



ETERNITY INVESTMENT LIMITED

永恒策略投資有限公司*

(Formerly known as China Star Investment Holdings Limited)

(前稱 China Star Investment Holdings Limited 中國星投資有限公司*)

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 764)

2010

Annual Report

年報

* For identification purpose only
僅供識別

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive directors

Mr. Lei Hong Wai (*Chairman*)
Mr. Cheung Kwok Wai, Elton
Mr. Chan Kin Wah, Billy

Independent non-executive directors

Mr. Tang Chak Lam, Gilbert
Mr. Hung Hing Man
Mr. Wan Shing Chi

COMPANY SECRETARY

Mr. Chan Kin Wah, Billy

MEMBERS OF AUDIT COMMITTEE

Mr. Tang Chak Lam, Gilbert
Mr. Hung Hing Man
Mr. Wan Shing Chi

MEMBERS OF REMUNERATION COMMITTEE

Mr. Lei Hong Wai
Mr. Tang Chak Lam, Gilbert
Mr. Wan Shing Chi

MEMBERS OF NOMINATION COMMITTEE

Mr. Lei Hong Wai
Mr. Tang Chak Lam, Gilbert
Mr. Wan Shing Chi

MEMBERS OF FINANCE COMMITTEE

Mr. Chan Kin Wah, Billy
Mr. Hung Hing Man

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

董事會

執行董事

李雄偉先生 (*主席*)
張國偉先生
陳健華先生

獨立非執行董事

鄧澤林先生
孔慶文先生
尹成志先生

公司秘書

陳健華先生

審核委員會成員

鄧澤林先生
孔慶文先生
尹成志先生

薪酬委員會成員

李雄偉先生
鄧澤林先生
尹成志先生

提名委員會成員

李雄偉先生
鄧澤林先生
尹成志先生

財務委員會成員

陳健華先生
孔慶文先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 3811
Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong

總辦事處及主要營業地點

香港
干諾道中168-200號
信德中心西翼
3811室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Securities Services (Bermuda) Limited
6 Front Street
Hamilton HM11
Bermuda

股份過戶登記總處

HSBC Securities Services (Bermuda) Limited
6 Front Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Standard Limited
Share Registration Public Office
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

香港股份過戶登記分處

卓佳標準有限公司
證券登記服務處
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

AUDITORS

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants

核數師

國衛會計師事務所
英國特許會計師
香港執業會計師

PRINCIPAL BANKER

Hang Seng Bank Limited
Standard Chartered Bank (Hong Kong) Limited

主要往來銀行

恒生銀行有限公司
渣打銀行(香港)有限公司

STOCK CODE

764

股份代號

764

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Chairman's Statement

主席報告

To our Shareholders

In 2010, the Group reported a loss of HK\$356,457,000 as compared to a profit of HK\$416,562,000 in last year. The deterioration of the Group's performance is attributable to the recognition of a loss of deemed disposal of associates of HK\$537,615,000. The Group recorded a core profit before share of results of associates and major non-cash items of HK\$77,144,000 for 2010, a 12.58% increase from HK\$68,522,000 for 2009. Given the loss of deemed disposal of associates is a non-recurring and non-cash item and the equity attributable to owners of the Company as at 31 December 2010 stood at HK\$1,344,663,000, we believe that such loss has no material adverse impact on the business operations of the Group and the financial position of the Group remains sound.

Although the provision of management services business generates a stable cash income to us, we continuously review our business operation to ensure a lean overhead and cost effective operating structure to cope with the changing business environment and to better compete for success in the years to come.

With a view to diversify our revenue sources, we have spent considerable effort in expanding new businesses. During the year, we entered into two conditional agreements relating to the formation of two joint venture companies, one of which was relating to growing and sale of organic vegetables in Mainland China and the other was relating to property investment and development in Vietnam. However, these two conditional agreements were not completed, as the joint venture partners were not able to fulfill certain conditions precedent.

致本集團股東

二零一零年，本集團錄得虧損356,457,000港元，而去年則錄得溢利416,562,000港元。本集團之業績出現倒退是由於確認視作出售聯營公司之虧損537,615,000港元所致。於二零一零年，本集團之扣除應佔聯營公司業績及主要非現金項目前之核心溢利為77,144,000港元，較二零零九年之68,522,000港元上升12.58%。由於視作出售聯營公司之虧損屬非經常性非現金項目，以及於二零一零年十二月三十一日之本公司擁有人應佔權益仍維持1,344,663,000港元，本集團相信，有關虧損對本集團之業務營運並無重大影響，而本集團之財務狀況仍然維持穩健。

儘管提供管理服務之業務為本集團帶來穩定現金收入，本集團亦不斷檢討其業務營運，以確保經常性開支用得其所，營運架構合乎成本效益，以迎合不斷變更之業務環境，於未來更有力爭取成功。

為使本集團之收益來源更多元化，本集團已致力拓展新業務。年內，本集團已訂立兩項有條件協議，以成立兩間合營公司，其中一間有關於中國內地種植及銷售有機蔬菜，另一間則有關於越南進行物業投資及發展。然而，由於合營企業夥伴未能履行若干先決條件，故此兩項有條件協議並無完成。

Following the 2008 financial crisis, investors are allocating their wealth from equities and structured products to real estate assets as they believe real estate assets provide not only a stable rental income in the short run, but also an opportunity for capital gain in the long run. As such, we are optimistic about the potential of property market and business. Despite the lapse of the joint venture in property investment and development business in Vietnam, our strategy in expanding into property investment and development business remains unchanged and we intend to expand such business on our own. We are actively seeking suitable property projects for the Group. In addition, we are active in identifying other potential investment targets and expanding new business activities for distributing constant returns to our shareholders.

Finally, I would like to take this opportunity to extend our appreciation to all fellow directors and employees for their invaluable efforts, dedication and commitment to the Group and to thank all shareholders and business associates for their continuous support.

Lei Hong Wai
Chairman

Hong Kong, 25 March 2011

於二零零八年出現金融危機後，投資者相信房地產資產不僅可於短期內提供穩定租金收入，更有機會帶來長遠資金收益，故紛紛將資金由股票及結構性產品轉投至房地產資產。因此，本集團對物業市場及業務持樂觀態度。儘管越南物業投資及發展業務已告中止，本集團進軍物業投資及發展業務之策略仍然未變，而本集團有意自行開發有關業務。本集團正積極物色適合本集團之物業項目。此外，本集團亦努力發掘其他具潛力之投資目標及開拓新業務，為本集團之股東帶來穩定之回報。

最後，本人謹此向全體董事及僱員之努力、熱誠及承擔致以衷心謝意，亦感謝所有股東及業務夥伴長久以來之支持。

主席
李雄偉

香港，二零一一年三月二十五日

FINANCIAL REVIEW

Results of operations

During the year ended 31 December 2010, the Group recorded a revenue of HK\$78,200,000, a 4.67% increase from HK\$74,711,000 for the previous year. Of the total turnover amount, HK\$73,610,000 was generated from provision of management services and HK\$4,590,000 was generated from sales of financial assets. Loss for the year ended 31 December 2010 amounted to HK\$356,457,000, whereas the Group recorded a profit of HK\$416,562,000 for the previous year. The deterioration was mainly attributable to a loss on deemed disposal of an associate of HK\$537,615,000 which was partly offset by a gain on early repayment of promissory note receivable of HK\$64,627,000 and a gain on early repayment of convertible notes receivable of HK\$75,962,000.

Cost of sales for the year amounted to HK\$632,000, which was wholly related to provision of management services. Based on the turnover of HK\$73,610,000, the gross profit margin for provision of management services was 99.14%.

Other revenue and other income increased by 45.70% from HK\$11,905,000 in the year ended 31 December 2009 to HK\$17,346,000 in the year ended 31 December 2010. This increase was mainly attributable to the receipt of a compensation of HK\$4,938,000 for a shortfall in service fee income guarantee given to the Group.

財務回顧

經營業績

於截至二零一零年十二月三十一日止年度，本集團錄得收益78,200,000港元，較去年74,711,000港元增加4.67%。總營業額中，73,610,000港元由提供管理服務產生，而4,590,000港元由銷售金融資產產生。截至二零一零年十二月三十一日止年度之虧損為356,457,000港元，而本集團於去年則錄得溢利416,562,000港元。業績倒退乃主要由於視作出售聯營公司之虧損537,615,000港元所致，部份由提早償還應收承付票之收益64,627,000港元及提早償還應收可換股票據之收益75,962,000港元抵銷。

年內之銷售成本為632,000港元，全部與提供管理服務有關。按營業額73,610,000港元計算，提供管理服務之毛利率為99.14%。

其他收益及其他收入由截至二零零九年十二月三十一日止年度11,905,000港元增加45.70%至截至二零一零年十二月三十一日止年度17,346,000港元。增加乃主要由於收取本集團收取服務費收入保證不足數額之補償4,938,000港元所致。

Administrative expenses (before depreciation and impairment loss recognised in respect of trade receivables) amounted to HK\$13,943,000 for the year ended 31 December 2010, a 16.18% decrease from HK\$16,634,000 for the previous year. This decrease was mainly attributable to the decreases in share-based payment expenses in respect of consultancy services and staff costs which were partly offset by the increases in legal and professional fees and office rental.

The directors reassessed the recoverable amounts of management services agreements held by the Group at the end of financial year of 2010 with reference to the valuations performed by an independent firm of professional valuers and, in light of the non-achievement of the service fee income guarantee for the 12-month ended 30 June 2010, an impairment loss on intangible assets of HK\$4,856,000 was recognised.

During the year ended 31 December 2010, the Group ceased to have significant influence over China Star Film Group Limited (“China Star Film”, now known as KH Investment Holdings Limited) and was deemed to dispose of its shareholding interest in China Star Entertainment Limited (“China Star Entertainment”). As a result, the Group discontinued to account for China Star Film and China Star Entertainment as associates. The Group reclassified its investments in China Star Film and China Star Entertainment as financial assets at fair value through profit or loss and available-for-sale financial assets, respectively. Accordingly, the Group recognised a loss on losing significant influence of an associate of HK\$21,028,000, a loss on deemed disposal of an associate of HK\$537,615,000 and a loss arising on change in fair value of available-for-sale financial assets of HK\$14,280,000. Please refer to the section headed “Material disposals” below for more details.

截至二零一零年十二月三十一日止年度，行政開支(扣除折舊及已確認貿易應收款項減值虧損前)為13,943,000港元，較去年之16,634,000港元減少16.18%。減少乃主要由於就顧問服務以股份形式支付之開支及員工成本減少所致，部份由法律及專業費用以及辦公室租金增加所抵銷。

於二零一零年財政年度末，董事參考獨立專業估值師行進行之估值，重新評估本集團所持有管理服務協議之可收回金額，鑑於截至二零一零年六月三十日止十二個月無法達致服務費收入保證，本公司已確認無形資產減值虧損4,856,000港元。

截至二零一零年十二月三十一日止年度，本集團不再對中國星電影集團有限公司(「中國星電影」，現稱嘉滙投資控股有限公司)具有重大影響力，並視作出售其於中國星集團有限公司(「中國星集團」)之股權。因此，本集團不再將中國星電影及中國星集團入賬列作聯營公司。本集團分別將其於中國星電影及中國星集團之投資重新分類為按公平值計入損益表之金融資產及可供出售金融資產。因此，本集團確認失去聯營公司重大影響力之虧損21,028,000港元、視作出售聯營公司之虧損537,615,000港元及可供出售之金融資產公平值變動產生之虧損14,280,000港元。詳情請參閱下文「重大出售」一節。

Management Discussion and Analysis

管理層討論及分析

During the year ended 31 December 2010, China Star Film and China Star Entertainment contributed losses of HK\$543,000 and HK\$8,828,000 to the Group respectively.

On 26 May 2010, the convertible notes receivable of HK\$100,000,000 and the promissory note receivable of HK\$100,000,000 were repaid by China Star Film before their maturity. The Group recorded a gain on early repayment of promissory note receivable of HK\$64,627,000 and a gain on early repayment of convertible notes receivable of HK\$75,962,000. In addition, the Group reassessed the fair value in respect of the conversion options embedded in the convertible notes receivable as at the date of repayment with reference to the valuation performed by an independent firm of professional valuers and recognised a gain arising on change in fair value of HK\$1,525,000.

In October 2010, the Group sold 6,750,000 shares (the “Hantec Sale Shares”) in Hantec Holdings Investment Limited (“Hantec”) to Mr. Man Kong Yui at a consideration of HK\$21,600,000. Taking into account the fair value of the consideration paid and the call option granted, the Group recorded a gain on disposal of available-for-sale financial assets of HK\$7,579,000. Please refer to the sections headed “Material acquisition” and “Material disposals” below for more details.

During the year ended 31 December 2010, the Group recognised a gain arising on change in fair value of financial assets at fair value through profit or loss of HK\$4,918,000, representing a gain of HK\$3,150,000 arising from revaluing the Group’s stocks portfolio at market prices and a gain of HK\$1,768,000 arising from the bonus issue of warrants by China Star Entertainment.

截至二零一零年十二月三十一日止年度，中國星電影及中國星集團分別為本集團帶來虧損543,000港元及8,828,000港元。

於二零一零年五月二十六日，中國星電影於到期前償還應收可換股票據100,000,000港元及應收承付票100,000,000港元。本集團錄得提早償還應收承付票之收益64,627,000港元及提早償還應收可換股票據之收益75,962,000港元。此外，本集團於償還日期參考獨立專業估值師行進行之估值，重新評估應收可換股票據內含之兌換選擇權之公平值，確認公平值變動產生之收益1,525,000港元。

於二零一零年十月，本集團按代價21,600,000港元向文剛銳先生出售6,750,000股亨達集團控股投資有限公司（「亨達」）股份（「亨達銷售股份」）。經計及所支付代價及授出認購期權之公平值後，本集團錄得出售可供出售金融資產之收益7,579,000港元。詳情請參閱下文「重大收購」及「重大出售」兩節。

截至二零一零年十二月三十一日止年度，本集團確認按公平值計入損益表之金融資產之公平值變動產生之收益4,918,000港元，乃本集團股票組合按市價重估產生之收益3,150,000港元及中國星集團發行紅利認股權證產生之收益1,768,000港元。

To reduce its finance costs, the Company early redeemed the convertible notes of HK\$72,000,000 payable to Well Will Investment Limited on 26 July 2010 and recognised a loss on early redemption of convertible notes payable of HK\$1,062,000.

Finance costs decreased from HK\$8,086,000 in the year ended 31 December 2009 to HK\$3,041,000 in the year ended 31 December 2010. It was mainly attributable to the decrease in imputed interest expense on convertible notes payable resulted from the early redemption of convertible notes of HK\$72,000,000 payable by the Company on 26 July 2010.

Liquidity and financial resources

During the year ended 31 December 2010, the Group mainly funded its operations through a combination of cash generated from operations, equity attributable to owners of the Company, convertible notes payable and issue of new shares. Equity attributable to owners of the Company decreased from HK\$1,371,044,000 at 31 December 2009 to HK\$1,344,663,000 at 31 December 2010.

At 31 December 2010, the cash and cash equivalents of the Group amounted to HK\$989,625,000 (31 December 2009: HK\$275,802,000). This increase was mainly attributable to the repayment of loan of HK\$155,536,000 by 上海昇平文化發展有限公司 (“Shanghai Shengping”), a subsidiary of China Star Film, the early repayment of convertible notes receivable of HK\$100,000,000 and promissory note receivable of HK\$100,000,000 by China Star Film and the fund raising activities conducted by the Company raising net proceeds of HK\$350,230,000.

At 31 December 2010, the Group had no borrowings.

為減低融資費用，本公司於二零一零年七月二十六日提早贖回應付 Well Will Investment Limited 之 72,000,000 港元可換股票據，並確認提早贖回應付可換股票據之虧損 1,062,000 港元。

融資費用由截至二零零九年十二月三十一日止年度 8,086,000 港元減少至截至二零一零年十二月三十一日止年度 3,041,000 港元，乃主要由於本公司在二零一零年七月二十六日提早贖回應付可換股票據 72,000,000 港元而導致應付可換股票據之估算利息開支減少所致。

流動資金及財務資源

截至二零一零年十二月三十一日止年度，本集團主要透過營運所產生現金、本公司擁有人應佔股權、應付可換股票據及發行新股份，為其營運提供資金。本公司擁有人應佔股權由二零零九年十二月三十一日 1,371,044,000 港元減少至二零一零年十二月三十一日 1,344,663,000 港元。

於二零一零年十二月三十一日，本集團之現金及現金等價物為 989,625,000 港元(二零零九年十二月三十一日：275,802,000 港元)。有關增加乃主要由於上海昇平文化發展有限公司(「上海昇平」，中國星電影之附屬公司)償還貸款 155,536,000 港元、中國星電影提早償還應收可換股票據 100,000,000 港元及應收承付票 100,000,000 港元及本公司進行之集資活動籌集所得款項淨額 350,230,000 港元所致。

於二零一零年十二月三十一日，本集團並無借貸。

Management Discussion and Analysis

管理層討論及分析

At 31 December 2010, the Group's net current assets and current ratio were HK\$994,811,000 (31 December 2009: HK\$450,386,000) and 80.09 (31 December 2009: 40.48), respectively.

於二零一零年十二月三十一日，本集團之流動資產淨值及流動比率分別為994,811,000港元（二零零九年十二月三十一日：450,386,000港元）及80.09（二零零九年十二月三十一日：40.48）。

Capital structure

資本結構

During the year ended 31 December 2010, the capital structure of the Company had the following changes:

於截至二零一零年十二月三十一日止年度，本公司之資本結構有以下變動：

- (a) on 16 April 2010, the Company issued 26,420,000 new shares credited as fully paid to Mr. Man Kong Yui for settling the consideration of HK\$18,000,000 for acquiring the Hantec Sale Shares;
- (a) 於二零一零年四月十六日，本公司向文剛銳先生發行26,420,000股入賬列作繳足之新股份，以支付收購亨達銷售股份之代價18,000,000港元；
- (b) on 29 April 2010, the Company issued 5,680,000 new shares at a price of HK\$0.64 per share and 5,830,000 new shares at a price of HK\$0.60 per share pursuant to the exercise of share options granted to the directors and the Group's employees and consultants;
- (b) 於二零一零年四月二十九日，本公司根據授予董事及本集團僱員及顧問之購股權獲行使而按每股0.64港元之價格發行5,680,000股新股份及按每股0.60港元之價格發行5,830,000股新股份；
- (c) on 5 May 2010, the Company issued 990,000 new shares at a price of HK\$0.60 per share and 1,600,000 new shares at a price of HK\$0.64 per share pursuant to the exercise of share options granted to the Group's employees and consultants;
- (c) 於二零一零年五月五日，本公司根據授予本集團僱員及顧問之購股權獲行使而按每股0.60港元之價格發行990,000股新股份及按每股0.64港元之價格發行1,600,000股新股份；
- (d) on 10 June 2010, the Company issued 960,000 new shares at a price of HK\$0.66 per share pursuant to the exercise of share options granted to an employee of the Group;
- (d) 於二零一零年六月十日，本公司根據授予本集團僱員之購股權獲行使而按每股0.66港元之價格發行960,000股新股份；
- (e) on 23 July 2010, the Company issued 45,920,000 new shares at a price of HK\$0.55 per share by way of placing of new shares under general mandate raising HK\$24,900,000 (net of expenses) for general working capital of the Group; and
- (e) 於二零一零年七月二十三日，本公司根據一般授權透過配售新股份之方式按每股0.55港元之價格發行45,920,000股新股份，籌集24,900,000港元（扣除開支），以撥付本集團之一般營運資金；及

(f) on 29 September 2010, the Company issued 826,584,147 rights shares at a subscription price of HK\$0.40 per share by way of rights issue to qualifying shareholders on the basis of three rights shares for every one existing share held on 3 September 2010 raising HK\$325,330,000 (net of expenses) for funding the loan facility to be granted to a joint venture company.

Material acquisition

On 16 April 2010, the Group acquired the Hantec Sale Shares from Mr. Man Kong Yiu at a consideration of HK\$18,000,000, which was settled by the Company in issuing 26,420,000 new shares credited as fully paid to Mr. Man. The fair value of the new shares issued was HK\$14,003,000.

Material disposals

During the year ended 31 December 2010, the Group had the following material disposals:

- (a) Following the resignation of Mr. Heung Wah Keung, a then executive director of the Company, as a director of China Star Film on 21 January 2010, the Group ceased to have significant influence over China Star Film. Accordingly, the Group accounted for its investment in China Star Film as financial assets at fair value through profit or loss, instead of an associate, and recognised a loss on losing significant influence of an associate of HK\$21,028,000.
- (b) On 13 January 2010, China Star Entertainment issued 52,790,000 new shares upon the exercise of shares options granted to its employees, which caused a dilution on the Group's interest in China Star Entertainment from 29.61% to 28.94%. The Group was deemed to dispose of 0.67% shareholding interest in China Star Entertainment and recognised a loss on deemed disposal of an associate of HK\$10,790,000.

(f) 於二零一零年九月二十九日，本公司按於二零一零年九月三日每持有一股現有股份獲發三股供股股份之基準，按每股0.40港元之認購價向合資格股東供股發行826,584,147股新股份，籌集325,330,000港元(扣除開支)，以撥付授予合營公司之貸款融資。

重大收購

於二零一零年四月十六日，本集團向文剛銳先生收購亨達銷售股份，代價為18,000,000港元，以本公司向文先生發行26,420,000股入賬列作繳足之新股份支付。新發行股份之公平值為14,003,000港元。

重大出售

於截至二零一零年十二月三十一日止年度，本集團曾進行以下重大出售：

- (a) 本公司當時之執行董事向華強先生於二零一零年一月二十一日辭任中國星電影董事後，本集團不再對中國星電影有重大影響力。因此，本集團將其於中國星電影之投資入賬列作按公平值計入損益表之金融資產(而非聯營公司)，並確認失去聯營公司重大影響力之虧損21,028,000港元。
- (b) 於二零一零年一月十三日，中國星集團於授予其僱員之購股權行使後發行52,790,000股新股份，導致本集團於中國星集團之權益由29.61%攤薄至28.94%。本集團被視作出售於中國星集團之0.67%持股權益，並確認視作出售聯營公司之虧損10,790,000港元。

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- (c) On 11 February 2010, China Star Entertainment issued 540,000,000 new shares pursuant to a private placement causing a dilution on the Group's interest in China Star Entertainment from 28.94% to 23.54%. The Group was deemed to dispose of 5.40% shareholding interest in China Star Entertainment and recognised a loss on deemed disposal of an associate of HK\$95,343,000.
- (c) 於二零一零年二月十一日，中國星集團根據私人配售發行540,000,000股新股份，導致本集團於中國星集團之權益由28.94%攤薄至23.54%。本集團被視作出售於中國星集團之5.40%持股權益，並確認視作出售聯營公司之虧損95,343,000港元。
- (d) On 11 August 2010, China Star Entertainment issued 1,444,643,184 new shares pursuant to the rights issue proposed on 8 July 2010. As the Group did not take up its entitlement under the rights issue, the Group's interest in China Star Entertainment was diluted from 23.54% to 15.69% and ceased to have significant influence over China Star Entertainment. The Group has accounted for its investment in China Star Entertainment as available-for-sale financial assets, instead of an associate, and recognised a loss on deemed disposal of an associate of HK\$431,482,000 and a loss arising on change in fair value of available-for-sale financial assets of HK\$14,280,000.
- (d) 於二零一零年八月十一日，中國星集團根據於二零一零年七月八日建議之供股發行1,444,643,184股新股份。由於本集團並無承購其供股配額，故本集團於中國星集團之權益由23.54%攤薄至15.69%，且不再對中國星集團有重大影響力。本集團已將其於中國星集團之投資入賬列作可供出售金融資產(而非聯營公司)，並確認視作出售聯營公司之虧損431,482,000港元及可供出售之金融資產公平值變動產生之虧損14,280,000港元。
- (e) On 27 October 2010, Mr. Man Kong Yui exercised the call option, which was granted to him by the Group under the conditional sale and purchase agreement dated 31 March 2010, to require the Group to sell the Hantec Sale Shares to him at a consideration of HK\$21,600,000. The disposal of the Hantec Sale Shares was completed on 28 October 2010 and the Group recognised a gain on disposal of available-for-sale financial assets of HK\$7,579,000.
- (e) 於二零一零年十月二十七日，文剛銳先生行使根據於二零一零年三月三十一日訂立之有條件買賣協議，獲本集團授予之認購期權，要求本集團以21,600,000港元之代價向彼出售亨達銷售股份。出售亨達銷售股份於二零一零年十月二十八日完成，而本集團確認出售可供出售之金融資產之收益7,579,000港元。

Loan to Shanghai Shengping

In May 2010, Shanghai Shengping fully repaid the loan of HK\$155,536,000.

The loan was secured by a corporate guarantee given by China Star Film, interest-free and had no fixed terms of repayment.

