committee of Stock Exchange has granted the listing of, and permission to deal in the shares of the Company which may fall to be issued pursuant to the exercise of the options which granted and/or may be granted under the Pre-IPO Share Options and/or Share Option Scheme, subsequently.

As at 31 December 2009, a total of 55,951,000 share options were outstanding which comprised 19,000,000 share options and 36,951,000 share options granted under the Pre-IPO Share Options and the Share Option Scheme respectively. All share options granted under the Pre-IPO Share Options were exercised subsequent to the balance sheet date.

The following is a summary of the principal terms of the Pre-IPO Share Options and the Share Option Scheme:

(A) PRE-IPO SHARE OPTIONS

Purpose

Recognition of the contributions made by employees of the Group towards its growth and success.

Exercise Period

Since 22 August 2007 to 21 February 2012 unless extended in writing by the Board (and approved by the independent non-executive directors) in its absolute discretion. Each of the Pre-IPO Share Options (to the extent not already exercised) shall lapse automatically at the end of such option period.

優先權

本公司之公司組織章程或開曼群島法例並無有關優先權之條文。

認股權

於2007年1月31日，為表彰本集團的僱員對其成長及成功所作出之貢獻，本公司於本公司股份在聯交所上市前向有關僱員授出合共23,000,000份本公司認股權（「首次公開發售前認股權」），並獲該等僱員接納。同日，根據本公司之股東書面決議案，本公司亦採納一項認股權計劃（「認股權計劃」）。

聯交所上市委員會已批准因根據首次公開發售前認股權及／或認股權計劃授出及／或可能授出之認股權獲行使而須予發行之本公司股份上市及買賣。

於2009年12月31日，共計55,951,000份認股權未獲行使，包括分別根據首次公開發售前認股權及認股權計劃授出之19,000,000份認股權及36,951,000份認股權。所有根據首次公開發售前認股權的認股權已於資產負債表日後悉數行使。

以下乃首次公開發售前認股權及認股權計劃之主要條款之概要：

(A) 首次公開發售前認股權

目的

表彰本集團僱員對其成長及成功所作出之貢獻。

行使期

自2007年8月22日起 至2012年2月21日止，除非獲董事會全權酌情以書面方式延長（及獲獨立非執行董事批准）則作別論。每份未獲行使之首次公開發售前認股權將於該認股權期限結束時自動失效。

SHARE OPTION (CONT'D)

(A) PRE-IPO SHARE OPTIONS (CONT'D)

Exercise Price

HK\$0.60 per share to be issued pursuant to the exercise of the Pre-IPO Share Options, representing a discount of 75% to the maximum IPO Offer Price as described in the Prospectus. The exercise price was determined in recognition of the contributions made to the Group by the respective grantees of the Pre-IPO Share Options.

Other Conditions

- (1) The grant of the Pre-IPO Share Options is subject to the following additions conditions:
 - (a) the commencement of dealings in shares;
 - (b) any exercise of the Pre-IPO Share Options must be made in full and not in part;
 - (c) the Pre-IPO Share Options are personal to the relevant grantees and shall not be transferred or assigned, and shall constitute a term of the employment of the relevant grantees by the Group;
 - (d) the grantees of the Pre-IPO Share Options shall adhere to any undertaking or restrictions that may be further imposed on them by the Company, the Stock Exchange or the sponsor as described in the Prospectus; and
 - (e) any exercise of the Pre-IPO Share Options shall be further subject to any guidelines issued by the Company from time to time in order to ensure full compliance with the Listing Rules.
- (2) The grantees shall not dispose of their respective shares issued pursuant to the exercise of the Pre-IPO Share Options granted to them in the following manner:
 - (a) in any number greater than 30% of all the shares of issued pursuant to the Pre-IPO Share Options granted to them within (2) two years from the Listing Date;

認股權 (續)

(A) 首次公開發售前認股權 (續)

行使價

每股0.60港元因首次公開發售前認股權獲行使而將予發行之股份，較招股章程所述之最高首次公開發售價折讓75%。行使價乃就表彰首次公開發售前認股權之各自承授人對本集團作出之貢獻而釐定。

其他條件

- (1) 授出首次公開發售前認股權須受以下附加條件規限：
 - (a) 股份開始買賣；
 - (b) 首次公開發售前認股權必須全部而非部份予以行使；
 - (c) 首次公開發售前認股權屬有關承授人個人所有，不得轉讓或授讓，並構成本集團聘用有關承授人之一項條件；
 - (d) 首次公開發售前認股權之各承授人須遵循本公司、聯交所或招股章程所述之保薦人可能進一步對彼等施加之任何承諾或限制；及
 - (e) 首次公開發售前認股權之任何行使須受本公司不時所發出任何指引之進一步規限，以確保全面遵守上市規則之規定。
- (2) 承授人不得以下列方式出售彼等因行使獲授予之首次公開發售前認股權而發行之股份：
 - (a) 自上市日期起計兩(2)年內，高於彼等獲授予根據首次公開發售前認股權而發行之所有股份30%之任何數目；

SHARE OPTION (CONT'D)

(A) PRE-IPO SHARE OPTIONS (CONT'D)

- (b) in any number greater than 60% of all the Shares issued pursuant to the Pre-IPO Share Options granted to them within (3) three years from the Listing Date; and
 - (c) all the shares issued pursuant to the Pre-IPO Share Options granted to them within (4) four years from the Listing Date.
- (3) The Pre-IPO Share Options (if not already exercised) held by each individual grantee shall lapse automatically upon cessation of his/her employment with the Group, regardless of how such cessation of employment arises.

(B) SHARE OPTION SCHEME

Purpose

Recognize and acknowledge the contributions that the grantees had made or may make to the Group.

Participants

Eligible participants include:

- (a) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company ("Affiliate");
- (b) the trustee of any trust the beneficiary of which or an discretionary trust the discretionary objects of which include any director, employee, consultant professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or
- (c) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

認股權 (續)

(A) 首次公開發售前認股權 (續)

- (b) 自上市日期起計三(3)年內，高於彼等獲授予根據首次公開發售前認股權而發行之所有股份60%之任何數目；及
 - (c) 自上市日期起計四(4)年內，彼等獲授予根據首次公開發售前認股權而發行之所有股份。
- (3) 各個別承授人所持有之首次公開發售前認股權(倘並未行使)會於本集團終止聘用該承授人時失效(不論任何終止情況)。

(B) 認股權計劃

目的

表彰及感謝承授人過往或可能對本集團所作出之貢獻。

參與者

合資格參與者包括：

- (a) 本集團、本集團持有權益之公司或該公司附屬公司之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴或諮詢人或承建商(「聯屬人」)；
- (b) 任何信託受託人之受益人或任何全權信託之全權對象，包括本集團或聯屬人之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴、諮詢人或承建商；或
- (c) 本集團或聯屬人之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴、諮詢人或承辦商所實益擁有之公司。

SHARE OPTION (CONT'D)

(B) SHARE OPTION SCHEME (CONT'D)

Exercise price

Determined by the Board and shall not be less than the higher of:

- (a) the nominal value of the share;
- (b) the closing price of (1) one share on the Stock Exchange at the offer date, which must be a trading day; and
- (c) the average closing price of the share on the Stock Exchange for the five business days immediately preceding the offer date.

Total number of shares available for issue and the percentage of the issued shares capital that it represents as at the date of this annual report

104,025,000 shares, being approximately 10% of the issued shares of the Company.

Maximum entitlement of each participant

Not exceed 1% of the shares in issue in any 12-month period.

Period within which the securities must be taken up under the option

Subject to the discretion by the Board and, in the absence of which, from the date of acceptance to the earlier of the date on which such option lapses and 10 years from the date of offer.

Minimum period for which an option must be held before it can be exercised

Subject to the discretion by the Board.

Amount payable on acceptance

HK\$10.00 payable upon acceptance of the offer.

Period within which calls/loans must be made/repaid

Not applicable.

認股權(續)

(b) 認股權計劃(續)

行使價

由董事會釐定，且不得低於以下之最高者：

- (a) 股份之面值；
- (b) 於發售日期(須為營業日)股份在聯交所之每股收市價；及
- (c) 緊接發售日期前五個營業日股份在聯交所之平均收市價。

可發行股份總數及於本年報日期佔已發行股份之百分比

104,025,000 股股份，佔本公司已發行股份約 10%。

每名參與者之最高配額

不超過於任何十二個月期間已發行股份之 1%。

根據認股權認購證券之期限

由董事會酌情釐定，而如並無釐定，由接納日期起至有關認股權失效之日及由授出日期起計滿十年(以較早發生者為準)。

認股權行使前必須持有之最短期限

由董事會酌情釐定。

接納時應付金額

於接納時應付 10.00 港元。

付款金額/貸款須作出/償還之期限

不適用。

SHARE OPTION (CONT'D)

(B) SHARE OPTION SCHEME (CONT'D)

Remaining life of the scheme

The scheme will be valid and effective until 31 January 2017, after which no further options will be granted but the provisions of the scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the duration of the scheme and remain unexercised immediately prior to 31 January 2017 shall continue to be exercisable in accordance with their terms of grant, notwithstanding the expiry of the scheme.

Movements of the option shares, which were granted under the Pre-IPO Share Options, during the year ended 31 December 2009 are listed below in accordance with rule 17.07 of the Listing Rules:

Category	類別	During the year 年內				As at於 01.01.2009	Lapsed/ cancelled 已失效/ 已註銷	Exercise price 行使價 HK\$ 港元	Exercise period 行使期
		Granted 已授出	Exercised 已行使	As at於 31.12.2009					
Directors	董事								
Ms. Ye Qingdong	葉慶東女士	5,000,000	-	-	-	5,000,000	0.60	22.08.2007- 21.02.2012	
Mr. Ouyang Junxin	歐陽俊新先生	2,000,000	-	-	-	2,000,000	0.60	22.08.2007- 21.02.2012	
Continuous Contracts Employees	持續合約僱員	12,000,000	-	-	-	12,000,000	0.60	22.08.2007- 21.02.2012	
Total	總計	19,000,000	-	-	-	19,000,000			

Notes:

- The vesting period for all option granted is six months from the Listing Date.
- The exercise price of the share options representing a discount of 75% to the maximum IPO Offer Price as described in the Prospectus.
- All outstanding share options as at 31 December 2009 have been exercised subsequent to the balance sheet date.

認股權 (續)

(B) 認股權計劃 (續)

該計劃之餘下年期

該計劃將生效及有效直至2017年1月31日，此後將不會授出任何認股權，但該計劃之條文於所有其他方面將維持十足效力及有效。於該計劃期內授出且於緊接2017年1月31日前仍未獲行使但符合上市規則條文之認股權，將可繼續根據彼等之授出條款予以行使，儘管該計劃之期限已屆滿。

於截至2009年12月31日止年度內，根據首次公開發售前認股權授出之認股權變動如下(乃根據上市規則第17.07條載列)：

附註：

- 所有已授出認股權之歸屬期為由上市日期起計六個月。
- 認股權之行使價較招股章程所述之最高首次公開發售價折讓75%。
- 所有於2009年12月31日未行使之認股權已於資產負債表日後悉數行使。

SHARE OPTION (CONT'D)

(B) SHARE OPTION SCHEME (CONT'D)

Movements of the option shares, which were granted under the Share Option Scheme, during the year ended 31 December 2009 are listed below in accordance with rule 17.07 of the Listing Rules:

Category	類別	Date of grant 授出日期	As at 於 01.01.2009	During the year 年內			As at 於 31.12.2009	Exercise price 行使價 HK\$ 港元	Exercise period 行使期
				Granted 已授出	Exercised 已行使	Lapsed/ cancelled 已失效/ 已註銷			
Directors	董事								
Dr. Li Jun	李珺博士	15.05.2007	1,000,000	-	-	-	1,000,000	1.84	15.11.2007- 14.05.2017
Mr. Cheung Ngai Lam	張毅林先生	15.05.2007	1,000,000	-	-	-	1,000,000	1.84	15.11.2007- 14.05.2017
Continuous Contract Employees	持續合約僱員								
		15.05.2007	13,139,000	-	-	(188,000)	12,951,000	1.84	15.11.2007- 14.05.2017
		10.10.2007	1,000,000	-	-	-	1,000,000	2.99	10.04.2008- 09.10.2017
Consultants	顧問								
		15.05.2007	18,000,000	-	-	(5,000,000)	13,000,000	1.84	15.11.2007- 14.05.2017
		10.10.2007#	20,000,000	-	-	(20,000,000)	-	2.99	10.10.2008- 09.10.2017
		13.02.2008	8,000,000	-	-	-	8,000,000	1.70	13.08.2008- 12.08.2018
Total	總計		62,139,000	-	-	(25,188,000)	36,951,000		

Notes:

- The vesting period for all the options granted is six months from the date of acceptance of the offer. Save as the one marked with "#", the vesting period is one year from the date of acceptance of the offer.
- The exercise price of the share options is subject to the adjustment in case of right or bonus issues or other similar changes in the Company's share capital.
- When the share options are lapsed or cancelled, the amount previously recognised in capital reserve will be transferred to retained profits.

認股權 (續)

(B) 認股權計劃 (續)

於截至2009年12月31日止年度內，根據認股權計劃授出之認股權變動如下（乃根據上市規則第17.07條載列）：

附註：

- 所有已授出認股權之歸屬期為由接納授出日期起計六個月，惟該認股權附註「#」記號，其歸屬期為由接納授出日期起計一年。
- 認股權之行使價將因應供股或發行紅股或本公司股本之其他類似變動而作出調整。
- 當認股權已失效或被註銷，早前於資本儲備確認之數額將轉撥至保留溢利。

SHARE OPTION (CONT'D)

(c) FAIR VALUE OF SHARE OPTIONS AND ASSUMPTIONS

The estimate of the fair value of the outstanding share options is measured based on both the Black-Scholes pricing model and the binomial lattice model. The contractual life and expectations of early exercise of the share options were used as inputs into relevant models.

Fair value of share options and assumptions
認股權的公允值及假設

		Grant date 授出日期			
		31 January 2007 2007年1月31日	15 May 2007 2007年5月15日	10 October 2007 2007年10月10日	13 February 2008 2008年2月13日
Fair value at measurement date	於計量日期的公允值	HK\$0.78 0.78港元	HK\$0.47 0.47港元	HK\$0.64 0.64港元	HK\$0.54 0.54港元
Share price	股價	N/A 不適用	HK\$1.84 1.84港元	HK\$2.93 2.93港元	HK\$1.61 1.61港元
Exercise price	行使價	HK\$0.60 0.60港元	HK\$1.84 1.84港元	HK\$2.99 2.99港元	HK\$1.70 1.70港元
Expected volatility (expressed as weighted average volatility used in the models)	預期波幅(以該等模式中採用的加權平均波幅表示)	47.9%	48.9%	51.1%	56.2%
Option life (expressed as weighted average life used in the models)	認股權年期(以該等模式中採用的加權平均年期表示)	3 years 3年	3.25 years 3.25年	10 years 10年	10 years 10年
Expected dividends	預期股息	4.4%	3.4%	1.2%	0.0%
Risk-free interest rate (based on Exchange Fund Notes)	無風險利率(以外匯基金票據計算)	4.0%	4.2%	4.3%	2.7%
Valuation model used	採用的估值模式	Black-Scholes 伯力克-舒爾斯	Black-Scholes 伯力克-舒爾斯	Binomial 二項式	Binomial 二項式

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information.

Share options were granted under a service condition. The condition has not been taken into account the fair value measurement of the services received on the grant date. There were no market conditions associated with the share options granted.

認股權(續)

(c) 認股權的公允值及假設

未行使之認股權的公允值估計乃根據伯力克-舒爾斯定價模式及二項式點陣模式計量。認股權的合約年期及預期提早行使乃作為數據輸入有關模式。

預期波幅乃根據歷史波幅(根據認股權的加權平均餘下年期計算), 並就根據公開可用的資料調整任何預期變動的未來波幅。

認股權根據服務狀況批授。該狀況並無計及所收取服務於授出日期的公允值計量。認股權批授並無與市場條件有關。

PENSION SCHEMES

The pension schemes of the Group are primarily in form of contributions to the PRC statutory public welfare fund and Hong Kong's Mandatory Provident Funds, respectively.

CONNECTED TRANSACTIONS

During the year, the Company did not have any connected transactions which were subject to the requirements of the Listing Rules.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole and any substantial part of the business of the Company were entered into or existed during the year.

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

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

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Board adopted the Model Code. The Directors have confirmed their compliance with the required standards as set out in the Model Code during the year ended 31 December 2009.

POST BALANCE SHEET EVENT

Details of significant events occurring after the balance sheet date as set out in note 36 to the financial statements.

AUDITOR

KPMG retire and, being eligible, offer themselves for re-appointment in forthcoming annual general meeting of the Company. A resolution for the re-appointment of KPMG as auditor of the Company is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Zeng Yunshu
Chairman

16 April 2010

退休金計劃

本集團之退休金計劃主要分別為中國法定公益金供款計劃及香港強制性公積金。

關連交易

年內，本公司並無進行任何須遵守上市規則規定之關連交易。

管理合約

年內概無訂立或存在任何關於本公司業務全部及任何重要部分之管理及行政合約。

購買、出售或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

董事進行證券交易之守則

董事會已採納標準守則。董事確認彼等於截至2009年12月31日止年度內一直遵守標準守則所載之規定標準。

資產負債表日後事項

資產負債表日後發生之重大事項詳情載於財務報表附註36。

核數師

畢馬威會計師事務所任滿告退，惟表示願意於本公司之應屆股東週年大會上膺選連任。有關重新委任畢馬威會計師事務所為本公司核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

曾雲樞
主席

2010年4月16日

The Company has always recognised the importance of shareholders transparency and accountability. It is the belief of the Board that shareholders can maximise their benefits from good corporate governance. The Company is committed to ensure high standards of corporate governance in the interest of its shareholders.

The directors of the Company (the “Directors”) acknowledge their responsibility for 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.

(A) CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Code of Corporate Governance Practices (the “Code”) as stated in Appendix 14 to the Rules of Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), which has been revised and the amendments became effective on 1 January 2009. As far as the Code is concerned, the Company complies with all aspects of the Code except for the Code of A.2.1 regarding the separation of roles of chairman and president (chief executive officer) which, in the Company’s opinion, would not be appropriate for the adoption by the Company. The role of chairman and president (chief executive officer) of the Company are performed by the same individual, Mr. Zeng Yunshu (曾雲樞先生). The Board meets regularly to consider major matters affecting the operations of the Company. The Board considered that this structure does not impair the balance of power and authority between the Board and the management of the Company and believes that this structure enables the Group to make and implement decision promptly and efficiently. Therefore, the Board are of the view that the role of chairman and president (chief executive officer) of the Company can be performed by the same individual. Since 22 December 2009, Mr. Zhang Yijun (張宜均先生) has been appointed as executive director and chief executive officer of the Company, the Code of A.2.1 then has been complied with. The Board believed that after the appointment of Mr. Zhang Yijun as chief executive officer, the division of responsibilities between chairman and chief executive officer could be clearly defined and identified, which enhances the corporate governance of the Company to meet future development of the Group.

本公司深明對股東的透明度及問責之重要性。董事會相信股東可從良好之企業管治中獲得最大的裨益。本集團致力確保良好的企業管治標準，以符合股東利益。

本公司董事（「董事」）知悉彼等有關根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露規定編製及真實而公平地呈列該等綜合財務報表的責任。此責任包括設計、實行及維持有關編製及真實而公平地呈列該等綜合財務報表的內部監控，以使該等財務報表並不存在任何由於欺詐或錯誤而導致的重大錯誤陳述；選擇及應用適當的會計政策；及根據情況作出合理的會計估計。

(A) 企業管治常規

本集團已採納香港聯合交易所有限公司證券上市規則（「上市規則」），經已作出修訂，而有關修訂已於2009年1月1日生效）附錄十四所載的企業管治常規守則（「守則」）的守則條文。就所涉及的守則而言，本公司遵守守則的所有方面，惟守則第A.2.1條有關主席與總裁（行政總裁）的角色應各自獨立除外，而本公司認為並不適合採納此項守則。本公司的主席及總裁（行政總裁）均由同一人士即曾雲樞先生擔任。董事會定時召開會議以審議影響本公司營運的重大事宜。董事會認為此架構不會損害董事會與管理層之間的權力與授權的平衡，並相信此架構可令本集團迅速及有效地作出和實施決策。因此，董事會認為，本公司主席與總裁（行政總裁）的角色可由同一人士擔任。自2009年12月22日張宜均先生獲委任為本公司執行董事及總裁起，已遵守守則第A.2.1條。董事會相信委任張宜均先生為總裁後，主席與總裁之間職責的分工可清楚劃分及界定，有助提升本公司企業管治水平以面對本集團將來之發展。

(B) DIRECTORS' SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Specific enquiry has been made to all Directors regarding any non-compliance with the Model Code during the year and they all confirmed that they have fully complied with the required standard set out in the Model Code.

In addition, the Company has adopted provisions of the Model Code as written guidelines for relevant employees (as defined in provision A.5.4 of Appendix 14 to the Listing Rules) in respect of their dealings in the securities of the Company. Such relevant employees should abide by the provisions of the Model Code.

In consideration of the new amendments to the Model Code (the "Amendments"), which became effective on the 1st quarter of 2009, the Board has revised its Model Code corresponding to the Amendments.

(C) BOARD OF DIRECTORS

COMPOSITION

The composition of the Board ensures a balance of skills and experience appropriate to the requirements of the business of the Company and to the exercising of independent opinion.

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

EXECUTIVE DIRECTORS:

Mr. ZENG Yunshu
Mr. ZHANG Yijun (appointed on 22 December 2009)

Mr. ZHANG Yiyan
Mr. ZENG Sheng
Ms. YE Qingdong
Mr. OUYANG Junxin
Dr. HAN Qinchun (resigned on 19 January 2010)

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Dr. LI Jun
Mr. CHEUNG Ngai Lam
Mr. WANG Fosong
Mr. LI Wai Keung (appointed on 16 March 2010)

The biographical details of the current Directors are set out on page 24 to page 29 of this annual report.

(B) 董事進行的證券交易

董事會已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行證券交易的行為守則。年內，本公司已就是否有任何違反標準守則的事項向全體董事作出具體查詢，而彼等均確認彼等已全面遵守標準守則所載標準。

此外，本公司亦已就有關僱員買賣本公司證券而採納標準守則條文作為彼等的書面指引(定義見上市規則附錄十四條文第A.5.4條)。有關僱員須按照標準守則的條文行事。

考慮到標準守則的新修訂(「修訂」，已於2009年第一季生效)，董事會已根據修訂對其標準守則作出相應修改。

(C) 董事會

組成

董事會之組成確保了本公司業務運作及獨立意見所需要的技能及經驗。

年內及直至本報告日期止在任董事如下：

執行董事：

曾雲樞先生
張宜均先生 (於2009年12月22日獲委任)

張奕炎先生
曾勝先生
葉慶東女士
歐陽俊新先生
韓秦春博士 (於2010年1月19日辭任)

獨立非執行董事：

李瑋博士
張毅林先生
王佛松先生
李偉強先生 (於2010年3月16日獲委任)

現任董事履歷載於本年報第24頁至第29頁。

Corporate Governance Report 企業管治報告

(C) BOARD OF DIRECTORS (CONT'D)

NUMBER OF MEETINGS HELD AND ATTENDANCE

The Board normally has 4 scheduled meetings a year and meet at other times as and when required to review financial and internal control, risk management, company strategy and operating performance of the Group. During the year ended 31 December 2009, a total number of 12 regular and adhoc Board meetings, 2 audit committee meetings, 2 remuneration committee meetings and 2 nomination committee meeting were held. Minutes of these meetings are kept by the company secretary of the Company and are open for inspection by Directors.

The individual attendance records of each Director, on a named basis, at the meetings of the Board, audit committee, remuneration committee and nomination committee during the year ended 31 December 2009 are set out below:

Name of Directors	董事姓名	Attendance/Number of Meetings entitled to attend 出席／有權出席會議的次數			
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Mr. ZENG Yunshu	曾雲樞先生	12/12	-	2/2	-
Mr. ZHANG Yijun ¹	張宜均先生 ¹	1/1	-	-	-
Mr. ZHANG Yiyan	張奕炎先生	12/12	-	-	-
Mr. ZENG Sheng	曾勝先生	12/12	-	-	-
Ms. YE Qingdong	葉慶東女士	12/12	-	-	-
Mr. OUYANG Junxin	歐陽俊新先生	12/12	-	-	-
Dr. HAN Qinchun ²	韓秦春博士 ²	9/12	-	-	-
Dr. LI Jun	李璿博士	3/12	2/2	2/2	2/2
Mr. CHEUNG Ngai Lam	張毅林先生	3/12	2/2	2/2	2/2
Mr. WANG Fosong	王佛松先生	3/12	2/2	-	2/2
Mr. LI Wai Keung ³	李偉強先生 ³	N/A (不適用)	N/A (不適用)	N/A (不適用)	N/A (不適用)

Notes:

1. Mr. ZHANG Yijun appointed on 22 December 2009.
2. Dr. HAN Qinchun resigned on 19 January 2010.
3. Mr. LI Wai Keung appointed on 16 March 2010.