向上海昇平貸款

於二零一零年五月，上海昇平全數償還貸款155,536,000港元。

貸款以中國星電影提供之公司擔保作抵押，乃免息及無固定還款期。

Pledge of assets

At 31 December 2010, no assets of the Group were pledged.

資產抵押

於二零一零年十二月三十一日，本集團並無抵押資產。

Commitments

At 31 December 2010, the Group had no material commitments.

承擔

於二零一零年十二月三十一日，本集團並無重大承擔。

Exchange risk and hedging

During the year ended 31 December 2010, the majority of the Group's transactions, assets and liabilities are denominated in Hong Kong dollars. Accordingly, no financial instruments for hedging purposes have been used by the Group.

匯兌風險及對沖

於截至二零一零年十二月三十一日止年度，本集團大部份交易、資產及負債均以港元為單位。因此，本集團並無使用金融工具作對沖用途。

Contingent liabilities

At 31 December 2010, the Group had no material contingent liabilities.

或然負債

於二零一零年十二月三十一日，本集團並無重大或然負債。

Employees and remuneration policy

At 31 December 2010, the headcount of the Group was 10 (2009: 21). Staff costs (including directors' remuneration) amounted to HK\$3,463,000 (2009: HK\$8,903,000 for continuing operations; HK\$942,000 for discontinued operations). In addition to basic salaries, provident fund and discretionary bonus, staff benefits include medical scheme and share options.

僱員及薪酬政策

於二零一零年十二月三十一日，本集團之僱員人數為10人(二零零九年：21人)。員工成本(包括董事酬金)為3,463,000港元(二零零九年：持續經營業務8,903,000港元；已終止經營業務942,000港元)。除基本薪金、公積金及酌情花紅外，員工福利亦包括醫療計劃及購股權。

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OPERATIONS REVIEW

During the year ended 31 December 2010, no revenue was generated from the Group's film distribution business as the Group was not able to secure quality films at reasonable prices for distribution.

Due to Europe's sovereign debt and bank anxiety, equity markets were volatile in the second quarter of 2010, the Group has started to rebuild its stocks portfolio by investing in equities of Hong Kong small and medium capitalisation companies. Following the cessation of significant influence over China Star Film, the Group disposed of its entire investment in China Star Film on market in May 2010. As the Group did not take up any of its entitlement under the rights issue proposed by China Star Entertainment, the Group sold the nil-paid rights shares in China Star Entertainment on market in July 2010. The Group reported a profit of HK\$4,590,000 for its sale of financial assets business in the year ended 31 December 2010.

During the year ended 31 December 2010, the Group's provision of management services business generated services fee income amounted to HK\$73,610,000, a 21.69% increase as compared to the previous year. The increase was mainly due to a strong growth in Macau VIP gaming revenue in 2010. The directors believe that the strong growth in Macau VIP gaming revenue was a direct result of the Mainland China's economic growth coupled with a lending boom.

業務回顧

於截至二零一零年十二月三十一日止年度，由於本集團無法以合理價格取得高質素影片發行，故本集團之電影發行業務並無產生收益。

鑑於歐洲主權債務問題及銀行之憂慮，股票市場於二零一零年第二季相當反覆，本集團已開始透過投資於香港中小型資本公司重整其股票組合。於不再對中國星電影有重大影響力後，本集團於二零一零年五月於市場上出售其於中國星電影之全部投資。由於本集團並無承購中國星集團建議供股之任何配額，故本集團於二零一零年七月於市場上出售中國星集團之未繳股款供股股份。本集團截至二零一零年十二月三十一日止年度錄得銷售金融資產業務之溢利4,590,000港元。

於截至二零一零年十二月三十一日止年度，本集團之提供管理服務業務產生服務費收入73,610,000港元，較去年增加21.69%。有關增加乃主要由於二零一零年澳門貴賓博彩收益增長強勁所致。董事相信，中國內地經濟增長，加上借貸大幅增加，刺激澳門貴賓博彩收益大幅增長。

On 16 April 2010, the Group acquired the Hantec Sale Shares at a consideration of HK\$18,000,000 from Mr. Man Kong Yui and granted the call option to Mr. Man to acquire the Hantec Sale Shares from the Group for a consideration of HK\$21,600,000 within one year from the date of completion. Pursuant to the conditional sale and purchase agreement dated 31 March 2010, Mr. Man had given a dividend guarantee for not less than HK\$1,800,000 per annum for the period from 16 April 2010, being the date of completion of the acquisition, to 30 June 2012. On 17 May 2010, Hantec notified the Group that the registration of the transfer of the Hantec Sale Shares had been declined pursuant to the articles of association of Hantec. On 20 May 2010, a trust deed was executed by Mr. Man as trustee in favour of the Group as beneficiary, pursuant to which Mr. Man had agreed to act as nominee for the Group in respect of the Hantec Sale Shares and to hold the Hantec Sale Shares on trust for the Group. On the same date, Mr. Man gave an undertaking in favour of the Group that he should procure the registration of transfer of the Hantec Sale Shares within six months from the date of the undertaking and, if he failed to procure the registration within the prescribed time, exercise the call option to acquire the Hantec Sale Shares from the Group at HK\$21,600,000. As Mr. Man failed to procure the registration of transfer of the Hantec Sale Shares within the prescribed time, Mr. Man exercised the call option to acquire the Hantec Sale Shares from the Group at HK\$21,600,000 on 27 October 2010. Taking into account the fair value of the consideration paid and the call option granted, the Group recognised a gain on disposal of the Hantec Sale Shares of HK\$7,579,000. The Group also recognised a dividend income of HK\$962,000 from the Hantec Sale Shares.

於二零一零年四月十六日，本集團以代價18,000,000港元向文剛銳先生收購亨達銷售股份，並向文先生授出可於完成日期起計一年內以代價21,600,000港元向本集團收購亨達銷售股份之認購期權。根據於二零一零年三月三十一日訂立之有條件買賣協議，文先生已作出股息保證，保證二零一零年四月十六日(即收購完成日期)至二零一二年六月三十日期間之股息每年不少於1,800,000港元。於二零一零年五月十七日，亨達通知本集團，亨達銷售股份之過戶登記已根據亨達之章程細則被拒。於二零一零年五月二十日，文先生(作為受託人)簽立一份受益人為本集團之信託契據，據此，文先生已同意出任本集團之亨達銷售股份代名人，以信託方式代本集團持有亨達銷售股份。同日，文先生亦向本集團作出承諾，表示將促使亨達銷售股份於承諾日期起計六個月內進行過戶登記，倘其無法於指定時間內促使辦妥有關登記，則行使認購期權以按21,600,000港元向本集團收購亨達銷售股份。由於文先生未能於指定時間內促使亨達銷售股份進行過戶登記，故文先生於二零一零年十月二十七日行使認購期權以21,600,000港元向本集團收購亨達銷售股份。經計及所支付代價及授出認購期權之公平值，本集團確認出售亨達銷售股份之收益7,579,000港元。本集團亦確認來自亨達銷售股份之股息收入962,000港元。

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On 24 June 2010, the Group entered into a joint venture agreement with Yiu Hing International Limited (“Yiu Hing”) relating to the formation of a joint venture company engaged in growing and sale of organic vegetables in Mainland China. Pursuant to the joint venture agreement, the joint venture company is owned as to 50% by the Group and as to 50% by Yiu Hing and each of the Group and Yiu Hing shall contribute HK\$30,000,000 in cash as capital. As the joint venture company was not able to obtain the land use rights for growing organic vegetables within 60 days from the date of the joint venture agreement, the Company announced on 24 August 2010 that the joint venture agreement was ceased and determined. The capital of HK\$30,000,000 contributed made by the Group was returned to the Group and Yiu Hing paid a compensation of HK\$1,500,000 to the Group on that date.

With a view to expand into real estate business in Vietnam, the Group entered into a joint venture agreement with Campbell Shillinglaw & Partners (Vietnam) Limited (“Campbell”) and Victory Peace Holdings Limited on 21 July 2010, pursuant to which the Group and Campbell have conditionally agreed to setting up a joint venture company, namely Victory Peace Holdings Limited, to engage in the business of conducting, development and investing into real estate and related projects in Vietnam. The joint venture company is held as to 90.1% by the Group and 9.9% by Campbell. On the same date, the Company and the joint venture company entered into the facility agreement, pursuant to which the Company has conditionally agreed to grant a revolving credit facility of HK\$700,000,000 to the joint venture company to proceed with its business of conducting, development and investing into real estate and related projects in Vietnam. The formation of the joint venture company and the granting of revolving credit facility to the joint venture company were approved by the shareholders on 3 September 2010. As Campbell failed to obtain the relevant approvals and consents from the Vietnam

於二零一零年六月二十四日，本集團與耀興國際有限公司(「耀興」)就成立合營公司於中國內地從事種植及銷售有機菜訂立合營協議。根據合營協議，合營公司由本集團及耀興分別擁有50%及50%，而本集團及耀興各自須以現金出資30,000,000港元作為資本。由於合營公司無法於合營協議日期起計60日內取得土地使用權以種植有機菜，故本公司於二零一零年八月二十四日宣佈，合營協議已告停止及終結。本集團出資30,000,000港元資本已退還予本集團，而耀興已於該日向本集團支付賠償1,500,000港元。

為進軍越南之房地產業務，本集團與Campbell Shillinglaw & Partners (Vietnam) Limited (「Campbell」)及捷寧控股有限公司於二零一零年七月二十一日訂立合營協議，據此，本集團與Campbell已有條件同意成立合營公司捷寧控股有限公司，以從事於越南進行、發展及投資於房地產及相關項目之業務。合營公司由本集團及Campbell分別持有90.1%及9.9%。同日，本公司與合營公司訂立融資協議，據此，本公司已有條件同意授予合營公司700,000,000港元之循環貸款融資，使其能夠經營其於越南進行、發展及投資於房地產及相關項目之業務。成立合營公司及向合營公司授出循環貸款融資於二零一零年九月三日獲股東批准。由於Campbell未能於二零一零年十二月三十一日(即合營協議最後期限)或

Government in relation to its acquiring a 9.9% equity interest in the joint venture company on or before 31 December 2010, being the long stop date of the joint venture agreement, the joint venture agreement has lapsed with effect from 31 December 2010.

FUTURE PROSPECTS

The directors believe that the key risks of 2011 are slower-than-expected US GDP growth, intensified European sovereign debt crises, supply disruption from the Tohoku Earthquake and other troubles in the Western economies and they may disrupt equities markets over the course of 2011. The directors continue to see market weakness as an opportunity to the Group for building its portfolio for sustainable growth. The Group continues to adopt a prudence approach in investing equities to enhance the returns to its shareholders.

Despite the fact that the Macau VIP gaming revenue had a 70% growth in 2010, the directors believe that the grow in gaming revenue will be smoother in 2011 as Mainland China has already launched tightening measures to combat inflation. The directors expect that the overall performance of the Group's provision of management services business will report a mild growth in 2011.

Although the setting up of the joint venture company engaging in the business of conducting, development and investing into real estate and related projects in Vietnam was lapsed, the Group's business strategy in expanding into property investment and development business remains unchanged and the directors are actively seeking suitable property projects for the Group. The directors are also active in identifying potential investment targets and expanding new business activities for distributing constant real returns to the Company's shareholders.

之前就其收購合營公司9.9%股權取得越南政府之相關批准及同意，故合營協議自二零一零年十二月三十一日起已經失效。

未來前景

董事相信，二零一一年之主要風險為美國國內生產總值增長比預期慢、歐洲主權債務危機加劇、日本東北地震造成供應中斷及西方經濟出現其他問題，上述風險均有可能於二零一一年擾亂股票市場。董事繼續視疲弱市場為本集團建立可持續增長投資組合之機會。本集團於投資股票時將繼續採取審慎方針，以提高股東回報。

縱然澳門貴賓博彩收益於二零一零年錄得70%之增長，董事相信，鑑於中國內地已採取緊縮措施對抗通脹，二零一一年博彩收益之增長將較為平穩。董事預期，二零一一年本集團提供管理服務業務之整體表現將錄得溫和增長。

儘管成立合營公司以於越南從事進行、發展及投資於房地產及相關項目之業務失效，本集團進軍物業投資及發展業務之業務策略維持不變，而董事正積極為本集團尋找合適之物業項目。董事亦正積極物色潛在投資目標，擴大新業務活動，為本公司股東帶來穩定的實質回報。

EVENTS AFTER THE REPORTING PERIOD

On 21 January 2011, the Company and China Star Entertainment entered into a subscription agreement pursuant to which China Star Entertainment has conditionally agreed to issue and the Company has conditionally agreed to subscribe or procure subscription for the convertible bonds in the maximum principal amount of HK\$650,000,000 in two tranches at their face value. The convertible bonds are unsecured, interest bearing at 8% per annum and maturing on the fifth anniversary of the date of their issue. The convertible bonds carry rights entitling the Company to convert their principal amount into shares in China Star Entertainment at an initial conversion price of HK\$0.08 per share (subject to adjustment). The subscription of the convertible bonds constitutes a major transaction and the conversion of the convertible bonds constitutes a very substantial acquisition for the Company under the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Accordingly, the subscription and the conversion of the convertible bonds are subject to the notification, publication and shareholders' approval requirements. Please refer to the Company's announcement dated 9 February 2011 for details.

報告期後事項

於二零一一年一月二十一日，本公司與中國星集團訂立認購協議，據此，中國星集團已有條件同意分兩批按面值發行而本公司已有條件同意認購或促使認購本金額最多650,000,000港元之可換股債券。可換股債券乃無抵押、按年利率8%計息，及於其發行日期起計第五週年到期。可換股債券附帶權利讓本公司可按初步換股價每股0.08港元(可予調整)將其本金額轉換為中國星集團股份。根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)，認購可換股債券構成本公司之主要交易，而轉換可換股債券則構成本公司之非常重大收購事項。因此，認購及轉換可換股債券須遵守通知、公告及股東批准之規定。詳情請參閱本公司於二零一一年二月九日刊發之公佈。

CORPORATE GOVERNANCE PRACTICES

The board of directors of the Company (the “Board”) is committed to maintaining high standards of corporate governance, in line with the principles of the code provisions of the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

In the opinion of the Board, the Company has complied with the Code throughout the year ended 31 December 2010, except for:

- (i) the roles of the Chairman and Chief Executive Officer are not segregated and are exercised by the same individual; and
- (ii) the non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election pursuant to the Company’s bye-laws.

The Board periodically reviews and improves the corporate governance practices and standards of the Company with a view to continuously improve the Company’s corporate governance practices by assessing their effectiveness with evolving standards to meet changing circumstances and needs.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules for securities transactions by the directors of the Company. All the members of the Board have confirmed that they have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2010.

企業管治常規

本公司董事會(「董事會」)致力維持良好之企業管治水平，符合香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「守則」)之守則條文之原則。

董事會認為，本公司於截至二零一零年十二月三十一日止年度內一直遵守守則，惟下述者除外：

- (i) 主席與行政總裁之角色沒有分開，並由同一人擔任；及
- (ii) 本公司非執行董事之委任並無指定任期，惟須根據本公司之公司細則輪值告退及膺選連任。

董事會定期審閱及改善本公司之企業管治常規及標準，通過不斷演變以迎合不斷改變之情況及需要之守則，來評估其有效性，從而不斷改善本公司之企業管治常規。

董事證券交易

本公司已就本公司董事進行證券交易採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)。全體董事會成員已確認，彼等於截至二零一零年十二月三十一日止年度內一直遵守標準守則所載之所訂標準。

FINANCIAL REPORTING

The Board is responsible for presenting a balanced, clear and comprehensible assessment of the Company's annual and interim reports, price-sensitive announcements and other financial disclosure required under the Listing Rules.

The directors acknowledge that it is their responsibilities for preparation of the financial statements of the Group and ensure that the financial statements are in accordance with statutory requirements and applicable accounting standards. The directors also ensure that the timely publication of the financial statements of the Group.

The directors confirm that, to the best of their knowledge, information and belief, having made all enquires, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the external auditors of the Company, HLB Hodgson Impey Cheng, about their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditors' Report on pages 47 to 49.

BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company and oversees the Group's businesses, strategic direction and financial performance. The management, consisting of executive directors along with other senior executives, is delegated the authority and responsibility by the Board for the management of the Group. In addition, the Board has also delegated various responsibilities to the four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Finance Committee, to assist the Board in discharging its duties and to oversee particular aspects of the Group's activities.

財務報告

董事會負責對本公司年度及中期報告、股價敏感公佈及上市規則規定之其他財務披露事項作出持平、清晰及易明之評估。

董事確認編製本集團財務報表乃彼等之責任，並確保財務報表遵守法律規定及適用會計準則。董事亦確保適時刊發本集團之財務報表。

董事經作出一切合理查詢後確認，就彼等所深知、盡悉及確信，彼等並不知悉任何有關可能對本公司綜合持續經營能力造成重大質疑之重大不明朗因素。

本公司外聘核數師國衛會計師事務所就彼等對本集團綜合財務報表之申報責任發出之聲明載於第 47 至 49 頁之獨立核數師報告內。

董事會

董事會負責領導及控制本公司，並監督本集團之業務、策略性方向及財務表現。董事會已授予管理層(包括執行董事及其他高級行政人員)權力及責任管理本集團。此外，董事會亦將不同責任授予四個委員會(審核委員會、薪酬委員會、提名委員會及財務委員會)，以協助董事會履行其職責及監督本集團活動之特定範疇。

BOARD OF DIRECTORS (Continued)

Decisions on important matters are specifically reserved to the Board while decisions on the Group's general operations are delegated to the management. Important matters include those affecting the Group's strategic policies, major investment and funding decisions and major commitments relating to the Group's operations.

The day-to-day management of the Group is delegated to the management. This delegation of authority includes responsibility for developing and formulating business plans and budgets of the Group for the Board's approval, operating the Group's businesses within the parameters set by the Board, keeping the Board informed of material developments of the Group's businesses, identifying and managing operation and other risk and implementing the policies and processes approved by the Board.

The composition of the Board reflects the necessary balance skills and experience desirable for effective leadership of the Company and independence in decision-making.

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

Executive directors:

Mr. Lei Hong Wai,
Chairman and Chief Executive Officer
(appointed on 18 January 2010)
Mr. Cheung Kwok Wai, Elton
(appointed on 1 February 2011)
Mr. Chan Kin Wah, Billy
(appointed on 18 January 2010)
Mr. Heung Wah Keung
(resigned on 1 February 2010)
Ms. Chen Ming Yin, Tiffany
(resigned on 1 February 2010)

董事會(續)

重要事宜之決策特定由董事會作出，而本集團一般營運之決策則交由管理層作出。重要事宜包括對本集團之策略性政策、主要投資及融資決定，以及對其他有關本集團營運主要承擔構成影響之事宜。

管理層獲授權負責本集團之日常管理。該等授權包括負責發展及制定本集團之業務計劃及預算以供董事會批准、在董事會定下之範圍內經營本集團業務、向董事會提供本集團業務重大發展之最新資料、確定及管理營運及其他風險，並實行董事會批准之政策及程序。

董事會之組成反映其有效領導本公司及保持決策獨立性而具備適當所需均衡技巧及經驗。

年內及截至本報告日期，本公司董事包括：

執行董事：

李雄偉先生
主席兼行政總裁
(於二零一零年一月十八日獲委任)
張國偉先生
(於二零一一年二月一日獲委任)
陳健華先生
(於二零一零年一月十八日獲委任)
向華強先生
(於二零一零年二月一日辭任)
陳明英女士
(於二零一零年二月一日辭任)

BOARD OF DIRECTORS (Continued)

Independent non-executive directors:

Mr. Tang Chak Lam, Gilbert

Mr. Ho Wai Chi, Paul

(resigned on 25 May 2010)

Mr. Lien Wai Hung

(resigned on 25 May 2010)

Mr. Hung Hing Man

(appointed on 25 May 2010)

Mr. Wan Shing Chi

(appointed on 25 May 2010)

Profiles of the directors as at the date of this report are set out under the section headed “Biographical Details of Directors” on pages 44 to 46.

There is no relationship between members of the Board.

During the year ended 31 December 2010, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received from each of the independent non-executive directors an annual written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

董事會(續)

獨立非執行董事：

鄧澤林先生

何偉志先生

(於二零一零年五月二十五日辭任)

連偉雄先生

(於二零一零年五月二十五日辭任)

孔慶文先生

(於二零一零年五月二十五日獲委任)

尹成志先生

(於二零一零年五月二十五日獲委任)

於本報告日期之董事履歷詳情載於第44至46頁「董事履歷詳情」一節內。

各董事間概無關係。

於截至二零一零年十二月三十一日止年度內，董事會一直遵守上市規則有關委任最少三名獨立非執行董事而最少一名獨立非執行董事具備適當專業資格或會計或相關財務管理專長之規定。

本公司已收到各獨立非執行董事根據上市規則第3.13條之規定所發出有關其獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。

BOARD OF DIRECTORS (Continued)

董事會(續)

31 Board meetings were held during the year. The attendance of each director is set out below:

年內已舉行三十一次董事會會議，而各董事之出席記錄載列如下：

Name of director	董事姓名	Number of meetings attended 出席會議次數
Mr. Lei Hong Wai (appointed on 18 January 2010)	李雄偉先生(於二零一零年一月十八日獲委任)	30/31
Mr. Cheung Kwok Wai, Elton (appointed on 1 February 2011)	張國偉先生(於二零一一年二月一日獲委任)	0/31
Mr. Chan Kin Wah, Billy (appointed on 18 January 2010)	陳健華先生(於二零一零年一月十八日獲委任)	30/31
Mr. Heung Wah Keung (resigned on 1 February 2010)	向華強先生(於二零一零年二月一日辭任)	2/31
Ms. Chen Ming Yin, Tiffany (resigned on 1 February 2010)	陳明英女士(於二零一零年二月一日辭任)	2/31
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	24/31
Mr. Ho Wai Chi, Paul (resigned on 25 May 2010)	何偉志先生(於二零一零年五月二十五日辭任)	9/31
Mr. Lien Wai Hung (resigned on 25 May 2010)	連偉雄先生(於二零一零年五月二十五日辭任)	9/31
Mr. Hung Hing Man (appointed on 25 May 2010)	孔慶文先生(於二零一零年五月二十五日獲委任)	16/31
Mr. Wan Shing Chi (appointed on 25 May 2010)	尹成志先生(於二零一零年五月二十五日獲委任)	16/31

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

主席及行政總裁

Following the resignation of Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany as executive directors of the Company on 1 February 2010, Mr. Lei Hong Wai has taken up the roles of the Chairman of the Board and the Chief Executive Officer of the Company. Mr. Lei possesses essential leadership skills and has extensive experience in corporate management and business development. The Board is of the view that currently vesting the roles of the Chairman and the Chief Executive Officer in the same person provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long term business strategies.

於向華強先生及陳明英女士於二零一零年二月一日辭任本公司執行董事後，李雄偉先生接任本公司董事會主席及行政總裁。李先生具備重要領導技巧，並於企業管理及業務發展方面具有豐富經驗。董事會認為，目前由同一人擔任主席及行政總裁之角色可為本集團提供穩固及貫徹一致之領導，並使長遠業務策略之業務策劃、決策及執行更為有效。

TERMS OF NON-EXECUTIVE DIRECTORS

Code provision A.4.1 of the Code requires that non-executive directors should be appointed for a specific term, subject to re-election. The term of office for the non-executive directors of the Company is subject to retirement from office by rotation and is eligible for re-election in accordance with the provisions of the Company's bye-laws. At each annual general meeting, one-third of the directors for the time being, (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation. As such, the Company considers that such provision is sufficient to meet the underlying objective of this code provision.

BOARD COMMITTEES

The Board has established four committees with clearly defined written terms of reference. The main roles and responsibilities of these committees, including all authorities delegated to them by the Board, as set out in the terms of reference, are published on the Company's website, www.etsernityinv.com.hk. The independent views and recommendations of the four committees ensure proper control of the Group and the continual achievement of the high corporate governance standards expected of a listed company. The chairman of each committee reports the outcome of the committee's meetings to the Board for further discussions and approvals.

The majority of the members of each board committees are independent non-executive directors. The board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

非執行董事之任期

守則之守則條文 A.4.1 規定，非執行董事之委任應有指定任期，並須接受重選。非執行董事須根據本公司之公司細則規定輪值告退及膺選連任。於各股東週年大會上，當時董事之三分之一（或倘人數並非三之倍數，則為最接近但不超過三分之一之數）須輪值告退。因此，本公司認為該等規定足以符合此守則條文之相關目標。

董事委員會

董事會已成立以書面具體列明職權範圍之四個委員會。該等委員會之主要職責及責任（包括所有獲董事會授予之權力）載於職權範圍內，刊登於本公司網站 www.etsernityinv.com.hk。四個委員會之獨立觀點及建議確保妥善控制本集團及持續達致預期上市公司應有之高企業管治水平。各委員會之主席向董事會報告委員會會議之結果，以供進一步討論及批准。

各董事委員會之大部分成員為獨立非執行董事。董事委員會提供充足資源以履行彼等之責任，並應合理要求，可在適當情況下尋求獨立專業意見，費用由本公司承擔。

BOARD COMMITTEES (Continued)

Remuneration Committee

The Remuneration Committee comprises two independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert and Mr. Wan Shing Chi, and one executive director, namely Mr. Lei Hong Wai. Mr. Lei Hong Wai is the chairman of the Remuneration Committee.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's remuneration policy and structure of directors and senior management. The Remuneration Committee is also responsible for establishing a formal and transparent procedure for developing policy on such remuneration policy and structure to ensure that no director or any of his associates will involve in deciding his own remuneration.

In determining any specific package for directors, the Remuneration Committee takes into account factors such as salaries paid by comparable companies, time commitment, responsibilities of the directors, employment conditions elsewhere in the Group and whether any part of the remuneration package should be performance-based.

董事委員會(續)

薪酬委員會

薪酬委員會由兩名獨立非執行董事鄧澤林先生及尹成志先生，以及一名執行董事李雄偉先生組成。李雄偉先生為薪酬委員會主席。

薪酬委員會負責就本公司董事及高級管理人員之薪酬政策及架構向董事會提出建議。薪酬委員會亦負責就有關薪酬政策及架構建立正式及具透明度之制訂政策程序，以確保並無董事或其任何聯繫人士將參與決定其本身之薪酬。

於釐訂任何董事特定待遇時，薪酬委員會已考慮可資比較公司所付薪金、董事所付出之時間及責任、本集團其他部門之僱用條件及薪酬待遇之某部份是否須依表現釐定等因素。

BOARD COMMITTEES (Continued)

Remuneration Committee (Continued)

During the year ended 31 December 2010, three Remuneration Committee meetings were held to approve the remuneration packages of the proposed directors and review the remuneration packages of the directors. The attendance of each member is set out below:

Name of member	成員姓名	Number of meetings attended 出席會議次數
Mr. Lei Hong Wai (appointed on 1 February 2010)	李雄偉先生(於二零一零年二月一日獲委任)	2/3
Ms. Chen Ming Yin, Tiffany (resigned on 1 February 2010)	陳明英女士(於二零一零年二月一日辭任)	1/3
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	3/3
Mr. Lien Wai Hung (resigned on 25 May 2010)	連偉雄先生(於二零一零年五月二十五日辭任)	1/3
Mr. Wan Shing Chi (appointed on 25 May 2010)	尹成志先生(於二零一零年五月二十五日獲委任)	2/3

Nomination Committee

The Nomination Committee comprises one executive director, namely Mr. Lei Hong Wai, and two independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert and Mr. Wan Shing Chi. Mr. Lei Hong Wai is the chairman of the Nomination Committee.

董事委員會(續)

薪酬委員會(續)

於截至二零一零年十二月三十一日止年度內，薪酬委員會已舉行三次會議，以批准建議董事之薪酬待遇及檢討董事之薪酬待遇。各成員之出席記錄載列如下：

提名委員會

提名委員會由一名執行董事李雄偉先生，以及兩名獨立非執行董事鄧澤林先生及尹成志先生組成。李雄偉先生為提名委員會主席。

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

The main function of the Nomination Committee is 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, identify individuals suitable and qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships and assess the independence of independent non-executive directors. In addition, the Nomination Committee makes 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 Chief Executive Officer.

During the year ended 31 December 2010, two Nomination Committee meetings were held to approve the appointment of executive directors and independent non-executive directors. The attendance of each member is set out below:

董事委員會(續)

提名委員會(續)

提名委員會之主要職能為定期檢討董事會之架構、規模及組成(包括技能、知識及經驗)，並就任何擬作出之變動向董事會提出建議、確定合適及合資格成為董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提出建議，以及評估獨立非執行董事之獨立性。此外，提名委員會就有關董事委任或重新委任及董事(尤其是主席及行政總裁)繼任計劃事宜向董事會提出建議。

於截至二零一零年十二月三十一日止年度內，提名委員會已舉行兩次會議，以批准委任執行董事及獨立非執行董事。各成員之出席記錄載列如下：

Name of member	成員姓名	Number of meetings attended	出席會議次數
Mr. Lei Hong Wai (appointed on 1 February 2010)	李雄偉先生(於二零一零年二月一日獲委任)	1/2	
Mr. Heung Wah Keung (resigned on 1 February 2010)	向華強先生(於二零一零年二月一日辭任)	1/2	
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	2/2	
Mr. Lien Wai Hung (resigned on 25 May 2010)	連偉雄先生(於二零一零年五月二十五日辭任)	2/2	
Mr. Wan Shing Chi (appointed on 25 May 2010)	尹成志先生(於二零一零年五月二十五日獲委任)	0/2	

BOARD COMMITTEES (Continued)

Finance Committee

The Finance Committee comprises one executive director, namely Mr. Chan Kin Wah, Billy, and one independent non-executive director, namely Mr. Hung Hing Man. Mr. Chan Kin Wah, Billy is the chairman of the Finance Committee.

The main function of the Finance Committee is to review and approve banking facilities and financial instruments to be granted or issued by the Company for the Group's needs, the provision of corporate guarantees by the Company for its subsidiaries, financial assistant of the Company and the provision of financing to third parties.

During the year ended 31 December 2010, no Finance Committee meeting was held.

Audit Committee

The Audit Committee comprises three independent non-executive directors, namely Mr. Tang Chak Lam, Gilbert, Mr. Hung Hing Man and Mr. Wan Shing Chi. Mr. Tang Chak Lam, Gilbert is the chairman of the Audit Committee.

The main function of the Audit Committee is to assist the Board to oversee the financial reporting system, risk management and internal control procedures and the external audit function. The Audit Committee reviews the interim and annual reports before submission to the Board for approval. The Audit Committee annually assesses the appointment of the external auditors, taking into account the quality and rigor of the audit, the quality of the audit service provided, the auditing firm's quality control procedures, relationships between the external auditors and the Company, and the independence of the external auditors.

董事委員會(續)

財務委員會

財務委員會由一名執行董事陳健華先生，以及一名獨立非執行董事孔慶文先生組成。陳健華先生為財務委員會主席。

財務委員會之主要職能為檢討及批准本公司就本集團需要將授出或發行之銀行融資及金融工具、本公司為其附屬公司提供之公司擔保、本公司之財政資助以及向第三方提供融資。

於截至二零一零年十二月三十一日止年度內，財務委員會並無舉行會議。

審核委員會

審核委員會由三名獨立非執行董事鄧澤林先生、孔慶文先生及尹成志先生組成。鄧澤林先生為審核委員會主席。

審核委員會之主要職能為協助董事會監督財務報告制度、風險管理及內部監控程式及外部審核職能。審核委員會在提交董事會批准前審閱中期報告及年報。審核委員會每年評估外聘核數師之委聘、考慮核數工作之質素及水平、核數師行提供服務之質素、核數師行之品質控制程序、外聘核數師與本公司之間之關係及外聘核數師之獨立性。

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

During the year ended 31 December 2010, two Audit Committee meetings were held to review with the external auditors the audited financial statements for the year ended 31 December 2009 and the unaudited financial statements for the six months ended 30 June 2010, review the reports on internal control system of the Group and discuss with the management and the external auditors the accounting policies and practices which may affect the Group and financial reporting matters. The attendance of each member is set out below:

Name of member	成員姓名	Number of meetings attended	出席會議次數
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	2/2	
Mr. Ho Wai Chi, Paul (resigned on 25 May 2010)	何偉志先生(於二零一零年五月二十五日辭任)	1/2	
Mr. Lien Wai Hung (resigned on 25 May 2010)	連偉雄先生(於二零一零年五月二十五日辭任)	1/2	
Mr. Hung Hing Man (appointed on 25 May 2010)	孔慶文先生(於二零一零年五月二十五日獲委任)	1/2	
Mr. Wan Shing Chi (appointed on 25 May 2010)	尹成志先生(於二零一零年五月二十五日獲委任)	1/2	

At the meeting held on 24 March 2011, the Audit Committee concluded that it was satisfied with its review of the audit fee, process and effectiveness, independence and objectivity of HLB Hodgson Impey Cheng. The Audit Committee has therefore recommended to the Board that HLB Hodgson Impey Cheng be re-appointed as the Company's external auditors at the annual general meeting in 2011.

董事委員會(續)

審核委員會(續)

於截至二零一零年十二月三十一日止年度內，審核委員會已舉行兩次會議，以與外聘核數師審閱截至二零零九年十二月三十一日止年度之經審核財務報表及截至二零一零年六月三十日止六個月之未經審核財務報表、審閱本集團內部監控系統之報告及與管理層及外聘核數師討論可能影響本集團及財務報告事宜之會計政策及常規。各成員之出席記錄載列如下：

於二零一一年三月二十四日舉行之會議上，審核委員會確認信納對國衛會計師事務所之核數費用、程序及有效性，獨立性及客觀性進行之檢討。審核委員會因此向董事會建議於二零一一年股東週年大會上續聘國衛會計師事務所為本公司之外聘核數師。

INDEPENDENT AUDITORS' REMUNERATION

During the year, the Company engaged HLB Hodgson Impey Cheng to perform audit services and non-audit services and incurred audit services fee of HK\$600,000 and non-audit services fee of HK\$1,023,000.

INTERNAL CONTROLS

The Board is responsible for overseeing the Group's internal control system and to ensure that a sound and effective internal control system is maintained. The Board is responsible for approving and reviewing internal control policy while the responsibility of day-to-day management of operational risks and implementation of mitigation measures lies with the management. As the internal control system is designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure, and to achieve the business objectives of the Group. Accordingly, it can only provide reasonable assurance but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

Key control procedures of the Group's internal control system are as follows:

- Segregation of duties and functions of the respective operational departments of the Group
- Monitoring the strategic plan and performance
- Designing an effective accounting and information system
- Controlling price-sensitive information

獨立核數師酬金

年內，本公司委聘國衛會計師事務所進行核數服務，以及非核數服務，並產生核數服務費600,000港元及非核數服務費1,023,000港元。

內部監控

董事會負責監督本集團之內部監控系統，並確保維持一個健全及有效之內部監控系統。董事會負責批准及審閱內部監控政策，管理層則負責經營風險之日常管理並實施舒緩措施。由於內部監控系統旨在將本集團之風險管理於某一可接受之風險範圍內(而非杜絕失誤之風險)，並達至本集團之業務目標。因此，內部監控系統僅可對於管理及財務信息及記錄之重大錯誤陳述，或財務損失及欺詐提供合理保障，而非絕對保障。

本集團內部監控系統之主要控制程序如下：

- 區分本集團各經營部門之職責及職能
- 監察策略方案及表現
- 設計一套有效之會計及資訊系統
- 控制股價敏感之資料

INTERNAL CONTROLS (Continued)

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the internal control manual when there are changes to business environment or regulatory guidelines.

The Group has conducted an annual review of the effectiveness of its internal control system covering all material controls, including financial, operational and compliance as well as risk management. Besides the Group has also engaged HLB Hodgson Impey Cheng Consultants Limited (the “Consultant”) to conduct review and make recommendations for the improvement and strengthening of the internal control system.

The review by the Consultant is conducted with reference to the principles outlined in Internal Control and Risk Management — A Basic Framework issued by the Hong Kong Institute of Certified Public Accountants. The assessment covers the major internal controls and measures, including financial, operational and compliance as well as risk management. Any material non-compliance or failures in internal controls maintained by the Group’s management and relevant recommendations for improvements are reported to the Audit Committee.

Based on the assessments made by the Consultant, the Audit Committee and the Board considered that the key areas of the Group’s internal control system are reasonably implemented with room for improvement. The Group shall use its best endeavour to implement the recommendations made by the Consultant in order to further improve the internal control system.

內部監控(續)

董事會已確立持續程序，以確定、評估及管理本集團所面對之重大風險，該程序包括當營商環境或規例指引變更時，更新內部監控系統。

管理層每年對其內部監控系統之有效性進行檢討，涵蓋包括財務、營運及合規之所有重大監管及風險管理。此外，本集團亦聘請國衛顧問有限公司(「顧問」)進行內部監控檢討、提出建議以改善及強化內部監控系統。

顧問所進行之檢討乃參考香港會計師公會頒佈之「內部監控與風險管理 — 基本架構」所概述之原則進行。評估涵蓋主要內部監控及措施，包括財務、經營、合規及風險管理。任何重大不合規事宜或內部監控失效由本集團管理層記錄及有關改進建議則向審核委員會報告。

根據顧問所作之評估，審核委員會及董事會認為本集團內部監控系統之主要環節均已合理落實，並有改進空間。本集團須竭力落實顧問所作之建議，以進一步改善內部監控系統。

COMMUNICATION WITH SHAREHOLDERS

The Company reports to its shareholders twice a year. Interim and annual results are announced to keep shareholders informed of the Group's performance and operations. The general meetings of the Company provide a forum for communication between the shareholders and the Board. All shareholders are encouraged to attend the annual general meeting to discuss the progress of the Group's business. The Chairman of the Board as well as chairman of the Audit Committee, Remuneration Committee, Nomination Committee and Finance Committee, or in their absence, other members of the respective committees, and where applicable, the independent Board Committee, are available to answer questions at the shareholders' meeting. Separate resolutions are proposed at shareholders' meeting on each substantial issue, including the re-election of directors. Our corporate website which contains corporate information, interim and annual reports, announcements and circulars issued by the Company, enables the Company's shareholders to access information on the Group on a timely basis.

與股東之溝通

本公司每年向其股東報告兩次，公佈中期及年度業績以便股東得悉本集團表現及營運之資料。本公司股東大會提供一個股東與董事會溝通之平台。本公司鼓勵全體股東出席股東週年大會以討論本集團業務之進度。董事會主席，以及審核委員會、薪酬委員會、提名委員會及財務委員會之主席或(在彼等缺席之情況下)各委員會之其他成員及獨立董事委員會(如適用)將於股東大會上解答提問。本公司將於股東大會上就各重大事宜(包括重選董事)提呈獨立決議案。本公司之公司網站載有公司資料、中期報告及年報、本公司刊發之公佈及通函，使本公司股東可及時獲得本集團資料。

The directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2010.

CHANGE OF COMPANY'S NAME

By a special resolution passed on 29 June 2010, the name of the Company was changed from China Star Investment Holdings Limited to Eternity Investment Limited and the Company adopted the Chinese name 永恒策略投資有限公司 for identification purposes only.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries and associates are set out in notes 35 and 18 respectively to the consolidated financial statements.

RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 December 2010 are set out in the consolidated income statement on page 50.

The directors do not recommend the payment of a final dividend for the year ended 31 December 2010 (2009: Nil). An interim dividend of HK\$0.03 per share was paid on 1 November 2010 (2009: Nil).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years ended 31 December 2010 is set out on page 188.

FIXED ASSETS

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

董事會謹此呈報本集團截至二零一零年十二月三十一日止年度之年報及經審核綜合財務報表。

更改公司名稱

根據於二零一零年六月二十九日通過之特別決議案，本公司之名稱已由China Star Investment Holdings Limited更改為Eternity Investment Limited，而中文名稱則採用永恒策略投資有限公司，僅供識別。

主要業務

本公司為投資控股公司。其附屬公司及聯營公司之主要業務分別載於綜合財務報表附註35及18。

業績及分派

本集團截至二零一零年十二月三十一日止年度之業績載於第50頁之綜合收益表。

董事不建議派發截至二零一零年十二月三十一日止年度之末期股息(二零零九年：無)。於二零一零年十一月一日已派付中期股息每股0.03港元(二零零九年：無)。

五年財務概要

本集團截至二零一零年十二月三十一日止最近五個財政年度之業績、資產及負債概要載於第188頁。

固定資產

年內本集團之物業、廠房及設備於變動詳情載於綜合財務報表附註16。

CONVERTIBLE NOTES PAYABLE

Details of convertible notes payable of the Company are set out in note 33 to the consolidated financial statements.

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 31 to the consolidated financial statements.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2010.

RESERVES

Details of movements during the year in the reserves of the Group and of the Company are set out in the consolidated statement of changes in equity on page 56 and in note 36 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution to shareholders at 31 December 2010 amounted to HK\$126,522,000 (2009: HK\$141,004,000).

應付可換股票據

本公司之應付可換股票據詳情載於綜合財務報表附註33。

股本

年內本公司股本變動詳情載於綜合財務報表附註31。

買賣及贖回本公司之上市證券

於截至二零一零年十二月三十一日止年度內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

儲備

年內本集團及本公司儲備變動之詳情分別載於第56頁之綜合股本變動表及綜合財務報表附註36。

可分派儲備

本公司於二零一零年十二月三十一日可供分派予股東之儲備為126,522,000港元(二零零九年：141,004,000港元)。

DIRECTORS

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

Executive directors:

Mr. Lei Hong Wai,
Chairman and Chief Executive Officer
(appointed on 18 January 2010)
Mr. Cheung Kwok Wai, Elton
(appointed on 1 February 2011)
Mr. Chan Kin Wah, Billy
(appointed on 18 January 2010)
Mr. Heung Wah Keung
(resigned on 1 February 2010)
Ms. Chen Ming Yin, Tiffany
(resigned on 1 February 2010)

Independent non-executive directors:

Mr. Tang Chak Lam, Gilbert
Mr. Ho Wai Chi, Paul
(resigned on 25 May 2010)
Mr. Lien Wai Hung
(resigned on 25 May 2010)
Mr. Hung Hing Man
(appointed on 25 May 2010)
Mr. Wan Shing Chi
(appointed on 25 May 2010)

Mr. Cheung Kwok Wai, Elton, having been appointed as director since the date of the last annual general meeting, retires at the forthcoming annual general meeting in accordance with Bye-law 86(2) of the Company's bye-laws and, being eligible, offers himself for re-election.

In accordance with Bye-law 87 of the Company's bye-laws, Mr. Tang Chak Lam, Gilbert retires from the board by rotation at the forthcoming annual general meeting and, being eligible, offers himself for re-election.

董事

年內及截至本報告日期之本公司董事如下：

執行董事：

李雄偉先生，
主席兼行政總裁
(於二零一零年一月十八日獲委任)
張國偉先生
(於二零一一年二月一日獲委任)
陳健華先生
(於二零一零年一月十八日獲委任)
向華強先生
(於二零一零年二月一日辭任)
陳明英女士
(於二零一零年二月一日辭任)

獨立非執行董事：

鄧澤林先生
何偉志先生
(於二零一零年五月二十五日辭任)
連偉雄先生
(於二零一零年五月二十五日辭任)
孔慶文先生
(於二零一零年五月二十五日獲委任)
尹成志先生
(於二零一零年五月二十五日獲委任)

根據本公司之公司細則第86(2)條，自上屆股東週年大會日期後獲委任為董事之張國偉先生將於應屆股東週年大會上輪值告退，並符合資格且願意膺選連任。

根據本公司之公司細則第87條，鄧澤林先生將於應屆股東週年大會上輪值告退，並符合資格且願意膺選連任。

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND SHARE OPTIONS

At 31 December 2010, the interests of the directors and chief executive of the Company and their associates in the shares and share options of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions

a. Ordinary shares of HK\$0.01 each of the Company

Name 姓名	Capacity 身份	Number of issued ordinary shares held 持有之已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Directors 董事			
Mr. Lei Hong Wai 李雄偉先生	Beneficial owner 實益擁有人	220,280,000	19.99%
Mr. Chan Kin Wah, Billy 陳健華先生	Beneficial owner 實益擁有人	1,320,000	0.12%

董事之服務合約

擬於應屆股東週年大會上膺選連任之董事概無訂有本集團於一年內不付賠償(法定賠償除外)則不可終止之服務合約。

董事及主要行政人員於股份及購股權之權益

於二零一零年十二月三十一日，按本公司根據證券及期貨條例第352條存置之登記冊所記錄，或按本公司及聯交所根據上市發行人董事進行證券交易的標準守則所獲通知，本公司董事及主要行政人員及彼等之聯繫人士於本公司及其相聯法團之股份及購股權中擁有之權益如下：

好倉

a. 本公司每股面值0.01港元之普通股

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND SHARE OPTIONS (Continued)

董事及主要行政人員於股份及購股權之
權益(續)

Long positions (Continued)

好倉(續)

b. Share options

b. 購股權

Name 姓名	Capacity 身份	Number of share options held 持有之購股權數目	Number of underlying shares 相關股份數目
Directors 董事			
Mr. Lei Hong Wai 李雄偉先生	Beneficial owner 實益擁有人	1,147,848	1,147,848
Mr. Chan Kin Wah, Billy 陳健華先生	Beneficial owner 實益擁有人	1,147,848	1,147,848

Other than the holdings disclosed above, none of the directors, chief executive and their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations at 31 December 2010.

除上文所披露之持股量外，於二零一零年十二月三十一日，概無董事、主要行政人員及彼等之聯繫人士於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 40 to the consolidated financial statements.

購股權計劃

本公司購股權計劃詳情載於綜合財務報表附註40。

Report of the Directors

董事會報告

SHARE OPTIONS (Continued)

購股權計劃(續)

The following table discloses movements in the Company's share options during the year:

下表披露本公司於年內之購股權變動：

Option type 購股權類別	Outstanding at 1 January 2010 於二零一零年 一月一日 尚未行使	Number of share options 購股權數目			Adjusted for rights issue (note) 就供股調整 (附註)	Outstanding at 31 December 2010 於二零一零年 十二月三十一日 尚未行使
		Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效		
Directors and chief executive 董事及主要行政人員						
Mr. Lei Hong Wai 李雄偉先生	2002	45,546	—	—	4,939	50,485
	2007B	30,013	—	—	3,254	33,267
	2008	34,135	—	—	(34,135)	—
	2009A	1,100,000	—	(1,100,000)	—	—
	2009B	220,000	—	(220,000)	—	—
	2010	—	960,000	—	104,096	1,064,096
		1,429,694	960,000	(1,320,000)	(34,135)	112,289
Mr. Chan Kin Wah, Billy 陳健華先生	2004	45,546	—	—	4,939	50,485
	2007B	30,013	—	—	3,254	33,267
	2008	50,142	—	—	(50,142)	—
	2009A	1,100,000	—	(1,100,000)	—	—
	2009B	220,000	—	(220,000)	—	—
	2010	—	960,000	—	104,096	1,064,096
		1,445,701	960,000	(1,320,000)	(50,142)	112,289
Total directors and chief executive 董事及主要行政人員合計		2,875,395	1,920,000	(2,640,000)	(84,277)	224,578
Employees and consultants 僱員及顧問	2002	136,639	—	—	14,816	151,455
	2004	218,814	—	—	23,727	242,541
	2007A	144,980	—	—	15,721	160,701
	2007B	698,717	—	—	75,765	774,482
	2008	1,144,512	—	—	(1,144,512)	—
	2009A	8,800,000	—	(5,080,000)	(3,720,000)	—
	2009B	10,570,000	—	(6,380,000)	(4,644,337)	454,337
	2010	—	11,292,000	(960,000)	—	1,120,338
Total employees and consultants 僱員及顧問合計		21,713,662	11,292,000	(12,420,000)	(9,508,849)	1,704,704
Total 總計		24,589,057	13,212,000	(15,060,000)	(9,593,126)	1,929,282

SHARE OPTIONS (Continued)

Note: The number of outstanding share options is adjusted for the rights issue as completed on 29 September 2010.

The closing price of the Company's shares immediately before 13 May 2010, the date of grant of the 2010 options, was HK\$0.632.

The weighted average closing price of the Company's shares immediately before the dates on which the share options were exercised was HK\$0.723

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the share option holdings disclosed above, at no time during the year was the Company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

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

MANAGEMENT CONTRACT

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

購股權計劃(續)

附註：未行使購股權之數目就於二零一零年九月二十九日完成之供股作出調整。

本公司股份緊接二零一零年五月十三日(二零一零年購股權授出日期)前之收市價為0.632港元。

本公司股份於緊接購股權獲行使當日前之加權平均收市價為0.723港元。

購買股份或債券之安排

於年內任何時間，本公司或其任何附屬公司或同系附屬公司概無參與任何安排，致使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

董事於重大合約之權益

於年終或年內任何時間，概無本公司或其任何附屬公司訂立而本公司董事直接或間接於其中擁有重大權益之重大合約仍然生效。

管理合約

於年內並無訂立或存續有關本公司整體或任何重大部份業務之管理及行政合約。

SUBSTANTIAL SHAREHOLDERS

At 31 December 2010, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance shows that the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

Long positions

a. Ordinary shares of HK\$0.01 each of the Company

Name of shareholder 股東名稱	Note 附註	Capacity 身份	Number of issued ordinary shares held 持有之已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Lei Hong Wai 李雄偉先生		Beneficial owner 實益擁有人	220,280,000	19.99%
Thought Diamond International Limited	1	Beneficial owner 實益擁有人	106,000,000	9.62%
Mr. Cheung Kwok Fan 張國勳先生	1	Held by controlled corporation 受控制公司之權益	106,000,000	9.62%
Asia Vest Partners VII Limited	2	Held by controlled corporation 受控制公司之權益	1,294,921	9.95%
Asia Vest Partners X Limited	2	Held by controlled corporation 受控制公司之權益	1,294,921	9.95%
Asia Vest Partners Limited	2	Held by controlled corporation 受控制公司之權益	1,294,921	9.95%
Mr. Andrew Nan Sherrill 南國熙先生	2	Held by controlled corporation 受控制公司之權益	1,294,921	9.95%

主要股東

於二零一零年十二月三十一日，本公司根據證券及期貨條例第336條存置之主要股東登記冊顯示，下列股東已就擁有本公司已發行股本之有關權益知會本公司：

好倉

a. 本公司每股面值0.01港元之普通股

SUBSTANTIAL SHAREHOLDERS (Continued)

主要股東(續)

Long positions (Continued)

好倉(續)

b. Share options

b. 購股權

Name of shareholder 股東名稱	Capacity 身份	Number of share options held 持有之購股權數目	Number of underlying shares 相關股份數目
Mr. Lei Hong Wai 李偉雄先生	Beneficial owner 實益擁有人	1,147,848	1,147,848

Notes:

- Thought Diamond International Limited is wholly owned by Mr. Cheung Kwok Fan.
- The number of shares was adjusted for the share consolidations that became effective on 30 April 2008 and 23 April 2009.