(C) 董事會 (續)

已舉行會議及出席的次數

董事會一般每年舉行4次會議，並在有需要時舉行會議檢討本集團的財務及內部監控、風險管理、公司策略及營運業績。截至2009年12月31日止年度內，合共舉行了12次定期及特別董事會會議、2次審核委員會會議、2次薪酬委員會會議及2次提名委員會會議。該等會議的紀錄由本公司公司秘書保存，並公開供董事查閱。

截至2009年12月31日止年度內，按姓名分類的每位董事出席董事會會議、審核委員會、薪酬委員會及提名委員會的個別出席紀錄載列如下：

附註：

1. 張宜均先生於2009年12月22日獲委任。
2. 韓秦春博士於2010年1月19日辭任。
3. 李偉強先生於2010年3月16日獲委任。

(C) BOARD OF DIRECTORS (CONT'D)

RESPONSIBILITY OF THE BOARD

The Board is responsible to ensure that there is a competent executive management which is able to run the Company in a sound and efficient manner. The Board is also responsible for establishing the Company's business strategies and plans from time to time to ensure that the operations of the Company are conducted effectively.

The Board is responsible for preparation of the financial statements. In preparing the financial statements, the generally accepted accounting principles in Hong Kong have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made.

The Board also conducts appropriate internal control procedures and reviews risk management strategies and policies of the Company to ensure that the Company runs its business in compliance with all legal and regulatory requirements with prudence and integrity.

RESPONSIBILITY OF THE DIRECTORS

Each executive director is delegated individual authority and responsibility to oversee and monitor the operations of a specific business unit, and to implement the strategies and policies set out by the Board. The independent non-executive directors provide independent opinion and share their knowledge and experiences with the other members of the Board, audit committee, remuneration committee and nomination committee.

ANNUAL CONFIRMATION FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each independent non-executive directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Board and the nomination committee consider all of the independent non-executive directors are independent.

TERMS OF NON-EXECUTIVE DIRECTORS

Each of the non-executive and/or independent non-executive directors has been appointed to hold the office until the forthcoming annual general meeting. In addition, the appointment of each of the non-executive and/or independent non-executive directors is subject to retirement by rotation in accordance with the Company's Articles of Association.

(C) 董事會(續)

董事會責任

董事會負責確保行政管理層能使本公司妥善及有效經營，並不時制定本公司業務策略及計劃，以確保有效營運。

董事會負責編製財務報表。於編製財務報表時，已採納香港公認會計原則，使用及貫徹應用適當的會計政策，並作出合理審慎的判斷及估計。

董事會亦進行適當內部監控程序，並檢討本公司的風險管理策略及政策，以確保本公司在符合所有法例及監管規定的情況下審慎而真誠地經營業務。

董事責任

各執行董事獲個別授權監督及監察特定業務單位的運作，並推行董事會制定的策略及政策。獨立非執行董事提供獨立意見，並與董事會、審核委員會、薪酬委員會及提名委員會其他成員分享相關知識及經驗。

獨立非執行董事的年度確認書

本公司已收到每位獨立非執行董事根據上市規則第3.13條發出的年度獨立確認書。董事會及提名委員會認為，所有獨立非執行董事均具獨立性。

非執行董事任期

每位非執行董事及／或獨立非執行董事的任期至應屆股東週年大會結束為止。此外，獲委任的每位非執行董事及／或獨立非執行董事須根據本公司的組織章程輪席退任。

(D) REMUNERATION OF DIRECTORS

The Board has established a remuneration committee ("RC") with written terms of reference as suggested under the code provision under the Code. The RC comprises the following four members:

- (i) Dr. Li Jun, chairman of RC (*independent non-executive director*);
- (ii) Mr. Zeng Yunshu (*executive director and chairman of the Board*);
- (iii) Mr. Cheung Ngai Lam (*independent non-executive director*); and
- (iv) Mr. Li Wai Keung (*independent non-executive director*).

The RC meets at least once a year to determine the remuneration policy for Directors and senior management. During the year ended 31 December 2009, a total number of 2 meetings were held to determine the remuneration policy for Directors and/or senior management. The attendance records of the RC, on a named basis, are set out under section of "Number of Meetings Held and Attendance" on page 50 of this annual report.

The RC has primary responsibility for making recommendations for approval by the Board with respect to matters relating to the remuneration of the executive directors of the Company. The major responsibilities of the RC are:

- (i) to make recommendations on the Company's policies and structure for all the remuneration of Directors;
- (ii) to propose the specific remuneration packages of the executive directors, and to make recommendations on the remuneration of the non-executive directors for the Board's approval;
- (iii) to review and propose performance-based remuneration for executive directors by reference to corporate goals and objectives resolved by the Board from time to time; and
- (iv) to administer and make determinations with regard to the Company's share option scheme.

During the year, the Board approved all the recommendations of the RC. Details of the amount of Directors' emoluments during the year ended 31 December 2009 are set out in note 9 to the financial statements.

(D) 董事薪酬

董事會已成立薪酬委員會，並按守則的守則條文建議制定書面職權範圍。薪酬委員會由以下四名成員組成：

- (i) 李珺博士，薪酬委員會主席（獨立非執行董事）；
- (ii) 曾雲樞先生（執行董事及董事會主席）；
- (iii) 張毅林先生（獨立非執行董事）；及
- (iv) 李偉強先生（獨立非執行董事）。

薪酬委員會每年至少舉行一次會議，以釐定董事及高級管理層的薪酬政策。截至2009年12月31日止年度內，合共舉行了2次會議，以釐定董事及／或高級管理層的薪酬政策。按姓名分類的出席薪酬委員會會議的出勤記錄載於本年報第50頁的「已舉行會議及出席的次數」一節。

薪酬委員會主要負責就有關本公司執行董事的薪酬事宜提出推薦意見，以供董事會批准。薪酬委員會的主要責任為：

- (i) 就本公司有關董事所有薪酬的政策及架構提出推薦意見；
- (ii) 就執行董事的特別薪酬待遇提出建議，及就非執行董事的薪酬提出推薦意見以供董事會批准；
- (iii) 參照董事會不時議決的公司目標及宗旨、建議執行董事基於表現的薪酬；及
- (iv) 管理本公司的認股權計劃並就此作出決定。

年內，董事會批准了薪酬委員會的所有推薦意見。截至2009年12月31日止年度內，有關董事袍金款額的詳情載於財務報表附註9。

(E) AUDIT COMMITTEE

The Board has established an audit committee (“AC”) with written terms of reference as suggested under the code provision under the Code. The AC comprises the following four members, all of them are independent non-executive directors:

- (i) Mr. Cheung Ngai Lam (*chairman of AC*);
- (ii) Dr. Li Jun;
- (iii) Mr. Wang Fosong; and
- (iv) Mr. Li Wai Keung.

The AC meets at least twice a year to review and approve the Group’s financial reporting process and internal control system. During the year ended 31 December 2009, a total number of 2 meetings were held. The attendance records of the AC, on a named basis, are set out under section of “Number of Meetings Held and Attendance” on page 50 of this annual report.

The AC acknowledged the new amendments to the terms of reference of the AC under the Listing Rules became effective 1 January 2009 in relation to, inter alia, abolishment of the requirement of appointment of qualified accountant and the amendments to the terms of reference of the AC and thereafter appropriate actions have been taken by the Board and the AC accordingly.

The major responsibilities of the AC are:

- (i) to make recommendations with respect to the appointment, re-appointment and removal of the Company’s external auditor, and to evaluate their independence, objectivity and effectiveness of the audit process;
- (ii) to review and monitor the interim and annual financial statements, reports and accounts of the Company, and to review significant and judgemental financial reporting issues contained therein;
- (iii) to review the Company’s financial controls, internal controls and risk management systems; and
- (iv) to discuss with the management the system of internal controls, and to ensure that the management has discharged its duties and responsibilities in implementing an effective internal control system.

The Group’s annual results for the year ended 31 December 2009 have been reviewed by the AC.

(E) 審核委員會

董事會已成立審核委員會，並按守則的守則條文建議制定書面職權範圍。審核委員會由以下四名成員（均為獨立非執行董事）組成：

- (i) 張毅林先生（*審核委員會主席*）；
- (ii) 李珺博士；
- (iii) 王佛松先生；及
- (iv) 李偉強先生。

審核委員會每年至少舉行兩次會議，以檢討及批准本集團的財務申報程序及內部監控系統。截至2009年12月31日止年度內，合共舉行了2次會議。按姓名分類的出席審核委員會會議的出勤紀錄載於本年報第50頁的「已舉行會議及出席的次數」一節。

審核委員會知悉上市規則下有關審核委員會職權範圍的新修訂（於2009年1月1日生效），該等新修訂關於（其中包括）廢除委任合資格會計師的規定及對審核委員會職權範圍作出的修訂，而董事會及審核委員會亦已於其後採取適當的行動。

審核委員會的主要責任為：

- (i) 就委任、重新委任及罷免本公司的外聘核數師提出推薦意見，以及客觀評估彼等的獨立性及審核程序的成效；
- (ii) 檢討及監察本公司的中期及年度財務報表、報告及賬目，以及檢討其中所載的重大及決策性財務申報事宜；
- (iii) 檢討本公司的財務監控、內部監控及風險管理系統；及
- (iv) 與管理層討論內部監控系統，以及確保管理層於落實有效的內部監控系統方面已履行其職責及責任。

本集團截至2009年12月31日止年度的年度業績已由審核委員會審閱。

(E) AUDIT COMMITTEE (CONT'D)

AUDITOR'S REMUNERATION

During the year ended 31 December 2009, the fees paid/payable to auditor in respect of audit services and non-audit services provided by the auditor to the Group were as follows:

Nature of services	服務性質	2009	2008
		HK\$'000 千港元	HK\$'000 千港元
Audit	核數	1,800	1,800
Others	其他	308	600
Total	總計	2,108	2,400

(F) NOMINATION COMMITTEE

The Board has established a nomination committee ("NC") with written terms of reference as suggested under the code provision under the Code. The members of nomination committee are independent non-executive directors, namely:

- (i) Mr. Wang Fosong (*chairman of NC*);
- (ii) Dr. Li Jun;
- (iii) Mr. Cheung Ngai Lam; and
- (iv) Mr. Li Wai Keung.

The NC meets at least once a year to make recommendations to the Board on the appointment of Directors and the management of the Board's succession. During the year ended 31 December 2009, a total number of 2 meetings were held. The attendance records of the nomination committee, on a named basis, are set out under section of "Number of Meetings Held and Attendance" on page 50 of this annual report.

(E) 審核委員會 (續)

核數師酬金

截至2009年12月31日止年度，就核數師向本集團提供的核數服務及非核數服務而已付／應付予核數師的費用如下：

	2009	2008
	HK\$'000 千港元	HK\$'000 千港元
Audit	1,800	1,800
Others	308	600
Total	2,108	2,400

(F) 提名委員會

董事會已成立提名委員會，並按守則的守則條文建議制定書面職權範圍。提名委員會由以下獨立非執行董事組成：

- (i) 王佛松先生 (*提名委員會主席*)；
- (ii) 李珺博士；
- (iii) 張毅林先生；及
- (iv) 李偉強先生。

提名委員會每年至少舉行一次會議，以就委任董事及董事會繼承管理向董事會提出推薦意見。截至2009年12月31日止年度內，合共舉行了2次會議。按姓名分類的出席提名委員會會議的出勤記錄載於本年報第50頁的「已舉行會議及出席的次數」一節。

(F) NOMINATION COMMITTEE (CONT'D)

The major responsibilities of the NC are:

- (i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
- (ii) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iii) to assess the independence of independent non-executive directors; and
- (iv) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the president (chief executive officer).

During the year, the Board approved all the recommendations of the NC. The retirement by rotation of the following Directors at the forthcoming annual general meeting have been approved by the NC:-

EXECUTIVE DIRECTORS:

Mr. ZHANG Yijun
Ms. YE Qingdong
Mr. OUYANG Junxin

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Dr. LI Jun
Mr. CHEUNG Ngai Lam
Mr. WANG Fosong
Mr. LI Wai Keung

(G) INTERNAL CONTROL

The Board has the responsibility to maintain an effective internal control system in order to protect the Group's assets and shareholders' interests. The Board and AC also conduct periodic reviews to ensure the effectiveness of the Group's internal control system. The internal control system includes a well established corporate structure and organisation with clearly defined lines of responsibility and authority. Each department is responsible for its daily operations, and is also required to implement and monitor the strategies and policies adopted by the Board and effective employment of the resources of the Company, in order to avoid misappropriation of resources and damages made to the Company's assets, and prevent against errors and fraud.

(F) 提名委員會 (續)

提名委員會的主要責任為：

- (i) 定期檢討董事會的架構、規模及組成(包括技能、知識及經驗)及就任何建議調整向董事會提出推薦建議；
- (ii) 物色具備合適資格可擔任董事之人士，及挑選獲提名出任董事之人士或就此向董事會提出推薦意見；
- (iii) 評估獨立非執行董事的獨立性；及
- (iv) 就有關委任或重新委任董事以及董事尤其是主席及總裁(行政總裁)繼任計劃的相關事宜向董事會提出推薦意見。

年內，董事會批准了提名委員會的所有推薦意見。下列董事於應屆股東週年大會上輪席退任已獲提名委員會批准：

執行董事：

張宜均先生
葉慶東女士
歐陽俊新先生

獨立非執行董事：

李 珺博士
張毅林先生
王佛松先生
李偉強先生

(G) 內部監控

董事會有責任維持及檢討公司的內部監控系統，以保障集團的資產及股東的權益。董事會及審核委員會定期檢討本集團內部監控系統以確保其效用性。內部監控系統包括公司的結構和組織，清楚界定各部門的職責範圍和權屬。各部門不僅負責日常業務的操作，還需要實施及監察董事會所決定的政策、策略及整體的資源有效運用，以防止濫用資源、資產受損、防止錯失及欺詐行為的發生。

(G) INTERNAL CONTROL(CONT'D)

The Board and AC assess the effectiveness of the internal control system and procedures based on information derived from discussions with the management of the Company and its external auditor. The Board and AC believe that the existing internal control system is adequate and effective.

The review covers all material controls, including financial, operational and compliance controls and risk management functions as well as the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

The Board has established a clearly defined scope of activities, responsibility and authority for each department and its management staff within the Group. The Group has a defined goal for each department to accomplish, these goals were discussed in the Board meeting and pass on to the management through the executive directors. These goals will be implemented and closely monitored by the executive directors who shall review the operational and financial results from time to time, and to take any necessary actions for the improvement of it business activities.

(H) INVESTOR RELATIONS

The Company is committed to maintain high level of transparency in communicating with shareholders and the investment community at large. The Company provides information in relation to the Company and its business in its annual report which is to be dispatched to shareholders of the Company on a timely basis. The Group's corporate website (<http://www.hlkg.net/>) also provides an effective communication medium through which the public and investors can obtain updated information about the Group.

(G) 內部監控(續)

董事會及審核委員會參考公司管理層及外聘核數師所提供的資料，評估內部監控及其程序之有效性。董事會及審核委員會相信現時之內部監控系統已經足夠及有效地運用。

審閱涵蓋所有重大監控範疇，包括財務、營運和合規監控、風險管理職能以及資源足夠性、本公司會計及財務申報部門的員工資歷及經驗，以及彼等的培訓計劃及預算。

董事會對各行政管理人員設有清晰而明確的權責。本集團訂立明確的目標予各部門來完成，各項目標均在董事會會議決定後，由執行董事交給各管理部門執行。各執行董事會密切監察公司的各項業務、審閱業務進度和財務報告、檢討及作出相應的改善。

(H) 投資者關係

本公司在與股東及投資者溝通方面竭力保持高透明度，亦透過定期向本公司股東寄發年報以提供有關本公司及其業務資料。本集團的公司網站(<http://www.hlkg.net/>)更是公眾及投資者獲得本集團最新資料的有效溝通媒介。

Independent Auditor's Report 獨立核數師報告



Independent auditor's report to the shareholders of Hong Long Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Hong Long Holdings Limited (the "Company") set out on pages 59 to 152, which comprise the consolidated and the company balance sheets as at 31 December 2009, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

致鴻隆控股有限公司股東
之獨立核數師報告
(於開曼群島註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第59頁至第152頁鴻隆控股有限公司(「本公司」)的綜合財務報表，此綜合財務報表包括於2009年12月31日的綜合及公司資產負債表與截至該日止年度的綜合全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露要求編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見。我們謹向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

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

審核涉及執行程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真

Independent Auditor's Report 獨立核數師報告

considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the group as at 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.

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
16 April 2010

實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於2009年12月31日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》之披露要求妥為編製。

執業會計師
香港中環
遮打道10號
太子大廈8樓
2010年4月16日

Consolidated Statement of Comprehensive Income 綜合全面收益表

For the year ended 31 December 2009 截至2009年12月31日止年度

(Expressed in Renminbi Thousand Yuan) (以人民幣千元列示)

		Note 附註	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Turnover	營業額	4 & 13	362,369	119,628
Cost of sales	銷售成本		(274,903)	(73,716)
Gross profit	毛利		87,466	45,912
Other net income	其他收益淨額	5	64,964	37,097
Other revenue	其他收入	6	31,071	55,491
Selling and distribution expenses	銷售及分銷費用		(21,775)	(5,226)
General and administrative expenses	一般及行政費用		(35,304)	(32,273)
Other operating expenses	其他營運費用		(10,711)	(40,831)
Net increase in fair value of investment properties	投資物業的公允值的增加淨額	16	56,830	62,120
Profit from operations	經營溢利		172,541	122,290
Net change in fair value of derivative financial instruments	衍生金融工具的公允值的變動淨額	23(b)	(19,994)	58,533
Finance costs	融資成本	7(a)	(87,843)	(90,227)
Profit before taxation	除稅前溢利	7	64,704	90,596
Income tax	所得稅	8(a)	(33,497)	(87,236)
Profit and total comprehensive income for the year	本年度溢利及全面收益總額		31,207	3,360
Attributable to:	以下人士應佔：			
Equity shareholders of the Company	本公司權益股東		32,699	3,546
Minority interests	少數股東權益		(1,492)	(186)
Profit and total comprehensive income for the year	本年度溢利及全面收益總額		31,207	3,360
Earnings per share (RMB cents)	每股盈利 (人民幣分)	12		
Basic	基本		3.14	0.34
Diluted	攤薄		3.13	0.34

The notes on pages 66 to 152 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 30(b).

第66頁至第152頁的附註屬本財務報表的一部分。應付本公司權益股東應佔本年度溢利之股息詳情載於附註30(b)。

Consolidated Balance Sheet 綜合資產負債表

At 31 December 2009 於2009年12月31日

(Expressed in Renminbi Thousand Yuan) (以人民幣千元列示)

		Note	2009	2008
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	9,921	11,053
Investment properties	投資物業	16	1,376,436	1,319,606
Deferred tax assets	遞延稅項資產	28(b)	49,947	38,249
			1,436,304	1,368,908
Current assets	流動資產			
Inventories	存貨	17	2,042,233	1,602,452
Trade and other receivables	應收賬款及其他應收款	18	697,519	528,486
Prepaid land costs	預付土地成本	19	85,596	219,549
Trading securities	買賣證券	20	4,519	967
Pledged deposits	抵押存款	22	73,569	59,846
Cash at bank and in hand	銀行存款及現金		216,950	44,102
			3,120,386	2,455,402
Current liabilities	流動負債			
Bank and other borrowings	銀行及其他借貸	24	375,800	510,124
Trade and other payables, and accruals	應付賬款、其他應付款及預提費用	25	478,033	402,576
Receipts in advance	預收賬款	26	82,257	86,094
Rental and other deposits	租賃及其他按金	27	11,743	11,129
Taxation payable	應付稅項	28(a)	262,552	245,652
			1,210,385	1,255,575
Net current assets	流動資產淨值		1,910,001	1,199,827
Total assets less current liabilities	資產總值減流動負債		3,346,305	2,568,735
Non-current liabilities	非流動負債			
Borrowings	借貸	23	1,393,834	699,725
Deferred tax liabilities	遞延稅項負債	28(b)	231,634	209,207
			1,625,468	908,932
Net assets	資產淨值		1,720,837	1,659,803

Consolidated Balance Sheet 綜合資產負債表

At 31 December 2009 於2009年12月31日

(Expressed in Renminbi Thousand Yuan) (以人民幣千元列示)

		Note	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
		附註		
Capital and reserves	資本及儲備			
Share capital	股本	30(c)	10,296	10,296
Reserves	儲備		1,707,809	1,636,425
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額		1,718,105	1,646,721
Minority interests	少數股東權益		2,732	13,082
Total equity	權益總額		1,720,837	1,659,803

Approved and authorised for issue by the board of directors (the "Board") on 16 April 2010.

董事會(「董事會」)於2010年4月16日批准並授權刊發。

Zeng Yunshu
曾雲樞
Director
董事

Zhang Yijun
張宜均
Director
董事

The notes on pages 66 to 152 form part of these financial statements.

第66頁至第152頁的附註屬本財務報表的一部分。

Balance Sheet 資產負債表

At 31 December 2009 於2009年12月31日

(Expressed in Renminbi Thousand Yuan) (以人民幣千元列示)

		Note	2009	2008
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	25	130
Interests in subsidiaries	於附屬公司的權益	15	1,192,955	1,087,055
			1,192,980	1,087,185
Current assets	流動資產			
Other receivables	其他應收款	18	26,733	22,303
Pledged deposits	抵押存款	22	–	31,849
Cash at bank and in hand	銀行存款及現金		60,115	28,161
			86,848	82,313
Current liabilities	流動負債			
Other payables and accruals	其他應付款及預提費用	25	142,054	38,110
Taxation payable	應付稅項		4,333	–
			146,387	38,110
Net current (liabilities)/assets	流動(負債)/資產淨值		(59,539)	44,203
Total assets less current liabilities	資產總值減流動負債		1,133,441	1,131,388
Non-current liabilities	非流動負債			
Borrowings	借貸	23	293,157	519,725
Net assets	資產淨值		840,284	611,663
Capital and reserves	資本及儲備	30(a)		
Share capital	股本		10,296	10,296
Reserves	儲備		829,988	601,367
Total equity	權益總額		840,284	611,663

Approved and authorised for issue by the Board on 16 April 2010.

董事會於2010年4月16日批准並授權刊發。

Zeng Yunshu

曾雲樞

Director

董事

Zhang Yijun

張宜均

Director

董事

The notes on pages 66 to 152 form part of these financial statements.

第66頁至第152頁的附註屬本財務報表的一部分。

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

For the year ended 31 December 2009 截至2009年12月31日止年度

(Expressed in Renminbi Thousand Yuan) (以人民幣千元列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔								
		Share capital	Share premium	Statutory			Retained profits	Minority interests	Total equity	
				Merger reserve	reserve fund	Capital reserve				Total
		股本	股份溢價	合併儲備	法定儲備金	資本儲備	保留溢利	總計	股東權益	
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Balance at 1 January 2008	於2008年1月1日結餘	10,296	579,466	24,227	42,488	41,331	929,650	1,627,458	12,268	1,639,726
Changes in equity for 2008:	2008年權益變動：									
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	-	3,546	3,546	(186)	3,360
Transfer to statutory reserve fund	轉撥至法定儲備金	-	-	-	1,537	-	(1,537)	-	-	-
Equity-settled share-based payments	股權結算以股份為基礎的付款	29(b)	-	-	-	15,717	-	15,717	-	15,717
Share options cancelled	已註銷的認股權	29(b)	-	-	-	(6,926)	6,926	-	-	-
Establishment of a subsidiary in the PRC	於中國成立一間附屬公司		-	-	-	-	-	-	1,000	1,000
Balance at 31 December 2008 and at 1 January 2009	於2008年12月31日及於2009年1月1日結餘	10,296	579,466	24,227	44,025	50,122	938,585	1,646,721	13,082	1,659,803
Changes in equity for 2009:	2009年權益變動：									
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	-	32,699	32,699	(1,492)	31,207
Transfer to statutory reserve fund	轉撥至法定儲備金	-	-	-	5,348	-	(5,348)	-	-	-
Share options cancelled	已註銷的認股權	29(b)	-	-	-	(17,667)	17,667	-	-	-
Partial disposal of interest in a subsidiary	出售於一間附屬公司的部分權益		-	-	-	-	28,352	28,352	3,075	31,427
Acquisition of additional interest in a subsidiary	收購一間附屬公司的額外權益		-	-	-	-	10,333	10,333	(11,933)	(1,600)
Balance at 31 December 2009	於2009年12月31日結餘	10,296	579,466	24,227	49,373	32,455	1,022,288	1,718,105	2,732	1,720,837

The notes on pages 66 to 152 form part of these financial statements.