附註：

- Thought Diamond International Limited 由張國勳先生全資擁有。
- 股份數目已就於二零零八年四月三十日及二零零九年四月二十三日生效之股份合併作出調整。

Other than as disclosed above, the Company had not been notified of any other relevant interests or short positions in the issued share capital of the Company at 31 December 2010.

除上文所披露者外，本公司並無獲知會於二零一零年十二月三十一日擁有本公司已發行股本之任何其他有關權益或淡倉。

RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme are set out in note 41 to the consolidated financial statements.

退休福利計劃

本集團之退休福利計劃詳情載於綜合財務報表附註41。

CONFIRMATION OF INDEPENDENCE

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

確認獨立性

本公司已收到各獨立非執行董事根據上市規則第3.13條之規定所發出有關其獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。

PRE-EMPTIVE RIGHTS

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

EMOLUMENT POLICY

The emoluments policy for the employees of the Group is set up by the directors of the Company on the basis of their individual performance, qualifications and competence.

The emoluments of the directors and senior management of the Company are decided by the Remuneration Committee with reference to their duties and responsibilities in the Company.

The Company has adopted a share option scheme as an incentive to directors and eligible persons, details of the share option scheme is set out in note 40 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the latest practicable date prior to the issue of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

優先認購權

本公司之公司細則或百慕達法例並無有關優先認購權之規定，使本公司須按比例向現有股東發售新股份。

酬金政策

本集團僱員之酬金政策由本公司董事按其個人表現、資歷及能力而訂立。

本公司董事及高級管理層之酬金乃由薪酬委員會參考彼等於本公司之職務及職責而釐定。

本公司已採納購股權計劃，作為對董事及合資格人士之獎勵，購股權計劃之詳情載於綜合財務報表附註40。

足夠公眾持股量

根據本公司於本報告刊發前之最後實際可行日期能夠取得之資料及本公司董事之知情範圍內，本公司一直維持上市規則所規定之公眾持股量。

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group's turnover amounted to HK\$78,200,000. Of the turnover amount, HK\$73,610,000 was generated from provision of management services and HK\$4,590,000 was generated from sales of financial assets. There was no supplier to the Group.

The Group has provided management services to three customers. In 2010, the largest customer and the combined contribution from the three customers accounted for 77.10% and 94.13% of the Group's total turnover respectively.

At no time during the year did a director, an associate of a director or a shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) have an interest in any of the Group's three customers.

EVENTS AFTER THE REPORTING PERIOD

Details of the significant events occurring after the reporting period are set out in note 45 to the consolidated financial statements.

INDEPENDENT AUDITORS

The consolidated financial statements for the year ended 31 December 2010 have been audited by HLB Hodgson Impey Cheng who retire and, being eligible, offer themselves for re-appointment.

On Behalf of the Board

Lei Hong Wai
Chairman

Hong Kong, 25 March 2011

主要客戶及供應商

年內，本集團之營業額達78,200,000港元。營業額之中，73,610,000港元產生自提供管理服務，及4,590,000港元產生自出售金融資產。本集團並無供應商。

本集團已向三名客戶提供管理服務。於二零一零年，最大客戶及三名客戶合共之貢獻分別佔本集團之總營業額之77.10%及94.13%。

於年內任何時間，董事、董事之聯繫人士或本公司股東(就董事所知擁有本公司股本5%以上)於本集團任何三名客戶中擁有權益。

呈報期後事項

重大呈報期後事項之詳情載於綜合財務報表附註45。

獨立核數師

截至二零一零年十二月三十一日止年度之綜合財務報表已由國衛會計師事務所審核，該核數師將退任，且符合資格並願意續聘連任。

代表董事會

主席
李雄偉

香港，二零一一年三月二十五日

Biographical Details of Directors

董事履歷詳情

EXECUTIVE DIRECTORS

Mr. Lei Hong Wai, aged 42, was appointed as an executive director of the Company and the Chairman of the Board on 18 January 2010 and 1 February 2010, respectively. He is also the Chief Executive Officer of the Company. Mr. Lei is responsible for the development of the overall strategic planning and management of the Group. He has over eight years of extensive experience in corporate management, investment and business development. He was an executive director of the Company during the period from 28 September 2001 to 13 October 2005. He was a director of The Chamber of Hong Kong Listed Companies Limited, which promotes interaction amongst its members which are listed companies in Hong Kong and the People's Republic of China, in 2002. He was the chairman and an executive director of Brilliant Arts Multi-Media Holding Limited (stock code: 8130, now known as Zhi Cheng Holdings Limited), a company listed on the Growth Enterprise Market operated by the Stock Exchange, during the period from 10 July 2007 to 24 June 2009.

Mr. Cheung Kwok Wai, Elton, aged 45, was appointed as an executive director of the Company on 1 February 2011. Mr. Cheung is responsible for the daily operations of the Group. He has over 20 years of experience in the area of corporate finance and securities industries. He holds a Master Degree in Accounting and Finance from the University of Lancaster in the United Kingdom. Mr. Cheung was an executive director of Brilliant Arts Multi-Media Holding Limited (stock code: 8130, now known as Zhi Cheng Holdings Limited), a company listed on the Growth Enterprise Market operated by the Stock Exchange, during the period from 27 August 2008 to 24 June 2009.

執行董事

李雄偉先生，現年42歲，分別於二零一零年一月十八日及二零一零年二月一日獲委任為本公司之執行董事及董事會之主席。彼亦為本公司之行政總裁。李先生負責本集團整體策略計劃之發展及管理。彼擁有超過八年企業管理、投資及業務發展之廣泛經驗。彼於二零零一年九月二十八日至二零零五年十月十三日期間為執行董事。於二零零二年，彼擔任香港上市公司商會之董事，該商會之工作為促進其成員公司(乃香港及中華人民共和國之上市公司)間之互動合作。於二零零七年七月十日至二零零九年六月二十四日期間，彼為采藝多媒體控股有限公司(股份代號：8130，現稱智城控股有限公司)之主席兼執行董事，該公司於聯交所營運之創業板上市。

張國偉先生，現年45歲，於二零一一年二月一日獲委任為本公司執行董事。張先生負責監督本集團之日常運作。彼於企業融資領域及證券業擁有逾20年經驗。彼持有英國蘭卡斯特大學會計及財務碩士學位。於二零零八年八月二十七日至二零零九年六月二十四日期間，張先生為采藝多媒體控股有限公司(股份代號：8130，現稱智城控股有限公司)之執行董事，該公司於聯交所營運之創業板上市。

EXECUTIVE DIRECTORS (Continued)

Mr. Chan Kin Wah, Billy, aged 47, was appointed as an executive director of the Company on 18 January 2010. Mr. Chan is responsible for the financial management of the Group. He has over 15 years of experience in accounting and financial control. He is a member of the Hong Kong Institute of Certified Public Accountants, a CPA member of CPA Australia and a non-practicing member of the Chinese Institute of Certified Public Accountants. He holds a Bachelor of Administration Degree from the University of Ottawa in Canada and a Master of Commerce Degree in Professional Accounting from the University of New South Wales in Australia. He was an independent non-executive director of Ching Hing (Holdings) Limited (stock code: 692, now known as Bao Yuan Holdings Limited), a company listed on the Main Board of the Stock Exchange, during the period from 25 July 2007 to 2 July 2010. He was also an independent non-executive director of Eternite International Company Limited (stock code: 8351), a company listed on the Growth Enterprise Market operated by the Stock Exchange, during the period from 21 September 2009 to 22 February 2011.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tang Chak Lam, Gilbert, aged 60, is a practicing solicitor in Hong Kong since 1987 and is a senior partner of Messrs. Gilbert Tang & Co.. He joined the Company in February 2002. He was a director of Pok Oi Hospital in 1993 and a member of the Kowloon West Advisory Committee of Hong Kong Bank Foundation District Community Programme between July 1991 and November 1995. Mr. Tang holds a Bachelor of Law Degree from the University of Buckingham in the United Kingdom, and a Diploma in Chinese Law from the University of East Asia in Macau.

執行董事(續)

陳健華先生，現年47歲，於二零一零年一月十八日獲委任為本公司之執行董事。陳先生負責本集團之財務管理。彼擁有超過15年會計及財務監控之經驗。彼為香港會計師公會之會員、澳洲會計師公會之高級會員及中國註冊會計師協會之非執業會員。彼持有加拿大渥太華大學之工商管理學士學位及澳洲新南威爾斯大學之專業會計商學碩士學位。於二零零七年七月二十五日至二零一零年七月二日期間，彼為聯交所主板上市公司正興(集團)有限公司(股份代號：692，現稱寶源控股有限公司)之獨立非執行董事。於二零零九年九月二十一日至二零一一年二月二十二日期間，彼亦為聯交所營運之創業板上市公司永恒國際股份有限公司(股份代號：8351)之獨立非執行董事。

獨立非執行董事

鄧澤林先生，現年60歲，自一九八七年起為香港執業律師，並為鄧澤林廖國華律師行之高級合夥人。彼於二零零二年二月加入本公司，曾於一九九三年出任博愛醫院總理，並於一九九一年七月至一九九五年十一月期間出任滙豐銀行慈善基金社區發展計劃九龍西區諮詢委員會委員。鄧先生持有英國白金漢大學之法律學士學位及澳門東亞大學之中國法律文憑。

Biographical Details of Directors 董事履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Hung Hing Man, aged 40, is a proprietor of a certified public accountant firm and has over 14 years of working experience in the sectors of corporate finance, accounting, auditing and taxation. He holds a Master Degree in Business Administration from University of Western Sydney, Australia. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants, an associate member of the Taxation Institute of Hong Kong and a member of the Society of Chinese Accountants and Auditors. He was an independent non-executive director of SMI Corporation Limited (stock code: 198), a company listed on the Main Board of the Stock Exchange, during the period from 14 July 2009 to 8 December 2009. He is currently an independent non-executive director of China Gamma Group Limited (stock code: 164) and Madex International (Holdings) Limited (stock code: 231), both companies are listed on the Main Board of the Stock Exchange. Mr. Hung joined the Company in May 2010.

Mr. Wan Shing Chi, aged 40, has over 16 years of experience in the field of construction engineering and is currently a site coordinator of a reputable construction company in Hong Kong. He holds a Bachelor Degree of Engineering with honours from University of Melbourne, Australia and is a member of the Asia Institute of Building. Mr. Wan joined the Company in May 2010.

獨立非執行董事(續)

孔慶文先生，現年40歲，為一間執業會計師事務所之負責人，於企業融資、會計、審計及稅務方面具有超過14年工作經驗。彼持有澳洲西悉尼大學工商管理碩士學位。彼為英國特許公認會計師公會、香港會計師公會及香港稅務學會資深會員，以及香港華人會計師公會會員。於二零零九年七月十四日至二零零九年十二月八日期間，彼曾任聯交所主板上市公司星美國際集團有限公司(股份代號：198)之獨立非執行董事。彼現為中國伽瑪集團有限公司(股份代號：164)及盛明國際(控股)有限公司(股份代號：231)之獨立非執行董事，兩間公司均於聯交所主板上市。孔先生於二零一零年五月加入本公司。

尹成志先生，現年40歲，於建造工程方面擁有超過16年經驗，現為一間信譽良好之香港建築公司之工程主任。彼持有澳洲墨爾本大學工程榮譽學士學位，並為亞洲建造師學會成員。尹先生於二零一零年五月加入本公司。



Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

31/F, Gloucester Tower 香港
The Landmark 中環
11 Pedder Street 畢打街11號
Central 置地廣場
Hong Kong 告羅士打大廈31樓

**TO THE SHAREHOLDERS OF
ETERNITY INVESTMENT LIMITED**

(Formerly known as China Star Investment Holdings Limited)

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Eternity Investment Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 50 to 187, which comprise the consolidated and company statements of financial position as at 31 December 2010, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

致永恒策略投資有限公司股東

(前稱中國星投資有限公司)

(於百慕達註冊成立之有限公司)

吾等已審核第50至187頁所載之永恒策略投資有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一零年十二月三十一日之綜合及公司財務狀況表及截至該日止年度之綜合收益表、綜合全面收益表、綜合股本變動表及綜合現金流量表，以及主要會計政策概要及其他附註資料。

董事編製綜合財務報表之責任

貴公司董事負責根據香港會計師公會頒佈之香港財務報告準則，及香港公司條例之披露規定，編製綜合財務報表，以令綜合財務報表作出真實而公平之反映，及落實其認為編製綜合財務報表所必要之內部控制，以確保綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

核數師之責任

吾等負責根據吾等之審核結果對該等綜合財務報表發表意見，並謹按照百慕達公司法第90條而僅向閣下報告，並不作其他用途。吾等不對任何其他人士就本報告內容承擔或負上任何責任。吾等按照香港會計師公會頒佈之香港核數準則進行審核工作。該等準則要求吾等在策劃和進行審核工作時須符合道德規範，使吾等能就綜合財務報表是否存有重大錯誤陳述作合理之確定。

審核涉及進程序以取得與綜合財務報表所載數額及披露事項有關之審核憑證。選用之程序須視乎核數師之判斷，包括評估綜合財務報表出現重大錯誤陳述（不論其由欺詐或錯誤引起）之風險。在作出該等風險評估時，核數師將考慮與公司編製並真實公平地呈列綜合財務報表有關之內部監控，以為不同情況設計適當審核程序，但並非旨在就公司內部監控是否有效表達意見。審核範圍亦包括評估所用會計政策之恰當性，董事所作會計估算之合理性，並就綜合財務報表之整體呈列方式作出評估。

吾等相信，就提出審核意見而言，吾等所獲審核憑證屬充分恰當。

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 2010, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants

Hong Kong, 25 March 2011

意見

吾等認為，根據香港財務報告準則，綜合財務報表真實公平地反映了 貴公司及 貴集團於二零一零年十二月三十一日之財務狀況及 貴集團截至該日止年度之虧損及現金流量，並已按照香港公司條例之披露要求妥為編製。

國衛會計師事務所
英國特許會計師
香港執業會計師

香港，二零一一年三月二十五日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

			2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Continuing operations	持續經營業務			
Turnover	營業額	7	78,200	74,711
Cost of sales	銷售成本		(632)	(1,362)
Gross profit	毛利		77,568	73,349
Other revenue and other income	其他收益及其他收入	8	17,346	11,905
Administrative expenses	行政開支		(14,366)	(17,563)
Impairment loss recognised in respect of intangible assets	已確認無形資產減值虧損	17	(4,856)	(117,320)
Loss on partial disposal of an associate	部份出售聯營公司之虧損	18	—	(280,020)
Loss on disposal of subsidiaries	出售附屬公司之虧損		—	(48,868)
Loss on losing significant influence of an associate	失去聯營公司重大影響力之虧損	18	(21,028)	—
Loss on deemed disposal of an associate	視作出售聯營公司之虧損	18	(537,615)	(6,629)
Share of results of associates	應佔聯營公司業績	18	(9,371)	724,988
Gain on early repayment of promissory note receivable	提早償還應收承付票之收益	19	64,627	—
Gain on early repayment of convertible notes receivable	提早償還應收可換股票據之收益	20	75,962	—
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益	21	7,579	—
Loss arising on change in fair value of available-for-sale financial assets	可供出售之金融資產公平值變動產生之虧損	21	(14,280)	—
Gain arising on change in fair value of financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之公平值變動產生之收益	26	4,918	—
Gain/(loss) arising on change in fair value of conversion options embedded in convertible notes receivable	應收可換股票據內含之兌換選擇權之公平值變動產生之收益/(虧損)	28	1,525	(64,542)
Gain arising on change in fair value of convertible note designated as at fair value through profit or loss	指定按公平值計入損益表之可換股票據公平值變動產生之收益	29	—	55,244
Loss on early redemption of convertible notes payable	提早贖回應付可換股票據之虧損	33	(1,062)	—
Loss on cancellation of convertible notes payable	註銷應付可換股票據之虧損	33	—	(18,247)
Adjustment to cost of combination in respect of an acquisition in prior year	於過往年度進行收購之合併成本調整	38	—	103,434
(Loss)/profit from continuing operations	來自持續經營業務之(虧損)/溢利	9	(353,053)	415,731
Finance costs	融資費用	10	(3,041)	(8,086)

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

		Notes 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
(Loss)/profit before taxation	除稅前(虧損)/溢利		(356,094)	407,645
Income tax (expense)/credit	所得稅(開支)/抵免	13	(363)	14,493
(Loss)/profit for the year from continuing operations	來自持續經營業務之本年度(虧損)/溢利		(356,457)	422,138
Discontinued operations	已終止經營業務			
Loss for the year from discontinued operations	來自已終止經營業務之本年度虧損		—	(5,576)
(Loss)/profit for the year	本年度(虧損)/溢利		(356,457)	416,562
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/溢利		(356,457)	416,562
(Loss)/earnings per share	每股(虧損)/盈利	14		
From continuing operations	來自持續經營業務			
Basic and diluted	基本及攤薄		HK(61.46) cents 港仙	HK395.08 cents 港仙
From discontinued operations	來自已終止經營業務			
Basic and diluted	基本及攤薄		—	HK(5.22) cents 港仙
From continuing and discontinued operations	來自持續經營及已終止經營業務			
Basic and diluted	基本及攤薄		HK(61.46) cents 港仙	HK389.86 cents 港仙

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註構成本綜合財務報表之一部份。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
	Note 附註		
(Loss)/profit for the year	本年度(虧損)/溢利	(356,457)	416,562
Other comprehensive (expense)/ income for the year (after tax):	本年度其他全面(開支)/ 收益(除稅後):		
Share of exchange reserve change of associates	應佔聯營公司匯兌 儲備變動	18 (83)	(99)
Exchange differences on translating foreign operations	折算海外業務之匯兌 差額	—	483
Total comprehensive (loss)/ income for the year	本年度總全面 (虧損)/收益	(356,540)	416,946
Attributable to owners of the Company	本公司擁有人 應佔	(356,540)	416,946

The accompanying notes from an integral part of these consolidated financial statements.

隨附之附註構成本綜合財務報表之一部份。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2010 於二零一零年十二月三十一日

			2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
		Notes 附註		
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	1,441	1,838
Intangible assets	無形資產	17	334,681	339,537
Interests in associates	於聯營公司之權益	18	—	641,908
Promissory note receivable	應收承付票	19	—	31,853
Convertible notes receivable	應收可換股票據	20	—	3,670
Available-for-sale financial assets	可供出售金融資產	21	53,892	172
			390,014	1,018,978
Current assets	流動資產			
Trade receivables	貿易應收款項	22	5,859	6,022
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	23	2,456	1,015
Loan to an associate	向聯營公司貸款	24	—	155,536
Amount due from an associate	應收聯營公司款項	25	—	5,103
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產	26	9,418	—
Conversion options embedded in convertible notes receivable	應收可換股票據內含之兌換選擇權	28	—	18,316
Tax recoverable	應收回稅項		32	—
Cash and cash equivalents	現金及現金等價物	30	989,625	275,802
			1,007,390	461,794
Total assets	資產總值		1,397,404	1,480,772
EQUITY	股權			
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備			
Share capital	股本	31	11,021	1,881
Reserves	儲備		1,333,642	1,369,163
Total equity	股權總額		1,344,663	1,371,044

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2010 於二零一零年十二月三十一日

		Notes 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
LIABILITIES	負債			
Current liabilities	流動負債			
Accruals and other payables	應計費用及其他應付款項	32	10,872	10,200
Trade deposits received	已收貿易按金		477	477
Tax payable	應付稅項		1,230	731
			12,579	11,408
Non-current liabilities	非流動負債			
Convertible notes payable	應付可換股票據	33	—	54,563
Deferred taxation	遞延稅項	34	40,162	43,757
			40,162	98,320
Total liabilities	負債總額		52,741	109,728
Total equity and liabilities	股權及負債總額		1,397,404	1,480,772
Net current assets	流動資產淨值		994,811	450,386
Total assets less current liabilities	資產總值減流動負債		1,384,825	1,469,364

The consolidated financial statements were approved and authorised for issue by the board of directors on 25 March 2011 and are signed on its behalf by:

綜合財務報表已於二零一一年三月二十五日經董事會批准及授權刊發，並由下列人士代表簽署：

Lei Hong Wai
李雄偉
Director
董事

Chan Kin Wah, Billy
陳健華
Director
董事

Statement of Financial Position

財務狀況表

At 31 December 2010 於二零一零年十二月三十一日

	Notes 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
ASSETS			
Non-current asset	資產 非流動資產		
Interests in subsidiaries	於附屬公司之權益	35	709,763
			215,091
Current assets	流動資產		
Deposits, prepayments, and other receivables	按金、預付款項及其他應收款項	23	192
Loan to an associate	向關連公司貸款	24	—
Amount due from an associate	應收聯營公司款項	25	—
Tax recoverable	應收回稅項		32
Cash and cash equivalents	現金及現金等價物	30	15,078
			15,302
			199,637
Total assets	資產總值		725,065
			414,728
EQUITY	股權		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備		
Share capital	股本	31	11,021
Reserves	儲備	36	621,173
			1,881
			308,509
Total equity	股權總額		632,194
			310,390
LIABILITIES	負債		
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	32	3,659
Amounts due to subsidiaries	應付附屬公司款項	37	89,212
			92,871
			46,763
Non-current liabilities	非流動負債		
Convertible notes payable	應付可換股票據	33	—
Deferred taxation	遞延稅項	34	—
			—
			57,575
Total liabilities	負債總額		92,871
			104,338
Total equity and liabilities	股權及負債總額		725,065
			414,728
Net current (liabilities)/assets	流動(負債)/資產淨值		(77,569)
			152,874
Total assets less current liabilities	資產總值減流動負債		632,194
			367,965

The financial statements were approved and authorised for issue by the board of directors on 25 March 2011 and are signed on its behalf by:

財務報表已於二零一一年三月二十五日經董事會批准及授權刊發，並由下列人士代表簽署：

Lei Hong Wai
李雄偉
Director
董事

Chan Kin Wah, Billy
陳健華
Director
董事

Consolidated Statement of Changes in Equity

綜合股本變動表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

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

		Share capital	Share premium	Capital reserve	Contributed surplus	Special reserve	Share-based	Convertible	Exchange reserve	(Accumulated	Total
							payment reserve	notes reserve		losses)/ Retained profits	
		股本	股份溢價	資本儲備	實繳盈餘	特別儲備	以股份形式支付儲備	股票儲備	匯兌儲備	(累計虧損)/ 保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a)	(Note b)	(Note c)	(Note d)	(Note e)	(Note f)		
				(附註 a)	(附註 b)	(附註 c)	(附註 d)	(附註 e)	(附註 f)		
At 1 January 2009	於二零零九年一月一日	1,952	-	19,844	568,022	(19,955)	32,050	34,692	71,284	186,534	894,423
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	416,562	416,562
Other comprehensive income for the year	本年度其他全面收益	-	-	-	-	-	-	-	384	-	384
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	-	-	-	384	416,562	416,946
Issue of new shares	發行新股份	9,841	114,380	-	-	-	-	-	-	-	124,221
Capital reorganisation (note 31 (e))	股本重組(附註31(e))	-	-	-	-	-	-	-	-	-	-
- capital reduction	- 股本削減	(9,912)	-	-	9,912	-	-	-	-	-	-
- set off accumulated losses against contributed surplus	- 從實繳盈餘中撇銷累計虧損	-	-	-	(9,912)	-	-	-	-	9,912	-
Release on disposal of subsidiaries	出售附屬公司時解除	-	-	-	-	19,955	-	-	(71,703)	(19,955)	(71,703)
Share-based payment expenses	以股份形式支付之開支	-	-	-	-	-	3,729	-	-	-	3,729
Cancellation of convertible notes payable	註銷應付可換股票據	-	-	-	-	-	-	(20,774)	-	20,774	-
Reversal of deferred tax upon cancellation of convertible notes payable (note 34)	註銷應付可換股票據時撥回遞延稅項(附註34)	-	-	-	-	-	-	3,428	-	-	3,428
At 31 December 2009 and 1 January 2010	於二零零九年十二月三十一日及二零一零年一月一日	1,881	114,380	19,844	568,022	-	35,779	17,346	(35)	613,827	1,371,044
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	(356,457)	(356,457)
Other comprehensive expense for the year	本年度其他全面開支	-	-	-	-	-	-	-	(83)	-	(83)
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	-	-	-	-	(83)	(356,457)	(356,540)
Issue of new shares	發行新股份	264	13,729	-	-	-	-	-	-	-	13,993
Placing of new shares	配售新股份	459	24,424	-	-	-	-	-	-	-	24,883
Exercise of share options	行使購股權	151	11,792	-	-	-	(2,559)	-	-	-	9,384
Allotment and issue of rights shares	配發及發行供股股份	8,266	318,168	-	-	-	-	-	-	-	326,434
Release on loss of significant influence over an associate	失去對聯營公司之重大影響力時解除	-	-	-	-	-	-	-	118	-	118
Share-based payment expenses	以股份形式支付之開支	-	-	-	-	-	2,310	-	-	-	2,310
Release on lapse of share options	購股權失效時解除	-	-	-	-	-	(23,372)	-	-	23,372	-
Early redemption of convertible notes payable	提早贖回應付可換股票據	-	-	-	-	-	-	(20,773)	-	3,446	(17,327)
Reversal of deferred tax upon early redemption of convertible notes payable (note 34)	提早贖回應付可換股票據時撥回遞延稅項(附註34)	-	-	-	-	-	-	3,427	-	-	3,427
Dividend paid (note 15)	已付股息(附註15)	-	-	-	(33,063)	-	-	-	-	-	(33,063)
At 31 December 2010	於二零一零年十二月三十一日	11,021	482,493	19,844	534,959	-	12,158	-	-	284,188	1,344,663

Consolidated Statement of Changes in Equity 綜合股本變動表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

Notes:

- (a) The capital reserve of the Group represents the difference of the share capital and share premium of the subsidiaries and the nominal value of the 880 shares issued by Riche (BVI) Limited (formerly known as Ocean Shores (BVI) Limited) prior to the allotment of 120 shares to Classical Statue Limited and the amount arising from issue of share by a subsidiary.
- (b) The contributed surplus of the Group represents the net amount transferred from the share capital, share premium and to the retained profits/accumulated losses pursuant to the special resolution passed at the special general meetings held on 22 August 2003 and 30 April 2008.
- (c) The special reserve of the Group represents the difference between the fair value and the contracted value of consideration in respect of the acquisition of Shinhan-Golden Faith International Development Limited during the year ended 31 December 2006. The special reserve was transferred to the retained profits when Shinhan-Golden Faith International Development Limited was disposed during the year ended 31 December 2009.
- (d) Share-based payment reserve represents the fair value of services estimated to be received in exchange for the grant of the relevant share options over the relevant vesting periods, the total of which is based on the fair value of the share options at grant date. The amount for each period is determined by spreading the fair value of the options over the relevant vesting period (if any) and is recognised as staff costs and related expenses with a corresponding increase in the share-based payment reserve.
- (e) Under Hong Kong Accounting Standard 32 "Financial Instruments: Presentation", convertible notes issued are split into their liability and equity components at initial recognition by recognising the liability component at its fair value which is determined using a market interest rate for similar non-convertible debts and attributing to the equity component the difference between the proceeds from issue and the fair value of the liability component. The liability component is subsequently carried at amortised cost. The equity component is recognised in the convertible notes reserve until the convertible notes are either converted (in which case it is transferred to share premium) or the convertible notes are redeemed (in which case it is released directly to retained profits).
- (f) Exchange reserve represents exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong Dollars) are recognised directly in other comprehensive income and accumulated in the exchange reserve. Such exchange differences accumulated in the exchange reserve are reclassified to profit or loss on the disposal of the foreign operations.

附註：

- (a) 本集團資本儲備指附屬公司之股本及股份溢價與向 Classical Statue Limited 配發 120 股股份前 Riche (BVI) Limited (前稱 Ocean Shores (BVI) Limited) 所發行之 880 股股份之面值及因附屬公司發行股份所產生之款項差額。
- (b) 本集團之實繳盈餘賬指根據於二零零三年八月二十二日及二零零八年四月三十日舉行之股東特別大會上通過之特別決議案自股本、股份溢價轉撥至保留溢利／累計虧損賬之淨額。
- (c) 本集團之特別儲備指有關於截至二零零六年十二月三十一日止年度內收購之代價之公平值及合約價值間之差額。Shinhan-Golden Faith International Development Limited 已於截至二零零九年十二月三十一日止年度內售出，特別儲備於其時轉撥至保留溢利。
- (d) 以股份形式支付儲備指於相關歸屬期內授出相關購股權以換取估計將接獲服務之公平值，其總額乃根據購股權於授出日期之公平值計算。各期間之金額乃透過將購股權公平值於相關歸屬期(如有)內攤分，並確認為員工成本及相關費用，並於以股份形式支付儲備作相應增加。
- (e) 根據香港會計準則第 32 號「金融工具：呈報」，已發行可換股票據於初步確認時按為負債及權益部分，負債部分乃按採用類似不可換股債券之市場利率釐定其公平值予以確認，權益部分則包括發行之所得款項與負債部分公平值之差額。負債部分其後按攤銷成本列賬。權益部分於可換股票據儲備確認，直至可換股票據獲兌換(於此情況下其將轉撥至股份溢價)或可換股票據獲贖回(於此情況下其將直接解除至保留溢利)。
- (f) 匯兌儲備指有關本集團海外業務之資產淨值由其功能貨幣換算為本集團之呈列貨幣(即港元)之匯兌差額，其直接於其他全面收入中確認及於匯兌儲備中累計。該等於匯兌儲備累計之匯兌差額於出售海外業務時重新分類為損益。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

	Note 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
OPERATING ACTIVITIES			
(Loss)/profit before taxation from continuing operations	經營活動 來自持續經營業務之 除稅前(虧損)/溢利	(356,094)	407,645
Loss before taxation from discontinued operations	來自已終止經營業務之 除稅前虧損	—	(4,975)
(Loss)/profit before taxation	除稅前(虧損)/溢利	(356,094)	402,670
<i>Adjustments for:</i>	<i>調整:</i>		
Adjustment to cost of combination in respect of an acquisition in a prior year	於過往年度進行收購 之合併成本調整	—	(103,434)
Depreciation of property, plant and equipment	物業、廠房及設備 折舊	423	533
Finance costs	融資費用	3,041	8,086
Gain arising on change in fair value of convertible note designated as at fair value through profit or loss	指定按公平值計入 損益表之可換股 票據公平值變動產生 之收益	—	(55,244)
Gain on disposal of property, plant and equipment	出售物業、廠房及 設備之收益	—	(20)
Gain on early repayment of promissory note receivable	提早償還應收承付票 之收益	(64,627)	—
Gain on early repayment of convertible notes receivable	提早償還應收可換股 票據之收益	(75,962)	—
Gain on disposal of available-for-sale financial assets	出售可供出售金融 資產之收益	(7,579)	—
Interest income	利息收入	(7,039)	(11,886)
Impairment loss recognised in respect of trade receivables	已確認貿易應收款項 減值虧損	—	396
Impairment loss recognised in respect of intangible assets	已確認無形資產減值 虧損	4,856	117,320
Loss arising on change in fair value of available-for-sale financial assets	可供出售金融資產 公平值變動產生之 虧損	14,280	—
(Gain)/Loss arising on change in fair value of conversion options embedded in convertible notes receivable	應收可換股票據內含 之兌換選擇權之 公平值變動產生之 (收益)/虧損	(1,525)	64,542
Gain arising on change in fair value of financial assets at fair value through profit or loss	按公平值計入損益表 之金融資產之公平 值變動產生之收益	(4,918)	—
Loss on early redemption of convertible notes payable	提早贖回應付可換股 票據之虧損	1,062	—
Loss on cancellation of convertible notes payable	註銷應付可換股票據 之虧損	—	18,247
Loss on partial disposal of an associate	部份出售聯營公司之 虧損	—	280,020
Loss on disposal of subsidiaries	出售附屬公司之虧損	—	48,868
Loss on losing significant influence of an associate	失去聯營公司重大 影響力之虧損	21,028	—
Loss on deemed disposal of an associate	視作出售聯營公司之 虧損	537,615	6,629
Share of results of associates	應佔聯營公司業績	9,371	(724,988)
Share-based payment expenses	以股份形式支付之 開支	2,310	3,729

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

	Note 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	76,242	55,468
Decrease in trade receivables	貿易應收款項減少	163	421
(Increase)/decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項(增加)/減少	(1,441)	612
Increase/(decrease) in accruals and other payables	應計費用及其他應付款項增加/(減少)	672	(22,756)
Decrease in receipts in advance	預收款項減少	—	(175)
Decrease in amounts due to related company	應付關連公司款項減少	—	(5,703)
Cash generated from operations	營運產生之現金	75,636	27,867
Tax paid	已付稅項	(64)	—
Net cash generated from operating activities	經營活動產生之現金淨額	75,572	27,867
INVESTING ACTIVITIES	投資活動		
Adjustment to cost of combination in respect of an acquisition in prior year	於過往年度收購之合併成本調整	—	31,433
Interest received	已收利息	2,992	—
Interest paid	已付利息	(2,042)	(3,723)
Repayment from loan to an associate	償還聯營公司貸款	155,536	220,000
Repayment of amount due from an associate	應收聯營公司款項	5,103	—
Repayment of convertible notes payable	償還應付可換股票據	(72,000)	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	—	39
Proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產之所得款項	21,572	—
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益表之金融資產之所得款項	5,931	—
Proceeds from partial disposal of an associate	部份出售聯營公司之所得款項	—	63,310
Loan to a related company	關連公司貸款	—	(200,000)
Acquisition of an associate	收購一間聯營公司	—	(9,415)
Acquisition of financial asset at fair value through profit or loss	收購按公平值計入損益表之金融資產	(6,453)	—
Net cash outflow of disposal of subsidiaries	出售附屬公司之現金流出淨額	—	(67,547)
Purchase of property, plant and equipment	購買物業、廠房及設備	(26)	(236)
Net cash generated from investing activities	投資活動產生之現金淨額	110,613	33,861

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

	Note 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
FINANCING ACTIVITIES			
Issuance of new shares, rights shares and exercise of share options	融資活動 發行新股份、供股股份及行使購股權	360,701	124,221
Repayment of promissory note receivable	償還應收承付票	100,000	—
Repayment of convertible notes receivable	償還應收可換股票據	100,000	—
Dividend paid to owners of the Company	已付本公司擁有人之股息	(33,063)	—
Net cash generated from financing activities	融資活動所產生之現金淨額	527,638	124,221
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	713,823	185,949
Effect of foreign exchange rate changes	外匯兌換率之影響	—	483
Cash and cash equivalents at beginning of year	年初之現金及現金等價物	275,802	89,370
Cash and cash equivalents at end of year	年終之現金及現金等價物	989,625	275,802
Analysis of the balances of cash and cash equivalents	現金及現金等價物結存分析		
Included in cash and cash equivalents per the consolidated statement of financial position	計入綜合財務狀況表之現金及現金等價物	30	30
		989,625	275,802

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

1. GENERAL INFORMATION

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company's principal activity is investment holding and the principal activities of its subsidiaries and associates are set out in notes 35 and 18 respectively to the consolidated financial statements.

The consolidated financial statements are presented in thousands of units of Hong Kong Dollars (HK\$'000), which is the same as the functional currency of the Company.

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

In the current year, the Group has applied the following new and revised standards, amendments and interpretations (hereinafter collectively referred to as "new and revised HKFRSs") issued by the HKICPA that are effective for the Group's financial year beginning 1 January 2010.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009
HKFRSs (Amendments)	Amendments to HKFRS 5 as part of improvements to HKFRSs issued in 2008
HKFRS 1 (Amendments)	Additional Exemptions for First-time Adopters

1. 一般資料

本公司為於百慕達註冊成立之獲豁免有限公司，而其股份在香港聯合交易所有限公司（「聯交所」）上市。

本公司之註冊辦事處地址為 Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司之主要業務為投資控股，而其附屬公司及聯營公司之主要業務分別載於綜合財務報表附註 35 及 18。

綜合財務報表以千港元（千港元）呈列，港元亦為本公司之功能貨幣。

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度內，本集團已應用下列香港會計師公會頒佈之新訂及經修訂準則、修訂本及詮釋（以下統稱「新訂及經修訂香港財務報告準則」），此等新香港財務報告準則於二零一零年一月一日開始之本集團財政年度生效。

香港財務報告準則（修訂本）	二零零九年頒佈之香港財務報告準則之改進
香港財務報告準則（修訂本）	香港財務報告準則第 5 號之修訂，為二零零八年頒佈之香港財務報告準則之改進一部份
香港財務報告準則第 1 號（修訂本）	首次採納者之額外豁免

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

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

HKAS 27 (as revised in 2008)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions (relating to the classification and measurement of financial assets)
HKFRS 3 (as revised in 2008)	Business Combinations
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners
HK-Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

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

HKFRS 3 (as revised in 2008) Business Combinations

HKFRS 3 (as revised in 2008) has been applied in the current year prospectively to business combinations of which the acquisition date is on or after 1 January 2010 in accordance with relevant transitional provisions. Its application has affected the accounting for business combinations in the current year.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第27號 (二零零八年經修訂)	綜合及獨立財務報表
香港會計準則第39號 (修訂本)	合資格對沖項目
香港財務報告準則 第2號(修訂本)	集團現金結算以股份支付之交易(有關金融資產之分類及計量)
香港財務報告準則 第3號(二零零八年 經修訂)	業務合併
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
香港詮釋第5號	財務報表之呈列 — 借款人對包含按要求還款條款之短期貸款之分類

除下述者外，採納新訂及經修訂香港財務報告準則並無對本會計期間或過往會計期間之本集團綜合財務報表構成重大影響。

香港財務報告準則第3號(二零零八年經修訂)業務合併

香港財務報告準則第3號(二零零八年經修訂)已於本年度根據相關過渡條文就收購日期為二零一零年一月一日或其後之業務合併往後應用。其應用影響本年度業務合併之會計處理。

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

HKFRS 3 (as revised in 2008) Business Combinations (Continued)

The impact of the application of HKFRS 3 (as revised in 2008) is as follows:

- HKFRS 3 (as revised in 2008) allows a choice on a transaction-by-transaction basis for the measurement of non-controlling interests at the date of acquisition (previously referred to as minority interests) either at fair value or at the non-controlling interests' share of recognised identifiable net assets of the acquiree.
- HKFRS 3 (as revised in 2008) changes the recognition and subsequent accounting requirements for contingent consideration. Previously contingent consideration was recognised at the acquisition date only if payment of the contingent consideration was probable and it could be measured reliably; any subsequent adjustments to the contingent consideration were always made against the cost of the acquisition. Under the revised Standard, contingent consideration is measured at fair value at the acquisition date; subsequent adjustments to the consideration are recognised against the cost of acquisition only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第3號(二零零八年經修訂)業務合併(續)

應用香港財務報告準則第3號(二零零八年經修訂)之影響如下：

- 香港財務報告準則第3號(二零零八年經修訂)容許選擇按個別交易基準，以公平值或以非控股權益(前稱少數股東權益)應佔被收購公司之已確認可識別淨資產計量於收購日期之非控股權益。
- 香港財務報告準則第3號(二零零八年經修訂)改變或然代價之確認及其後會計處理規定。過往，或然代價僅於或然代價可能支付及能夠可靠計量時於收購日期確認；任何其後對或然代價作出之調整均對收購成本作出。根據經修訂準則，或然代價乃按於收購日期之公平值計量；其後對代價作出之調整僅於有關公平值之計量期間(最長為自收購日期起計12個月)內所獲取新資料中產生時方會於收購日期收購成本中確認。其後對分類為資產或負債之或然代價作出之所有其他調整乃於損益表確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

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

HKFRS 3 (as revised in 2008) Business Combinations (Continued)

- HKFRS 3 (as revised in 2008) requires acquisition-related costs to be accounted for separately from the business combination, generally leading to those costs being recognised as an expense in profit or loss as incurred, whereas previously they were accounted for as part of the cost of the acquisition.

The impact of adoption of HKFRS 3 (as revised in 2008) on the acquisition during the current period has been related to the acquisition-related costs. It requires acquisition-related costs to be accounted for separately from the business combination. As a result, the Group has recognised these costs as an expense in profit or loss, whereas previously they would have been accounted as part of the cost of the acquisition.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第3號(二零零八年經修訂)業務合併(續)

- 香港財務報告準則第3號(二零零八年經修訂)規定收購相關成本須與業務合併分開入賬，一般會導致該等成本於產生時於損益表確認為支出，而以往該等成本則作為收購成本一部份入賬。

採納香港財務報告準則第3號(二零零八年經修訂)對本期間進行收購之影響與收購相關成本有關。該準則規定收購相關成本將與業務合併分開入賬。因此，本集團於損益表已確認該等成本為支出，而以往該等成本則作為收購成本一部份入賬。

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

HKAS 28 (as revised in 2008) Investments in Associates

The principle adopted under HKAS 27 (as revised in 2008) Consolidated and Separate Financial Statements that a loss of control is recognised as a disposal and re-acquisition of any retained interest at fair value is extended by consequential amendments to HKAS 28. Therefore, when significant influence over an associate is lost, the investor measures any investment retained in the former associate at fair value, with any consequential gain or loss recognised in profit or loss. In addition, as part of Improvements to HKFRSs issued in 2010, HKAS 28 (as revised in 2008) has been amended to clarify that the consequential amendments to HKAS 28 in relation to transactions where the investor loses significant influence over an associate should be applied prospectively. The Group has applied the amendments to HKAS 28 (as revised in 2008) as part of Improvements to HKFRSs issued in 2010 in advance of their effective dates (annual periods beginning on or after 1 July 2010).

This change in policy has affected the accounting for the deemed disposal of the Group's interest in China Star Entertainment Limited ("China Star Entertainment") and China Star Film Group Limited ("China Star Film", now known as KH Investment Holdings Limited) in current year.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第28號(二零零八年經修訂)於聯營公司之投資

根據香港會計準則第27號(二零零八年經修訂)綜合及獨立財務報表採納之原則，即失去控制權確認為出售及重新收購任何以公平值列賬之保留權益，乃以香港會計準則第28號之相應修訂延伸。因此，當失去對聯營公司之重大影響力，則該投資者須按公平值計量任何保留於前聯營公司之投資，任何相應盈虧於損益表確認。此外，作為於二零一零年頒佈之香港財務報告準則之改進之一部份，香港財務報告準則第28號(二零零八年經修訂)已作出修訂，以釐清對香港會計準則第28號有關投資者失去聯營公司重大影響力之交易之相應修訂應於往後應用。本集團已提早於其生效日期(於二零一零年七月一日或其後開始之年度期間)前應用香港會計準則第28號(二零零八年經修訂)之修訂本(作為於二零一零年頒佈之香港財務報告準則之改進之一部份)。

此項政策改變已影響本年度視為作出售本集團於中國星集團有限公司(「中國星集團」)及中國星電影集團有限公司(「中國星電影」，現稱嘉滙投資控股有限公司)之權益之會計處理。

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

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

HKAS 28 (as revised in 2008) Investments in Associates (Continued)

The difference between the carrying amounts of the retained interests and their fair value of China Star Entertainment and China Star Film were HK\$537,615,000 and HK\$21,028,000 respectively and have been recognised in consolidated income statement for the year. Subsequently, the retained interests in China Star Entertainment and China Star Film have been reclassified to available-for-sale financial assets and financial assets at fair value through profit or loss respectively.

Had the Group's previous accounting policy been followed, the carrying amount of the retained interests in China Star Entertainment would have been regarded as cost for the purpose of subsequent accounting as an available-for-sale financial assets investment under HKAS 39 Financial Instruments: Recognition and Measurement and the movement in fair value would have been recognised in consolidated income statement. Under HKAS 39, when a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised in other comprehensive income shall be reclassified from equity to consolidated income statement as a reclassification adjustment even though the financial asset has not been derecognised. The loss reported for the current year has no material effect as a result of the change in accounting policy.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第28號(二零零八年經修訂)於聯營公司之投資(續)

保留於中國星集團及中國星電影之權益賬面值與當時公平值之差額分別為537,615,000港元及21,028,000港元，已於本年度之綜合收益表確認。其後，保留於中國星集團及中國星電影之權益已分別重新分類為可供出售金融資產及按公平值計入損益表之金融資產。

依照本集團之過往會計政策，保留於中國星集團之權益賬面值應根據香港會計準則第39號金融工具：確認及計量對可供出售金融資產投資進行其後會計處理時被視為成本，公平值變動則應於綜合收益表確認。根據香港會計準則第39號，當可供出售金融資產之公平值減少於其他全面收益確認，並有客觀減值證據顯示該資產已經出現減值，即使該金融資產仍未解除確認，則已於其他全面收益內確認之累計虧損會從權益重新分類，並在綜合損益表確認為重新分類調整。本年度呈報之虧損並無由於會計政策變動而產生重大影響。

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

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

Save as described above, there is no material effect on the consolidated financial statements of the Group for the current or prior accounting periods by adopting the new and revised HKFRSs, thus no prior period adjustment has been required.

3. NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS IN ISSUE BUT NOT YET EFFECTIVE

The Group has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010 ¹
HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ³
HKFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ⁵
HKFRS 7 (Amendments)	Disclosures — Transfers of Financial Assets ⁵
HKFRS 9	Financial Instruments ⁷
HKAS 12 (Amendments)	Deferred tax: Recovery of Underlying Assets ⁶
HKAS 24 (as revised in 2009)	Related Party Disclosures ⁴
HKAS 32 (Amendments)	Classification of Rights Issues ²
HK(IFRIC) — Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement ⁴
HK(IFRIC) — Int 19	Extinguishing Financial Liabilities with Equity Instruments ³

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

除上述者外，採納新訂及經修訂香港財務報告準則並無對本會計期間或過往會計期間之本集團綜合財務報表構成重大影響，故毋須作出前期調整。

3. 已頒佈但尚未生效之新訂及經修訂準則、修訂本及詮釋

本集團並無提早採納以下已頒佈但尚未生效之新訂及經修訂準則、修訂本及詮釋。

香港財務報告準則 (修訂本)	二零一零年頒佈之香港財務報告準則之改進 ¹
香港財務報告準則第1號(修訂本)	首次採納者毋須按照香港財務報告準則第7號披露比較資料之有限豁免 ³
香港財務報告準則第1號(修訂本)	嚴重高通脹及剔除首次採納者之固定日期 ⁵
香港財務報告準則第7號(修訂本)	披露 — 轉讓金融資產 ⁵
香港財務報告準則第9號	金融工具 ⁷
香港會計準則第12號(修訂本)	遞延稅項：收回相關資產 ⁶
香港會計準則第24號(二零零九年經修訂)	關連人士披露 ⁴
香港會計準則第32號(修訂本)	供股之分類 ²
香港(國際財務報告詮釋委員會) — 詮釋第14號(修訂本)	最低資金要求之預付款 ⁴
香港(國際財務報告詮釋委員會) — 詮釋第19號	以股本工具清償金融負債 ³

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

3. NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS IN ISSUE BUT NOT YET EFFECTIVE

(Continued)

- 1 Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate
- 2 Effective for annual periods beginning on or after 1 February 2010
- 3 Effective for annual periods beginning on or after 1 July 2010
- 4 Effective for annual periods beginning on or after 1 January 2011
- 5 Effective for annual periods beginning on or after 1 July 2011
- 6 Effective for annual periods beginning on or after 1 January 2012
- 7 Effective for annual periods beginning on or after 1 January 2013

HKFRS 9 Financial Instruments (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 Financial Instruments (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

3. 已頒佈但尚未生效之新訂及經修訂準則、修訂本及詮釋(續)

- 1 於二零一零年七月一日及二零一一年一月一日(按適用)或其後開始之年度期間生效
- 2 於二零一零年二月一日或其後開始之年度期間生效
- 3 於二零一零年七月一日或其後開始之年度期間生效
- 4 於二零一一年一月一日或其後開始之年度期間生效
- 5 於二零一一年七月一日或之後開始之年度期間生效
- 6 於二零一二年一月一日或之後開始之年度期間生效
- 7 於二零一三年一月一日或其後開始之年度期間生效

香港財務報告準則第9號金融工具(於二零零九年十一月頒佈)引進金融資產分類及計量之新規定。香港財務報告準則第9號金融工具(於二零一零年十一月經修訂)增加金融負債及終止確認之規定。

3. NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS IN ISSUE BUT NOT YET EFFECTIVE

(Continued)

- Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods.
- In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

3. 已頒佈但尚未生效之新訂及經修訂準則、修訂本及詮釋(續)

- 根據香港財務報告準則第9號，香港會計準則第39號金融工具：確認及計量範圍內之所有已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，於旨在收取合約現金流量之業務模式內所持有及其合約現金流量僅為償還本金及尚未償還本金之利息之債務投資，一般於其後會計期間結算日按攤銷成本計量。所有其他債務投資及股本投資於其後會計期末按其公平值計量。
- 金融負債方面，顯著變動與指定按公平值計入損益表之金融負債有關。具體而言，根據香港財務報告準則第9號，就指定按公平值計入損益表之金融負債而言，金融負債信貸風險變動產生之金融負債公平值變動金額於其他全面收益呈列，除非於其他全面收益呈列該項負債信貸風險變動之影響將會導致或擴大損益表之會計錯配。金融負債信貸風險產生之公平值變動其後不會於損益表重新分類。過往，根據香港會計準則第39號，指定按公平值計入損益表之金融負債之公平值變動金額全數於損益表呈列。

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3. NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS IN ISSUE BUT NOT YET EFFECTIVE

(Continued)

HKFRS 9 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the new standard may have a significant impact on amounts reported in respect of the Group's financial assets. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. 已頒佈但尚未生效之新訂及經修訂準則、修訂本及詮釋(續)

香港財務報告準則第9號於二零一三年一月一日或其後開始之年度期間生效，可提早應用。

董事預期香港財務報告準則第9號將於本集團於二零一三年一月一日開始之年度期間之綜合財務報表採納，而應用新準則可能會對就本集團金融資產呈報之金額有重大影響。然而，於詳細審閱完成前提供該影響之合理估計並不可行。

除上述者外，本公司董事預期應用其他新訂及經修訂準則、修訂本或詮釋不會對本集團之業績及財務狀況構成重大影響。

4. 主要會計政策概要

編製該等綜合財務報表時應用之主要會計政策載列如下。除另有指明外，該等政策於呈列之所有年度獲貫徹應用。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”), and Interpretations (“Ints”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements included applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under historical cost convention except for financial assets at fair value through profit or loss, available-for-sale financial assets at fair value, conversion options embedded in convertible notes receivable and convertible note designated as at fair value through profit or loss which are carried at fair value. The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies.