第66頁至第152頁的附註屬本財務報表的一部分。

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2009 截至2009年12月31日止年度

(Expressed in Renminbi Thousand Yuan) (以人民幣千元列示)

	Note	2009	2008
	附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Operating activities			
Profit before taxation		64,704	90,596
Adjustments for:			
– interest income	6	(9,766)	(26,640)
– finance costs	7(a)	87,843	90,227
– amortisation and depreciation	7(c)	2,754	2,908
– gain on repurchases of Senior Note	5	(73,128)	–
– losses on disposal of property, plant and equipment	5	12	67
– net increase in fair value of investment properties	16	(56,830)	(62,120)
– net change in fair value of derivative financial instruments	23(b)	19,994	(58,533)
– net realised and unrealised (gains)/losses on trading securities	5	(552)	3,097
– equity-settled share-based payments	29(b)	–	15,717
– impairment losses on trade and other receivables		–	19,104
– dividend income		(24)	(24)
– net exchange losses/(gains)		6,292	(55,966)
Operating profit before changes in working capital		41,299	18,433
Increase in inventories		(246,980)	(352,706)
Increase in trade and other receivables		(134,592)	(23,815)
(Increase)/decrease in pledged deposits		(13,723)	116,587
Decrease in trade and other payables, and accruals		(21,887)	(40,526)
(Decrease)/increase in receipts in advance		(3,837)	51,442
Increase in rental and other deposits		614	185
Cash used in operations		(379,106)	(230,400)
PRC income tax paid		(6,388)	(12,632)
Net cash used in operating activities		(385,494)	(243,032)

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2009 截至2009年12月31日止年度

(Expressed in Renminbi Thousand Yuan) (以人民幣千元列示)

	Note 附註	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Investing activities	投資活動		
Purchase of property, plant and equipment	14	(1,652)	(2,835)
Proceeds from disposal of property, plant and equipment		396	11
Acquisition of subsidiaries, net of cash acquired		-	(84,589)
Acquisition of additional interest in a subsidiary		(1,600)	-
Deposits paid for acquisition of a subsidiary		(32,600)	-
Proceeds from partial disposal of interest in a subsidiary		35,000	-
Purchase of trading securities		(3,000)	(9,030)
Proceeds from sale of trading securities		-	8,699
Interest received		7,251	20,861
Contribution by minority shareholder		-	1,000
Dividend income received		24	24
Net cash generated from/(used in) investing activities	投資活動產生/(動用)的現金淨額	3,819	(65,859)
Financing activities	融資活動		
Drawdown of bank loans		1,489,541	330,000
Repayment of bank loans		(526,170)	(259,573)
Repurchases of Senior Note		(290,585)	-
Interest paid		(118,261)	(110,533)
Net cash generated from/(used in) financing activities	融資活動產生/(動用)的現金淨額	554,525	(40,106)
Net increase/(decrease) in cash at bank and in hand	銀行存款及現金的增加/(減少)淨額	172,850	(348,997)
Effect of foreign exchange rate changes	匯率變動的影響	(2)	(4,002)
Cash at bank and in hand at 1 January	1月1日的銀行存款及現金	44,102	397,101
Cash at bank and in hand at 31 December	12月31日的銀行存款及現金	216,950	44,102

The notes on pages 66 to 152 form part of these financial statements.

第66頁至第152頁的附註屬本財務報表的一部分。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

1 PRINCIPAL PLACE OF BUSINESS

Hong Long Holdings Limited (the “Company”) is incorporated and domiciled in the Cayman Islands. Its principal place of business is 8/F., Hong Long Building, Nanhai Avenue, Nanshan District, Shenzhen, 518067, the People’s Republic of China (the “PRC”) and has its registered office at Cricket Square, Hutchins Drive, PO Box 2681, George Town, Grand Cayman KY1-1111, the Cayman Islands.

1 主要營業地點

鴻隆控股有限公司(「本公司」)為一家於開曼群島註冊成立和以該地為居籍的公司，主要營業地點位於中華人民共和國(「中國」)深圳南山區南海大道鴻隆大廈8樓(郵編：518067)，而註冊辦事處位於Cricket Square，Hutchins Drive，PO Box 2681，George Town，Grand Cayman KY1-1111，the Cayman Islands。

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

2 主要會計政策

(a) 遵例聲明

該等財務報表已按照香港會計師公會頒佈的所有適用香港財務報告準則(「香港財務報告準則」)(包括所有適用的個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港普遍採納的會計原則及香港公司條例有關披露的規定所編製。本財務報表亦符合香港聯合交易所有限公司證券上市規則的適用披露條文。下文載列本集團所採納的主要會計政策。

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則，並於本集團及本公司的本會計期間首次生效或可提早採納。附註3提供的因初步確認該等與本集團有關的新訂及經修訂準則而產生的有關任何會計政策變動的資料已於此等財務報表內反映。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Basis of preparation of the financial statements

Unless otherwise indicated, the financial statements is presented in Renminbi ("RMB"), rounded to the nearest thousand, which is the functional and reporting currency of the Group.

The consolidated financial statements for the year ended 31 December 2009 comprise the Company and its subsidiaries (together referred to as the "Group").

The measurement basis used in the preparation of the financial statements is historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- investment property (see note 2(f));
- financial instruments classified as trading securities (see note 2(d)); and
- derivative financial instruments (see note 2(e)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 39.

Notwithstanding the Company's net current liabilities of RMB59,539,000 as at 31 December 2009, the Company's financial statements have been prepared on a going concern basis on the strength that certain liabilities of the Company were settled through the issuance of ordinary shares as set out in note 25(c)(i).

2 主要會計政策 (續)

(b) 財務報表的呈報基準

除另有所指外，本財務報表以本集團的功能及呈報貨幣－人民幣（人民幣）編製，並調整至最接近的千元。

截至2009年12月31日止年度的綜合財務報表包括本公司及其附屬公司（統稱為「本集團」）。

本財務報表所採納的計量基準為歷史成本，惟下列資產及負債按其公允值列賬（如下文所載的會計政策所闡釋）：

- 投資物業（見附註2(f)）；
- 分類為買賣證券的金融工具（見附註2(d)）；及
- 衍生金融工具（見附註2(e)）。

根據香港財務報告準則編製本財務報表時，管理層須就影響政策運用和資產、負債、收入、開支所呈報的金額作出判斷、估計及假設。估計及相關假設乃根據過往經驗及於有關情況下相信為合理的各種其他因素為基準，其結果成為對在其他來源並不顯而易見的資產與負債賬面值作出判決的基礎。實際結果或有別於該等估計。

估計及相關假設按持續基準審閱。會計估計的修訂如只影響修訂期間，則有關修訂於該期間確認，倘若修訂影響現時及未來期間，則於修訂期間及未來期間確認。

管理層在運用可能顯著影響在有重大調整風險的財務報表及估計不確定因素的主要來源載於附註39。

儘管本公司於2009年12月31日之流動負債淨值為人民幣59,539,000元，但基於本公司若干負債已透過發行普通股予以結算（如附註25(c)(i)所載），故本公司財務報表乃按持續經營基準編製。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Subsidiaries and minority interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Minority interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Minority interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between minority interests and the equity shareholders of the Company.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

2 主要會計政策(續)

(c) 附屬公司及少數股東權益

附屬公司乃由本集團所控制的公司。倘本集團有權規管一間公司的財務及營運政策以從其活動中獲取利益，則該附屬公司為受控制。在評估附屬公司是否受控制時，現時可予行使的潛在投票權列為考慮因素。

於一間附屬公司的投資乃於控制開始日期起計直至控制結束日期止，綜合於綜合財務報表中。集團公司間的結餘及交易以及集團公司間交易產生的任何未變現溢利，於編製綜合財務報表時悉數撇銷。集團公司間交易產生的任何未變現虧損以相同方式撇銷為未變現收益（惟限於並無減值證據的情況）。

少數股東權益為並非由本公司擁有（不論直接或間接透過附屬公司）的權益應佔附屬公司的資產淨值部分，就此而言，本集團並未與該等權益持有人協定任何額外條款，以致本集團整體須承擔就財務負債所界定的合約責任。少數股東權益呈列於綜合資產負債表內的權益部分，且獨立於本公司權益持有人應佔的權益。於本集團業績內的少數股東權益在綜合全面收益表內以年內分配予少數股東權益與本公司權益持有人的總溢利或虧損及全面收益總額列報。

倘若少數股東所承擔虧損超過少數股東於附屬公司股本的權益，則超出部分及任何少數股東所承擔的進一步虧損於本集團權益中扣除，惟少數股東有約束力的責任或可以作出額外投資填補虧損為例外。倘若該附屬公司隨後錄得溢利，則本集團權益獲得所有該溢利的分配，直至本集團先前承擔的少數股東應佔虧損已經補償為止。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Subsidiaries and minority interests (Cont'd)

Loans from holders of minority interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated balance sheet in accordance with notes 2(l), (m) or (n) depending on the nature of the liability.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see note 2(ii)).

(d) Other investments in equity securities

The Group's and the Company's policies for investments in equity securities, other than investments in subsidiaries, are as follows:

Investments in equity securities are initially stated at cost, which is their transaction price unless fair value can be more reliably estimated using valuation techniques whose variables include only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below.

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in notes 2(s)(iii) and 2(s)(iv).

Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

(e) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At each balance sheet date the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

2 主要會計政策 (續)

(c) 附屬公司及少數股東權益(續)

少數股東權益持有人的貸款以及該等持有人的合約責任根據附註2(l)、(m)或(n)(視乎負債的性質而定)於綜合資產負債表呈列為財務負債。

於本公司的資產負債表內，於一間附屬公司的投資乃以成本減減值虧損列賬(見附註2(ii))。

(d) 於股票中的其他投資

本集團及本公司有關股票投資(於附屬公司的投資除外)的政策如下：

於股票中的投資初步按成本即其交易價列賬，除非公允值能夠可靠地以估值方法(其變量包括只從可觀測市場獲取的數據)估計。成本包括應佔交易成本，惟以下另行所指者除外。

於持作買賣證券的投資分類為流動資產。任何應佔的交易成本於產生時在損益中確認。於每個資產負債表日，公允值重新計量，而就這產生的任何收益或虧損則於損益中確認。於損益中確認的收益或虧損淨額並不包括該等投資所賺取的任何股息或利息，因為該等股息或利息乃根據附註2(s)(iii)及2(s)(iv)所載的政策確認。

投資乃於本集團承諾購買／出售該等投資或彼等到期時確認／取消確認。

(e) 衍生金融工具

衍生金融工具初步以公允值確認。於各資產負債表日，公允值獲重新計量。重新計量公允值的收益或虧損即時於損益中確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2(h)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated in the balance sheet at fair value, unless they are still in the course of construction or development at the balance sheet date and their fair value cannot be reliably determined at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 2(s)(ii).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see note 2(h)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 2(h).

(g) Property, plant and equipment

The following items of property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 2(i)):

- buildings held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease (see note 2(h)); and
- other items of plant and equipment.

2 主要會計政策(續)

(f) 投資物業

投資物業為擁有或根據租賃權益持有(見附註2(h))以賺取租金收入及/或資本增值的土地及/或樓宇，包括現時尚未釐定未來用途而持有的土地及建造或開發作為未來投資物業的物業。

投資物業於資產負債表內以公允值列值，惟投資物業於資產負債表日仍在建造或開發中且當時彼等的公允值無法可靠計量時除外。投資物業的公允值變動或報廢或出售所產生的任何收益或虧損均於損益中確認。投資物業的租金收入根據附註2(s)(ii)說明的方式計算。

倘集團根據經營租賃持有物業權益以賺取租金收入及/或資本增值，該物業權益按個別物業基準分類和計入為投資物業。任何已列為投資物業的物業權益，將視為猶如按融資租賃持有計算(見附註2(h))，該權益所應用的會計政策與根據融資租賃租用的投資物業所應用者相同。租賃付款按附註2(h)所述計算。

(g) 物業、廠房及設備

以下物業、廠房及設備項目以成本減累計折舊及減值虧損於資產負債表(見附註2(i))列示。

- 位於租賃土地上持作自用樓宇，而樓宇的公允值自租賃日期起可獨立於租賃土地的公允值可靠計量(見附註2(h))；及
- 廠房及設備其他項目。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Property, plant and equipment (Cont'd)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 40 years after the date of completion.
- Leasehold improvements are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 20 years.
- Furniture, fixtures and equipment 5 years
- Motor vehicles 5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

2 主要會計政策(續)

(g) 物業、廠房及設備(續)

報廢或出售物業、廠房及設備項目產生的任何收益或虧損，釐定為估計出售收益淨額與項目賬面值的差異，於報廢或出售日期在損益中確認。

折舊乃採用直線法在估計可使用年期撇銷物業、廠房及設備項目的成本並扣除其估計殘餘值(如有)計算如下：

- 位於租賃土地上樓宇按租約未屆滿年期與其估計可使用年期的較短者，由完成日期起不超過40年進行折舊。
- 租賃裝修按未屆滿租賃期與其估計可使用年期(不超過20年)的較短者進行折舊。
- 傢俱、裝置及設備 5年
- 汽車 5年

倘物業、廠房及設備項目各部分的可使用年期不同，該項目的成本按合理基準於各部分之間分配，每部分分開折舊。資產的可使用年期及其殘餘值(如有)每年審閱。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see note 2(f)); and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

2 主要會計政策(續)

(h) 租賃資產

倘本集團決定有關一項或一連串交易之安排將特定資產之使用權按協定期間轉移以換取一筆或多筆款項，則有關安排屬或包括租賃。有關決定乃按評估安排的性質作出，而不論有關安排是否屬法定形式之租賃。

(i) 租賃予本集團的資產的分類

本集團根據租賃持有的資產而將大部分所有權風險與回報轉至本集團者乃列作根據融資租賃持有資產。未將大部分所有權風險與回報轉至本集團的租賃則列作物業經營租賃。以下除外：

- 經營租賃項下持有的物業，若符合投資物業的定義，便按個別物業的基準分類為投資物業；若然分類為投資物業，則當作根據融資租賃持有物業入賬(見附註2(f))；及
- 根據經營租賃持作自用的土地，其公允值於取得租賃時若不能和在土地上的建築物的公允值分開計算，則按根據融資租賃持有土地入賬，惟該建築物明確作為根據經營租賃持有則除外。為了該等目的，取得租賃的時間為本集團首次訂立租賃，或自先前承租者接收。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Leased assets (Cont'd)

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 2(g). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(i). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2 主要會計政策 (續)

(h) 租賃資產 (續)

(ii) 根據融資租賃購置的資產

倘若本集團根據融資租賃購置資產使用權，相等於租賃資產公允值或最低租賃付款額現值(以較低者為準)的金額會計入物業、廠房及設備內，而相關負債於扣除融資費用後會入賬列為融資租賃責任。誠如附註2(g)所載，折舊乃於相關租賃期或資產的可用年限(如本集團有可能取得資產的所有權)內，以每年等額沖銷其成本值的比率計提。減值虧損乃根據附註2(i)所載的會計政策入賬。租賃付款包含的融資費用乃於租賃期內計入損益，藉以使各會計期間有關責任的未償還結餘以相若固定比率計算支出。或然租金則在產生的會計期間自損益扣除。

(iii) 經營租賃支出

如本集團根據經營租賃使用資產，根據租賃作出的付款會在租賃期所涵蓋的會計期間內，以等額在損益計入；但如有其他基準能更清楚地反映租賃資產所產生的收益模式時則除外。租賃涉及的激勵措施於損益內確認為租賃淨付款總額的組成部分。或然租金於其產生的會計期內於損益內扣除。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Leased assets (Cont'd)

(iii) Operating lease charges (Cont'd)

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property (see note 2(f)) or is held for development for sale (see note 2(j)(i)).

(i) Impairment of assets

(i) Impairment of receivables

Investments in trade and other current receivables that are stated at cost or amortised cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2 主要會計政策(續)

(h) 租賃資產(續)

(iii) 經營租賃支出(續)

購置根據經營租賃持有的土地的成本乃於該租賃期按直線法攤銷，惟被列作投資物業的情況(見附註2(f))或持作出售發展項目(見附註2(j)(i))除外。

(i) 資產減值

(i) 應收款的減值

按成本值或攤銷成本列賬的其他流動應收賬款的投資於每個資產負債表日審閱，以決定是否有減值的客觀證據。減值的客觀證據包括以下本集團關注的一項或以上損失事件的可觀測數據：

- 債務人陷入重大財務困境；
- 違反合約，例如拖欠或逾期償還利息或本金款項；
- 債務人有可能進入破產或進行其他財務重組；
- 工業技術、市場、經濟或法律環境的重大改變對債務人有不利影響；及
- 投資於股本工具的公允值遠低於或長期低於其成本。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Impairment of assets (Cont'd)

(i) Impairment of receivables (Cont'd)

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For trade and other current receivables and other financial assets are carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2 主要會計政策 (續)

(i) 資產減值 (續)

(i) 應收款的減值 (續)

倘若若有此種證據，則按下文釐訂及確認任何減值虧損：

- 倘折讓影響重大，對於應收賬款及其他現時應收款以及其他按攤銷成本列賬的財務資產，減值虧損量度為按資產賬面值及估計未來現金流量按財務資產原來實際利率（即在初始確認該等資產時計算的實際利率）貼現的現值之間差額。如按攤銷成本列賬的金融資產具備類似的風險特徵，例如類似的逾期情況等，且並無個別評估為減值，則有關資產會整體進行評估。整體評估有否減值的金融資產的未來現金流量乃按與該組資產具有類似信貸風險特徵的資產虧損紀錄計算。

減值虧損倘若於隨後期間減少，而有關減少可與確認減值虧損後發生的事件客觀地聯繫，則減值虧損經由損益中撥回。撥回減值虧損將不會導致資產的賬面值超過倘並無於過往年度確認減值虧損而原應釐定的賬面值。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Impairment of assets (Cont'd)

(i) Impairment of receivables (Cont'd)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade and other receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or, an impairment loss previously recognised no longer exists or may have decreased:

- investments in subsidiaries;
- property, plant and equipment;
- properties for future development and under development for sale; and
- pre-paid interests in leasehold land classified as being held under an operating lease.

2 主要會計政策(續)

(i) 資產減值(續)

(i) 應收款的減值(續)

減值虧損乃直接於相應資產中撇銷，惟就計入應收賬款及其他應收款(其可收回性被認為難以預料而並非微乎其微)而確認的減值虧損除外。在此情況下，呆賬的減值虧損以準備賬記錄。當本集團確認能收回應收賬款的機會微乎其微時，可收回金額可直接撇銷應收賬款及其他應收賬款及在準備賬中就該債務保留的任何金額乃予以撥回。先前在準備賬中計提之金額如被收回，其將從準備賬中撥回。準備賬的其他變動及其後收回先前直接撇銷的款項均於損益中確認。

(ii) 其他資產的減值

本集團會在每個資產負債表日參考內部和外來信息，確定下列資產是否出現減值跡象，或以往確認的減值虧損已經不再存在或可能已經減少：

- 於附屬公司的投資；
- 物業、廠房及設備；
- 未來開發及待出售的發展中物業；及
- 分類為以經營租賃的租賃土地權益的預付款。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Impairment of assets (Cont'd)

(ii) Impairment of other assets (Cont'd)

If any such indication exists, the asset's recoverable amount is estimated.

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. cash-generating unit).

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

2 主要會計政策 (續)

(i) 資產減值(續)

(ii) 其他資產的減值(續)

如果出現減值跡象，便會估計資產的可收回金額。

– 計算可收回金額

資產可收回金額為其公允值減銷售成本與使用價值兩者中的較高額。在評估使用價值時，估計未來現金流量會按照可以反映當時市場對貨幣時間值及資產特定風險的評估的稅前折現率，貼現至其現值。如果資產所產生現金流入基本上並非獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產組別(即現金產生單位)來釐定可收回金額。

– 確認減值虧損

倘資產賬面值或其所屬現金產生單位的賬面值超過其可收回金額時，減值虧損即於損益中予以確認。就現金產生單位確認之減值虧損乃按比例基準於有關單位(或單位組別)中作分配以減少該等資產的賬面值，惟資產賬面值將不得減至低於其個別公允值減出售成本或使用價值(如可釐定)。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Impairment of assets (Cont'd)

(ii) Impairment of other assets (Cont'd)

- Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(j) Inventories

Inventories in respect of property development activities are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows:

(i) Property for future development and under development for sale

The cost of properties for future development and under development for sale comprises specifically identified cost, including the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate apportionment of overheads and borrowing costs capitalised (see note 2(u)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

2 主要會計政策(續)

(i) 資產減值(續)

(ii) 其他資產的減值(續)

- 撥回減值虧損

如果用作釐定可收回金額的估計數字出現正面變化，減值虧損便會撥回。

所撥回的減值虧損僅限於如過往年度沒有確認任何減值虧損而應以釐定的資產賬面值。所撥回減值虧損在確認撥回的年度計入損益內。

(j) 存貨

與物業開發活動有關的存貨按成本及可變現淨值兩者的較低者入賬。成本及可變現淨值計算方式如下：

(i) 未來開發及待出售的發展中物業

未來開發及待出售的發展中物業的成本由特別界定的成本組成，包括土地的收購成本、累計開發成本、材料及供應、工資及其他直接費用、適當分攤成本及資本化借貸成本(見附註2(u))。可變現淨值指估計的售價減估計的完工成本及出售物業所產生的成本。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Inventories (Cont'd)

(iii) Completed property held for sale

In the case of completed properties developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

(k) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts (see note 2(i)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(l) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

2 主要會計政策(續)

(j) 存貨(續)

(iii) 持作出售的已竣工物業

若為本集團開發的已竣工物業，其未售出的物業的成本計量為按獲比例分配的該開發計劃的全部開發成本。可變現淨值指估計的售價減出售物業所產生的成本。

持作出售的已竣工物業的成本包括所有採購成本、加工成本及其他使存貨達至現時地點及狀態所產生的成本。

(k) 應收賬款及其他應收款

應收賬款及其他應收款先按公允價值確認，其後按攤銷成本減呆賬減值撥備後所得數額入賬(見附註2(i))，但如應收賬款為關聯人士提供的沒有特定償還條款的免息貸款或其折現影響並不重大則除外。在該等情況下，應收賬款將按成本減呆賬減值撥備後所得數額入賬。

(l) 計息借貸

計息借貸按公允價值減應佔交易費用初步確認。於初步確認後，計息借貸按攤銷成本列賬，最初確認金額與贖回價值的任何差異(連同任何應付利息及費用)會在貸款期間內以實際利率法於損益內確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Warrants

Warrants issued by the Company that will be settled by other than a fixed amount of cash for a fixed number of the Company's own equity instruments is a derivative financial instrument. Warrants classified as a derivative financial instrument are recognised at their fair values at the date of issue. Changes in fair values in subsequent periods are recognised through profit or loss.

(n) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 2(r)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(p) Employee benefits

(i) Short term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

2 主要會計政策(續)

(m) 認股權證

本公司所發行並將以定額現金換取本公司本身固定數目股本工具以外方式結算的認股權證，為衍生金融工具。分類為衍生金融工具的認股權證按其於發行日期的公允值確認。其後期間的公允值變動乃透過損益確認。

(n) 應付賬款及其他應付款

應付賬款及其他應付款先按公允值確認。除根據附註2(r)(i)的財務擔保負債外，應付賬款及其他應付款其後按攤銷成本入賬，但如折現影響並不重大，則按成本入賬。

(o) 現金及現金等價物

現金及現金等價物為銀行存款及現金、存放於銀行及其他財務機構的活期存款，以及短期而流動性極高的投資，該等投資可隨時變現為已知現金數額及無重大價值轉變的風險，並於購入後三個月內到期。

(p) 僱員福利

(i) 短期僱員福利

薪金、年度花紅、有薪年假及非現金福利於僱員提供相關服務的年度入賬。當延期支付或清償該等成本而其影響重大時，則該等數額以現值列報。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Employee benefits (Cont'd)

(ii) Contributions to defined contribution retirement plans

Contributions to Mandatory Provident Fund as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance are recognised in profit or loss as incurred.

Contributions to appropriate local defined contribution retirement schemes pursuant to the relevant labour rules and regulations in the PRC are recognised as an expense in profit or loss as incurred, to the extent that they are not capitalise as properties under development for sale.

(iii) Equity-settled share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using a valuation technique, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

2 主要會計政策(續)

(p) 僱員福利(續)

(ii) 向定額供款退休計劃作出的供款

按香港強制性公積金計劃條例規定向強制性公積金作出的供款乃於產生時在損益中確認。

根據中國有關勞工規則及法規向當地適當的定額供款退休計劃作出的供款於產生時在損益內確認為支出，惟以彼等並未資本化為發展中投資物業為限。

(iii) 股權結算以股份為基礎的付款

授予僱員的認股權的公允值乃確認為僱員成本，而權益中的資本儲備則相應增加。公允值於授予當日採用估值方法計量，並計及認股權所授予的條款及條件。倘僱員於無條件地有權獲授認股權前符合歸屬條件，則認股權的估計總公允值在歸屬期內攤分，並計及認股權將會歸屬的可能性。

於歸屬期內，預期行使的認股權數量將被審閱。任何對過往年度已確認累計公允值所作的調整乃於回顧年度的損益賬內扣除／計入，除非原有僱員開支合資格確認為資產，則對資本儲備作出相應調整。於歸屬日期，已確認為開支的金額會作調整，以反映所歸屬的實際認股權數量(並對資本儲備作出相應調整)，惟僅於未能達到有關本公司股份市價的歸屬條件時方會沒收其認股權。股本金額於資本儲備確認，直至認股權獲行使(即轉撥至股份溢價賬時)或認股權到期(即直接撥至保留溢利時)為止。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2 主要會計政策(續)

(q) 所得稅

年內的所得稅包括本期稅項及遞延稅項資產及負債的變動。本期稅項及遞延稅項資產及負債的變動乃於其他全面收益表或直接於權益內確認，在此情況下，相關稅項金額分別於其他全面收益表或直接於權益內確認。

本期稅項為預期須就年內應課稅收入，根據採用於資產負債表日已生效或實質已生效的稅率計算的預期應付稅項，並就過往年度應付的稅項作出調整。

遞延稅項資產及負債分別由資產及負債按財務報告的賬面值及計稅基礎兩者之間可予扣減及應課稅的暫時性差異所產生。遞延稅項資產亦會因未動用稅項虧損及未動用稅項抵免而產生。

除若干少數例外情況外，所有遞延稅項負債及遞延稅項資產均於日後產生應課稅溢利並將可動用資產予以抵銷時確認。可引證確認源自可扣稅暫時差額的遞延稅項資產之日後應課稅溢利，包括該等源自撥回現有應課稅暫時差額，惟差額須與相同稅務機關及相同稅務實體有關，並預期於撥回可扣稅差額的同一期間或源自遞延稅項資產的稅項虧損可撥回或結轉的期間撥回。在評定目前的應課稅暫時性差異是否容許確認由未動用稅務虧損及優惠所產生的遞延稅項資產時採用上述相同的標準(即該等暫時性差異由同一稅務當局向同一應稅單位徵收及預期在稅務虧損或優惠能應用的期間內回撥方可計算在內)。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Income tax (Cont'd)

The limited exceptions to recognition of deferred tax assets and liabilities are the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

2 主要會計政策 (續)

(q) 所得稅 (續)

該等確認遞延稅項資產及負債的有限例外情況是首次確認但並不影響會計溢利及應課稅溢利的資產或負債(惟其不可為企業合併的部分)，以及有關於附屬公司投資所引致的暫時性差異(如為應課稅差異，只限於本集團可控制回撥的時間，並且不大可能在可見未來回撥的差異，或如為可予扣減差異，則只限於可能在未來回撥的差異)。

應確認的遞延稅項數額乃按資產及負債賬面值的預期變現或清償方式，以於資產負債表日適用或主要適用的稅率計算。遞延稅項資產及負債均不作折現計算。

遞延稅項資產的賬面值會於各資產負債表日審閱，並於不再可能取得足夠應課稅溢利以動用有關稅務優惠時調低。任何減幅會於可能取得足夠應課稅溢利時修正。

因分派股息而產生的額外所得稅，於確認支付有關股息的負債時確認入賬。

本期稅項結餘及遞延稅項結餘，及其變動額將分開列示，並不予抵銷。本期稅項資產及遞延稅項負債只會在本公司或本集團有法定行使權以本期稅項資產抵銷本期稅項負債，並在符合下列附帶條件的情況下，才可分別抵銷本期稅項資產及遞延稅項負債：

- 本期稅項資產及負債方面，本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Income tax (Cont'd)

- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(r) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

2 主要會計政策(續)

(q) 所得稅(續)

- 遞延稅項資產及負債方面，該資產及負債須與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應稅實體；或
 - 不同應稅實體，計劃在預期有重大金額的遞延稅項負債或資產須予清償或收回的每個未來期間，按淨額基準變現本期稅項資產及清償本期稅項負債，或同時變現及清償該資產及該負債。

(r) 所發出的財務擔保、準備及或然負債

(i) 所發出的財務擔保

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債項工具的條款於到期時付款而蒙受的損失，而向持有人支付特定款項的合約。

倘本集團發出財務擔保，該擔保的公允值(即交易價格，除非該公允值能確實地估計)最初確認為應付賬款及其他應付款內的遞延收入。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產的本集團政策(倘有關代價尚未收取或應予收取)而予以確認。倘並無收取或可收取代價，於最初確認任何遞延收入時，即時開支於損益內確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) Financial guarantees issued, provisions and contingent liabilities (Cont'd)

(i) Financial guarantees issued (Cont'd)

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(r)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2 主要會計政策 (續)

(r) 所發出的財務擔保、準備及或然負債 (續)

(i) 所發出的財務擔保 (續)

最初確認為遞延收入的擔保款額按擔保年期於損益內攤銷為所發出的財務擔保收入。此外，倘(i)擔保持有人有可能省視擔保下的集團；及(ii)該集團的申索款額預期超過現時列於該擔保的應付賬款及其他應付款(即最初確認的金額)，減累計攤銷，則準備根據附註2(r)(ii)確認。

(ii) 準備及或然負債

當本集團及本公司因過往的事件而須負上法律或推定的責任，可能須為處理該責任而導致含有經濟效益的資源外流及於可作出可靠的估計時，則須為未能確定何時發生或數額的其他負債計提準備。當數額涉及重大的時間價值時，處理該責任的準備以預計所需支出的現有價值呈列。

如果含有經濟效益的資源外流的可能性較低，或其數目未能可靠地預測，則披露有關責任為或然負債，除非資源外流的可能性極微。當可能發生的義務的存在將只由一項或多項未來事件之產生與否所決定，此等義務亦披露為或然負債，除非付出經濟效益的可能性極微。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Sale of properties

Revenue arising from the sale of properties held for sale is recognised when the significant risks and rewards of ownership have been transferred to the buyers. The Group considers that the significant risks and rewards of ownership are transferred when the properties are completed and delivered to the buyers. Revenue from sale of properties excludes business tax and other sales related taxes and is after deduction of any trade discounts. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the balance sheet under receipts in advance.

(ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned. Revenue excludes business tax or other sales related taxes.

2 主要會計政策(續)

(s) 收入確認

收入乃按已收或應收代價的公允值計量。在經濟效益可能流入本集團，及收入及成本(如適用)可予準確計算的前提下，於損益內確認為收入的詳情如下：

(i) 銷售物業

持作銷售物業產生的收入於已轉移所有權的主要風險及報酬予買家時確認。本集團認為所有權的主要風險及報酬在物業完成及交付給買家時作出轉移。銷售物業收入不包括營業稅及其他銷售相關稅項，並已扣除任何營業折扣。於收入確認日期前就出售物業收取的按金及分期付款，已計入資產負債表的預收款項內。

(ii) 經營租賃的租金收入

經營租賃的應收租金收入於租賃期所涵蓋期間，按等額於損益內確認，但如有其他基準能更清楚地反映使用租賃資產所產生的收益模式時則除外。租賃獎勵於損益表中確認為應收租賃淨付款總額的組成部分。或然租金於其產生的會計期間內確認為收入。收入不包括營業稅及其他銷售相關稅項。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Revenue recognition (Cont'd)

(iii) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

(t) Translation of foreign currencies

Foreign currency transactions during the year are translated into Renminbi at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Renminbi at the exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into Renminbi at the exchange rates ruling at the dates the fair value was determined.

(u) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

2 主要會計政策 (續)

(s) 收入確認 (續)

(iii) 股息

- 非上市投資的股息收入乃當股東收取款項的權利確定時確認。
- 上市投資的股息收入乃投資項目的股價除息時確認。

(iv) 利息收入

利息收入按實際利率法累計確認。

(t) 外幣換算

年內的外幣交易按交易當日的匯率折算為人民幣。以外幣為單位的貨幣資產及負債則按資產負債表日的匯率折算為人民幣。匯兌收益或虧損於損益中確認。

以外幣列值及按歷史成本計算的非貨幣資產及負債，乃按交易當日的匯率換算。以外幣列值而以公允值列賬的非貨幣資產及負債乃按釐定公允值當日適用的匯率換算為人民幣。

(u) 借貸成本

資產收購、建造或生產(須花相當長時間籌備其擬定用途或出售)的直接應佔借貸成本資本化作該資產之成本部分。其他借貸成本於其產生期間支出。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(u) Borrowing costs (Cont'd)

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(v) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

2 主要會計政策(續)

(u) 借貸成本(續)

作為合資格資產的部分成本的借貸成本乃於資產的開支產生、借貸成本產生及使資產投入其擬定用途或銷售所需的活動進行時開始資本化。於使合資格資產投入其擬定用途或銷售所需的活動大致上中止或完成時，則暫停或停止將借貸成本資本化。

(v) 關連人士

就本財務報表而言，任何一方如屬以下情況，即視為本集團之關連人士：

- (i) 該方能透過一家或多家中介公司，直接或間接控制本集團，或在財務及經營政策決策方面對本集團行使重大影響力，或共同控制本集團；
- (ii) 本集團及該方同時受到第三方的控制；
- (iii) 另一方為本集團的聯營公司或合資企業，而本集團是合資者；
- (iv) 另一方為本集團的關鍵管理人員，或本公司的母公司，或與此人關係密切的家族成員，或受此人控制、共同控制或有重大影響的實體；
- (v) 另一方為(i)所述關係密切的家族成員，或受此人控制、共同控制或有重大影響的實體；或
- (vi) 另一方為本集團或作為本集團連繫人士的任何實體的僱員福利而設的離職後福利計劃。

近親為預期在與該實體交易時對其有所影響、受其影響之家族成員。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 主要會計政策(續)

(w) 分部報告

經營分部及財務報表所呈報各分類項目之金額乃自定期提供予本集團最高行政管理人員之財務資料中識別得出，以將資源分配至本集團各項業務及地理位置，以及評估本集團各項業務及地理位置之表現。

就財務報告而言，除非分類具備相似經濟特徵以及在產品及服務性質、生產工序性質、客戶類型或類別、用作分配產品或提供服務之方法及監管環境的性質方面相似，否則各個重大經營分部不會進行合算。個別非重大之經營分部，倘若符合上述大部分標準，則可進行合算。

3 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued one new HKFRS, a number of amendments to HKFRSs and new Interpretations that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- HKFRS 8, *Operating segments*
- HKAS 1 (revised 2007), *Presentation of financial statements*
- Improvements to HKFRSs (2008)
- Amendments to HKAS 27, *Consolidated and separate financial statements – cost of an investment in a subsidiary, jointly controlled entity or associate*
- Amendments to HKFRS 7, *Financial instruments: Disclosures – improving disclosures about financial instruments*

3 會計政策變動

香港會計師公會已頒佈於本集團及本公司之本會計期間首次生效之新香港財務報告準則、對香港財務報告準則作出之多項修訂及新詮釋。當中，與本集團財務報表相關之修訂列示如下：

- 香港財務報告準則第8號，*經營分部*
- 香港會計準則第1號(二零零七年經修訂)，*財務報表之呈列*
- 香港財務報告準則之改進(二零零八年)
- 香港會計準則第27號(修訂本)，*綜合及獨立財務報表 – 對附屬公司、合營企業或聯營公司投資之成本*
- 香港財務報告準則第7號(修訂本)，*金融工具：披露 – 改進有關金融工具之披露*

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

- HKAS 23 (revised 2007), *Borrowing costs*
- Amendments to HKFRS 2, *Share-based payment – vesting conditions and cancellations*
- HK(IFRIC) 15, *Agreements for the construction of real estate*

The amendments to HKAS 23 and HKFRS 2, HKFRS 8 and Interpretation HK(IFRIC) 15 have had no material impact on the Group's financial statements as the amendments and interpretations were consistent with policies already adopted by the Group. The impact of the remainder of these developments on the financial statements is as follows:

- As a result of the adoption of HKAS 1 (revised 2007), details of changes in equity during the period arising from transactions with equity shareholders in their capacity as such have been presented separately from all other income and expenses in a revised consolidated statement of changes in equity. All other items of income and expense are presented in the consolidated statement of comprehensive income. Corresponding amounts have been reclassified to conform to the new presentation. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.
- As a result of the adoption of the amendments to HKFRS 7, the financial statements include expanded disclosures in note 31(f) about the fair value measurement of the Group's financial instruments, categorising these fair value measurements into a three-level fair value hierarchy according to the extent to which they are based on observable market data. The Group has taken advantage of the transitional provisions set out in the amendments to HKFRS 7, under which comparative information for the newly required disclosures about the fair value measurements of financial instruments has not been provided.

3 會計政策變動(續)

- 香港會計準則第23號(二零零七年經修訂)·*借貸成本*
- 香港財務報告準則第2號(修訂本)·*以股份為基礎付款 – 歸屬條件及註銷*
- 香港(國際財務報告詮釋委員會)–*詮釋第15號·興建房地產之協議*

香港會計準則第23號(修訂本)及香港財務報告準則第2號(修訂本)、香港財務報告準則第8號以及香港(國際財務報告詮釋委員會)–*詮釋第15號*對本集團之財務報表並無重大影響，因為該等修訂及詮釋與本集團採納之會計政策貫徹一致。其餘準則修訂對財務報表之影響載列如下：

- 採納香港會計準則第1號(二零零七年經修訂)後，期內與權益股東進行交易產生之權益變動之詳情乃於經修訂綜合權益變動表內與其他收入及開支單獨呈報。所有其他項目之收入及開支於綜合全面收益表內呈列。相應金額已經重列以便與新呈列一致。此呈列變動對任何呈列期間之已呈報損益、總收入及開支或淨資產並無影響。
- 採納香港財務報告準則第7號(修訂本)後，本財務報表包括附註31(f)已擴充的披露，該披露是有關本集團的金融工具公允值計量，以及根據可觀察的市場數據將該等公允值計量以公允值等級制度分類成三個等級。本集團已採用香港財務報告準則第7號(修訂本)的過渡條文，無須就新披露要求呈列有關金融工具公允值計量的比較資料。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

- The "Improvements to HKFRSs (2008)" comprise a number of minor and non-urgent amendments to a range of HKFRSs which the HKICPA has issued as an omnibus batch of amendments. Of these, the following amendment has resulted in changes to the Group's accounting policies:
 - As a result of amendments to HKAS 40, *Investment property*, investment property which is under construction will be carried at fair value at the earlier of when the fair value first becomes reliably measurable and the date of completion of the property. Any gain or loss will be recognised in profit or loss, consistent with the policy adopted for all other investment properties carried at fair value. Previously such property was carried at cost until the construction was completed, at which time it was fair valued with any gain or loss being recognised in profit or loss. As the Group does not currently have any investment property under construction, this change in policy has no impact on net assets or profit or loss for any of the periods presented.
 - The amendments to HKAS 27 have removed the requirement that dividends out of pre-acquisition profits should be recognised as a reduction in the carrying amount of the investment in the investee, rather than as income. As a result, as from 1 January 2009 all dividends receivable from subsidiaries, whether out of pre-or post-acquisition profits, will be recognised in the Company's profit or loss and the carrying amount of the investment in the investee will not be reduced unless that carrying amount is assessed to be impaired as a result of the investee declaring the dividend. In such cases, in addition to recognising dividend income in profit or loss, the Company would recognise an impairment loss. In accordance with the transitional provisions in the amendment, this new policy will be applied prospectively to any dividends receivable in the current or future periods and previous periods have not been restated.

3 會計政策變動(續)

- 「香港財務報告準則之改進(二零零八年)」包含由香港會計師公會對香港財務報告準則提出之一系列必需但非迫切性之修訂。當中，下列修訂對本集團之會計政策有如下影響：
 - 由於香港會計準則第40號*投資物業*之修訂本，興建中之投資物業將按首次能夠可靠計量公允值之日及物業落成之日(以較早者為準)的公允值列賬。與所有其他按公允值列賬的投資物業所採納的政策一致，任何收益或虧損均於損益內確認。有關物業以往於工程竣工前按成本列賬，竣工後按公允值列賬，而任何收益或虧損則於損益內確認。由於本集團現時並無任何建設中之投資物業，因此，該政策變化對任何呈報期間的資產淨值或損益並無影響。
 - 香港會計準則第27號之修訂本刪除了收購前溢利產生之股息須確認為於被投資公司之投資賬面值減少而非收入之規定。因此，由2009年1月1日起，所有應收附屬公司之股息，不論是來自收購前或收購後之溢利，均會於本公司之損益表內確認，而於被投資公司之投資賬面值將不會予以扣減，除非該賬面值因被投資公司宣派股息而被評為已減值則作別論。於此情況下，除了於損益表確認股息收入外，本公司亦會確認減值虧損。按照該修訂之過渡性條文，該項新政策將於本期間或未來期間開始應用於任何應收之股息，以往期間應收之股息則並無予以重列。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

4 TURNOVER

The principal activities of the Group are property development and property leasing in the PRC.

Turnover represents income from sales of properties and rental income and management fee during the year, net of business tax and other sales related taxes and discounts allowed, after eliminating intra-group transactions. The amount of each significant category of revenue recognised in turnover during the year is as follows:

Sales of properties	銷售物業
Rental income and management fee	租金收入及管理費用

4 營業額

本集團的主要業務為在中國從事物業開發及物業租賃。

營業額即在抵銷集團內部交易後於本年度內的銷售物業收入及租金收入及管理費用收入(已扣除營業稅及其他銷售有關稅項及折扣)。本年度內，已於營業額確認的各主要收益分類的金額如下：

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
289,360	64,147
73,009	55,481
362,369	119,628

5 OTHER NET INCOME

Gain on repurchases of Senior Note (note 23(b))	購回優先票據的收益(附註23(b))
Losses on disposal of property, plant and equipment	出售物業、廠房及設備虧損
Net realised and unrealised gains/(losses) on trading securities	買賣證券的已變現及未變現收益/(虧損)淨額
Net exchange (losses)/gains	匯兌(虧損)/收益淨額

5 其他收益淨額

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
73,128	-
(12)	(67)
552	(3,097)
(8,704)	40,261
64,964	37,097

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

6 OTHER REVENUE

6 其他收入

		2009	2008
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income	利息收入	9,766	26,640
Reversal of impairment losses on loans and advances	貸款及墊款的減值 虧損撥回	15,920	-
Compensation income on cancellation of swap agreement	註銷掉期協議的 賠償收入	-	27,994
Others	其他	5,385	857
		31,071	55,491

7 PROFIT BEFORE TAXATION

7 除稅前溢利

Profit before taxation is arrived at after charging/(crediting):

除稅前溢利已扣除/(計入)：

		2009	2008
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(a) <i>Finance costs</i>	(a) 融資成本		
Interest on bank loans and other borrowings wholly repayable within five years	須於五年內全部償還的銀行 貸款及其他借貸利息	32,105	46,314
Interest on Senior Note	優先票據利息	86,460	89,813
Total interest expense on financial liabilities not at fair value through profit or loss	並非透過損益以公允值列賬 的金融負債的利息費用總額	118,565	136,127
Less: interest expense capitalised as properties under development for sale *	減：利息費用資本化為 待出售的發展中物業 *	(30,722)	(45,900)
		87,843	90,227

* The borrowing costs have been capitalised at interest rates ranging from 4.05% to 10.00% per annum (2008: 5.18% to 9.07% per annum).

* 借貸成本已分別按年利率介乎4.05%至10.0%(2008年：年利率5.18%至9.07%)予以資本化。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

7 PROFIT BEFORE TAXATION (CONT'D)

Profit before taxation is arrived at after charging/(crediting): (Cont'd)

<p>(b) <i>Staff costs</i></p> <p>Equity-settled share-based payments (note 29)</p> <p>Wages, salaries and other staff costs</p> <p>Including: Retirement scheme contributions</p>	<p>(b) <i>員工成本</i></p> <p>股權結算以股份為基礎的付款(附註29)</p> <p>工資、薪金及其他員工成本</p> <p>包括： 退休計劃供款</p>
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Employees of the Group's subsidiaries established in the PRC are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees. The Group made contributions of RMB1,071,000 (2008: RMB795,000) to the scheme during the year.

The Group also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the Group and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$20,000. Contributions to the scheme vest immediately. The Group made contributions of HK\$41,000 (equivalent to approximately RMB36,000) (2008: RMB44,000) to the scheme during the year.

The Group has no other material obligation for the payment of retirement benefits associated with these schemes beyond the annual contributions described above.

7 除稅前溢利(續)

除稅前溢利已扣除/(計入): (續)

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
-	342
19,674	17,859
19,674	18,201
1,107	839

本集團於中國成立的附屬公司僱員須參加地方市政府管理及經營的定額供款退休計劃。本集團的附屬公司乃按地方市政府認同的若干平均僱員工資百分比計算的數額向計劃供款，以向僱員退休福利提供資金。於本年度內，本集團向該計劃作出的供款為人民幣1,071,000元(2008年：人民幣795,000元)。

本集團根據香港強制性公積金計劃條例，為按香港僱傭條例規定所聘用的僱員設立強制性公積金計劃(「強積金計劃」)。強積金計劃為由獨立受託人管理的定額供款退休計劃。根據強積金計劃，本集團及其僱員各自須按僱員有關收入的5%向該計劃作出供款，惟以每月有關收入上限20,000港元為限。向該計劃作出的供款會即時歸屬。本集團於本年度內向該計劃作出的供款為41,000港元(約相等於人民幣36,000元)(2008年：人民幣44,000元)。

除上述的每年供款外，本集團概無與該等計劃有關的其他重大支付退休福利的責任。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

7 PROFIT BEFORE TAXATION (CONT'D)

7 除稅前溢利 (續)

Profit before taxation is arrived at after charging/(crediting): (Cont'd)

除稅前溢利已扣除／(計入)：(續)

		2009	2008
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(c) <i>Other items:</i>	(c) 其他項目：		
Amortisation of leasehold land	租賃土地攤銷	1,268	1,268
Depreciation	折舊	2,376	2,544
Less: amounts capitalised as properties under development for sale	減：金額資本化為待出售的發展中物業	(890)	(904)
		1,486	1,640
Total amortisation and depreciation	總攤銷及折舊	2,754	2,908
Auditor's remuneration	核數師酬金		
– audit services	– 審核服務	1,616	1,592
– other services	– 其他服務	271	533
Operating lease charges in respect of sub-leased properties	轉租物業經營租賃費用	8,220	10,082
Cost of inventories sold	已售存貨成本	255,412	57,240
Impairment losses on loans and advances	貸款及墊款減值虧損	–	15,920
Impairment losses on prepayments	預付款減值虧損	–	3,184
Rental income from investment properties	投資物業的租金收入	(56,168)	(39,542)
Rental income from sub-leased properties	轉租物業的租金收入	(16,841)	(15,939)
Gross rental income	總租金收入	(73,009)	(55,481)
Less: direct outgoings (note)	減：直接開支(附註)	19,491	16,476
		(53,518)	(39,005)
Contingent rental income	或然租金收入	(775)	(319)

Note: Direct outgoings represent operating lease charges in respect of sub-leased properties and management fee expenses.

附註：直接開支指轉租物業經營租賃費用及管理費開支。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

8 INCOME TAX

(a) Taxation in the consolidated statement of comprehensive income:

Current tax	本期稅項
Provision for PRC Corporate Income Tax for the year	本年度中國企業所得稅準備
Land Appreciation Tax	土地增值稅
– Provision for the year	– 一年內準備
– Overprovision in respect of prior years	– 以前年度超額準備
Deferred tax	遞延稅項
Origination and reversal of temporary differences	暫時差異的產生及撥回
Effect of changes in tax rate on opening deferred tax balances	稅率變動對期初遞延稅項結餘的影響

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI. No Hong Kong Profits Tax has been provided for as the Group does not have estimated assessable profits in Hong Kong.

The provision for the PRC Corporate Income Tax is based on a statutory rate of 25% of the taxable profits determined in accordance with the relevant income tax rules and regulations in the PRC for the year ended 31 December 2009, except for certain subsidiaries of the Group located within the special economic zones in the PRC for which the applicable preferential tax rate is 20% for 2009. The preferential tax rate will be gradually increased to 22%, 24% and 25% for the years ending 31 December 2010, 2011 and 2012, respectively. Accordingly, the deferred tax of the Group is recognised based on tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

8 所得稅

(a) 綜合全面收益表內的稅項指：

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
16,085	16,059
6,683	328
–	(989)
6,683	(661)
22,768	15,398
10,729	5,757
–	66,081
10,729	71,838
33,497	87,236

根據開曼群島及英屬處女群島的規則及規例，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。由於本集團於香港並無任何估計應課稅收入，故並無就香港利得稅作出準備。

中國企業所得稅準備乃按照根據中國截至2009年12月31日止年度相關的所得稅規則及規例釐定的25%應課稅溢利的法定比率計算，惟本集團若干位於中國經濟特區之附屬公司除外。該等附屬公司於2009年的適用優惠稅率為20%。優惠稅率將分別於截至2010年、2011年及2012年12月31日止年度逐步上調至、22%、24%及25%。因此，本集團的遞延稅項將於變現資產或償付負債時根據預期於該期間適用的稅率確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

8 INCOME TAX (CONT'D)

(a) Taxation in the consolidated statement of comprehensive income: (Cont'd)

Land Appreciation Tax is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditure including lease charges of land use rights, borrowing costs and all property development expenditure.