The Group’s books and records are maintained in Hong Kong Dollars (“HK\$”) as the directors of the Company control and monitor the performance and financial position of the Group in HK\$.

4. 主要會計政策概要(續)

(a) 編製基準

綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)(此統稱包括所有適用之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(「詮釋」)及香港公認會計原則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例規定之適用披露事項。

綜合財務報表乃根據歷史成本慣例編製，惟以公平值入賬之按公平值計入損益表之金融資產、按公平值計值之可供出售之金融資產、應收可換股票據內含之兌換選擇權及指定按公平值計入損益表之可換股票據除外。編製符合香港財務報告準則之綜合財務報表須使用若干關鍵會計估計，管理層亦須於應用本公司之會計政策時作出判斷。

由於本公司董事以港元(「港元」)監控及監察本集團之業績及財務狀況，故本集團之賬冊及紀錄以港元設置。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation

Subsidiaries

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

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

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

4. 主要會計政策概要(續)

(b) 綜合基準

附屬公司

附屬公司指本集團有權監管其財務及經營政策之所有實體(包括特定用途實體)，本集團通常擁有其過半數投票權。於評估本集團是否控制另一實體時，會考慮現時可予行使之潛在投票權之存在及影響。

附屬公司自其控制權轉移予本集團當日起全面綜合入賬，並於該控制權終止當日停止綜合入賬。

本集團採用收購會計法為本集團所收購之附屬公司列賬。收購成本為於交易當日所獲資產之公平值、所發行之股權工具及所產生或承擔之負債，加上直接歸屬於收購事項之成本。在業務合併過程中所收購之可識別資產、所承擔之負債及或然負債，均於收購當日按其公平值作出初步計量，而毋須計及任何非控股股東權益。收購成本超出本集團應佔所收購之可辨別淨資產之差額乃列作商譽。倘收購成本低於所收購附屬公司淨資產之公平值，則有關差額將直接在綜合收益表內確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

Subsidiaries (Continued)

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

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Interests in associates are accounted by the equity method of accounting and are initially recognised at cost. The Group's interest in associates includes goodwill (net of any impairment losses) identified in acquisition.

4. 主要會計政策概要(續)

(b) 綜合基準(續)

附屬公司(續)

所有重大集團內公司間交易、結餘及未變現收益均予以抵銷。未變現虧損亦予以抵銷，除非交易有證據顯示所轉讓資產出現減值。本公司對附屬公司之會計政策於必要情況下已予修訂，以確保符合本集團所採納之政策。

聯營公司

聯營公司乃本集團具有重大影響力，惟並無控制權之所有實體，本集團通常擁有其20%至50%之投票權。於聯營公司之權益乃以權益會計法入賬，並初步按成本列賬。本集團於聯營公司之權益包括於收購中確認之商譽(扣除任何減值虧損)。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

Associates (Continued)

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

On acquisition of the investment any difference between the cost of the investment and the investor's share of the net fair values of the associate's identifiable assets, liabilities and contingent liabilities is accounted for in accordance with HKFRS 3 Business Combinations. Therefore:

4. 主要會計政策概要(續)

(b) 綜合基準(續)

聯營公司(續)

聯營公司之業績及資產與負債均採用權益會計法計入綜合財務報表。根據權益法，於聯營公司之權益乃按成本值於綜合財務狀況表列賬，並就本集團應佔聯營公司損益及權益變動(扣除任何已識別之減值虧損)之收購後變動作出調整。如本集團之應佔聯營公司虧損相等於或超過其於聯營公司之權益(包括實質上構成本集團於聯營公司淨投資之任何長期權益)，則本集團終止確認其應佔之進一步虧損。僅於本集團已產生法定或推定責任或代表該聯營公司支付款項時，方就額外應佔虧損作出撥備及確認負債。

於收購投資時，投資成本與投資者所佔聯營公司可識別資產、負債及或然負債之公平值淨額之任何差異乃根據香港財務報告準則第3號業務合併列賬。因此：

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

Associates (Continued)

- (i) Goodwill relating to an associate is included in the carrying amount of the investment. However, amortisation of that goodwill is not permitted and is therefore not included in the determination of the investor's share of the associate's profits or losses.
- (ii) Any excess of the investor's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the investor's share of the associate's profit or loss in the period in which the investment is acquired.

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

Dilution gains and losses in associates are recognised in the consolidated income statement.

4. 主要會計政策概要(續)

(b) 綜合基準(續)

聯營公司(續)

- (i) 有關聯營公司之商譽計入投資之賬面值。然而，商譽不得予以攤銷且因而不計入釐定投資者所佔聯營公司之損益內。
- (ii) 投資者所佔聯營公司可識別資產、負債及或然負債之公平值淨額超出投資成本之任何金額不予計入投資之賬面值，反而於收購投資之期間就釐定投資者所佔聯營公司之損益計入收入內。

倘集團實體與本集團之聯營公司進行交易，則損益將以本集團於相關聯營公司之權益為限進行對銷。

於聯營公司之攤薄收益及虧損於綜合收益表確認。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Revenue recognition

Revenue from distribution of films is recognised when video products or master materials of films are delivered to customers and the title has passed.

Revenue from sub-licensing of film rights is recognised upon delivery of master materials of films to customers.

Revenue from sales of financial assets at fair value through profit or loss is recognised when sale and purchase contracts became unconditional.

Rental income, including rentals invoiced in advance, from properties under operating lease is recognised on a straight-line basis over the period of the respective leases.

Service fee income is recognised when the services are rendered.

Dividend income from investments is recognised when the shareholders' right to receive payment has been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

4. 主要會計政策概要(續)

(c) 收益確認

發行電影所得收益於影視產品或電影母帶材料付運予客戶及所有權轉移時確認。

轉授電影發行權所得收益在將電影母帶材料付運予客戶時確認。

出售按公平值計入損益表之金融資產所得收益乃於買賣合約成為無條件時確認。

租金收入(包括在經營租約下之物業提早發出之發票之租金)以直線法按各自之租約年期確認。

服務費收入於提供服務時確認。

投資之股息收入乃於股東可獲派息之權利確立時確認。

利息收入乃根據尚未償還本金額及適用利率按時間比例入賬。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Impairment of assets

Internal and external sources of information are reviewed at the end of each reporting period to determine whether there is any indication of impairment of assets, or whether there is any indication that an impairment loss previously recognised no longer exists or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the consolidated income statement in the reporting period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant policy for that revalued asset.

Calculation of recoverable amount

The recoverable amount of an asset is the higher of its net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of any asset and from its disposal at the end of its useful life. 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 asset that generates cash inflows independently (i.e. a cash-generating unit).

4. 主要會計政策概要(續)

(d) 資產減值

於各呈報期，均會審閱內部及外來資料來源，以確定是否有任何跡象顯示資產出現減值，或是否有任何跡象顯示早前已確認之減值虧損已不再存在或可能已經減少。倘存在任何該等跡象，則會估計資產之可收回金額。每當資產之賬面值超過其可收回金額時，均會確認減值虧損。減值虧損於產生呈報期內自綜合收益表扣除，惟倘有關資產按重估價值入賬，則根據該重估資產之相關會計政策將減值虧損入賬。

計算可收回金額

資產之可收回金額為其淨售價與使用價值兩者中之較高者。淨售價為於公平磋商交易中銷售資產所得之金額，而使用價值則為預期將因持續使用任何資產或自於其可使用年期結束時將其出售所產生之估計未來現金流量之現值。倘資產並無產生在很大程度上獨立於其他資產之現金流入，則可收回金額乃就能獨立產生現金流入之最小組別資產(即現金產生單位)而釐定。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Impairment of assets (Continued)

Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates the reversal effect of that specific event.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior periods. Reversals of impairment losses are credited to the consolidated income statement in the reporting period in which the reversals are recognised.

(e) Taxation

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

The tax currently payable is based on taxable profit for the reporting period. Taxable profit is the profit for the reporting period, determined in accordance with the rules established by the taxation authorities, upon which income taxes are payable.

4. 主要會計政策概要(續)

(d) 資產減值(續)

減值虧損撥回

就商譽以外之資產而言，倘用以釐定可收回金額之估計發生變化，則會將減值虧損撥回。商譽之減值虧損僅於虧損乃因性質特殊且預期不會再次發生之特定外來事件所引致，而可收回金額之增加與該特定事件之影響有關，方予撥回。

減值虧損撥回限於倘並無於過往期間確認減值虧損而原應釐定之資產賬面值。減值虧損撥回乃於確認撥回之呈報期計入綜合收益表。

(e) 稅項

所得稅支出指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按呈報期之應課稅溢利計算。應課稅溢利為於應付所得稅時根據稅務機關制定之規則釐定之呈報期內溢利。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Taxation (Continued)

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

4. 主要會計政策概要(續)

(e) 稅項(續)

遞延稅項以綜合財務報表中資產及負債之賬面值及計算應課稅溢利所用相應稅基間之暫時差額而確認，並採用資產負債表負債法處理。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產乃按可能出現可利用暫時差額扣稅之應課稅溢利時提撥。若於一項交易中，因商譽(或負商譽)或因業務合併以外原因初步確認其他資產及負債而引致之暫時差額既不影響應課稅溢利，亦不影響會計溢利，則不會確認該等遞延資產及負債。

遞延稅項負債乃按附屬公司及聯營公司投資有關之應課稅暫時差額而確認，惟若本集團可控制暫時差額撥回而暫時差額有可能將於可見將來不會撥回之情況除外。

遞延稅項資產之賬面值於各呈報期末作檢討，並於沒可能有足夠應課稅溢利收回全部或部份資產時作調減。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the reporting period when the liability is settled or the asset realised. Deferred tax is charged or credited to the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment has been put into operation, such as repairs and maintenance, is normally charged to the consolidated income statement in the reporting period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

4. 主要會計政策概要(續)

(e) 稅項(續)

遞延稅項乃按預期於負債清償或資產變現之呈報期之適用稅率計算。遞延稅項於綜合收益表中扣除或計入綜合收益表，惟倘遞延稅項直接在股權中扣除或計入股權之情況(在此情況下遞延稅項亦會於股權中處理)除外。

(f) 物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及累計減值虧損列賬。

一項資產之成本包括其購買價及任何將資產運往擬定用途之工作環境及地點之直接應佔成本。於物業、廠房及設備投入生產後所引致之支出，如維修及保養等，一般均會於支出該等費用之呈報期內從綜合收益表內扣除。倘若可清楚顯示支出已致使預期因使用物業、廠房及設備而獲取之日後經濟利益增加，該支出則會資本化，列作該項資產之額外成本。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Property, plant and equipment (Continued)

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

Leasehold improvements	33.3%
Office equipment	20%
Motor vehicles	20%
Furniture and fixtures	15%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the relevant asset and is recognised in the consolidated income statement in the year.

(g) Investments in subsidiaries

A subsidiary is an enterprise controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. In the Company's statement of financial position, investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

4. 主要會計政策概要(續)

(f) 物業、廠房及設備(續)

折舊乃按物業、廠房及設備之估計可使用年期以直線法確認，以撇銷其成本。估計可使用年期、剩餘價值及折舊方法乃於各呈報期末檢討，估計變動之影響按預先計提之基準入賬。主要年率如下：

租賃物業裝修	33.3%
辦公室設備	20%
汽車	20%
傢俬及裝置	15%

物業、廠房及設備項目乃於出售後或當預期持續使用該資產不會產生未來經濟利益時取消確認。

出售或棄置物業、廠房及設備項目產生之盈虧乃按出售所得款項與有關資產賬面值之差額而釐定，並於呈報期在綜合收益表內確認。

(g) 於附屬公司之投資

附屬公司乃一家由本公司控制之企業。倘本公司有權直接或間接監管某企業之財務及營運政策，以從其業務中取得利益，則屬擁有控制權。在本公司之財務狀況表中，附屬公司投資乃按成本扣除減值虧損撥備入賬。附屬公司之業績乃由本公司按已收及應收股息基準入賬。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Intangible assets

Intangible assets acquired separately are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure on internally generated goodwill and brands is recognised as an expense in the reporting period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to consolidated income statement on a straight-line basis over the assets' estimated useful lives from the date when they are available for use.

Both the estimate useful lives and method of amortisation are reviewed annually.

(i) Inventories

Inventories on finished goods are stated at lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

Inventories on stock of properties, which are held for trading, are stated at the lower of cost and net realisable value. Net realisable value is determined by reference to sale proceeds received after the reporting period less selling expenses, or by management estimates based on the prevailing market conditions.

4. 主要會計政策概要(續)

(h) 無形資產

分開購入之無形資產初步按成本確認。於初步確認後，具有限可使用年期之無形資產按成本減任何累計攤銷及任何累計減值虧損列賬。內部產生商譽及品牌之開支於呈報期內確認為開支。

具有限可使用年期之無形資產攤銷由資產可供使用日期起按資產估計可使用年期以直線法自綜合收益表扣除。

估計可使用年期及攤銷方法均會每年檢討。

(i) 存貨

製成品存貨按成本及可變現淨值之較低者列賬。成本採用先入先出法計算。

持作買賣之物業存貨按成本及可變現淨值之較低者列賬。可變現淨值乃經參考於呈報期後收取之銷售所得款項減銷售開支釐定，或由管理層根據當時之市況作出估計。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments

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

Financial assets

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

4. 主要會計政策概要(續)

(j) 金融工具

當集團實體成為工具合約條文之訂約方時，金融資產及金融負債乃於財務狀況表確認。金融資產及金融負債初步按公平值計量。因收購或發行金融資產及金融負債(透過損益按公平值處理之金融資產及金融負債除外)而直接應佔之交易成本乃於首次確認時按適用情況加入或扣自該金融資產或金融負債之公平值。收購透過損益按公平值處理之金融資產及金融負債而直接應佔之交易成本即時於綜合收益表內確認。

金融資產

本集團之金融資產歸類至下列四個類別之其中一個，包括透過損益按公平值處理之金融資產、貸款及應收款項、持有至到期日之投資及可供出售之金融資產。所有透過正常方式購買或出售之金融資產乃按交易日基準確認及解除確認。透過正常方式進行之購買或出售乃指按市場規則或慣例設定之時間框架內交付資產之金融資產購買或銷售。本集團之主要金融資產分別屬於貸款及應收款項及可供出售之金融資產，而所採納之會計政策乃載列於下文。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at fair value through profit or loss, of which interest income is included in net gains or losses.

Loans and receivables

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

4. 主要會計政策概要(續)

(j) 金融工具(續)

實際利率法

實際利率法為計算金融資產之攤銷成本及於相關期間分配利息收入之方法。實際利率為實際折算金融資產根據初步確認時預期可使用年期或較短期間(如適用)估計未來現金收入(包括組成實際利率主要部分之所有已付或已收定點費用、交易成本及其他溢價或折扣)至賬面淨值之確定利率。

債務工具之收入按實際利率基準確認，惟指定為按公平值計入損益之金融資產除外，其利息收入乃計入淨收益或虧損。

貸款及應收款項

貸款及應收款項為非衍生金融資產，具有固定或可決定金額，且並無在交投活躍之市場上報價。於初步確認後之各呈報期末，貸款及應收款項(包括貿易應收款項、其他應收款項、向聯營公司貸款、應收聯營公司款項及定期存款)、銀行結餘及現金乃以實際利率法按攤銷成本減任何已識別減值虧損(見下文金融資產減值虧損之會計政策)計量。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. Where the financial asset is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Available-for-sale financial assets equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of the reporting period.

4. 主要會計政策概要(續)

(ii) 金融工具(續)

可供出售之金融資產

可供出售之金融資產乃指定或並未分類為貸款及應收款項、持作到期之投資或按公平值計入損益表之金融資產之非衍生工具。

於呈報期末，可供出售之金融資產按公平值計量。公平值變動於其他全面收益中確認並於投資重估儲備中累計，當該金融資產出售或被認為減值時，於投資重估儲備中累積之損益，將重新分類至損益中。

如可供出售金融資產之股權投資於活躍市場沒有市場報價且公平值不能可靠計量，及與股權投資掛鉤且必須以該等沒有報價股權投資作交收之衍生工具，則於呈報期末按成本價扣除任何已識別減值虧損計量。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Available-for-sale financial assets (Continued)

For the purpose of recognising foreign exchange gains and losses, a monetary available-for-sale financial asset is treated as if it were carried at amortised cost in the foreign currency. Accordingly, for such a financial asset, exchange differences resulting from changes in carrying amount are recognised in the consolidated income statement.

However, interest calculated using the effective interest method is recognised in the consolidated income statement.

Any impairment losses on available-for-sale financial assets are recognised in statement of comprehensive income. Impairment losses on available-for-sale equity investments will not reverse in subsequent reporting periods. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

4. 主要會計政策概要(續)

(j) 金融工具(續)

可供出售之金融資產(續)

就確認外匯損益而言，一項貨幣可供出售金融資產將予處理，如同其按該外幣之攤銷成本列賬。因此，就該項金融資產而言，因賬面值變動而產生之滙兌差額乃於綜合收益表確認。

然而，使用實際利率法計算之利率乃於綜合收益表確認。

可供出售金融資產之任何減值虧損乃於全面收益表確認。可供出售股本投資之減值虧損將不會於其後之呈報期間撥回。就可供出售債務投資而言，倘該項投資之公平值增加能客觀地連繫至確認減值虧損後發生之事件，則減值虧損將於其後撥回。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss has two subcategories, including financial assets held for trading and those designated at fair value through profit or loss on initial recognition.

A financial asset is classified as held for trading if:

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

A financial asset other than a financial asset held for trading may be designated at fair value through profit or loss upon initial recognition if:

- (i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

4. 主要會計政策概要(續)

(j) 金融工具(續)

按公平值計入損益表之金融資產

按公平值計入損益表之金融資產有兩個分類，包括持作買賣之金融資產及該等指定於初步確認時按公平值計入損益表之金融資產。

倘出現下列情況，金融資產分類為持作買賣：

- (i) 購進之主要目的為於短期內將之變賣；或
- (ii) 其為由本集團共同管理之已識別金融工具組合之一部分，並於近期有實際之短期獲利特點；或
- (iii) 其為一種並不能作為指定及有效對沖工具之衍生工具。

倘出現下列情況，持作買賣之金融資產以外之金融資產可於初步確認時指定為按公平值計入損益表之金融資產：

- (i) 該指定撇銷或大幅減低可能出現之計量或確認不一致之情況；或

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

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

- (ii) the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- (iii) it forms parts of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated at fair value through profit or loss.

At end of each reporting period subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

4. 主要會計政策概要(續)

(j) 金融工具(續)

按公平值計入損益表之金融資產(續)

- (ii) 金融資產組成一組金融資產或金融負債各部分或兩者，並根據本集團既定風險管理或投資策略，按公平值基準管理及評估其表現，而分類資料則按該基準由內部提供；或
- (iii) 金融資產組成包括一種或以上內含衍生工具之合約部分，而香港會計準則第39號允許整份合併合約(資產或負債)指定為按公平值計入損益表列賬。

於初步確認後之各呈報期末，按公平值計入損益表之金融資產按公平值計量，公平值變動於產生期間內直接於損益表內確認。於損益內確認之收益或虧損淨額不包括該項金融資產所賺取之任何股息或利息。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Impairment of financial assets

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

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

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

- (i) significant financial difficulty of the issuer or counterparty; or
- (ii) breach of contract, such as a default or delinquency in interest or principal payments; or
- (iii) it is becoming probable that the borrower will enter bankruptcy or financial re-organisation.

4. 主要會計政策概要(續)

(j) 金融工具(續)

金融資產之減值

金融資產(按公平值計入損益者除外)於呈報期末就出現之減值跡象作出評估。倘有客觀證據顯示，金融資產之預計未來現金流量因金融資產初步確認後發生之一項或多項事件而受到影響，則金融資產出現減值。

可供出售股本投資方面，該投資之公平值長期明顯下降至低於其成本值時，即被視為減值之客觀證據。

其他金融資產方面，減值之客觀證據可包括：

- (i) 發行人或交易對手出現重大財政困難；或
- (ii) 違反合約，例如欠繳或遲繳利息或本金額；或
- (iii) 借款人有可能面臨破產或財務重組。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Impairment of financial assets (Continued)

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

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

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

4. 主要會計政策概要(續)

(j) 金融工具(續)

金融資產之減值(續)

就若干類別之金融資產(如應收貿易賬款)而言,不會單獨作出減值之資產會於其後彙集一併評估減值。應收賬款組合出現減值之客觀證據包括本集團過往收款記錄、組合內超過平均信貸期之延期付款數字上升,以及國家或地區經濟狀況出現明顯變動而導致該應收賬款未能償還。

就按攤銷成本計值之金融資產而言,當有客觀證據顯示資產減值時於綜合收益表內確認減值虧損,及按賬面值與估計未來現金流量之現值(以原定實際利率折算)間之差異計量。

按成本值列賬之資產,其減值虧損金額之計算方法為資產賬面值及以類似金融資產現時市場回報率貼現後之估計未來現金流量之現值兩者之差額。有關減值虧損不可於以後呈報期間撥回。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Impairment of financial assets (Continued)

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

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

Impairment losses on available-for-sale equity investments are not be reversed in the consolidated income statement in subsequent reporting periods. Any increase in fair value subsequent to an impairment loss is recognised directly in equity.

4. 主要會計政策概要(續)

(j) 金融工具(續)

金融資產之減值(續)

金融資產之賬面值因其減值虧損而直接減少，惟應收貿易賬款之賬面值則透過使用撥備賬而減少。所有撥備賬之賬面值變動均於綜合全面收益表內確認。倘應收賬款被視為不可收回，則於撥備賬內撇銷。其後收回之已撇銷數額乃計入綜合收益表。

就按攤銷成本計量之金融資產而言，倘減值虧損之數額於其後之呈報期減少，而有關減少可以客觀地與確認減值虧損後之某一事件聯繫，則原先確認之減值虧損於損益中予以撥回，惟於撥回減值當日之資產賬面值不得超逾假設未確認減值時之攤銷成本。

可供出售股本投資之減值虧損不會在其後之呈報期間於綜合收益表撥回。減值虧損後之任何公平值增加均直接於權益內確認。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

The Group's financial liabilities are mainly comprised of other financial liabilities which include accruals and other payable and amounts due to subsidiaries which fall within the category of other financial liabilities. These financial liabilities are subsequently measured at amortised cost, using the effective interest rate method.

4. 主要會計政策概要(續)

(j) 金融工具(續)

金融負債及股權

由集團實體發行之金融負債及股本權益工具按所訂立之合約安排性質，以及金融負債及股權工具之定義而分類。

本集團之金融負債主要包括其他金融負債(包括應計費用及其他應付款項及應付附屬公司款項(屬其他金融負債))。該等金融負債其後利用實際利率法按經攤銷成本計量。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Effective interest method

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

Interest expense is recognised on an effective interest basis other than financial liabilities classified as at fair value through profit or loss.