(b) Reconciliation between actual tax expense and accounting profit at applicable tax rate:

Profit before taxation	除稅前溢利
Notional tax on profit before taxation, calculated at 20% (2008: 18%) in Shenzhen	按深圳的稅率20% (2008年: 18%) 計算的除稅前溢利的名義稅項
Effect of changes in tax rate on opening deferred tax balances	稅率變動對期初遞延稅項結餘的影響
Tax effect of different tax rates in other locations	在其他不同稅率地區的稅項影響
Tax effect of non-taxable revenue	毋須計稅收入的稅項影響
Tax effect of non-deductible expenses	不可扣減支出的稅項影響
Tax effect of unused tax losses not recognised	未予以確認未動用稅項虧損的稅項影響
Land Appreciation Tax	土地增值稅
Others	其他
Actual tax expense	實際稅項支出

8 所得稅(續)

(a) 綜合全面收益表內的稅項指：(續)

本集團銷售所發展的物業須按土地價值增幅以30%至60%的累進稅率繳納土地增值稅，根據有關規例，土地增值稅乃按出售物業所得款項減可扣稅開支(包括土地使用權租賃支出、借貸成本及所有物業發展開支)計算。

(b) 按適用稅率計算的實際稅項支出與會計溢利的對賬：

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
64,704	90,596
12,941	16,307
-	66,081
(703)	1,486
(17,657)	(1,965)
30,266	4,365
1,899	1,484
6,683	(661)
68	139
33,497	87,236

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

9 DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

9 董事酬金

根據香港公司條例第161條所披露的董事酬金如下：

		Directors' fees	Basic salaries, housing allowances and other allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	2009 Total
		RMB'000	基本薪金、房屋津貼、其他津貼及實物福利	RMB'000	退休計劃供款	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<i>Chairman</i>	<i>主席</i>					
Mr Yunshu ZENG	曾雲樞先生	1,200	-	-	21	1,221
<i>Executive directors</i>	<i>執行董事</i>					
Mr Yijun ZHANG	張宜均先生	116	-	-	2	118
(appointed on 22 December 2009)	(於2009年12月22日獲委任)					
Mr Yiyan ZHANG	張奕炎先生	1,040	-	-	-	1,040
Mr Sheng ZENG	曾勝先生	1,040	-	-	21	1,061
Ms Qingdong YE	葉慶東女士	480	-	-	21	501
Mr Junxin OUYANG	歐陽俊新先生	240	-	-	14	254
Dr Qinchun HAN (note)	韓秦春博士(附註)	1,040	-	-	11	1,051
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Dr Jun LI	李珺博士	132	-	-	-	132
Mr Ngai Lam CHEUNG	張毅林先生	132	-	-	-	132
Mr Fosong WANG	王佛松先生	132	-	-	-	132
		5,552	-	-	90	5,642

Note: Dr. Qinchun HAN has resigned as an executive director of the Company on 19 January 2010.

附註：韓秦春博士已於2010年1月19日辭任本公司執行董事。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

9 DIRECTORS' REMUNERATION (CONT'D)

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows: (Cont'd)

9 董事酬金 (續)

根據香港公司條例第161條所披露的董事酬金如下：(續)

		Basic salaries, housing allowances and other allowances and benefits in kind 基本薪金、房屋津貼、其他津貼及實物福利	Discretionary bonuses 酌定花紅	Retirement scheme contributions 退休計劃供款	2008 Total 總計
	Directors' fees 董事袍金	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<i>Chairman</i>	<i>主席</i>				
Mr Yunshu ZENG	曾雲樞先生	1,500	-	21	1,521
<i>Executive directors</i>	<i>執行董事</i>				
Mr Yiyan ZHANG (appointed on 6 October 2008)	張奕炎先生 (於2008年10月6日獲委任)	325	-	-	325
Mr Sheng ZENG	曾勝先生	1,300	-	20	1,320
Ms Qingdong YE	葉慶東女士	600	-	20	620
Mr Junxin OUYANG	歐陽俊新先生	300	-	15	315
Dr Qinchun HAN	韓秦春博士	1,300	-	11	1,311
<i>Non-executive directors</i>	<i>非執行董事</i>				
Mr Huaqiao ZHANG (resigned on 26 September 2008)	張化橋先生 (已於2008年9月26日辭任)	-	-	-	-
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>				
Dr Jun LI	李珺博士	133	-	-	133
Mr Ngai Lam CHEUNG	張毅林先生	133	-	-	133
Mr Fosong WANG (appointed on 6 October 2008)	王佛松先生 (於2008年10月6日獲委任)	30	-	-	30
Ms Wei Fang LIN (resigned on 6 October 2008)	林偉芳女士 (已於2008年10月6日辭任)	100	-	-	100
		5,721	-	87	5,808

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

During the years ended 31 December 2009 and 2008, four of the five individuals with the highest emoluments are directors whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the remaining individual is as follows:

Salaries and other emoluments	薪金及其他酬金
Discretionary bonuses	酌定花紅
Retirement scheme contributions	退休計劃供款

The emoluments of the individual with the highest emolument is within the following band:

Nil to RMB1,000,000	零至人民幣 1,000,000 元
RMB1,000,001 to RMB1,500,000	人民幣 1,000,001 元至 人民幣 1,500,000 元

During the years ended 31 December 2009 and 2008, no emoluments have been paid by the Group to the directors, senior executives or any of the five highest individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

10 最高酬金人士

截至2009年及2008年12月31日止年度，五名最高酬金人士之中，有四名為董事，其酬金於附註9披露。其餘一名的酬金總額如下：

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
761	1,067
-	-
11	11
772	1,078

其餘一名酬金最高的人士的酬金範圍如下：

Number of individuals 僱員數目	
2009	2008
1	-
-	1

截至2009年及2008年12月31日止兩個年度內，本集團概無向董事、高級行政人員或任何五名最高薪酬的人士支付酬金，作為吸引彼等加入本集團或於加入本集團時的獎勵或離職補償。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

11 PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the Company includes a loss of RMB32,579,000 (2008: profit of RMB27,524,000) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the Company's profit for the year:

Amount of consolidated profit attributable to equity shareholders dealt with in the Company's financial statements	於本公司的財務報表中處理的權益股東應佔綜合溢利的金額
Final dividends from subsidiaries attributable to the profits of prior financial years, approved and paid during the year	本年度內已批准及支付的過往財政年度應佔溢利的附屬公司末期股息
Company's profit for the year (note 30(a))	本公司本年度溢利(附註30(a))

11 本公司權益股東應佔溢利

本公司權益股東應佔綜合溢利包括人民幣32,579,000元的虧損(2008年：溢利人民幣27,524,000元)，該虧損已於本公司的財務報表中處理。

本公司於本年度內之溢利與上述金額之調整如下：

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
(32,579)	27,524
261,200	—
228,621	27,524

12 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB32,699,000 (2008: RMB3,546,000) and the weighted average number of shares in issue during the year of 1,040,250,000 (2008: 1,040,250,000).

12 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據本年度內本公司權益股東應佔溢利人民幣32,699,000元(2008年：人民幣3,546,000元)，以及於本年度內已發行股份的加權平均數1,040,250,000股(2008年：1,040,250,000股)計算。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

12 EARNINGS PER SHARE (CONT'D)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB32,699,000 (2008: RMB3,546,000) and the weighted average number of shares of 1,043,984,000 (2008: 1,048,475,000) shares, calculated as follows:

Weighted average number of shares (diluted)

Weighted average number of shares at 1 January	於1月1日的股份加權平均數
Deemed issue of ordinary shares under share option scheme for nil consideration	被視為根據認股權計劃無償發行普通股
Weighted average number of shares (diluted) at 31 December	於12月31日的股份加權平均數(攤薄)

For the Warrants granted in prior years (note 23(b)), there was no dilutive effect on earnings per share upon deemed exercise.

12 每股盈利(續)

(b) 每股攤薄盈利

每股攤薄盈利乃根據本公司權益股東應佔溢利人民幣32,699,000元(2008年：人民幣3,546,000元)及股份加權平均數1,043,984,000股(2008年：1,048,475,000股)計算，結果如下：

股份加權平均數(攤薄)

2009 '000 千股	2008 '000 千股
1,040,250	1,040,250
3,734	8,225
1,043,984	1,048,475

就過往年度授出的認股權證(附註23(b))而言，於被視為行使後並無對每股盈利產生攤薄影響。

13 SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by a mixture of business lines (property leasing and property development). On first-time adoption of HKFRS 8, *Operating segments* and in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

13 分部報告

本集團按根據業務組合(物業租賃及物業開發)劃分之分部管理其業務。於首次採納香港財務報告準則第8號經營分部時，本集團按照符合向本集團最高層行政管理人員提供用於資源配置及評估表現之內部資料匯報之方式，辨識下列兩個須報告分部。本集團並無合併經營分部，以組成下列須報告分部。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

13 SEGMENT REPORTING (CONT'D)

- Property leasing: this segment leases retail properties to generate rental income and to gain from the appreciation in the properties' values in the long term. Currently the Group's entire investment property portfolio is located in the PRC.
- Property development: this segment develops and sells office premises, residential and retail properties. Currently all the Group's property development activities are carried out in the PRC.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management, which has been identified as the board, monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all current and non-current assets with the exception of trading securities, deferred tax assets and other corporate assets. Segment liabilities include all trade and other payables, accruals, receipts in advance and rental and other deposits.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is the segment results, adjusted for items not specifically attributed to individual segments, such as directors' and auditor's remuneration and other corporate administration costs.

13 分部報告(續)

- 物業租賃：本分部租賃零售物業以賺取租金收入和獲取長期物業升值收益。現時本集團之投資物業組合均位於中國。
- 物業開發：本分部開發及銷售寫字樓、住宅及零售物業。現時本集團之所有物業開發業務均於中國進行。

(a) 分部業績、資產及負債

就評估分部表現及各分部間資源配置而言，本集團之高層行政管理人員獲董事會指定按以下基準監控各須報告分部之業績、資產及負債：

分部資產包括所有流動及非流動資產(除買賣證券、遞延稅項資產及其他企業資產外)。分部負債包括由分部直接管理的所有應付賬款及其他應付款、預提費用、預收賬款及租賃及其他按金。

收益及開支乃參照分部產生之銷售及開支或因分部應佔之資產折舊或攤銷而產生者，分配至各須報告分部。

用於報告分部溢利之表示方法為分部業績，並就沒有明確歸於個別分部之項目(如董事及核數師酬金及其他企業行政成本)作出調整。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

13 SEGMENT REPORTING (CONT'D)

13 分部報告(續)

(a) Segment results, assets and liabilities (Cont'd)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year ended 31 December 2009 and 2008 is set out below.

(a) 分部業績、資產及負債(續)

向本集團最高層行政管理人員提供的截至2009年及2008年12月31日止年度就資源配置及分部表現評估的本集團須報告分部的資料載列如下。

		Property leasing		Property development		Total	
		物業租賃		物業開發		總計	
		2009	2008	2009	2008	2009	2008
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue from external customers	外來客戶收入	73,009	55,481	289,360	64,147	362,369	119,628
Net increase in fair value of investment properties	投資物業的公允值的增加淨額	56,830	62,120	-	-	56,830	62,120
Depreciation and amortisation	折舊及攤銷	(386)	(500)	(2,247)	(2,068)	(2,633)	(2,568)
Reportable segment profit	須報告分部溢利	108,056	97,657	14,464	5,148	122,520	102,805
Additions to non-current segment assets during the year	本年度內添置非流動分部資產	112	536	502,127	729,222	502,239	729,758
Reportable segment assets	須報告分部資產	1,444,714	1,324,539	2,674,657	2,280,536	4,119,371	3,605,075
Reportable segment liabilities	須報告分部負債	64,971	48,248	361,896	405,960	426,866	454,208

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

13 SEGMENT REPORTING (CONT'D)

13 分部報告(續)

(b) Reconciliations of reportable segment profit or loss, assets and liabilities

(b) 須報告分部損益、資產及負債的調整

Profit

Reportable segment profit	須報告分部溢利
Other revenue and net income	其他收入及收益淨額
Depreciation and amortisation	折舊及攤銷
Corporate finance costs	企業融資成本
Net change in fair value of derivative financial instruments	衍生金融工具的公允值的變動淨額
Equity-settled share-based payments	股權結算以股份為基礎的付款
Other corporate expenses	其他企業開支
Consolidated profit before taxation	除稅前綜合溢利

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
122,520	102,805
96,035	92,588
(121)	(340)
(87,843)	(90,227)
(19,994)	58,533
-	(15,717)
(45,893)	(57,046)
64,704	90,596

Assets

Reportable segment assets	須報告分部資產
Trading securities	買賣證券
Deferred tax assets	遞延稅項資產
Unallocated corporate assets	未能分類的企業資產
Consolidated total assets	綜合總資產

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
4,119,371	3,605,075
4,519	967
49,947	38,249
382,853	180,019
4,556,690	3,824,310

Liabilities

Reportable segment liabilities	須報告分部負債
Taxation payable	應付稅項
Deferred tax liabilities	遞延稅項負債
Unallocated corporate liabilities	未能分類的企業負債
Consolidated total liabilities	綜合總負債

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
426,866	454,208
262,552	245,652
231,634	209,207
1,914,801	1,255,440
2,835,853	2,164,507

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		The Group 本集團				
		Buildings held for own use 持作自用 樓宇	Leasehold improvements 租賃裝修	Furniture, fixtures and equipment 傢俱、裝置 及設備	Motor vehicles 汽車	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cost:	成本：					
At 1 January 2009	於2009年1月1日	3,470	4,253	3,821	9,345	20,889
Additions	添置	-	-	623	1,029	1,652
Disposals	出售	-	-	(923)	(1,340)	(2,263)
At 31 December 2009	於2009年12月31日	3,470	4,253	3,521	9,034	20,278
Accumulated depreciation:	累計折舊：					
At 1 January 2009	於2009年1月1日	(1,085)	(2,371)	(1,984)	(4,396)	(9,836)
Charge for the year	本年度折舊	(193)	(275)	(614)	(1,294)	(2,376)
Written back on disposal	出售時撥回	-	-	923	932	1,855
At 31 December 2009	於2009年12月31日	(1,278)	(2,646)	(1,675)	(4,758)	(10,357)
Net book value:	賬面淨值：					
At 31 December 2009	於2009年12月31日	2,192	1,607	1,846	4,276	9,921

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

14 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

14 物業、廠房及設備(續)

		The Group 本集團				
		Buildings held for own use 持作自用 樓宇	Leasehold improvements 租賃裝修	Furniture, fixtures and equipment 傢俱、裝置 及設備	Motor vehicles 汽車	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cost:	成本：					
At 1 January 2008	於2008年1月1日	3,470	3,852	3,448	6,335	17,105
Acquisition of a subsidiary	收購附屬公司獲得	-	-	42	1,096	1,138
Additions	添置	-	401	331	2,103	2,835
Disposals	出售	-	-	-	(189)	(189)
At 31 December 2008	於2008年12月31日	3,470	4,253	3,821	9,345	20,889
Accumulated depreciation:	累計折舊：					
At 1 January 2008	於2008年1月1日	(910)	(1,780)	(1,345)	(3,298)	(7,333)
Acquisition of a subsidiary	收購附屬公司獲得	-	-	(3)	(67)	(70)
Charge for the year	本年度折舊	(175)	(591)	(636)	(1,142)	(2,544)
Written back on disposal	出售時撥回	-	-	-	111	111
At 31 December 2008	於2008年12月31日	(1,085)	(2,371)	(1,984)	(4,396)	(9,836)
Net book value:	賬面淨值：					
At 31 December 2008	於2008年12月31日	2,385	1,882	1,837	4,949	11,053

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

14 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

14 物業、廠房及設備(續)

		The Company 本公司
		Leasehold improvements 租賃裝修
		RMB'000 人民幣千元
Cost:	成本：	
At 1 January 2008 and at 31 December 2008	於2008年1月1日 及2008年12月31日	530
At 1 January 2009 Additions	於2009年1月1日 添置	530 5
At 31 December 2009	於2009年12月31日	535
Accumulated depreciation:	累計折舊：	
At 1 January 2008	於2008年1月1日	(63)
Charge for the year	本年度折舊	(337)
At 31 December 2008	於2008年12月31日	(400)
At 1 January 2009 Charge for the year	於2009年1月1日 本年度折舊	(400) (110)
At 31 December 2009	於2009年12月31日	(510)
Net book value:	賬面淨值：	
At 31 December 2009	於2009年12月31日	25
At 31 December 2008	於2008年12月31日	130

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

15 INTERESTS IN SUBSIDIARIES

Unlisted investments, at cost	非上市投資，按成本
Amounts due from subsidiaries	應收附屬公司款項
Less: impairment losses on amounts due from subsidiaries	減：應收附屬公司款項的減值虧損

Except for an amount of RMB283,551,000 (2008: RMB265,236,000) which is interest-bearing at the 1-year RMB benchmark lending rate as determined from time to time by the People's Bank of China per annum, the balances with subsidiaries are unsecured, interest-free, and repayable on demand. These balances are expected to be recovered after more than one year.

The following list contains only the particulars of subsidiaries which principally affected the results, assets and liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

15 於附屬公司的權益

The Company	
本公司	
2009	2008
RMB'000	RMB'000
人民幣千元	人民幣千元
80,082	80,082
1,113,434	1,007,534
(561)	(561)
1,192,955	1,087,055

除一筆人民幣283,551,000元(2008年：人民幣265,236,000元)款項按中國人民銀行每年不時釐定的一年期人民幣貸款基準利率計息外，與附屬公司的結餘乃無抵押、免息及須按要求償還。該等結餘預期於一年後收回。

下表僅載列主要影響本集團業績、資產及負債的附屬公司的詳情。除另有說明外，所持有的股份類別為普通股。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

15 INTERESTS IN SUBSIDIARIES (CONT'D)

15 於附屬公司的權益(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Place of operation 經營地點	Issued/ paid up capital 已發行/實繳資本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務	Legal form 法定形式
				Direct 直接 %	Indirect 間接 %		
Access Achievement Limited	BVI 英屬處女群島	Shenzhen, the PRC 中國深圳	US\$10,000 10,000美元	100	–	Investment holding 投資控股	Private limited liability company 私人有限公司
Hong Long Property Group Company Limited (formerly known as Hong Long Properties (Shenzhen) Company Limited) 鴻隆地產集團有限公司(前稱鴻隆地產(深圳)有限公司)	Shenzhen, the PRC 中國深圳	Shenzhen, the PRC 中國深圳	RMB299,000,000 人民幣 299,000,000元	–	100	Property development and property investment 物業開發及物業投資	Wholly foreign-owned enterprise 外商獨資企業
Shenzhen Yinghua Development Company Limited 深圳市英華實業發展有限公司	Shenzhen, the PRC 中國深圳	Shenzhen, the PRC 中國深圳	RMB28,000,000 人民幣 28,000,000元	–	100 (Note a) (附註a)	Property development 物業開發	Limited liability company 有限公司

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

15 INTERESTS IN SUBSIDIARIES (CONT'D)

15 於附屬公司的權益(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Place of operation 經營地點	Issued/ paid up capital 已發行/實繳資本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務	Legal form 法定形式
				Direct 直接 %	Indirect 間接 %		
Huizhou Yintaida Company Limited 惠州市銀泰達實業有限公司	Huizhou, the PRC 中國惠州	Huizhou, the PRC 中國惠州	RMB20,000,000 人民幣20,000,000元	–	82 (Note b) (附註b)	Property development 物業開發	Limited liability company 有限公司
Shenzhen Hong Long Commercial Management Company Limited 深圳市鴻隆商業管理有限公司	Shenzhen, the PRC 中國深圳	Shenzhen, the PRC 中國深圳	RMB10,680,000 人民幣10,680,000元	–	100	Property leasing and sub-leasing 物業租賃及轉租	Limited liability company 有限公司
Zhangjiakou Centre Way Real Estate Development Company Limited 張家口中惠房地產開發有限公司	Hebei, the PRC 中國河北	Hebei, the PRC 中國河北	HK\$20,000,000 20,000,000港元	–	100	Property development 物業開發	Wholly foreign-owned enterprise 外商獨資企業
Meizhou Hong Long Shi Ye Company Limited 梅州鴻隆實業有限公司	Meizhou, the PRC 中國梅州	Meizhou, the PRC 中國梅州	RMB50,000,000 人民幣50,000,000元	–	100	Property development 物業開發	Limited liability company 有限公司

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

15 INTERESTS IN SUBSIDIARIES (CONT'D)

15 於附屬公司的權益(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Place of operation 經營地點	Issued/ paid up capital 已發行/實繳資本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務	Legal form 法定形式
				Direct 直接	Indirect 間接		
				%	%		
Xingning Hong Long Property Development Company Limited 興寧市鴻隆房地產實業有限公司	Meizhou, the PRC 中國梅州	Meizhou, the PRC 中國梅州	RMB230,000,000 人民幣230,000,000元	-	100	Property development 物業開發	Wholly foreign-owned enterprise 外商獨資企業
Shenzhen City Zirui Real Estate Development Company Limited 深圳市紫瑞房地產開發有限公司	Shenzhen, the PRC 中國深圳	Shenzhen, the PRC 中國深圳	RMB21,000,000 人民幣21,000,000元	-	100	Property development 物業開發	Limited liability company 有限公司

Notes:

- (a) The percentage of equity attributable to the Company increased from 86% to 100% in November 2009.
- (b) The percentage of equity attributable to the Company decreased from 100% to 82% in March 2009.

附註：

- (a) 本公司應佔權益百分比於2009年11月由86%增至100%。
- (b) 本公司應佔權益百分比於2009年3月由100%降至82%。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

16 INVESTMENT PROPERTIES

16 投資物業

At 1 January	於1月1日
Net increase in fair value	公允值增加淨額
At 31 December	於12月31日

- (a) All investment properties of the Group were revalued as at 31 December 2009 by an independent firm of surveyors, Knight Frank Petty Limited, who has among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of properties being valued, on an open market value basis calculated by reference to the net rental income allowing for reversionary income potential.
- (b) **The analysis of fair value of investment properties is as follows:**

In PRC, held on leases of	中國，以下列年期租約持有
– over 50 years	– 超過50年
– between 10 and 50 years	– 10年至50年

(c) **Investment properties leased out under operating leases**

The Group leases out certain investment properties under operating leases. The leases typically run for an initial period of one to twenty years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases has significant contingent elements as at 31 December 2009.

All properties held under operating leases that would otherwise meet the definition of investment properties are classified as investment properties.

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
1,319,606	1,257,486
56,830	62,120
1,376,436	1,319,606

- (a) 本集團所有投資物業在2009年12月31日已由擁有對被估值物業的位置及種類有近期經驗的香港測量師學會資深會員為僱員的獨立測量師行萊坊測計師行有限公司根據公開市場價值參考租金收入淨額並計及可能的復歸收入重估。
- (b) 投資物業的公允值分析如下：

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
1,335,416	1,279,916
41,020	39,690
1,376,436	1,319,606

(c) **根據經營租賃出租的投資物業**

本集團根據經營租賃出租若干投資物業。通常該等租約初步均為期一至二十年及於該日後可選擇續租，而屆時所有條款均可重新協商。於2009年12月31日，該等租賃均不含重大或然因素。

所有物業根據經營租賃持有，並且在其他方面符合投資物業界定皆歸類為投資物業。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

16 INVESTMENT PROPERTIES (CONT'D)

- (d) The Group's total future minimum lease payments under non-cancellable operating leases from investment properties are receivable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

- (e) As at 31 December 2009, certain investment properties of the Group were pledged against bank loans granted to the Group and details of which are set out in note 24.

16 投資物業(續)

- (d) 本集團根據不可解除的經營租賃的投資物業在日後應收的最低租賃款項總額如下：

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
36,967	36,119
125,778	124,817
221,061	250,417
383,806	411,353

- (e) 於2009年12月31日，本集團若干投資物業已作授於本集團銀行貸款抵押之用，有關詳情載於附註24。

17 INVENTORIES

Properties for future development and under development for sale	供出售的未來開發及發展中物業
Completed properties held for sale	持作出售的已竣工物業

17 存貨

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
1,888,556	1,586,210
153,677	16,242
2,042,233	1,602,452

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

17 INVENTORIES (CONT'D)

- (a) The analysis of carrying value of leasehold land included in properties for future development and under development for sale and completed properties held for sale is as follows:

In PRC, held on leases of	中國，以租約方式持有
– over 50 years	– 超過50年
– between 10 and 50 years	– 10年至50年

- (b) The amount of properties for future development and under development for sale expected to be recovered after more than one year is analysed as follows:

Properties for future development and under development for sale	供出售的未來開發及發展中物業
--	----------------

All of the other inventories are expected to be recovered within one year.

- (c) As at 31 December 2009, certain properties for future development and under development for sale were pledged against bank loans granted to the Group and details of which are set out in note 24.

17 存貨(續)

- (a) 包括在供出售的未來開發及發展中物業及持作出售的已竣工物業內的租賃土地賬面值分析如下：

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
363,441	200,823
4,050	4,141
367,491	204,964

- (b) 預期超過一年以後方可變現的供出售未來開發及發展中物業的金額分析如下：

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
634,945	910,072

所有其他存貨預期可在一年內變現。

- (c) 於2009年12月31日，若干供出售的未來開發及發展中物業被用作本集團獲授銀行貸款的抵押品，詳情載於附註24。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

18 TRADE AND OTHER RECEIVABLES

18 應收賬款及其他應收款

		The Group 本集團		The Company 本公司	
		2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Trade receivables (note (a))	應收賬款(附註(a))	82,087	10,130	-	-
Other receivables	其他應收款	110,020	96,075	-	-
Loans and advances (note (b))	貸款及墊款(附註(b))	228,031	89,883	26,359	22,303
Amount due from a related company (note (c))	應收一間關連公司賬款 (附註(c))	-	30,833	-	-
Loans and receivables	貸款及應收款	420,138	226,921	26,359	22,303
Prepayments and deposits	預付款及按金	277,381	301,565	374	-
Total trade and other receivables	應收賬款及其他應收款總額	697,519	528,486	26,733	22,303

All of the trade and other receivables are expected to be recovered within one year.