4. 主要會計政策概要(續)

(j) 金融工具(續)

股權工具

股權工具為證明集團資產剩餘權益(經扣除其所有負債)之任何合約。本公司發行之股本工具按所收款項扣除直接發行成本後入賬。

購回本公司本身之股權工具乃直接於權益確認及扣除。購買、出售、發行或註銷本公司本身之股權工具時不會於損益確認收益或虧損。

實際利率法

實際利率法指計算金融負債之攤銷成本及分配有關期間利息開支之方法。該實際利率指財務負債之估計未來所付現金在估計可使用年期或較短期間(按適用者)內之折現利率至初步確認之賬面淨金額。

利息開支按實際利率法確認(分類為按公平值計入損益之金融負債除外)。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Convertible notes payable

Convertible notes payable issued by the Company that contain both the liability and conversion option components are classified separately into respective items on initial recognition. Conversion option will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the proceeds of the issue of the convertible notes payable and the fair value assigned to the liability component, representing the conversion option for the holder to convert the notes into equity, is included in equity (convertible bonds reserve).

In subsequent reporting periods, the liability component of the convertible notes payable is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes reserve until the embedded option is exercised (in which case the balance stated in convertible notes reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible notes reserve will be released to the retained profits. No gain or loss is recognised in the consolidated income statement upon conversion or expiration of the option.

4. 主要會計政策概要(續)

(j) 金融工具(續)

應付可換股票據

本公司發行之應付可換股票據包含負債及兌換選擇權部分，並於初步確認時分開歸類於各自之項目。倘兌換選擇權將透過以固定金額之現金或其他金融資產換取固定數目之本公司股本工具而結算，則分類為股權工具。

於初步確認時，負債部分之公平值乃按同類非可換股債項之現行市場息率釐定。發行可換股票據所得款項淨額與歸入負債部分之公平值之差額(代表持有人將票據轉換為股權之兌換選擇權)計入股權(可換股債券儲備)。

於其後呈報期間，應收可換股票據之負債部分採用實際利率法按攤銷成本入賬。股權部分(即將負債部分轉換為本公司普通股之期權)將保留於可換股票據儲備內，直至內含期權獲行使，屆時於可換股票據儲備呈列之餘額將轉撥至股份溢價。若該期權於到期日仍未獲行使，則於可換股票據儲備呈列之結餘將被用於撥入保留溢利。期權於兌換或失效時之損益概不會於綜合收益表內確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contract are entered into and are subsequently remeasured to their fair value at the end of each reporting periods. The resulting gain or loss from fair value changes is recognised in profit or loss.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their economic risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

4. 主要會計政策概要(續)

(j) 金融工具(續)

衍生金融工具

衍生工具於訂立衍生工具合約當日按公平值進行初步確認，並於其後在各呈報期末重新計量其公平值。公平值變動產生之收益或虧損於損益表內確認。

非衍生主合約所含衍生工具於其經濟風險及特質與主合約者並無緊密連繫，以及主合約並非按公平值計量而其公平值變動並非於損益表內確認時被視作獨立衍生工具。

終止確認

本集團僅於自資產獲取現金流量之合約權利到期時，或本集團將財務資產及該資產所有權之絕大部分風險及回報轉讓予另一實體時取消確認財務資產。全面取消確認財務資產時，該資產賬面值與已收及應收代價及於其他全面收入確認之累計股權總數間之差額會於損益表中確認。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Derecognition (Continued)

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

Determination of fair value

The fair value for financial instruments traded in active markets at the end of the reporting period is based on their quoted market price or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include discounted cash flows analysis, comparison to similar instruments for which market observable prices exist, option pricing models and other relevant valuation models.

4. 主要會計政策概要(續)

(j) 金融工具(續)

終止確認(續)

當有關合約之特定責任獲解除、取消或到期，金融負債將予以終止確認。已終止確認之金融負債之賬面值與已付及應付代價之差額乃於綜合收益表中確認。

公平值之釐定

於呈報期末，於活躍市場買賣之金融資產之公平值乃根據所報市價或經銷商報價(好倉之買入價及淡倉之要價)釐定，而無扣減任何交易成本。

就所有非於活躍市場上市之金融工具，其公平值乃採用合適評估技術釐定。評估技術包括折現現金流量分析、與市場現有可知價格之類似工具進行比較、期權定價模式及其他相關估值模式。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the consolidated income statement.

(l) Cash and cash equivalents

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

4. 主要會計政策概要(續)

(k) 貿易及其他應收款項

貿易及其他應收款項初步以公平值確認，其後則利用實際利率法按攤銷成本扣除減值撥備計量。倘有客觀證據顯示本集團將無法按應收款項之原有條款收回所有款項，即就貿易及其他應收款項設定減值撥備。撥備金額為資產賬面值與按實際利率折現之估計未來現金流量之現值兩者之差額。撥備金額於綜合收益表確認。

(l) 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款、原到期日為三個月或以下之其他短期高流動性投資，以及銀行透支。銀行透支在綜合財務狀況表之流動負債內借貸中列示。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

(n) Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are initially recognised as at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor, net of interest charges, is included in the consolidated statement of financial position as a finance lease obligation. Finance costs are charged to the consolidated income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each reporting period.

4. 主要會計政策概要(續)

(m) 借貸

借貸初步按公平值並扣除產生之交易成本確認。交易成本為收購、發行或出售某項金融資產或金融負債直接所佔之新增成本，包括支付予代理人、顧問、經紀及交易商之費用及佣金、監管機關及證券交易所之徵費，以及過戶及印花稅。借貸其後按攤銷成本列賬，所得款項(扣除交易成本)與贖回價值兩者之任何差額採用實際利率法於借貸期間內在綜合收益表確認。

(n) 租約

凡租約條款將資產擁有權之絕大部份風險及回報轉移往本集團之租約，均列作融資租約。根據融資租約持有之資產按最初之公平值或最低租金現值(以較低者為準)確認。向出租人履行之有關責任(扣除有關利息支出)於綜合財務狀況表內列作融資租約承擔。融資費用將按有關租期自綜合收益表扣除，以定期定額扣除出各呈報期之承擔餘額。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Leases (Continued)

All other leases are classified as operating leases and the annual rentals are charged to the consolidated income statement on a straight-line basis over the relevant lease term.

(o) Translation of foreign currencies

Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Hong Kong Dollars.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the rates prevailing at the end of the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

4. 主要會計政策概要(續)

(n) 租約(續)

所有其他租約均列作經營租約，而年度租金以直線法按有關租期自綜合收益表扣除。

(o) 外幣兌換

功能及呈列貨幣

列入本集團綜合財務報表之項目均以實體主要經營所在經濟環境之貨幣(功能貨幣)計量。財務報表以港元呈列。

交易及結餘

外幣業務以交易發生當日之匯率折算為功能貨幣。因上述交易結算及按呈報期末之現行匯率換算以外幣計值之貨幣資產及負債而產生之匯兌盈虧，均於綜合收益表確認，惟當在股權內遞延為合資格現金流量對沖或合資格投資淨額對沖時除外。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Translation of foreign currencies (Continued)

Transactions and balances (Continued)

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Transaction difference on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

Group companies

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

- (a) assets and liabilities for each statement of financial position presented are translated at the end of the reporting period;
- (b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (c) all resulting exchange differences are recognised as a separate component of equity.

4. 主要會計政策概要(續)

(o) 外幣兌換(續)

交易及結餘(續)

非貨幣項目(如按公平值計入損益表之股本工具)之匯兌差額均呈報為公平值盈虧之一部分。非貨幣項目(如分類為可供出售之金融資產之實體)之匯兌差額均於股權內計入公平值儲備。

集團公司

所有功能貨幣與呈列貨幣不同之本集團實體(全部均無嚴重通脹經濟體系之貨幣)之業績及財務狀況均以下列方法換算為呈列貨幣：

- (a) 於呈報期末，在各財務狀況表所列之資產及負債均於呈報期末予以換算；
- (b) 各收益表所列之收入及開支均按平均匯率換算(除非該平均匯率不足以合理地估計交易當日通行匯率之累計影響，如屬此情況，收入及開支則於交易當日換算)；及
- (c) 所有因此而產生之匯兌差額會分開確認為股權之個別組成部份。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Translation of foreign currencies (Continued)

Group companies (Continued)

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period.

(p) Employee benefits

Bonuses

The Group recognises a liability for bonuses when there is a contractual obligation and the amount can be estimated reliably.

Retirement benefit obligations

The Group operates the Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds.

4. 主要會計政策概要(續)

(o) 外幣兌換(續)

集團公司(續)

收購海外實體產生之商譽及已收購可資識別資產之公平值調整當作該海外業務之資產及負債處理，並按各呈報期末之當時匯率換算。

(p) 僱員福利

花紅

本集團於有合約責任及金額能夠可靠地估計時就花紅確認負債。

退休福利責任

本集團為根據香港強制性公積金計劃條例安排所有按香港僱傭條例聘用之僱員參與強制性公積金計劃(「強積金計劃」)。強積金計劃為定額供款計劃，其資產由獨立信託管理基金持有。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits (Continued)

Retirement benefit obligations (Continued)

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% to 10% of the employees' relevant income, with the employees' contributions subject to a cap of monthly relevant income of HK\$20,000. The Group's contributions to the MPF Scheme are expensed as incurred. 5% of relevant income vests immediately upon the completion of service in the relevant service period, while the remaining portion vests in accordance with the MPF Scheme's vesting scales. Where employees leave the MPF Scheme prior to the full vesting of the employer's contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

Share-based compensation

The fair value of the employee services received in exchange for the grant of the share options and restricted share awards is recognised as an expense in the consolidated income statement.

4. 主要會計政策概要(續)

(p) 僱員福利(續)

退休福利責任(續)

根據強積金計劃，僱主及其僱員均須按僱員相關收入之5%至10%向計劃作出供款，而僱員供款以每月相關收入20,000港元為上限。本集團向強積金計劃作出之供款於產生時支銷。相關收入之5%於相關服務期間服務完成時即時歸屬僱員，而其餘部份乃根據強積金計劃之應享比例歸屬僱員。倘僱員於僱主供款全數歸屬前退出強積金計劃，沒收之供款金額將用作扣減本集團之應付供款。

以股份形式支付之薪酬

授予購股權及有限制股份獎勵所換取之僱員服務之公平值於綜合收益表確認為支出。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits (Continued)

Share-based compensation (Continued)

The total amount to be expensed over the vesting period is determined with reference to the fair value of the share options and restricted share awards granted. At the end of each reporting period, the Company revises its estimates of the number of share options that are expected to become exercisable and the number of restricted share awards that become vested. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement, and a corresponding adjustment to equity in the consolidated statement of financial position will be made over the remaining vesting periods.

The proceeds received, net of any directly attributable transaction costs, are credited to share capital and share premium accounts when the share options are exercised and when the restricted share awards are vested.

(q) Share options granted to consultants

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair received are recognised as expenses immediately, unless the goods or services qualify for recognition as assets. Corresponding adjustment has been made to equity (share options reserve).

4. 主要會計政策概要(續)

(p) 僱員福利(續)

以股份形式支付之薪酬(續)

於歸屬期內列作支出之總金額乃參照已授出之購股權及有限制股份獎勵之公平值釐定。於各呈報期末，本公司會修訂其估計預期可予以行使之購股權數目及預期可予歸屬之有限制股份獎勵數目，並於綜合收益表內確認修訂原估計數字(如有)之影響及在餘下歸屬期間對綜合財務狀況表之股權作相應調整。

當購股權獲行使時及有限制股份獎勵已歸屬時，所收取之款項於扣除任何直接應佔之交易成本後計入股本及股份溢價內。

(q) 授予顧問之購股權

為交換貨品或服務而發行之購股權以所獲得貨品或服務之公平值計量，惟倘公平值無法可靠計量，則已收貨品或服務乃參考所授出購股權之公平值計量。除非貨品或服務合資格被確認為資產，否則已收貨品或服務之公平值會即時確認為開支，而股權(購股權儲備)亦會相應調整。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Borrowing costs

Borrowing costs incurred for the acquisition, construction or production of qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

(s) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

4. 主要會計政策概要(續)

(r) 借貸成本

收購、建造或製造合資格資產產生之借貸成本於須完成及預備資產作擬定用途期間內撥充資本。其他借貸成本列作開支。

(s) 或然負債及或然資產

或然負債乃因過往事件而可能產生之責任，而其存在與否僅由不屬本集團全然掌握之一件或以上未確定未來事件之發生或不發生所確定。或然負債亦可以是因過往未確認事件而產生之現有責任，而由於不大可能導致經濟資源流失，又或者責任金額不能可靠地計量而未予以確認。或然負債雖未予確認，惟於綜合財務報表附註披露。倘外流可能性發生變動，以致有可能流失時，則確認為撥備。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Contingent liabilities and contingent assets (Continued)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(t) Related party transaction

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influences. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(u) Provisions

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

4. 主要會計政策概要(續)

(s) 或然負債及或然資產(續)

或然資產乃指因過往事件而可能獲得之資產，其存在僅可視乎將來發生或不發生一件或以上非本集團所能完全控制之不確定未來事件予以確定。或然資產雖未予確認，惟當一項經濟收益可能流入時於財務報表附註披露。當流入可實際確定時，則確認資產。

(t) 關連人士交易

倘一方有能力直接或間接控制另一方，或於作出財務及營運決定時發揮重大影響力，則雙方被視為有關連。倘彼等受共同控制或共同重大影響，則亦被視為有關連。倘資源或責任於關連人士間轉移，則該項交易被視為關連人士交易。

(u) 撥備

倘本集團因過往事件而須承擔當前之法定或推定責任，本集團可能須履行該項責任並對有關金額作出可靠之估計。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Provisions (Continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(v) Disposal groups classified as discontinued operations

Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operation, or is a subsidiary acquired exclusively with a view to resale.

4. 主要會計政策概要(續)

(u) 撥備(續)

已確認為撥備之金額為須於呈報期末履行當前責任之最佳估計代價，並考慮與責任有關之風險及不明朗因素。倘使用履行當前責任之估計現金流量來計量撥備，其賬面值為該等現金流量現值。

當須用於解決撥備之部分或全部經濟收益預期可向第三方收回時，在確定將可獲償付且能可靠估計可收回之數額，則可收回款項確認為資產。

(v) 分類為已終止經營業務之出售組別

已終止經營業務

已終止經營業務乃本集團業務其中一部分，其業務及現金流量可明顯地與本集團餘下業務區分，指營運業務或地區範圍之重要獨立一環，或為出售營運業務或地區範圍重要獨立一環之單方面協調計劃之一部分，或屬於專為轉售而收購之附屬公司。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Disposal groups classified as discontinued operations (Continued)

Discontinued operations (Continued)

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale (as referred to in (i) above), if earlier. It also occurs when the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the consolidated income statement, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

4. 主要會計政策概要(續)

(v) 分類為已終止經營業務之出售組別(續)

已終止經營業務(續)

於出售後或當業務符合持作出售(如上文(i)所述)之準則(倘較早)時,即可分類為已終止經營業務,亦可於該業務被放棄時產生。

倘某項業務分類為已終止經營,則於綜合收益表單獨列示,包括:

- 已終止經營業務之除稅後損益;及
- 按公平值減銷售成本後所得金額進行計量所確認之除稅後盈虧,或於出售時對構成已終止經營業務之資產或出售組別所確認之除稅後盈虧。

5. 關鍵會計估計及判斷

估算及判斷會被持續評估,並根據過往經驗及其他因素進行評估,包括在有關情況下相信為合理之對未來事件之預測。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

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

(a) Impairment of intangible assets

The Group performs annual tests on whether there has been impairment of intangible assets in accordance with the accounting policy stated in notes 4(h) to the consolidated financial statements respectively. The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations. Information about the assumptions and the risk factors on impairment of goodwill and intangible assets is stated in notes 17 to the consolidated financial statements respectively.

5. 關鍵會計估計及判斷(續)

本集團對未來作出估計及假設。所得之會計估計如其定義，很少會與其實際結果相同。很大機會導致下一呈報期之資產與負債之賬面值作出重大調整之估計及假設討論如下。

(a) 無形資產減值

本集團分別按照綜合財務報表附註4(h)所載之會計政策每年對無形資產是否出現任何減值進行測試。現金產生單位之可收回金額乃按使用價值計算。該等計算須採用管理層就日後業務營運及除稅前折現率所作之估計及假設，以及其他計算使用價值時所作之假設。有關無形資產減值之假設及風險因素之資料分別載於綜合財務報表附註17。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Trade receivables

The aged debt profile of trade debtors is reviewed on a regular basis to ensure that the trade debtor balances are collectible and follow up actions are promptly carried out if the agreed credit periods have been exceeded. However, from time to time, the Group may experience delays in collection. Where recoverability of trade debtor balances is called into doubts, specific provisions for impairments are made based on credit status of the customers, the aged analysis of the trade receivable balances and write-off history. Certain receivables may be initially identified as collectible, yet subsequently become uncollectible and result in a subsequent write-off of the related receivables to the consolidated income statement. Changes in the collectibility of trade receivables for which provisions are not made could affect our results of operations.

(c) Useful lives of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the assets are acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid.

5. 關鍵會計估計及判斷(續)

(b) 貿易應收賬款

本集團定期檢討貿易應收賬款之賬齡，以確保可收回貿易應收賬款餘額，並可於協定信貸期逾期後即時採取跟進行動。然而，本集團收賬不時會出現延誤。倘貿易應收賬款餘額之可收回機會存疑，則本集團會根據客戶之信貸狀況、貿易應收賬款餘額之賬齡分析及撇賬紀錄，作出特別減值撥備。若干應收款項可初步確認為可收回，惟其後可能無法收回而須於綜合收益表內撇銷相關應收款項。倘未有為收回機會出現變化之貿易應收款項作出撥備，則可能會對營運業績構成影響。

(c) 物業、廠房及設備之可使用年期

本集團根據香港會計準則第16號估計物業、廠房及設備之可使用年期，從而釐定須記賬之折舊費用金額。本集團於購入資產時，根據過往經驗、資產之預期使用量、損耗程度，以及技術會否因市場需求或資產之服務產量有變而變成過時，估計其可使用年期。本集團亦會於每年作出檢討，以判斷對資產可使用年期作出之假設是否仍然合理。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(d) Income taxes

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

6. OPERATING SEGMENTS

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

For management purposes, the Group currently engages in four operating divisions (i) distribution; (ii) sub-licensing; (iii) sales of financial assets and (iv) provision of management services. The segmentations are based on the information about the operations of the Group that management uses to make decisions.

5. 關鍵會計估計及判斷(續)

(d) 所得稅

本集團須於多個司法權區繳納所得稅。釐定所得稅全球撥備時須作出重大判斷。於日常業務過程中，不少交易及計算之最終稅務釐定均不確定。本集團按對該等額外稅項會否到期支付之估計，就預計稅務審核問題確認負債。倘該等事宜之最終稅務後果與初步記錄之金額不同，則該等差額將影響作出該釐定期間之所得稅及遞延稅項撥備。

6. 營運分部

本集團按主要營運決策人所審閱用以作出策略性決定之報告釐定其營運分部。

就管理而言，本集團現時從事四個營運部門：(i) 發行；(ii) 轉授發行權；(iii) 銷售金融資產及 (iv) 提供管理服務。該等分部乃按有關管理層用以作出決定之本集團營運資料劃分。

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

6. OPERATING SEGMENTS (Continued)

Principal activities are as follows:

- (i) Distribution Distribution of films
- (ii) Sub-licensing Sub-licensing of film rights
- (iii) Sales of financial assets Sales of financial assets at fair value through profit or loss
- (iv) Provision of management services Provision of management services to concierge departments of gaming promoters appointed by Macau casinos

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business unit has different market and requires different marketing strategies.

Further, the business units are also managed to operate in different countries separately. Revenue and results are attributed to countries on the basis of the assets located.

An analysis of the Group's reportable segment results, assets, liabilities, and other selected financial information for the year by operating segment is as follows:

6. 營運分部(續)

主要業務如下：

- (i) 發行 發行電影
- (ii) 轉授發行權 轉授電影發行權
- (iii) 銷售金融資產 銷售按公平值計入損益表之金融資產
- (iv) 提供管理服務 向澳門賭場委任之博彩中介人禮賓部提供管理服務

本集團之可呈報分部乃經營不同業務之策略性單位。由於各業務單位有不同市場，且需要採用不同市場推廣策略，故該等分部乃分開管理。

此外，各業務單位亦於不同國家分開經營管理。收益及業績乃按資產所在地編配至各個國家。

本年度本集團按營運分部劃分之可呈報分部業績、資產、負債及其他選定財務資料分析如下：

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

6. OPERATING SEGMENTS (Continued)

6. 營運分部(續)

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Distribution	Sub-licensing	Sales of financial assets	Provision of management services	Consolidated
		發行	轉授發行權	銷售金融資產	提供管理服務	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Continuing operations	持續經營業務					
Revenue	收益					
Revenue from external customers	來自對外客戶之收益	—	—	4,590	73,610	78,200
Results	業績					
Segment results for reportable segment	可呈報分部之分部業績	—	—	4,590	72,978	77,568
Other revenue and other income	其他收益及其他收入					17,346
Administrative expenses	行政開支					(14,366)
Finance costs	融資費用					(3,041)
Share of results of associates	應佔聯營公司業績					(9,371)
Profit before taxation and discontinued operations	扣除稅項及已終止經營業務前溢利					68,136
Income tax expense	所得稅開支					(363)
Profit for the year from continuing operations attributable to owners of the Company	本公司擁有人應佔來自持續經營業務之本年度溢利					67,773
Discontinued operations	已終止經營業務					
Loss for the year from discontinued operations attributable to owners of the Company	本公司擁有人應佔來自已終止經營業務之本年度虧損					—
Core profit (excluding major non-cash items)	核心溢利(不包括主要非現金項目)					67,773
Major non-cash items	主要非現金項目					
— Gain on early repayment of promissory note receivable	— 提早償還應收承付票之收益					64,627
— Gain on early repayment of convertible notes receivable	— 提早償還應收可換股票據之收益					75,962
— Gain arising on change in fair value of financial assets at fair value through profit or loss	— 按公平值計入損益表之金融資產之公平值變動產生之收益					4,918
— Gain on disposal of available-for-sale financial assets	— 出售可供出售金融資產之收益					7,579
— Gain arising on change in fair value of conversion options embedded in convertible notes receivable	— 應收可換股票據內含之兌換選擇權之公平值變動產生之收益					1,525
— Impairment loss recognised in respect of intangible assets	— 已確認無形資產減值虧損					(4,856)
— Loss arising on change in fair value of available-for-sale financial assets	— 可供出售之金融資產公平值變動產生之虧損					(14,280)
— Loss on early redemption of convertible notes payable	— 提早贖回應付可換股票據之虧損					(1,062)
— Loss on losing significant influence of an associate	— 失去聯營公司重大影響力之虧損					(21,028)
— Loss on deemed disposal of an associate	— 視作出售聯營公司之虧損					(537,615)
						(356,457)

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6. OPERATING SEGMENTS (Continued)

6. 營運分部(續)

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Distribution	Sub-licensing	Sales of financial assets	Provision of management services	Consolidated
		發行	轉授發行權	銷售	提供	綜合
		HK\$'000	HK\$'000	金融資產	管理服務	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Assets and liabilities	資產及負債					
Assets	資產					
Segment assets for reportable segment	可呈報分部之分部資產					
– Hong Kong	– 香港	420	–	99,989	–	100,409
– Macau	– 澳門	–	–	–	340,540	340,540
		420	–	99,989	340,540	440,949
Unallocated corporate assets	未分配集團資產					956,455
Consolidated total assets	綜合資產總值					1,397,404
Liabilities	負債					
Segment liabilities for reportable segment	可呈報分部之分部負債					
– Hong Kong	– 香港	(478)	–	(523)	–	(1,001)
– Macau	– 澳門	–	–	–	(40,162)	(40,162)
		(478)	–	(523)	(40,162)	(41,163)
Unallocated corporate liabilities	未分配集團負債					(11,578)
Consolidated total liabilities	綜合負債總額					(52,741)
		Distribution	Sub-licensing	Sales of financial assets	Provision of management services	Consolidated
		發行	轉授發行權	銷售	提供	綜合
		HK\$'000	HK\$'000	金融資產	管理服務	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Other segment information	其他分部資料					
Depreciation and amortisation	折舊及攤銷					
– continuing operations	– 持續經營業務	–	–	362	–	362
– unallocated expenses	– 未分配開支					61
						423
Additions to non-current assets (other than financial instruments and deferred tax assets)	添置非流動資產(金融工具及遞延稅項資產除外)					
– unallocated expenses	– 未分配開支					26

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

6. OPERATING SEGMENTS (Continued)

6. 營運分部(續)