預期所有應收賬款及其他應收款均於一年內收回。

(a) Included in trade and other receivables are trade receivables with the following ageing analysis as at the balance sheet date:

(a) 應收賬款包含於應收賬款及其他應收款內，其於資產負債表日的賬齡分析如下：

		The Group 本集團	
		2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
0 to 3 months	0至3個月	81,584	9,514
More than 3 months but less than 6 months	超過3個月 但少於6個月	2	159
More than 6 months but less than 1 year	超過6個月 但少於1年	6	8
Over 1 year	超過1年	495	449
		82,087	10,130

Trade receivables are due within 3 months from the date of billing. No impairment losses on trade recoverable have been provided for the current and prior years.

應收賬款於賬單發出日後3個月內到期。本年度及過往年度並無就應收賬款減值虧損計提準備。

The Group's credit policy is set out in note 31(a).

本集團的信貸政策載於附註31(a)。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

18 TRADE AND OTHER RECEIVABLES (CONT'D)

- (b) Included in loans and advances is an amount of:
- RMB80,349,000 (2008: RMB89,641,000) made to business associates that is secured, interest-bearing at 1-year RMB benchmark lending rate as determined from time to time by the People's Bank of China per annum, and recoverable within one year.
 - RMB40,000,000 (2008: Nil) made to business associates that is secured, interest-bearing at 1-3 year RMB benchmark lending rate as determined from time to time by the People's Bank of China per annum, and recoverable within one year.
 - RMB100,000,000 (2008: Nil) made to a related company, in which certain directors of such company are directors of the Group. The balance is secured, interest-bearing at 1-year RMB benchmark lending rate as determined from time to time by the People's Bank of China per annum, and recoverable within one year.
- (c) The balance is unsecured, interest-free and repayable on demand.

19 PREPAID LAND COSTS

Prepaid land costs are for leasehold land held on long leases in the PRC.

18 應收賬款及其他應收款(續)

- (b) 給予下列人士的貸款及墊款中，其中：
- 業務聯繫人士的貸款及墊款為人民幣80,349,000元(2008年：人民幣89,641,000元)，為有抵押、按中國人民銀行每年不時釐定的一年期人民幣貸款基準利率計息，並可於一年內收回。
 - 業務聯繫人士的貸款及墊款為人民幣40,000,000元(2008年：無)，為有抵押、按中國人民銀行每年不時釐定的一至三年期人民幣貸款基準利率計息，並可於一年內收回。
 - 一關連公司的貸款及墊款為人民幣100,000,000元(2008年：無)，其中該公司的若干董事為本集團董事。該結餘為有抵押、按中國人民銀行每年不時釐定的一年期人民幣貸款基準利率計息，並可於一年內收回。
- (c) 結餘為無抵押、免息及須按要求償還。

19 預付土地成本

預付土地成本乃涉及於中國按長期租約持有的租賃土地。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

20 TRADING SECURITIES

20 買賣證券

		The Group 本集團	
		2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Listed equity securities, outside Hong Kong (at market value)	香港境外上市股票(按市值)	502	240
Unlisted fund (note)	非上市基金(附註)	4,017	727
		4,519	967

Note: The amount is accounted for in accordance with the accounting policy set out in note 2(d) to these financial statements.

附註：該金額根據本財務報表附註2(d)所載的會計政策列賬。

21 DERIVATIVE FINANCIAL INSTRUMENTS

21 衍生金融工具

		The Group and The Company 本集團及本公司	
		2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Derivative financial liabilities (note 25)	衍生金融負債(附註25)		
Warrants (note 23(b))	認股權證(附註23b)	30,252	10,402

The fair value of Warrants is determined by an independent valuer, Asset Appraisal Limited, using the Black-Scholes financial model.

認股權證的公允值由獨立估值師資產評值顧問有限公司採用伯力克－舒爾斯財務模型計算。

The assumptions applied in determining the fair values of derivative financial instruments are set out as follows:

於釐定衍生金融工具的公允值時應用的假設載列如下：

Fair value of warrants and assumptions

認股權證的公允值及假設

		2009	2008
Fair value at measurement date	計量日期的公允值	HK\$0.4249 港元	HK\$0.1452 港元
Share price	股價	HK\$1.05 港元	HK\$0.375 港元
Exercise price	行使價	HK\$1.68 港元	HK\$1.68 港元
Expected volatility	預期波幅	89%	98%
Expected dividends	預期股息	0%	0%
Risk-free interest rate	無風險利率	0.98%	1.05%

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

22 PLEDGED DEPOSITS

(a) Included in pledged deposits of the Group as at 31 December 2009 were:

- Deposits of RMB10,979,000 (2008: RMB4,489,000) pledged with certain banks as guarantee deposits for the benefit of mortgage loan facilities granted by the banks to purchasers of the Group's properties.
- Deposits totalling RMB61,056,000 (2008: Nil) pledged for purchase consideration payable to a former equity holder of a subsidiary. The pledge has been released subsequent to the year end in February 2010.
- Deposits totalling RMB924,000 (2008: RMB49,849,000) pledged with banks securing the Group's bank and other borrowings as set out in note 24.
- Deposits totalling RMB610,000 (2008: RMB508,000) pledged for the payment to a construction contractor as retention monies.

As at 31 December 2008, deposits totalling RMB5,000,000 were pledged for the bills payable. The pledge was released during the year upon settlement of bills.

(b) Included in pledged deposits of the Company as at 31 December 2008 were deposits totalling RMB31,849,000 for bank loans granted to subsidiaries (note 24).

22 抵押存款

(a) 於2009年12月31日，本集團抵押存款包括：

- 現金人民幣10,979,000元(2008年：人民幣4,489,000元)。該等現金乃為若干銀行授予本集團物業買方的按揭貸款融資作為保證按金存入該等銀行。
- 就應付予附屬公司一名前權益持有人之購買代價而抵押合共人民幣61,056,000元存款(2008年：無)。該抵押已於年結日後於2010年2月獲解除。
- 就一筆載於附註24的銀行及其他借貸而抵押予銀行合共為人民幣924,000元(2008年：人民幣49,849,000元)的存款。
- 就一筆向建築承包商支付的款項而抵押合共為人民幣610,000元(2008年：人民幣508,000元)的存款，以作為保留款項。

於2008年12月31日，就應付票據而抵押合共人民幣5,000,000元存款。該抵押於本年度內結算票據後獲解除。

(b) 於2008年12月31日，本公司抵押存款中包括就向附屬公司授出的銀行貸款而抵押合共為人民幣31,849,000元的存款(附註24)。

23 NON-CURRENT BORROWINGS

The analysis of the carrying amount of non-current borrowings is as follows:

23 非即期借貸

非即期借貸之賬面值分析如下：

	The Group 本集團		The Company 本公司	
	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Bank and other borrowings - secured (note 24)	1,211,177	180,000	110,500	-
Senior Note (note (b))	182,657	519,725	182,657	519,725
	1,393,834	699,725	293,157	519,725

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

23 NON-CURRENT BORROWINGS (CONT'D)

(a) All of the non-current interest-bearing borrowings are carried at amortised cost.

(b) Senior Note

Pursuant to the offering memorandum of the Company dated 20 September 2007 ("Offering Memorandum"), the Company issued 900 units of senior note (collectively referred to as the "Senior Note") and 81,000,000 nil-paid warrants (the "Warrants") for a principal amount totalling US\$90,000,000. The Senior Note was interest-bearing at 12.5% per annum at issue and interests were payable semi-annually in arrears, and will mature on 3 October 2012. Detachable from the Senior Note, each Warrant may be exercised from the date of issue up to 2 October 2012 at an initial exercise price, subject to certain conditions of reset and adjustment, of HK\$3.36 per ordinary share of the Company.

Pursuant to a cross-currency and interest rate swap agreement (the "swap agreement") entered into between the Company and a financial institution immediately after the Offering Memorandum, the notional principal amount of the Senior Note under the swap agreement deemed to be effective at the date of issue was RMB676,845,000, whereas the notional interest rate applicable to the Senior Note was the 1-year RMB benchmark deposit rate as determined from time to time by the People's Bank of China plus 5.3% per annum. On 10 October 2008, the swap agreement was terminated and US\$4,100,000 (equivalent to RMB27,994,000) was received as compensation. Subsequent to the termination of the swap agreement, the principal of the Senior Note became US\$90,000,000, and interest-bearing at 12.5% per annum.

As a condition stated in the Offering Memorandum, the Company is granted a redemption option such that at any time on or after 3 October 2010, the Company may redeem the Senior Note, in whole or in part, at a redemption price equal to the percentage ranging from 100% to 106.25% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date. At any time prior to 3 October 2010, the Company may redeem the Senior Note, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Senior Note plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date. In addition, at any time prior to 3 October 2010, the Company may redeem up to 35% of the aggregate principal amount with proceeds from certain sales of the Company's equity shares, at a redemption price equal to 112.5% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date.

23 非即期借貸(續)

(a) 所有非即期計息借貸按已攤銷成本列賬。

(b) 優先票據

根據本公司於2007年9月20日訂立的發售備忘錄(「發售備忘錄」)，本公司發行900個單位的優先票據(統稱為「優先票據」)及81,000,000份未繳款認股權證(「認股權證」)，本金額合共為90,000,000美元。優先票據按年利率12.5%計息，須每半年付息一次，並將於2012年10月3日到期。與優先票據分開，每份認股權證可由發行日期起至2012年10月2日，按初步行使價(受若干重定及調整之條件規限)每股3.36港元認購。

根據本公司與一金融機構於緊隨發售備忘錄後訂立的交叉貨幣及利率掉期協議(「掉期協議」)，優先票據根據掉期協議於發行日期視為生效的名義本金額為人民幣676,845,000元，而優先票據適用的名義利率為中國人民銀行不時釐定的一年期人民幣存款基準利率另加年利率5.3%。掉期協議已於2008年10月10日終止，並收到4,100,000美元(相等於人民幣27,994,000元)作為賠償。掉期協議終止後，優先票據的本金額為90,000,000美元，並按年利率12.5%計息。

按照發售備忘錄所載的條件，本公司獲授一項贖回選擇權，以便於2010年10月3日或以後任何時間，可按相等於本金額的100%至106.25%的贖回價另加至贖回日期的預提未付利息(如有)，贖回全部或部分優先票據。於2010年10月3日前任何時間，本公司可按相等於優先票據本金額的100%另加至贖回日期的應付溢價以及預提未付利息(如有)，贖回全部而非部分優先票據。此外，於2010年10月3日前任何時間，本公司可按相等於本金額的112.5%另加至贖回日期的預提未付利息(如有)，贖回最多不超過本金總額的35%連同若干次銷售本公司股份的所得款項。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

23 NON-CURRENT BORROWINGS (CONT'D)

(b) Senior Note (Cont'd)

The Senior Note is general obligations of the Company and is senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Senior Note, which is at least pari passu in right of payment with all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable laws). The Senior Note holder(s) are entitled to a first priority security interest on certain collateral charged by the Company, and the Senior Note ranks effectively senior in right of payment to unsecured obligations of the Company with respect to the value of the collateral charged by the Company.

As at 31 December 2009, Senior Note can be analysed into the following components:

- (i) Liability component for the Senior Note represents the present value of the contractually determined stream of future cash flows discounted at the rate of interest determined by the market instruments of comparable credit status taken into account the business risk of the Company as well as the large amount of the Senior Note, but without the conversion option. The effective interest rate of the liability component is 17.80% (2008: 19.07%) per annum.
- (ii) Warrant represents the fair value of the right to subscribe for the Company's equity shares at applicable exercise price.

23 非即期借貸 (續)

(b) 優先票據 (續)

優先票據為本公司的一般責任，支付權次序將優先於本公司已明確表示為從屬於優先票據支付權的任何現有及未來責任，並在支付權方面至少與本公司的所有其他無抵押非從屬負債享有同等地位(受該非從屬負債根據適用法律的任何優先權規限)。優先票據持有人有權優先享有本公司就若干抵押品支付的抵押品利息，而就本公司收取的抵押品價值而言，優先票據於支付權方面實際上優先於本公司的無抵押責任。

於2009年12月31日，優先票據可分析為以下部分：

- (i) 優先票據的負債部分指契約釐定的未來現金流量來源的現值，而未來現金流量乃經計及本公司的業務總風險及大量的優先票據(惟並無轉換期權)，按可比較信貸狀況的市場工具釐定的利率折現。負債部分的實際利率為每年17.80%(2008年：19.07%)。
- (ii) 認股權證指可按適用行使價認購本公司股份的權利的公允值。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

23 NON-CURRENT BORROWINGS (CONT'D)

23 非即期借貸(續)

(b) Senior Note (Cont'd)

The movement of different components of the Senior Note during the year is set out below:

		Liability 負債	Warrants 認股權證	Redemption option 贖回選擇權	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2008	於2008年1月1日	555,708	74,541	(1,400)	628,849
Transaction costs amortised	已攤銷交易成本	23,985	-	-	23,985
Exchange differences	匯兌差額	(59,968)	(4,292)	86	(64,174)
Net (increase)/decrease in fair value	公允值(增加)/ 減少淨額	-	(59,847)	1,314	(58,533)
At 31 December 2008	於2008年12月31日	519,725	10,402	-	530,127
At 1 January 2009	於2009年1月1日	519,725	10,402	-	530,127
Repurchases	購回	(363,713)	-	-	(363,713)
Transaction costs amortised	已攤銷交易成本	20,353	-	-	20,353
Exchange differences	匯兌差額	6,292	(144)	-	6,148
Net change in fair value	公允值淨額變動	-	19,994	-	19,994
At 31 December 2009	於2009年12月31日	182,657	30,252	-	212,909

The fair value of the liability component of the Senior Note is not materially different from its carrying value as at 31 December 2009.

During the year, the Company has made the following transactions regarding the Senior Note:

- on-market repurchases of 90 units of the Senior Note of a principal amount of US\$9,000,000, and;
- open tender to repurchase 510 units of the Senior Note of a principal amount of US\$51,000,000.

(b) 優先票據(續)

優先票據不同部分於年內的變動載列如下：

於2009年12月31日，優先票據的負債部分的公允值與其賬面值並無重大差異。

本年度內，本公司就優先票據已進行如下交易：

- 本公司作出場內購回90個單位優先票據，本金額為9,000,000美元，及
- 公開要約購回510個單位優先票據，本金額為51,000,000美元。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

23 NON-CURRENT BORROWINGS (CONT'D)

(b) Senior Note (Cont'd)

Aggregate gain net of related expenses resulted from the above transactions were RMB73,128,000 (2008: Nil). Subsequent to the completion of the repurchases, these 600 units of the Senior Note have been cancelled.

Subsequent to the completion of the open tender, the requirement to meet the Fixed Charge Coverage Ratio and the Leverage Ratio as set out under the indenture governing the Senior Note, dated as of 3 October 2007, among the Company, Access Achievement Limited as initial subsidiary guarantor and Citibank, N.A., London Branch as trustee has been waived.

23 非即期借貸 (續)

(b) 優先票據 (續)

上述交易產生的總收益(扣除相關開支)為人民幣73,128,000元(2008年:無)。於購回完成後，該等600個單位優先票據已註銷。

公開要約完成後，本公司已獲豁免須達致本公司、Access Achievement Limited(作為初始附屬公司擔保人)及Citibank, N.A.倫敦分行(作為信託人)於2007年10月3日訂立的監管優先票據之契約中的固定費用覆蓋範圍比率和槓桿比率的規定。

24 BANK AND OTHER BORROWINGS

At 31 December 2009, the bank and other borrowings were secured as follows:

Secured 有抵押
Unsecured 無抵押

24 銀行及其他借貸

於2009年12月31日，銀行及其他借貸的抵押如下：

		The Group 本集團		The Company 本公司	
		2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Secured	有抵押	1,514,977	650,124	110,500	-
Unsecured	無抵押	72,000	40,000	-	-
		1,586,977	690,124	110,500	-

At 31 December 2009, the bank and other borrowings were repayable as follows:

Within 1 year or on demand 一年內或於要求時償還
After 1 year but within 2 years 一年後但兩年內
After 2 years but within 5 years 兩年後但五年內
After 5 years 五年後

於2009年12月31日，應償還的銀行及其他借貸如下：

		The Group 本集團		The Company 本公司	
		2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Within 1 year or on demand	一年內或於要求時償還	375,800	510,124	-	-
After 1 year but within 2 years	一年後但兩年內	675,177	30,800	110,500	-
After 2 years but within 5 years	兩年後但五年內	194,400	149,200	-	-
After 5 years	五年後	341,600	-	-	-
		1,211,177	180,000	110,500	-
		1,586,977	690,124	110,500	-

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

24 BANK AND OTHER BORROWINGS (CONT'D)

At 31 December 2009, assets of the Group secured against bank loans are analysed as follows:

Properties for future development and under development for sale	供出售的未來開發及發展中物業
Investment properties	投資物業
Pledged deposits	抵押存款

As at 31 December 2009, included in the Group's bank and other borrowings of RMB200,000,000 were bank loans drawn down by a subsidiary and pledged by the ordinary shares of the Company held by the Company's ultimate holding company. The pledge is more senior than that of the following credit note.

As at 31 December 2009, credit note of US\$26,000,000 (equivalent to RMB177,541,000) were pledged by the ordinary shares of the Company held by the Company's ultimate holding company.

As at 31 December 2008, included in the Group's bank and other borrowings of RMB30,000,000 were bank loans drawn down by subsidiaries and pledged by the Company's pledged deposits of RMB31,849,000.

24 銀行及其他借貸(續)

於2009年12月31日，有關作為銀行貸款抵押的本集團資產之分析如下：

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
643,778	194,136
1,264,000	1,212,000
924	49,849
1,908,702	1,455,985

於2009年12月31日，本集團銀行及其他借貸人民幣200,000,000元包括附屬公司提取及由本公司最終控股公司持有的本公司普通股抵押的銀行貸款。該抵押較下列信貸票據地位較高。

於2009年12月31日，信貸票據26,000,000美元（相等於人民幣177,541,000元）以本公司最終控股公司持有的本公司普通股作抵押。

於2008年12月31日，本集團銀行及其他借貸人民幣30,000,000元包括附屬公司提取及由本公司抵押存款抵押的銀行貸款人民幣31,849,000元。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

25 TRADE AND OTHER PAYABLES, AND ACCRUALS

25 應付賬款、其他應付款及預提費用

	The Group 本集團		The Company 本公司	
	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Bills payable (note (a))	-	5,000	-	-
Trade payables (note (a))	33,306	36,493	-	-
Amount due to a director (note (b))	777	537	-	-
Amount due to a subsidiary (note (b))	-	-	240	109
Derivative financial instruments (note 21)	30,252	10,402	30,252	10,402
Other creditors and accrued charges (note (c))	413,698	350,144	111,562	27,599
	478,033	402,576	142,054	38,110

Notes:

- (a) Included in trade and other payables, and accruals are trade and bills payables with the following ageing analysis as at the balance sheet date:

Due within 3 months or on demand 3個月內到期或按要求

- (b) The amounts due to a director and a subsidiary are unsecured, interest-free and repayable on demand.

- (c) Included in other creditors and accrued charges are:

- (i) an upfront fee payable of HK\$76,000,000 (equivalent to RMB66,886,000) (2008: Nil) for a credit note of the Company. Subsequent to the year end, the entire amount has been settled by the issuance of ordinary shares of the Company as set out in note 30(c)(iv).
- (ii) a short-term advance with principal amount of US\$2,200,000 (equivalent to RMB 15,021,000) (2008: Nil) received during the year. Subsequent to the year end, the entire amount has been settled by the issuance of ordinary shares of the Company as set out in note 30(c)(v).
- (iii) an one-year advance of RMB30,000,000 (2008: Nil) obtained by the Group from an independent third party during the year, which is interest-bearing at 6% per annum. The advance is secured by certain units of the Group's properties under development for sale with a carrying value of approximately RMB16,963,000.

附註：

- (a) 於資產負債表日，應付賬款及其他應付款及預提費用包括應付賬款及應付票據，其賬齡分析如下：

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
33,306	41,493

- (b) 應付董事及附屬公司款項為無抵押、免息及按要求償還。

- (c) 其他應付款及預提費用包括：

- (i) 年內就本公司的信貸票據應付的先前費用76,000,000港元(相當於人民幣66,886,000元)(2008年：無)。於年結日後，全部金額以發行本公司普通股結算(如附註30(c)(iv)所載)。
- (ii) 年內收取的本金額為2,200,000美元(相當於人民幣15,021,000元)(2008年：無)的短期墊款。於年結日後，全部金額以發行本公司普通股結算(如附註30(c)(v)所載)。
- (iii) 年內本集團從一獨立第三方獲得的一年期墊款人民幣30,000,000元(2008年：無)，按每年6%計息。該墊款以本集團若干待出售的發展中物業單位賬面值約人民幣16,963,000元作抵押。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

26 RECEIPTS IN ADVANCE

Receipts in advance represented sales proceeds received from buyers in connection with the Group's pre-sales of properties and prepaid rental from tenants of the Group's investment properties. Included in receipts in advance were RMB15,271,000 (2008: Nil) which are expected to be settled after more than one year. All other receipts in advance are expected to be settled within one year.

27 RENTAL AND OTHER DEPOSITS

Included in rental and other deposits were RMB8,604,000 (2008: RMB8,741,000) which are expected to be settled after more than one year. All other rental and other deposits are expected to be settled within one year.

28 INCOME TAX IN THE CONSOLIDATED BALANCE SHEET

(a) **Current taxation in the consolidated balance sheet represents:**

26 預收賬款

預收賬款是指本集團自預售物業購買者收取的銷售所得款及自本集團投資物業的租戶收取的預付租金。預收賬款中人民幣15,271,000元(2008年：無)預計於一年後結算。所有其他預收賬款預期於一年內結算。

27 租賃及其他按金

租賃及其他按金中包括一筆預期於一年後償還為人民幣8,604,000元的款項(2008年：人民幣8,741,000元)。所有其他租賃及其他按金均預期於一年內償還。

28 綜合資產負債表內的所得稅

(a) 綜合資產負債表的本期稅項指：

		The Group 本集團	
		2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
PRC Corporate Income Tax	中國企業所得稅		
Provision for the year	本年度準備	19,657	16,059
Provisional tax paid	已付暫繳稅項	(1,202)	-
Balance of tax provision relating to prior years	有關過往年度的稅項準備結餘	67,990	57,321
Taxation payable	應付稅項	86,445	73,380
Land Appreciation Tax	土地增值稅		
Provision for the year	本年度準備	6,683	328
Provisional tax paid	已付稅項準備	(2,173)	-
Balance of tax provision relating to prior years	有關過往年度的稅項準備結餘	171,597	171,944
Taxation payable	應付稅項	176,107	172,272
Total	合計	262,552	245,652

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

28 INCOME TAX IN THE CONSOLIDATED BALANCE SHEET (CONT'D)

28 綜合資產負債表內的所得稅 (續)

(b) Deferred taxation

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

Deferred tax arising from: 遞延稅項源自:		Revaluation	Depreciation	Temporary	Total deferred	Temporary	Capitalisation	Total deferred	Total
		of investment properties	of related depreciation	differences in excess arising from deferred rent	tax liabilities	differences arising from Land Appreciation Tax	of interest expenses	tax assets	
		重估投資物業	超出有關折舊的 折舊免稅額	源自遞延租金 的暫時差異	遞延稅項 負債總額	源自土地增值稅 的暫時差異	資本化的 利息支出	遞延稅項 資產總值	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2008	於 2008 年 1 月 1 日	113,864	-	-	113,864	(14,744)	-	(14,744)	99,120
Charged/(credited) to profit or loss	扣除/(計入)損益	15,530	3,903	-	19,433	-	(13,676)	(13,676)	5,757
Effect of changes in tax rate on opening deferred tax balances	稅率變動對期初遞延 稅項結餘的影響	75,910	-	-	75,910	(9,829)	-	(9,829)	66,081
At 31 December 2008	於 2008 年 12 月 31 日	205,304	3,903	-	209,207	(24,573)	(13,676)	(38,249)	170,958
At 1 January 2009	於 2009 年 1 月 1 日	205,304	3,903	-	209,207	(24,573)	(13,676)	(38,249)	170,958
Charged/(credited) to profit or loss	扣除/(計入)損益	14,208	4,146	4,073	22,427	-	(11,698)	(11,698)	10,729
At 31 December 2009	於 2009 年 12 月 31 日	219,512	8,049	4,073	231,634	(24,573)	(25,374)	(49,947)	181,687

(b) 遞延稅項

於綜合資產負債表內確認的遞延稅項(資產)/負債部分及年內變動如下:

(c) The Group has not recognised deferred tax assets in respect of tax losses of RMB12,100,000 (2008: RMB9,469,000) as it is not probable that future taxable profits will be available against which the losses can be utilised. The tax losses will be expired in 2014 under current tax legislation.

(c) 本集團並未就稅項虧損人民幣 12,100,000 元(2008 年: 人民幣 9,469,000 元)確認遞延稅項資產，因為未來不可能提供應課稅溢利以抵銷虧損。稅項虧損將根據現行的稅項法例於 2014 年到期。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

29 EQUITY-SETTLED SHARE-BASED PAYMENTS

The Company adopted a share option scheme on 31 January 2007 whereby the directors of the Company are authorised, at their discretion, to invite employees and consultants of the Group, including directors of any company in the Group, to subscribe for shares of the Company. These options generally vest after six months to one year from the date of grant and are exercisable within a period of five to ten years. Each option gives the holder the right to subscribe for one ordinary share of the Company at a pre-determined exercise price plus a consideration of HK\$10 per option holder.

(a) The terms and conditions of the grants that existed during the year are as follows, whereby all options are settled by physical delivery of shares:

		Number of options 認股權數目	Vesting conditions 歸屬條件	Contractual life of options 認股權合約年期	Exercise price 行使價
Options granted to directors:	授予董事的認股權				
- on 31 January 2007	- 於2007年1月31日	7,000,000	Six months from 22 February 2007 (the "Listing Date") 由2007年2月22日(「上市日」)起計滿六個月	5 years 5年	HK\$0.60 0.60港元
- on 15 May 2007	- 於2007年5月15日	2,000,000	Six months from the date of grant 由授出日期起計滿六個月	10 years 10年	HK\$1.84 1.84港元
Options granted to employees:	授予僱員的認股權				
- on 31 January 2007	- 於2007年1月31日	12,000,000	Six months from the Listing Date 由上市日起計滿六個月	5 years 5年	HK\$0.60 0.60港元
- on 15 May 2007	- 於2007年5月15日	13,139,000	Six months from the date of grant 由授出日期起計滿六個月	10 years 10年	HK\$1.84 1.84港元
- on 10 October 2007	- 於2007年10月10日	1,000,000	Six months from the date of grant 由授出日期起計滿六個月	10 years 10年	HK\$2.99 2.99港元
Options granted to third parties:	授予第三方的認股權：				
- on 15 May 2007	- 於2007年5月15日	18,000,000	Six months from the date of grant 由授出日期起計滿六個月	10 years 10年	HK\$1.84 1.84港元
- on 10 October 2007	- 於2007年10月10日	20,000,000	One year from the date of grant 由授出日期起計滿一年	10 years 10年	HK\$2.99 2.99港元
- on 13 February 2008	- 於2008年2月13日	8,000,000	Six months from the date of grant 由授出日期起計滿六個月	10 years 10年	HK\$1.70 1.70港元
Total	合計	81,139,000			

29 以股份為結算基礎的付款

本公司於2007年1月31日採納一項認股權計劃，據此本公司董事獲授權可酌情邀請本集團的僱員及顧問(包括本集團旗下任何公司的董事)認購本公司股份。該等認股權一般自授出日期起滿六個月至一年後歸屬，及可於五至十年期間內行使。每份認股權賦予持有人權利，可按預定行使價加每份認股權10港元認購一股本公司普通股。

(a) 年內尚存批授的條款及條件如下，據此所有認股權均以股份進行實物交付：

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

29 EQUITY-SETTLED SHARE-BASED PAYMENTS (CONT'D)

29 以股份為結算基礎的付款(續)

(b) The number and weighted average exercise prices of share options are as follows:

(b) 認股權數目及其加權平均行使價如下：

		2009		2008	
		Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
		加權平均行使價	認股權數目	加權平均行使價	認股權數目
			'000 千股		'000 千股
Outstanding at the beginning of the year	年初尚未行使	HK\$1.83 港元	81,139	HK\$1.91 港元	86,309
Granted during the year	年內授出	N/A 不適用	-	HK\$1.70 港元	8,000
Exercised during the year	年內行使	N/A 不適用	-	N/A 不適用	-
Cancelled during the year	年內註銷	HK\$2.75 港元	(25,188)	HK\$2.28 港元	(13,170)
Outstanding at the end of the year	年終尚未行使	HK\$1.42 港元	55,951	HK\$1.83 港元	81,139
Exercisable at the end of the year	年終可予行使	HK\$1.42 港元	55,951	HK\$1.83 港元	81,139

No share options (2008: 8,000,000) were granted during the year. During the year ended 31 December 2008, equity-settled share-based payments of RMB15,717,000 regarding share options granted on 10 October 2007 and 13 February 2008 have been charged to the consolidated statement of comprehensive income under general and administrative expenses and other operating expenses.

During the year, 5,188,000 (2008: 8,170,000) and 20,000,000 (2008: 5,000,000) share options granted on 15 May 2007 and 10 October 2007 (2008: 15 May 2007 and 10 October 2007) respectively were cancelled. Accordingly, the fair values on grant date of the share options so cancelled of RMB17,667,000 (2008: RMB6,926,000) was transferred from the capital reserve to retained profits.

No share options were exercised during the year ended 31 December 2009 and 2008.

The options outstanding at 31 December 2009 and 2008 had exercise prices of HK\$0.60, HK\$1.70, HK\$1.84 or HK\$2.99 and a weighted average remaining contractual life of 4.5 years (2008: 7.4 years).

本年度並無授出任何認股權(2008年：8,000,000份)，截至2008年12月31日止年度有關於2007年10月10日及2008年2月13日授出的認股權之以股份為結算基礎的付款人民幣15,717,000元已從綜合損益表中的一般及行政費用以及其他營運費用中扣除。

年內，5,188,000份(2008年：8,170,000份)及20,000,000份(2008年：5,000,000)分別於2007年5月15日及2007年10月10日(2008年：2007年5月15日及2007年10月10日)授出之認股權已被註銷。因此，該等已註銷認股權於授出日期的公允值人民幣17,667,000元(2008年：人民幣6,926,000元)已從資本儲備轉撥至保留溢利。

於截至2009年度2008年12月31日止年度，概無任何認股權獲行使。

於2009年度2008年12月31日尚未行使認股權的行使價為0.60港元、1.70港元、1.84港元或2.99港元，而加權平均餘下合約年期為4.5年(2008年：7.4年)。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

29 EQUITY-SETTLED SHARE-BASED PAYMENTS (CONT'D)

29 以股份為結算基礎的付款(續)

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on both the Black-Scholes pricing model and the binomial lattice model. The contractual life and expectations of early exercise of the share option were used as inputs into relevant models.

Fair value of share options and assumptions

		Grant date			
		31 January 2007 2007年1月31日	15 May 2007 2007年5月15日	10 October 2007 2007年10月10日	13 February 2008 2008年2月13日
Fair value at measurement date	於計量日期的公允值	HK\$0.78港元	HK\$0.47港元	HK\$0.64港元	HK\$0.54港元
Share price	股價	N/A 不適用	HK\$1.84港元	HK\$2.93港元	HK\$1.61港元
Exercise price	行使價	HK\$0.60港元	HK\$1.84港元	HK\$2.99港元	HK\$1.70港元
Expected volatility (expressed as weighted average volatility used in the models)	預期波幅(以該等模式中採用的加權平均波幅表示)	47.9%	48.9%	51.05%	56.17%
Option life (expressed as weighted average life used in the models)	認股權年期(以該等模式中採用的加權平均年期表示)	3 years年	3.25 years年	10 years年	10 years年
Expected dividends	預期股息	4.4%	3.4%	1.21%	-
Risk-free interest rate (based on Exchange Fund Notes)	無風險利率(以外匯基金票據計算)	4.0%	4.2%	4.28%	2.69%
Valuation model used	採用的估值模式	Black-Scholes 伯力克-舒爾斯	Black-Scholes 伯力克-舒爾斯	Binomial 二項式	Binomial 二項式

The expected volatility is based on the historical volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information.

Share options were granted under a service condition. The condition has not been taken into account in the grant date fair value measurement of the services received. There was no market conditions associated with the share option grants.

(c) 認股權的公允值及假設

以授予認股權換取所收取服務的公允值乃參照所授予認股權的公允值計量。所授予認股權的公允值估計乃根據伯力克-舒爾斯定價模式及二項式點陣模式計量。認股權的合約年期及預期提早行使乃作為數據輸入有關模式。

認股權的公允值及假設

預期波幅乃根據歷史波幅(根據認股權的加權平均餘下年期計算)，並就根據公開可用資料調整任何預期變動的未來波幅。

認股權根據服務狀況批授。該狀況並無計及所收取服務於授出日期的公允值計量。並無與認股權批授有關的市場條件。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

30 CAPITAL, RESERVES AND DIVIDENDS

30 資本、儲備及股息

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

		Share capital	Share premium	Merger reserve	Capital reserve	Retained profits	Total
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2008	於2008年1月1日	10,296	579,466	(752)	41,331	(61,919)	568,422
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	27,524	27,524
Equity-settled share-based payments	以股份為結算基礎的付款	29(b)	-	-	15,717	-	15,717
Share options cancelled	已註銷的認股權	29(b)	-	-	(6,926)	6,926	-
At 31 December 2008	於2008年12月31日	10,296	579,466	(752)	50,122	(27,469)	611,663
At 1 January 2009	於2009年1月1日	10,296	579,466	(752)	50,122	(27,469)	611,663
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	228,621	228,621
Share options cancelled	已註銷的認股權	29(b)	-	-	(17,667)	17,667	-
At 31 December 2009	於2009年12月31日	10,296	579,466	(752)	32,455	218,819	840,284

(b) Dividends

No dividend has been declared or approved by the Group during the years ended 31 December 2009 and 2008.

A special dividend of HK\$0.15 per ordinary share has been declared on 5 February 2010. The special dividend has not been recognised as a liability at the balance sheet date.

(a) 權益部分之變動

本集團綜合權益各部分之期初及期末結餘間的調整載於綜合權益變動表。本公司於年初及年末的權益各部分之變動詳情載列如下：

本公司

(b) 股息

本公司截至2009年及2008年12月31日止年度概無宣派或批准任何股息。

於2010年2月5日，本公司已宣派每股面值0.15港元之普通股股息。於資產負債表日，特別股息尚未確認為負債。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

30 CAPITAL, RESERVES AND DIVIDENDS (CONT'D)

30 資本、儲備及股息(續)

(c) Share capital

(i) Authorised and issued share capital:

	2009	2008
	No. of shares 股份數目	No. of shares 股份數目
Authorised:		
Ordinary shares of HK\$0.01 each	30,000,000,000	30,000,000,000
Issued and fully paid:		
Ordinary shares of HK\$0.01 each	1,040,250,000	1,040,250,000
RMB equivalent	10,296	10,296

(c) 股本

(i) 法定及已發行股本如下:

	2009	2008
	No. of shares 股份數目	No. of shares 股份數目
Authorised:		
Ordinary shares of HK\$0.01 each	30,000,000,000	30,000,000,000
Issued and fully paid:		
Ordinary shares of HK\$0.01 each	1,040,250,000	1,040,250,000
RMB equivalent	10,296	10,296

(ii) Terms of unexpired and unexercised share options at the balance sheet date

Exercise period 行使期	Exercise price 行使價
22 August 2007 to 21 February 2012 2007年8月22日至2012年2月21日	HK\$0.60 0.60 港元
15 November 2007 to 14 May 2016 2007年11月15日至2016年5月14日	HK\$1.84 1.84 港元
10 April 2008 to 9 October 2017 2008年4月10日至2017年10月9日	HK\$2.99 2.99 港元
10 October 2008 to 9 October 2017 2008年10月10日至2017年10月9日	HK\$2.99 2.99 港元
13 August 2008 to 13 August 2018 2008年8月13日至2018年8月13日	HK\$1.70 1.70 港元

(ii) 於資產負債表日未屆滿及未行使認股權的條款

2009	2008
Number 數目	Number 數目
19,000,000	19,000,000
27,951,000	33,139,000
1,000,000	1,000,000
–	20,000,000
8,000,000	8,000,000
55,951,000	81,139,000

Each option entitles the holder to subscribe for one ordinary share of the Company. Further details of these options are set out in note 29 to the financial statements.

每份認股權賦予持有人權利可認購一股本公司普通股。有關該等認股權的進一步詳情載於財務報表附註29。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

30 CAPITAL, RESERVES AND DIVIDENDS (CONT'D)

(c) Share capital (Cont'd)

- (iii) On 3 October 2007, 81,000,000 Warrants were issued to the initial purchasers of the Senior Note. At the balance sheet date, there were 81,000,000 outstanding Warrants. Each of the Warrant holders is entitled to subscribe in cash at an exercise price, subject to certain conditions of reset and adjustment, of HK\$3.36 each for one ordinary share of HK\$0.01 each of the Company at any time from 3 October 2007 to 2 October 2012. On 20 September 2008, the exercise price of the Warrants has been reset to HK\$1.68, being 50% of the initial exercise price of HK\$3.36. The Warrants when exercised in full would, with the present capital structure of the Company, result in the issue of 81,000,000 additional ordinary shares of HK\$0.01 each and aggregate subscription monies of HK\$136,080,000 (2008: HK\$136,080,000) before the related expenses.
- (iv) On 11 January 2010, the Company has issued 80,000,000 ordinary shares of HK\$0.01 each at an issue price of HK\$0.95 per ordinary share to settle an upfront fee of HK\$76,000,000 (equivalent to RMB66,886,000) for the US\$26,000,000 credit note obtained during the year (note 24).
- (v) On 11 January 2010, the Company has issued 25,000,000 ordinary shares of HK\$0.01 each at an issue price of HK\$0.95 per ordinary share to another independent third party for settlement of an advance received.

30 資本、儲備及股息(續)

(c) 股本(續)

- (iii) 於2007年10月3日，本公司發行81,000,000份認股權證予優先票據的初步買方。於資產負債表日，尚有81,000,000份未行使認股權證。每位認股權證持有人可由2007年10月3日起至2012年10月2日止任何時間，按行使價(受若干重定及調整的條件規限)每股3.36港元，以現金認購一股每股面值0.01港元的本公司普通股。於2008年9月20日，認股權證的行使價已重定為1.68港元，即初始行使價3.36港元的50%。在本公司的現有資本架構下，當認股權證悉數獲行使時將導致須額外發行81,000,000股每股面值0.01港元的普通股，及認購款項總額於扣除相關費用前為136,080,000港元(2008年：136,080,000港元)。
- (iv) 於2010年1月11日，本公司以發行價每股普通股0.95港元發行80,000,000股每股面值0.01港元的普通股，以結付本年度因取得26,000,000美元信貸票據而產生的先期費用76,000,000港元(相等於人民幣66,886,000元)(附註24)。
- (v) 於2010年1月11日，本公司以發行價每股面值0.01港元之普通股0.95港元向另一獨立第三方發行25,000,000股每股面值0.01港元的普通股，以結付已收墊款。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

30 CAPITAL, RESERVES AND DIVIDENDS (CONT'D)

30 資本、儲備及股息(續)

(d) Nature and purpose of reserve

(i) Merger reserve

The merger reserve represents the difference between the nominal value of shares of the subsidiary acquired over the nominal value of the shares used by the Company exchange thereafter.

(ii) Statutory reserve fund

According to the PRC Company Law, the PRC subsidiaries of the Group are required to transfer 10% of its profit after taxation, as determined under PRC Accounting Regulations, to statutory reserve fund until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to shareholders.

Statutory reserve fund can be used to make good previous years' losses, if any, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

(iii) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(iv) Capital reserve

The capital reserve comprises the fair value of the actual or estimated number of unexercised share options granted by the Company recognised in accordance with the accounting policy adopted for equity-settled share-based payments in note 2(p)(iii).

(d) 儲備的性質及目的

(i) 合併儲備

合併儲備乃指所收購的附屬公司股份的面值與本公司交易所用股份面值之間的差額。

(ii) 法定儲備金

根據中國公司法，本集團的中國附屬公司須按中國會計制度，將其除稅後溢利的10%轉撥至法定儲備金，直至該儲備結餘達到註冊資本的50%。轉撥款項至此項儲備必須於分派股息予股東前作出。

法定儲備金可用以抵銷過往年度的虧損(如有)；透過按股東現有持股量向股東發行新股份或增加該等股東持有股份面值將法定儲備金轉換為股本，惟於該發行後，其結餘不得少於註冊資本的25%。

(iii) 股份溢價

根據開曼群島公司法，本公司股份溢價賬中的資金可供分派予本公司股東，惟緊隨建議派發股息之日期後本公司將能夠在日常業務過程中償清其到期債務。

(iv) 資本儲備

資本儲備包括本公司所授出的未行使認股權實際或估計數目的公允值，乃根據附註2(p)(iii)中就股本結算以股份為基礎的付款而採納的會計政策確認。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

30 CAPITAL, RESERVES AND DIVIDENDS (CONT'D)

30 資本、儲備及股息(續)

(d) Nature and purpose of reserve (Cont'd)

(v) Distributability of retained profits

For dividend purposes, the amount which the Company and its subsidiaries can legally distribute by way of a dividend is by reference to the profits as reflected in their PRC statutory financial statements prepared in accordance with PRC GAAP. These profits differ from those reflected in these financial statements, which are prepared in accordance with HKFRSs.

Upon listing of the Company's shares on the Stock Exchange of Hong Kong Limited, dividends will be distributed out of the Group's net distributable earnings, which represent the lower of the net profit as determined in accordance with PRC GAAP and HKFRS, less allocation to the statutory reserve fund.

As at 31 December 2009, the retained profits available for distribution was RMB287,625,000 (2008: RMB272,287,000).

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

(d) 儲備的性質及目的(續)

(v) 可供分派保留溢利

就股息而言，本公司及其附屬公司可合法用作分派股息的數額，乃參照彼等按中國公認會計準則編製的中國法定財務報表所反映的溢利而釐定。該等溢利與本財務報表所反映的不同，因本財務報表的溢利乃根據香港財務報告準則所編製。

本公司的股份在香港聯合交易所有限公司上市後，股息將從本集團的可供分派盈利淨額分派，計為根據中國公認會計準則及香港財務報告準則所釐定的溢利淨額的較低者減分配至法定儲備金的資金。

於2009年12月31日，可供分派的保留溢利為人民幣287,625,000元(2008年：人民幣272,287,000元)。

(e) 資本管理

本集團管理資本的首要目標是保障本集團的持續經營能力，從而透過與風險水平相對應的產品及服務定價以及獲得合理成本的融資，繼續為股東創造回報及帶來利益。

本集團積極及定期對其資本架構進行檢討及管理，以在較高股東回報情況下可能伴隨的較高借貸水平與良好的資本狀況帶來的好處及保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

30 CAPITAL, RESERVES AND DIVIDENDS (CONT'D)

(e) Capital management (Cont'd)

Consistent with industry practice, the Group monitors its capital structure on the basis of a net debt-to-equity ratio. For this purpose the Group defines net debt as total debt (which includes interest-bearing loans and borrowings and trade and other payables, and accruals), less pledged deposits and, cash and cash equivalents.

During 2009, the Group's strategy, which was unchanged from 2008, was to maintain the net debt-to-equity ratio in line with market expectations. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

The net debt-to-equity ratio at the balance sheet date is as follows:

	Note 附註	
Current liabilities:		流動負債：
Trade and other payables, and accruals	25	應付賬款、其他應付款及 預提費用
Bank loans	24	銀行貸款
Non-current liabilities:		非流動負債：
Borrowings	23	借貸
Total debt		總負債
Less: pledged deposits	22	減：抵押存款
Less: cash at bank and in hand		減：現金及現金等價物
Net debt		淨負債
Total equity		總權益
Net debt-to-equity capital ratio		淨負債對權益比率

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

30 資本、儲備及股息(續)

(e) 資本管理(續)

和其他同業一樣，本集團以淨負債對權益比率為基準監察其資本架構。為此本集團將淨負債界定為總負債(其包括計息貸款及借貸以及應付賬款，其他應付款及預提費用)減去抵押存款及現金及現金等價物。

於2009年內，本集團的策略與2008年保持不變，其淨負債對權益比率符合市場預期。為了維持或調整該比率，本集團或會調整已付予股東的股息金額、發行新股份、退還資本予股東、籌集新的債務融資或出售資產以減少負債。

於資產負債表日，淨負債對權益比率如下：

The Group 本集團		The Company 本公司	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元	2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
478,033	402,576	142,054	38,110
375,800	510,124	-	-
853,833	912,700	142,054	38,110
1,393,834	699,725	293,157	519,725
2,247,667	1,612,425	435,211	557,835
(73,569)	(59,846)	-	(31,849)
(216,950)	(44,102)	(60,115)	(28,161)
1,957,148	1,508,477	375,096	497,825
1,720,837	1,659,803	843,087	611,663
114%	91%	44%	81%

本公司或其任何附屬公司並不受外部實施的資本規定限制。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate, foreign currency and concentration risks arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below:

(a) Credit risk

The extent of the Group's credit exposure is represented by the aggregate balance of cash at bank, trade and other receivables. Except for those disclosed in note 31(e), the Group has no concentrations on credit risk. Cash transactions are limited to high-credit-quality institutions.

The Group has a defined credit policy. The Group reviews the ageing of loans and advances on a regular basis and closely monitor the recoverability of the balances. The Group has also arranged bank financing for certain purchasers of properties and provided guarantees to secure repayment obligations of such purchasers. Details of these guarantees are set out in note 34.

(b) Liquidity risk

Individual subsidiaries within the Group are responsible for their own cash management based on the Group's internal guidelines on liquidity requirement, including raising loans to cover the expected cash demand, and obtaining credit lines, subject to approval by the Board. The Group's objective is to strike a balance between continuity of funding and flexibility through the use of banking facility and other borrowings. The Group financed its operations and investment activities with internally generated cash flows, balanced with proceeds from the line of credit obtain from banks. There has been no default on repayment of interest and/or bank borrowings as at year end or at any time during the year.

31 財務風險管理及公允值

信用、流動性、利率、外匯及集中風險在本集團一般業務過程中出現。該等風險根據以下所述本集團的財務管理政策及常規管理。

(a) 信用風險

本集團所承受的信用風險乃銀行現金、應收賬款及其他應收賬款的結餘總額。除附註32(e)的披露以外，本集團並無其他集中信用風險。現金交易只限於信用質素高的機構。

本集團擁有清晰的信用政策。本集團定期檢討貸款及墊款的賬齡，並緊密監察該等結餘是否可收回。本集團亦為若干物業買家提供銀行融資及作出擔保以保證該等買家履行償還責任。有關該等擔保的詳情列載於附註34。

(b) 流動性風險

本集團個別附屬公司根據本集團有關流動資金規定的內部指引，自行負責其本身的現金管理，包括籌集貸款以應付預期的現金需求及獲得融資額，惟須取得本公司董事會批准。本集團的目標是致力於透過運用銀行信貸及其他借貸達致資金持續性與靈活性之間的均衡。本集團以內部產生的現金流量為其經營業務及投資活動提供資金，同時以發行優先票據的所得款項以及從銀行獲授的融資額為補充。於年結或年內任何時間並無任何償還利息及／或銀行借款的違約情況。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

31 財務風險管理及公允值(續)

(b) Liquidity risk (Cont'd)

The following tables show the remaining contractual maturities at the balance sheet date of the group's and the company's non-derivative financial liabilities (excluding receipts in advance), which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the group and the company can be required to pay:

		2009						2008					
		Contractual undiscounted cash outflow						Contractual undiscounted cash outflow					
		合約未折現現金流						合約未折現現金流					
		More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Balance sheet carrying amount	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Balance sheet carrying amount		
Within 1 year or on demand	Within 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Balance sheet carrying amount	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Balance sheet carrying amount		
一年內	一年以上但少於兩年	兩年以上但少於五年	五年以上	總額	賬面值	一年內	一年以上但少於兩年	兩年以上但少於五年	五年以上	總額	賬面值		
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000		
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元		
Bank and other borrowings	銀行及其他借貸	495,750	830,064	489,537	414,677	2,230,028	1,769,634	621,640	114,669	845,861	-	1,582,170	1,209,849
Trade and other payable, and accruals	應付賬款、其他應付賬款及預提費用	287,467	-	-	-	287,467	478,033	291,980	-	-	-	291,980	402,576
Rental and other deposits	租賃及其他按金	3,139	462	1,879	6,263	11,743	11,743	2,388	567	1,089	7,085	11,129	11,129
Total	合計	786,356	830,526	491,416	420,940	2,529,238	2,259,410	916,008	115,236	846,950	7,085	1,885,279	1,623,554

(b) 流動性風險(續)

下表顯示本集團及本公司之非衍生金融負債(不包括預收賬款)於資產負債表日之餘下合約到期日，乃根據合約未折現現金流量(包括使用合約利率計算之利息付款，或如屬浮動利率，則按於資產負債表日之利率計算)以及本集團及本公司可要求償還之最早日期計算：

The above table excluded all non-cash settled contractual liabilities.

上表不包括所有非現金結算之合約負債。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

31 財務風險管理及公允值(續)

(c) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing assets and liabilities. It is the Group's intention to keep its borrowings at floating interest rate with an aim to reflect market costs of funding. It is this reason that cost of specific borrowings financing the Group's development projects would be capitalised at a rate reflecting market conditions. The Group's effect on changes in interest rate is considered immaterial to the Group's profit or loss.

(i) Interest rate profile

The following table details the interest rate profile of the Group's and the Company's assets and liabilities at the balance sheet date.

(c) 利率風險

本集團的利率風險主要來自於計息資產及負債。本集團有意繼續保留浮息借貸，藉以反映資金的市場成本，原因是為本集團開發項目提供資金的特定借貸成本將按反映市場情況之利率予以資本化。本集團認為利率變動對本集團溢利或虧損的影響極微。

(i) 利率組合

下表詳述本集團及本公司於資產負債表日的資產及負債的利率組合。

		The Group 本集團				The Company 本公司			
		2009		2008		2009		2008	
		Effective interest rate	Effective interest rate	Effective interest rate	Effective interest rate	Effective interest rate	Effective interest rate	Effective interest rate	Effective interest rate
		%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000
		人民幣千元		人民幣千元		人民幣千元		人民幣千元	
Pledged deposits	抵押存款	0 - 0.36	73,569	0-0.69	59,846	-	-	-	31,849
Saving deposits	活期存款	0 - 0.36	212,984	0-0.69	41,218	0 - 0.2	60,049	0 - 0.53	27,505
Loans and advances	貸款及墊款	5.31 - 5.94	216,893	5.31-7.47	89,641	5.31	26,360	5.31 - 7.47	21,772
Fixed rate borrowings:	定息借貸：								
Senior Note	優先票據	17.80	182,657	19.07	519,725	17.80	182,657	19.07	519,725
Bank and other borrowings	銀行及其他貸款	10.00 - 11.00	510,500	-	-	-	-	-	-
Trade and other payables, and accruals	應付賬款、其他應付款及預提費用	600	30,000	-	-	-	-	-	-
			723,157		519,725		182,657		519,725
Variable rate borrowings:	浮息借貸：								
Bank and other borrowings	銀行及其他貸款	4.86 - 9.07	1,076,477	6.40-9.07	650,124	-	-	-	-
Total interest-bearing borrowings	計息借貸總額		1,799,634		1,169,849		182,657		519,725
Fixed rate borrowings as a percentage of total interest-bearing borrowings	定息借貸佔計息借貸總額的百分比		40.2%		44.43%		100%		100%

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

31 財務風險管理及公允值(續)

(c) Interest rate risk (Cont'd)

(ii) Sensitivity analysis

At 31 December 2009, it is estimated that a general increase/decrease of 1% (2008: 2%) in interest rates, with all other variables held constant, would decrease/increase the Group's profit after tax and retained profits by approximately RMB5,892,000 (2008: decrease/increase by RMB5,145,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The 1% (2008: 2%) increase or decrease represents management's assessment of a representative pattern of possible change in interest rates. The analysis is performed on the same basis for 2008.

(c) 利率風險(續)

(ii) 敏感度分析

於2009年12月31日，在所有其他變量維持不變之情況下，如利率全面上調／下調1%（2008年：2%），則本集團的除稅後溢利及保留溢利將減少／增加約人民幣5,892,000元（2008年：減少／增加人民幣5,145,000元）。

上述敏感度分析乃假設利率變動已於資產負債表日發生而釐定，並計入於該日存在的衍生及非衍生金融工具所承受的利率風險。上調或下調1%（2008年：2%）代表管理層對據代表性的可能利率變動的評估。2008年的分析按相同基準進行。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

(d) Foreign currency risk

All the Group's revenue-generating activities were transacted in Renminbi. Exposure to foreign currency risks is mainly attributable to bank deposits, Senior Note and credit note that are denominated in currencies other than Renminbi. Foreign currency risk is measured by employing sensitivity analysis, taking into account current and anticipated exposures.

At 31 December 2009, bank deposits (including pledged deposits) denominated in USD amounted to RMB55,173,000 (2008: RMB32,429,000).

At 31 December 2009, it is estimated that had the United States Dollars exchange rate (versus Renminbi) increased/decreased by 5% (2008: 5%), with all other variables remaining constant, the Group's profit after tax for the year would have decreased/increased by approximately RMB11,899,000 (2008: RMB29,222,000).

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the balance sheet date and had been applied to each of the Group entities' exposure to currency risk for both derivative and non-derivative financial instruments in existence at the date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of possible changes in foreign exchange rates over the period until the next annual balance sheet date. Results of the analysis as presented above represent an aggregation of the effects on each of the Group entities' profit after tax and equity measured in the respective foreign currencies, translated into Renminbi at the exchange rate ruling at the balance sheet date for presentation purposes. The analysis is performed on the same basis for 2008.

31 財務風險管理及公允值(續)

(d) 外匯風險

本集團所有產生收入的業務均以人民幣進行交易。所面對的外幣風險主要為銀行存款、優先票據及信貸票據以人民幣以外的貨幣計值。外幣風險乃採用敏感度分析計量，並計及當前及預期的風險。

於2009年12月31日，以美元計值的銀行存款(包括抵押存款)金額為人民幣55,173,000元(2008年：人民幣32,429,000元)。

於2009年12月31日，在所有其他變量維持不變之情況下，如每美元兌人民幣匯率分別上調/下調5%(2008年：5%)，則本集團於本年度的除稅後溢利估計將分別減少/增加約人民幣11,899,000元(2008年：人民幣29,222,000元)。

上述敏感度分析乃假設外匯匯率變動已於資產負債表日發生而釐定，並計入各集團實體於該日存在的衍生及非衍生金融工具所承受的貨幣風險，而所有其他變量尤其是利率保持不變。

上述變動代表管理層對於下一個年度資產負債表日期間外匯匯率可能變動的評估。以上所列示的分析結果代表對本集團旗下各實體按各種外匯計算並按資產負債表日的匯率換算為人民幣以供呈列之用的除稅後溢利及權益之總影響。2008年的分析按同一基準進行。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

31 財務風險管理及公允值(續)

(e) Concentration risk

The operation of the Group significantly relied on a single third party which was the largest supplier of the Group for the year ended 31 December 2009.

Should the operation of the party be in doubt, the operation of the Group may be significantly affected. The Group has requested that party to arrange a guarantee for the sale proceeds not yet repaid by the party upon the sales of properties to it in prior years. The Group also assesses the financial position of the party closely in order to mitigate the concentration risks exposed.

(f) Fair values

(i) Financial instruments carried at fair value

The following table presents the carrying value of financial instruments measured at fair value at the balance sheet date across the three levels of the fair value hierarchy defined in HKFRS 7, *Financial Instruments: Disclosures*, with the fair value of each financial instruments categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments

Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data

(e) 集中風險

本集團的業務很大程度上依賴單一的第三方，該第三方為本集團截至2009年12月31日止年度的最大供應商。

倘該方的業務有困難，本集團的業務可能會受到重大影響。本集團已要求該方過往年度就於銷售物業時尚未償還的銷售所得款安排擔保。本集團亦緊密評估該方的財務狀況以緩和所承受的集中風險。

(f) 公允值

(i) 以公允值保留的金融工具

下表呈列按《香港財務報告準則》第7號「金融工具：披露」所釐定的公允值等級制度的三個等級中，於資產負債表日以公允值計量的金融工具之賬面值。每項金融工具之公允值乃基於對其公允值有重大影響之最低等級輸入來分類。有關等級詳情如下：

第1級(最高等級)：利用在活躍市場中相同金融工具的報價(未經調整)計算公允值

第2級：利用在活躍市場中類似金融工具的報價，或所有重要輸入均直接或間接基於可觀察市場數據的估值技術，計算公允值

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONT'D)

31 財務風險管理及公允值(續)

(f) Fair values (Cont'd)

(i) Financial instruments carried at fair value (Cont'd)

Level 3: (lowest level): fair values measured using valuation techniques in which any significant inputs is not based on observable market data

(f) 公允值(續)

(i) 以公允值保留的金融工具(續)

第3級(最低等級): 利用任何重要輸入並非基於可觀察市場數據的估值技術計算公允值

	The Group 本集團				The Company 本公司			
	Level 1 級別1	Level 2 級別2	Level 3 級別3	Total 總計	Level 1 級別1	Level 2 級別2	Level 3 級別3	Total 總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Assets	資產							
Trading securities:	證券買賣:							
- Listed	502	-	-	502	-	-	-	-
- unlisted	-	4,017	-	4,017	-	-	-	-
	502	4,017	-	4,519	-	-	-	-
Liabilities	負債							
Derivative financial instruments:	衍生金融工具:							
- Warrants	-	-	30,252	30,252	-	-	30,252	30,252

During the year, there were no significant transfers between instruments in Level 1 and Level 2.

年內沒有項目在級別1與級別2之間重大移轉。

The movement during the year in the balance of Level 3 fair value measurements is set out in note 23(b).

年內，級別3之結餘公允值計量單位變動載於附註23(b)。

(ii) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's and the Company's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2009 and 2008.

(ii) 以公允值以外列賬的金融工具公允值

本集團及本公司金融工具之賬面值以成本或攤銷成本列賬，與其2009年及2008年12月31日之公允值並無重大差異。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

32 COMMITMENTS

(a) Capital commitments outstanding at 31 December not provided for in the financial statements were as follows:

Authorised but not contracted for	已授權但未訂約
Contracted but not provided for	已訂約但未準備

(b) Commitments for operating leases

The Group is the lessee in respect of a number of properties under operating leases. The leases typically run for an initial period of two to fifteen years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

During the year, RMB8,220,000 (2008: RMB10,082,000) was recognised in profit or loss as rental expenses in respect of sub-leased properties.

As at the balance sheet date, the total future minimum lease payments under non-cancellable operating leases in respect of leased and sub-leased properties are payable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

32 承擔

(a) 於12月31日尚未在財務報表內準備的資本承擔如下：

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
1,944,644	2,263,292
550,229	487,117
2,494,873	2,750,409

(b) 經營租賃承擔

本集團為經營租賃下多項物業的承租人。該等租約最初一般為期兩年或十五年，於該日後可選擇續租，而屆時所有條款均可重新協商。所有租賃均不含或然租金。

年內，在損益內已確認為轉租物業的租金支出為人民幣8,220,000元（2008年：人民幣10,082,000元）。

於資產負債表日，根據不可解除的經營租賃，租賃及轉租物業在日後應付的最低租賃付款總額如下：

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
8,887	9,792
29,306	28,063
23,157	25,059
61,350	62,914

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

33 SIGNIFICANT LEASING ARRANGEMENTS

Significant leasing arrangements in respect of investment properties held under operating leases are described in note 16(c).

Apart from these leases, the Group also sub-leases out a number of properties under operating leases. The leases typically run for an initial period of one to twenty years, with an option to renew the lease after that date at which time all terms are renegotiated. All of these leases have no contingent element.

During the year, RMB16,841,000 (2008: RMB15,939,000) was recognised in profit or loss as rental income in respect of sub-leased properties.

As at 31 December 2009, the total future minimum lease payments under non-cancellable operating leases in respect of sub-leased properties are receivable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

33 重要租賃安排

根據經營租賃所持的投資物業涉及的重要租賃安排列載於附註16(c)。

除該等租賃外，本集團亦根據經營租賃轉租若干物業。這些租賃一般為期一至二十年，於該日後可選擇續租，而屆時所有條款均可重新協商。所有這些租賃並無或然成分。

於本年度內，在損益內已確認為轉租物業的租金收入為人民幣16,841,000元(2008年：人民幣15,939,000元)。

於2009年12月31日，根據不可解除的經營租賃，轉租物業在日後應收的最低租賃款項總額如下：

The Group 本集團	
2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
10,942	9,883
13,664	9,850
7,596	5,897
32,202	25,630

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

34 CONTINGENT LIABILITIES

34 或然負債

		The Group 本集團	
		2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
Guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties (note (a))	向銀行發出的擔保：提供予本集團物業買家的按揭信貸額(附註(a))	370,000	370,000
Contingent liability in respect of a litigation (note (b))	有關訴訟的或然負債(附註(b))	-	21,020

Notes:

- (a) The Group provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the related properties. The Group's guarantee period commences from the dates of grant of the relevant mortgage loans and ends after the purchaser obtained the individual property ownership certificate or up to a maximum of two years after the full repayment of mortgage loan by the purchaser of the Group's properties.

- (b) During the year ended 31 December 2008, a claim has been made to a subsidiary of the Group in respect of a property construction cost of RMB21,020,000. The Intermediate People's Court of Zhangjiakou, Hebei Province, the PRC has ruled in favour of the plaintiff on 25 November 2008.

On 7 January 2009, the subsidiary has filed an appeal with the High People's Court of Hebei Province to deny the liability. The High People's Court of Hebei Province has made the final ruling in favour of the Group on 8 December 2009. Accordingly, no provision has been made in respect of this claim.

附註：

- (a) 本集團就若干銀行授出的按揭融資額提供擔保，該等按揭融資涉及由本集團若干物業買家所訂立的按揭貸款。根據擔保的條款，倘該等買家拖欠按揭款項，本集團須負責向銀行償還買家結欠的貸款連同任何預提利息及罰款，而本集團屆時有權接管有關物業的法定所有權。本集團的擔保期限由按揭貸款授出日期起計，並於買家取得個別房產證後或於本集團物業買家支付全數按揭貸款後最多兩年後結束。

- (b) 截至2008年12月31日止年度，本集團一間附屬公司就物業建築成本人民幣21,020,000元被提出索償。中國河北省張家口中級人民法院於2008年11月25日判原告勝訴。

於2009年1月7日，該附屬公司已向河北省高級人民法院提出上訴否認有關責任。河北省高級人民法院於2009年12月8日作出本集團勝訴的最終判決。故此，本集團毋須作出索償準備。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

35 MATERIAL RELATED PARTY TRANSACTIONS

In addition to those material related party transactions disclosed elsewhere in the financial statements, the Group had the following significant transactions and balances with related parties during the year:

Transactions and balances with the Group's affiliated companies and their directors

Prepayments (note (i))	預付款(附註(i))
Trade payables (note (ii))	應付賬款(附註(ii))

Notes:

- (i) Prepayments represented prepayments of construction materials paid to a related party for use of the Group's development projects. The terms of such transactions were carried out on normal commercial terms and in the ordinary course of the Group's businesses.
- (ii) Trade payables represented interest-free and unsecured amount due to a then minority shareholder for short-term purposes. This amount was repayable on demand and made on the same terms with other independent third parties.

35 關連人士的重大交易

除於財務報表其他地方披露的該等重大關連人士交易外，本集團與關連人士於年內重大交易及結餘如下：

與本集團的聯屬公司及其董事間的交易及結餘

2009 RMB'000 人民幣千元	2008 RMB'000 人民幣千元
1,538	26,707
-	8,724

附註：

- (i) 預付款代表支付予關連人士建築材料預付款，以供本集團開發項目之用。此等交易乃按一般商業條款及於本集團正常業務範圍內進行。
- (ii) 應付賬款代表應付當時一名少數股東的免息及無抵押短期款項。該款項須於三至六個月內償還，並按照與其他獨立第三方的相同條款而訂立。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

36 NON-ADJUSTING POST BALANCE SHEET EVENT

On 24 January 2010, the Group has entered into an equity transfer agreement with an independent third party to acquire 100% of the equity interest in Shenzhen Huaxingguang Industrial Company Limited ("Huaxingguang"). Huaxingguang was engaged in the development of residential and commercial properties at Pinghu Street, Longgang District, Shenzhen, the PRC. The aggregate consideration under the equity transfer agreement is approximately RMB173,758,000 (inclusive of assumption of former equity holders loan of RMB148,758,000) and property consideration. The property consideration represented the estimated total cost of completion of 25,850 square metre of gross floor area of commercial properties and 6,000 square metre of gross floor area of carparks to be delivered to the vender upon completion of construction. Huaxingguang will become a wholly-owned subsidiary of the Group after the completion of the equity transfer.

37 COMPARATIVE FIGURES

As a result of the application of HKAS 1 (revised 2007), *Presentation of financial statements*, and HKFRS 8, *Operating segments*, certain comparative figures have been adjusted to conform the current year's presentation and to provide comparative amounts in respect of items disclosed for the first time in 2009. Further details of these developments are disclosed in note 3.

38 IMMEDIATE PARENT AND ULTIMATE HOLDING COMPANY

The directors consider the immediate parent and ultimate holding company of the Group to be Grand Prosperity Limited, which is incorporated in BVI. This entity does not produce financial statements available for public use.

36 非調整資產負債表日後事項

於2010年1月24日，本集團與一獨立第三方簽訂權益轉讓協議以收購深圳市華興廣實業有限公司全部股權（「華興廣」）。華興廣於中國深圳龍崗區平湖街道從事開發商住物業。根據權益轉讓協議，總代價約為人民幣173,758,000元（包括前權益持有人貸款承擔人民幣148,758,000元）及物業代價。物業代價指將於建設完工前交付予賣方的建築面積為25,850平方米商用物業及建築面積為6,000平方米停車場及完工之估計總成本。華興廣於權益轉讓完成後，將成為本集團全資附屬公司。

37 比較數字

由於應用香港會計準則第1號（2007年經修訂）「財務報表之呈列」及香港財務報告準則第8號「經營分部」，若干比較數字經已調整以符合本年度之呈報，並就於2009年首次披露之項目提供比較金額。該等變動發展之進一步詳情於附註3披露。

38 母公司及最終控股公司

董事認為本集團的中層母公司及最終控股公司為於英屬處女群島註冊成立的 Grand Prosperity Limited。此公司並無編製財務報表供公眾閱覽。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

39 ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key sources of estimation uncertainty are as follows:

(a) Provision for completed properties held for sale and properties for future development and under development for sale

As explained in note 2(j), the Group's completed properties held for sale and properties for future development and under development for sale are stated at the lower of cost and net realisable value. Based on the Group's recent experience and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion in case for properties for future development and under development for sale, and the costs to be incurred in selling the properties based on prevailing market conditions.

If there is an increase in costs to completion or a decrease in net sales value, the net realisable value will decrease and this may result in provision for completed properties held for sale and properties for future development and under development for sale. Such provision requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

In addition, given the volatility of the PRC property market and the unique nature of individual properties, the actual outcomes in terms of costs and revenue may be higher or lower than estimated at the balance sheet date. Any increase or decrease in the provision would affect profit or loss in future years.

39 會計估計及判斷

估計及判斷乃持續進行的評估，並以過往經驗及其他因素作為基礎的，包括在該等情況下合理相信會出現的未來事件。估計不確定因素的主要來源如下：

(a) 持作出售的已竣工物業及供出售未來開發及發展中物業的準備

如附註2(j)所解釋，本集團持作出售的已竣工物業、供出售未來開發及發展中物業乃以成本值及可變現淨值的較低者入賬。根據本集團的最近經驗及上述物業的性質，本集團基於現時的市場狀況，推算售價、供出售未來開發及發展中物業的竣工成本及出售該等物業所產生的成本。

倘竣工成本有所增加或銷售價值淨值有所減少，可變現價值淨額將會減少，繼而或會為持作出售的已竣工物業、未來開發物業及待出售的發展中物業提撥準備。該準備須予以判斷及估計。倘預期與原來估計有所不同，於該推算出現改動期內的物業賬面值及準備將會相應地調整。

此外，根據中國物業市場的波動及個別物業的特有性質，成本及收益的實際所得或會高於或低於在資產負債表日所估計的所得。準備的任何增加或減少將對未來的溢利或虧損構成影響。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

39 ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

39 會計估計及判斷(續)

(b) Impairment losses on prepaid project costs

The Group prepaid land and construction costs for certain projects located on the lands which the Group has not obtained land use rights. The Group is in the process of obtaining these land use rights. Should the land use rights cannot be obtained subsequently, certain prepaid costs may not be recoverable. The Group provides for impairment losses for the unrecoverable costs based on its estimation. The Group's estimates may be inaccurate and any change in the estimates would affect profit or loss in future years.

(c) Impairment losses on loans and advances

The Group reviews the recoverability and ageing of loans and advances and provides for impairment losses if the balances are not fully recoverable. The assessments involve estimation on the recoverability of these balances. The Group's estimates may be inaccurate and any change in estimates would affect profit or loss in future years.

(d) Land Appreciation Tax

As explained on note 8(a), Land Appreciation Tax is levied on properties developed by the Group for sale, at progressive rate ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing cost and all property development expenditures. Given that the uncertainties of the calculation basis of Land Appreciation Tax adopted by local tax bureau, the actual outcomes may be higher or lower than estimated at the balance sheet date. Any increase or decrease in estimates would affect profit or loss in future years.

(b) 預付項目成本的減值虧損

本集團就位於其未獲取土地使用權的土地的若干項目，預付土地及建築成本。本集團現正獲取該等土地使用權。倘本集團於日後未能獲取該等土地使用權，若干預付成本或會不能收回。本集團根據其估計為不可收回的成本的減值虧損作準備。本集團的估計或會不準確，而該等估計的任何變動將影響來年的溢利或虧損。

(c) 貸款及墊款的減值虧損

本集團審核貸款及墊款的可收回性及賬齡，倘餘額無法悉數收回，則將對減值虧損作撥備。有關評估及對餘額可收回性的估計。本集團的估計可能不準確，而估計亦可能須於日後年度進行調整。

(d) 土地增值稅

誠如附註8(a)所闡述，本集團銷售所發展的物業須按土地價值增幅以30%至60%的累進稅率繳納土地增值稅，根據有關規例，土地增值稅乃按出售物業所得款項減可扣稅開支(包括土地使用權出讓支出、借貸成本及所有物業發展開支)計算。鑑於本地稅務局所採納的土地增值稅計算基準的不明朗因素，實際結果可能會高於或低於在資產負債表日所估計的結果。估計的任何增加或減少會影響其後年度的損益。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

39 ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

39 會計估計及判斷(續)

(e) Derivative financial instruments

The fair values calculated on the basis of well-established valuation techniques using current market parameters are theoretical values applicable at a given reporting date, and hence can only be used as an indicator of value realisable in a future sale. These techniques involve uncertainties and are significantly affected by the assumptions used and judgements made regarding risk characteristics of various financial instruments, discounted rates, estimates of future cash flows, future expected loss and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and, in many cases, could not be realised in an immediate sale of the instruments.

(f) Valuation of investment properties

As described in note 16, investment properties are stated at fair value based on the valuation performed by an independent firm of professional valuers after taking into consideration the net rental income allowing for reversionary income potential.

In determining the fair value, the valuers have based on a method of valuation which involves, inter alia, certain estimates including current market rents for similar properties in the same location and condition, appropriate discount rates and expected future market rents. In relying on the valuation report, the management has exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.

(e) 衍生金融工具

根據信譽卓著的估值方法採用當前市場參數計算的公允值為適用於某一報告日期的理論價值，因此僅可用作日後出售時可變現價值的指標。該等方法涉及不明朗因素，及受到所採用假設、就各種金融工具的風險特徵作出的判斷、折現率、估計未來現金流量、未來預期虧損經驗及其他因素的顯著影響。假設變動可顯著影響該等估計及就此產生的公允值。所推算的公允值估計不一定能夠透過與獨立市場作比較而獲得證實，而在很多情況下，本集團均不能將該等工具直接出售以變現公允值。

(f) 投資物業的估值

誠如附註16所述，投資物業根據獨立專業估值師於考慮租金收入淨額及可能的復歸收入後所進行的估值按公允值列賬。

估值師根據涉及若干估計，其中包括目前市場上所處位置及狀況相同的同類物業租金、適當折扣率及預期未來市場租金的估值方法釐定公允值。於倚賴估值報告時，管理層已作出判斷及信納估值方法可反映目前市況。

Notes to the Financial Statements 財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

40 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2009

Up to the date of issue of these financial statements, the HKICPA has issued the following amendments, new standards and Interpretations which are not yet effective for the year ended 31 December 2009 and which have not been adopted in these financial statements.

HKFRS 3 (revised), Business combinations
香港財務報告準則第3號(經修訂)·業務合併

Amendments to HKAS 27, Consolidated and separate financial statements
香港會計準則第27號(修訂本)·綜合及獨立財務報表

Amendments to HKAS 39, Financial instruments: Recognition and measurement – Eligible hedged items
香港會計準則第39號的修改·金融工具：
確認及計量－合資格對沖項目

HK(IFRIC) 17, Distributions of non-cash assets to owners
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

Improvements to HKFRSs 2009
2009年香港財務報告準則之改進

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Company's results of operations and financial position.

40 已頒佈但於截至2009年12月31日止年度尚未生效的修訂、新準則及詮釋的可能影響

截至此等財務報表刊發日期止，香港會計師公會已公佈多項修訂、新準則及詮釋。該等修訂、準則及詮釋於截至2009年12月31日止年度尚未生效，且未於此等財務報表中採納。

**Effective for
accounting periods
beginning on or after**
於下列日期或之後開始的會計期間生效

1 July 2009
2009年7月1日

1 July 2009
2009年7月1日

1 July 2009
2009年7月1日

1 July 2009
2009年7月1日

1 July 2009 or 1 January 2010
2009年7月1日或2010年1月1日

本集團正在評估此等修訂、新準則及新詮釋於最初應用期間的預期影響，至今得出的結論是採納此等新香港財務報告準則不太可能對本公司經營業績及財務狀況構成重大影響。



鴻隆控股
HONG LONG
Holdings