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Distribution	Sub-licensing	Sales of financial assets	Provision of management services	Consolidated
		發行	轉授發行權	金融資產 銷售	提供 管理服務	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Continuing operations	持續經營業務					
Revenue	收益					
Revenue from external customers	來自對外客戶之收益	–	–	14,220	60,491	74,711
Results	業績					
Segment results for reportable segment	可呈報分部之分部業績	–	–	14,220	59,129	73,349
Other revenue and other income	其他收益及其他收入					11,905
Administrative expenses	行政開支					(17,563)
Finance costs	融資費用					(8,086)
Share of results of associates	應佔聯營公司業績					724,988
Profit before taxation and discontinued operations	扣除稅項及已終止經營業務前溢利					784,593
Income tax credit	所得稅抵免					14,493
Profit for the year from continuing operations attributable to owners of the Company	本公司擁有人應佔來自持續經營 業務之本年度溢利					799,086
Discontinued operations	已終止經營業務					
Loss for the year from discontinued operations attributable to owners of the Company	本公司擁有人應佔來自已終止經營 業務之本年度虧損					(5,576)
Core profit (excluding major non-cash items)	核心溢利(不包括主要非現金項目)					793,510
Major non-cash items	主要非現金項目					
– Adjustment to cost of combination in respect of an acquisition in prior year	– 於過往年度進行收購之合併成 本調整					103,434
– Gain arising on change in fair value of convertible note designated at fair value through profit or loss	– 指定按公平值計入損益表之 可換股票據之公平值變動 產生之收益					55,244
– Impairment loss recognised in respect of intangible assets	– 已確認無形資產減值 虧損					(117,320)
– Loss arising on change in fair value of conversion options embedded in convertible notes receivable	– 應收可換股票據內含之兌換選 擇權之公平值變動產生之虧損					(64,542)
– Loss on disposal of subsidiaries	– 出售附屬公司之虧損					(48,868)
– Loss on deemed disposal of an associate	– 視作出售聯營公司之虧損					(6,629)
– Loss on partial disposal of an associate	– 部份出售聯營公司之虧損					(280,020)
– Loss on cancellation of convertible notes payable	– 註銷應付可換股票據之虧損					(18,247)
						416,562

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6. OPERATING SEGMENTS (Continued)

6. 營運分部(續)

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Distribution	Sub-licensing	Sales of financial assets	Provision of management services	Consolidated
		發行	轉授發行權	銷售	提供	綜合
		HK\$'000	HK\$'000	金融資產	管理服務	HK\$'000
		千港元	千港元	千港元	千港元	千港元
		(restated)	(restated)	(restated)	(restated)	(restated)
		(重列)	(重列)	(重列)	(重列)	(重列)
Assets and liabilities	資產及負債					
Assets	資產					
Segment assets for reportable segment	可呈報分部之分部資產					
– Hong Kong	– 香港	313	15	137,199	–	137,527
– Macau	– 澳門	–	–	–	345,559	345,559
		313	15	137,199	345,559	483,086
Interests in associates	於聯營公司之權益					641,908
Unallocated corporate assets	未分配集團資產					355,778
Consolidated total assets	綜合資產總值					1,480,772
Liabilities	負債					
Segment liabilities for reportable segment	可呈報分部之分部負債					
– Hong Kong	– 香港	–	–	(227)	–	(227)
– Macau	– 澳門	–	–	–	(40,744)	(40,744)
		–	–	(227)	(40,744)	(40,971)
Unallocated corporate liabilities	未分配集團負債					(68,757)
Consolidated total liabilities	綜合負債總額					(109,728)
		Distribution	Sub-licensing	Sales of financial assets	Provision of management services	Consolidated
		發行	轉授發行權	銷售	提供	綜合
		HK\$'000	HK\$'000	金融資產	管理服務	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Other segment information	其他分部資料					
Depreciation and amortisation	折舊及攤銷					
– continuing operations	– 持續經營業務	2	–	447	–	449
– unallocated expenses	– 未分配開支	–	–	–	–	84
						533
Additions to non-current assets (other than financial instruments and deferred tax assets)	添置非流動資產(金融工具及遞延稅項資產除外)					
– continuing operations	– 持續經營業務	–	–	236	–	236

Certain comparative figures have been restated to conform with the change of resources allocation in current year.

若干比較數字已重列，以符合本年度之資源分配變動。

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

6. OPERATING SEGMENTS (Continued)

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the year (2009: Nil).

Segment results represent the (loss incurred)/profit earned by each segment without allocation of central administrative expenses including directors' salaries, finance costs and income tax (expense)/credit. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

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

- all assets are allocated to reportable segments other than goodwill. Assets used jointly by segments are allocated on the basis of the revenues earned by individual segments; and
- all liabilities are allocated to reportable segments other than current and deferred tax liabilities. Liabilities for which segments are jointly liable are allocated in proportion to segment assets.

6. 營運分部(續)

上文呈報之收益指對外客戶產生之收益。年內並無分部間之銷售(二零零九年：無)。

分部業績指自各分部(產生之虧損)/賺取之溢利，惟並無分配中央行政開支(包括董事薪酬)、融資費用及所得稅(開支)/抵免。此乃就分配資源及評估分部表現而向主要營運決策人呈報之基準。

為監察分部表現及分配分部資源：

- 除商譽外，所有資產均分配至可呈報分部。分部共同使用之資產按個別分部賺取之收益分配；及
- 除流動及遞延稅項負債外，所有負債均分配至可呈報分部。分部共同產生之負債按比例分配至分部資產。

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

6. OPERATING SEGMENTS (Continued)

Geographical information

The Group mainly operates in Hong Kong and Macau. The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical location are detailed below:

		Revenue from		Non-current assets	
		external customers			
		來自對外客戶之收益		非流動資產	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	4,590	14,220	55,333	679,441
Macau	澳門	73,610	60,491	334,681	339,537
		78,200	74,711	390,014	1,018,978

Information about major customers

Included in revenue arising from provision of management services of HK\$73,610,000 (2009: HK\$60,491,000) is revenue of HK\$60,295,000 (2009: HK\$22,684,000) which arose from sales to the Group's largest customer.

6. 營運分部(續)

地區資料

本集團主要於香港及澳門經營。本集團按地區劃分之來自持續經營業務對外客戶之收益及有關其非流動資產之資料詳列如下：

有關主要客戶之資料

提供管理服務產生之收益73,610,000港元(二零零九年：60,491,000港元)包括銷售予本集團最大客戶產生之收益60,295,000港元(二零零九年：22,684,000港元)。

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綜合財務報表附註

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7. TURNOVER

7. 營業額

	Continuing operations		Discontinued operations		Consolidated	
	2010	2009	2010	2009	2010	2009
	二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Sales of financial assets at fair value through profit or loss, net (note)	4,590	14,220	-	-	4,590	14,220
Rental income	-	-	-	3,102	-	3,102
Service fee income	73,610	60,491	-	-	73,610	60,491
	78,200	74,711	-	3,102	78,200	77,813

Note:

The gains from sales of financial assets at fair value through profit or loss are recorded in "turnover" on a net basis.

An analysis of sales of financial assets at fair value through profit or loss is as follows:

附註：

出售按公平值計入損益表之金融資產所產生之收益乃按淨額基準於「營業額」中記錄。

銷售按公平值計入損益表之金融資產之分析如下：

	2010	2009
	二零一零年	二零零九年
	HK\$'000	HK\$'000
	千港元	千港元
Proceeds from sales of financial assets at fair value through profit or loss	10,521	15,470
Cost of financial assets at fair value through profit or loss	(5,931)	(1,250)
	4,590	14,220

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

8. OTHER REVENUE AND OTHER INCOME

8. 其他收益及其他收入

	Continuing operations		Discontinued operations		Consolidated	
	2010	2009	2010	2009	2010	2009
	二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Other revenue	其他收益					
Interest income on loan to a related company	向關連公司貸款之利息收入					
	—	3,972	—	—	—	3,972
Interest income on convertible notes receivable	應收可換股票據之利息收入					
	—	1,130	—	—	—	1,130
Interest income on bank deposits	銀行存款之利息收入					
	2,992	1	—	465	2,992	466
Compensation for lapse of joint venture agreement	合營協議失效之賠償					
	1,500	—	—	—	1,500	—
Compensation for shortfall in service fee income guarantee	服務費收入保證不足數額之補償					
	4,938	—	—	—	4,938	—
Dividend income	股息收入					
	3,504	—	—	—	3,504	—
Sundry income	雜項收入					
	365	—	—	47	365	47
	13,299	5,103	—	512	13,299	5,615
Other income	其他收入					
Imputed interest income on:	下列項目之估算利息：					
— convertible notes receivable	— 應收可換股票據					
	527	881	—	—	527	881
— promissory note receivable	— 應收承付票					
	3,520	5,901	—	—	3,520	5,901
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益					
	—	20	—	—	—	20
	4,047	6,802	—	—	4,047	6,802
	17,346	11,905	—	512	17,346	12,417

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

9. (LOSS)/PROFIT FROM OPERATIONS

(Loss)/profit from operations has been arrived after charging:

9. 經營業務(虧損)/溢利

經營業務(虧損)/溢利已扣除下列各項：

		Continuing operations		Discontinued operations		Consolidated	
		2010	2009	2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Auditors' remuneration	核數師酬金	600	600	-	-	600	600
Depreciation of property, plant and equipment (note 16)	物業、廠房及設備折舊(附註16)	423	533	-	1,293	423	1,826
Impairment loss recognised in respect of trade receivables (note 22)	已確認貿易應收款項減值虧損(附註22)	-	396	-	-	-	396
Share-based payment expenses in respect of consultancy services	就顧問服務以股份形式支付之開支	671	1,330	-	-	671	1,330
Operating lease rentals in respect of rented premises	租賃物業之經營租約租金	2,845	1,403	-	19	2,845	1,422
Staff costs including directors' remuneration	員工成本(包括董事酬金)						
- salaries and other allowances	- 薪金及其他津貼	1,779	6,394	-	942	1,779	7,336
- contributions to retirement benefits scheme	- 退休福利計劃供款	45	110	-	-	45	110
- share-based payment expenses	- 以股份形式支付之開支	1,639	2,399	-	-	1,639	2,399
		3,463	8,903	-	942	3,463	9,845

10. FINANCE COSTS

10. 融資費用

		Continuing operations		Discontinued operations		Consolidated	
		2010	2009	2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Interest expense on secured bank loan wholly repayable within five years	須於五年內悉數償還之有抵押銀行貸款利息開支	-	-	-	5,678	-	5,678
Imputed interest expense on convertible notes payable	應付可換股票據之估算利息開支	3,041	8,086	-	-	3,041	8,086
		3,041	8,086	-	5,678	3,041	13,764

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

11. DIRECTORS' EMOLUMENTS

The aggregate amount of emoluments payable to the directors of the Company during the year was HK\$1,135,000 (2009: HK\$360,000). The remuneration of each director for the years ended 31 December 2010 and 2009 is as below:

11. 董事酬金

年內應付予本公司董事之酬金總額為1,135,000港元(二零零九年:360,000港元)。截至二零一零年及二零零九年十二月三十一日止年度,每名董事之薪酬如下:

Name of directors	董事姓名	Fees		Salaries and bonuses		Contributions to retirement benefit scheme		Share-based payment expenses		Total	
		袍金	薪金及花紅	退休福利計劃供款	以股份形式支付之開支	總計					
		2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Mr. Heung Wah Keung (note i)	向華強先生(附註i)	-	-	-	-	-	-	-	-	-	-
Ms. Chen Ming Yin, Tiffany (note i)	陳明英女士(附註i)	-	-	-	-	-	-	-	-	-	-
Mr. Lei Hong Wai (note ii)	李雄偉先生(附註ii)	-	-	110	-	5	-	168	-	283	-
Mr. Chan Kin Wah, Billy (note ii)	陳健華先生(附註ii)	-	-	320	-	4	-	168	-	492	-
Mr. Tang Chak Lam, Gilbert	鄧澤林先生	120	120	-	-	-	-	-	-	120	120
Mr. Ho Wai Chi, Paul (note iii)	何偉志先生(附註iii)	47	120	-	-	-	-	-	-	47	120
Mr. Lien Wai Hung (note iii)	連偉雄先生(附註iii)	47	120	-	-	-	-	-	-	47	120
Mr. Hung Hing Man (note iv)	孔慶文先生(附註iv)	73	-	-	-	-	-	-	-	73	-
Mr. Wan Shing Chi (note iv)	尹成志先生(附註iv)	73	-	-	-	-	-	-	-	73	-
Total emoluments	酬金總額	360	360	430	-	9	-	336	-	1,135	360

None of the directors of the Company has waived any emoluments during the year.

概無本公司董事於年內放棄任何酬金。

Notes:

- (i) Resigned on 1 February 2010.
- (ii) Appointed on 18 January 2010.
- (iii) Resigned on 25 May 2010.
- (iv) Appointed on 25 May 2010.

附註:

- (i) 於二零一零年二月一日辭任。
- (ii) 於二零一零年一月十八日獲委任。
- (iii) 於二零一零年五月二十五日辭任。
- (iv) 於二零一零年五月二十五日獲委任。

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

12. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2009: Nil) were directors of the Company whose emoluments are included in the disclosures in note 11 above. The emoluments of the remaining three (2009: five) individuals are as follows:

12. 僱員酬金

於本集團五名最高薪人士當中，兩人(二零零九年：無)為本公司之董事，彼等之酬金於上文附註11披露。餘下三人(二零零九年：五人)之酬金如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Salaries and other allowances	薪金及其他津貼	734	4,037
Contributions to retirement benefits scheme	退休福利計劃供款	29	42
Share-based payment expenses	以股份形式支付之開支	504	907
		1,267	4,986

Their emoluments are within the following bands:

彼等之酬金介乎以下範圍：

		Number of employees 僱員人數	
		2010 二零一零年	2009 二零零九年
Nil – HK\$1,000,000	零至1,000,000港元	3	4
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	—	—
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	—	—
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	—	1

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

13. INCOME TAX (EXPENSE)/CREDIT

Income tax recognised in the consolidated income statement:

13. 所得稅(開支)/抵免

於綜合收益表確認之所得稅：

	Continuing operations 持續經營業務		Discontinued operations 已終止經營業務		Consolidated 綜合	
	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Current tax expense 本期稅項開支	(531)	–	–	–	(531)	–
Deferred taxation (note 34) 遞延稅項(附註34)	168	14,493	–	(601)	168	13,892
	(363)	14,493	–	(601)	(363)	13,892

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 December 2010.

截至二零一零年十二月三十一日止年度，香港利得稅按估計應課稅溢利之16.5%計算。

No provision for Macao Complementary Profits Tax has been made for the year ended 31 December 2010 (2009: Nil) as the Group has no estimated assessable profits.

由於本集團概無估計應課稅溢利，故截至二零一零年十二月三十一日止年度並無就澳門補充利得稅作出撥備(二零零九年：無)。

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

13. INCOME TAX (EXPENSE)/CREDIT

(Continued)

The taxation for the year can be reconciled to the (loss)/profit before taxation per the consolidated income statement as follows:

13. 所得稅(開支)/抵免(續)

本年度稅項可與綜合收益表內之除稅前(虧損)/溢利對賬如下：

	Continuing operations 持續經營業務				Discontinued operations 已終止經營業務				Consolidated 綜合			
	2010 二零一零年 HK\$'000 千港元		2009 二零零九年 HK\$'000 千港元		2010 二零一零年 HK\$'000 千港元		2009 二零零九年 HK\$'000 千港元		2010 二零一零年 HK\$'000 千港元		2009 二零零九年 HK\$'000 千港元	
		%		%		%		%		%		%
(Loss)/profit before taxation	(356,094)		407,645		-		(4,975)		(356,094)		402,670	
Taxation at income tax rate of 16.5% (2009:16.5%)	58,756	(16.5)	(67,261)	(16.5)	-	-	821	16.5	58,756	(16.5)	(66,440)	(16.5)
Effect of different tax rates of subsidiaries operating in other jurisdictions	-	-	2,933	0.7	-	-	474	9.5	-	-	3,407	0.8
Tax effect of income that is not taxable in determining taxable profits	42,024	(11.8)	142,537	35.0	-	-	330	6.7	42,024	(11.8)	142,867	35.5
Tax effect of expenses that are not deductible in determining taxable profits	(99,688)	28	(74,860)	(18.4)	-	-	(2,226)	(44.8)	(99,688)	28	(77,086)	(19.1)
Tax losses not yet recognised	(1,591)	0.5	(3,797)	(0.9)	-	-	-	-	(1,591)	0.5	(3,797)	(0.9)
Under provision in prior year	(32)	-	-	-	-	-	-	-	(32)	-	-	-
Deferred tax (expense)/credit	168	(0.1)	14,941	3.7	-	-	-	-	168	(0.1)	14,941	3.7
Taxation (expense)/credit for the year	(363)	0.1	14,493	3.6	-	-	(601)	(12.1)	(363)	0.1	13,892	3.5

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

14. (LOSS)/EARNINGS PER SHARE

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

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
(Loss)/earnings for the year attributable to owners of the Company	本公司擁有人應佔本年度(虧損)/溢利		
From continuing operations	來自持續經營業務	(356,457)	422,138
From discontinued operations	來自已終止經營業務	—	(5,576)
From continuing and discontinued operations	來自持續經營及已終止經營業務	(356,457)	416,562

		2010 二零一零年 '000 千股	2009 二零零九年 '000 千股
Number of ordinary shares	普通股數目		
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earnings per share	於計算每股基本及攤薄(虧損)/盈利時所用之普通股加權平均數	580,028	106,850

15. DIVIDEND

Dividends recognised as distributions during the year: 2010 Interim, paid – HK\$0.03 per share (2009: Nil)

年內確認為分派之股息：
二零一零年中期股息，已付
— 每股 0.03 港元(二零零九年：無)

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Dividends recognised as distributions during the year: 2010 Interim, paid – HK\$0.03 per share (2009: Nil)	年內確認為分派之股息： 二零一零年中期股息，已付 — 每股 0.03 港元(二零零九年：無)	33,063	—

14. 每股(虧損)/盈利

本公司擁有人應佔每股基本及攤薄(虧損)/盈利乃根據下列數據計算：

15. 股息

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

15. DIVIDEND (Continued)

The directors of the Company do not recommend the payment of any final dividend for the year ended 31 December 2010 (2009: Nil).

15. 股息(續)

本公司董事並不建議派發截至二零一零年十二月三十一日止年度之任何股息(二零零九年：無)。

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

The Group

本集團

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本					
At 1 January 2009	於二零零九年一月一日	2,746	160	2,070	1,093	6,069
Additions	添置	–	–	236	–	236
Disposals	出售	–	–	(156)	–	(156)
At 31 December 2009 and 1 January 2010	於二零零九年十二月三十一日及 二零一零年一月一日	2,746	160	2,150	1,093	6,149
Additions	添置	–	26	–	–	26
At 31 December 2010	於二零一零年十二月三十一日	2,746	186	2,150	1,093	6,175
Accumulated depreciation	累計折舊					
At 1 January 2009	於二零零九年一月一日	2,025	60	1,047	782	3,914
Charged for the year	本年度費用	240	20	227	46	533
Elimination on disposals	出售時對銷	–	–	(136)	–	(136)
At 31 December 2009 and 1 January 2010	於二零零九年十二月三十一日及 二零一零年一月一日	2,265	80	1,138	828	4,311
Charged for the year	本年度費用	160	20	203	40	423
At 31 December 2010	於二零一零年十二月三十一日	2,425	100	1,341	868	4,734
Carrying amounts	賬面淨值					
At 31 December 2010	於二零一零年十二月三十一日	321	86	809	225	1,441
At 31 December 2009	於二零零九年十二月三十一日	481	80	1,012	265	1,838

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

17. INTANGIBLE ASSETS

17. 無形資產

		The Group 本集團 HK\$'000 千港元
Cost	成本	
At 1 January 2009, 31 December 2009, 1 January 2010 and 31 December 2010	於二零零九年一月一日、 二零零九年十二月三十一日、 二零一零年一月一日及 二零一零年十二月三十一日	456,857
Accumulated impairment	累計減值	
At 1 January 2009	於二零零九年一月一日	—
Impairment loss recognised	已確認減值虧損	117,320
At 31 December 2009 and 1 January 2010	於二零零九年十二月三十一日及 二零一零年一月一日	117,320
Impairment loss recognised	已確認減值虧損	4,856
At 31 December 2010	於二零一零年十二月三十一日	122,176
Carrying amounts	賬面值	
At 31 December 2010	於二零一零年十二月三十一日	334,681
At 31 December 2009	於二零零九年十二月三十一日	339,537

The intangible assets represent the carrying amounts of services agreements held by Rich Daily Group Limited ("Rich Daily"), a management services provider to the concierge departments of gaming promoters in Macau. The intangible assets have indefinite useful lives and no amortisation have been made.

無形資產指 Rich Daily Group Limited (「Rich Daily」，為澳門博彩中介人之禮賓部之管理服務供應商) 所持有服務協議之賬面值。無形資產具有無限可使用年期，亦無作出攤銷。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

17. INTANGIBLE ASSETS (Continued)

For the year ended 31 December 2010, the directors of the Company re-assessed the recoverable amounts of the services agreements with reference to the valuation performed by Grant Sherman Appraisal Limited, an independent firm of professional valuers, and an impairment loss of HK\$4,856,000 was recognised (2009: HK\$117,320,000).

The recoverable amounts of the services agreements were assessed by reference to value-in-use calculation. A discount rate of 21.23% per annum (2009: 19.12%) was applied in the value-in-use model which uses cash flow projections based on financial forecasts approved by the directors of the Company covering a five-year period. There are a number of assumptions and estimates involved for the preparation of the cash flow projections for the period covered by the forecast. Key assumptions include gross margin and growth rate which are determined by the management of the Group based on its expectation for market development. The discount rate used is pre-tax and reflects specific risks relating to the industry.

17. 無形資產(續)

截至二零一零年十二月三十一日止年度，在參照獨立專業估值師行中證評估有限公司進行之估值後，本公司董事已重新評審服務協議之可收回金額，並釐定4,856,000港元(二零零九年：117,320,000港元)之減值虧損已獲確認。

服務協議之可收回金額乃參照使用價值計算方式評估。應用在使用價值模式之折現率為每年21.23%(二零零九年：19.12%)，採用依據本公司董事批准之財務預測作出之現金流量預測，所涵蓋之期間為五年。編製預測所涵蓋期間之現金流量預測涉及多項假設及估計。主要假設包括毛利率及增長率，該等數字乃由本集團管理層根據其預期市場之發展而釐定。所用折現率乃為除稅前，且反映與行業有關之特定風險。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

18. INTERESTS IN ASSOCIATES

18. 於聯營公司之權益

		The Group 本集團	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At 1 January	於一月一日	641,908	266,778
Excess of acquirer's interest in fair value of associates' identifiable net assets over cost of acquisition (notes a(i) and b(i))	收購方於聯營公司可識別淨資產公平值之權益超出收購成本之數額(附註 a(i) 及 b(i))	—	702,500
Partial disposal of an associate (note b(ii))	部份出售聯營公司之虧損(附註 b(ii))	—	(343,130)
Loss on deemed disposal of an associate (notes a(iii), b(iv), b(v) and b(vi))	視作出售聯營公司之虧損(附註 a(iii)、b(iv)、b(v) 及 b(vi))	(537,615)	(6,629)
Loss on losing significant influence of an associate (note a(v))	失去聯營公司重大影響力之虧損(附註 a(v))	(21,028)	—
Reclassification to financial assets at fair value through profit or loss (note a(vi))	重新分類至按公平值計入損益表之金融資產(附註 a(vi))	(5,929)	—
Reclassification to available-for-sale financial assets (note 21)	重新分類至可供出售金融資產(附註 21)	(68,000)	—
Share of exchange reserve change of associates	應佔聯營公司匯兌儲備	(83)	(99)
Release of foreign exchange reserve	解除外匯儲備	118	—
Share of post-acquisition results (notes a(v) and b(vi))	應佔收購後業績(附註 a(v) 及 b(vi))	(9,371)	22,488
At 31 December	於十二月三十一日	—	641,908

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

18. INTERESTS IN ASSOCIATES (Continued)

At 31 December 2010, the Group did not have any interests in associates.

At 31 December 2009, the Group had interests in the following associates:

Name of associate	Country/place of incorporation	Principal place of operation	Class of shares held	Proportion of voting power held	Principal activities
聯營公司名稱	註冊成立國家/地點	主要營運地點	所持股份類別	所持投票權之比例	主要業務
China Star Film Group Limited ("CSFGL", now known as KH Investment Holdings Limited) 中國星電影集團有限公司 (「CSFGL」, 現稱嘉滙投資控股有限公司)	the Cayman Islands and continued in Bermuda 開曼群島, 並於百慕達存續	Hong Kong 香港	Ordinary 普通股	15.66%	Investment holding 投資控股
China Star Entertainment Limited ("CSEL") 中國星集團有限公司(「CSEL」)	Bermuda 百慕達	Hong Kong 香港	Ordinary 普通股	29.61%	Investment holding 投資控股

Notes:

(a) CSFGL

(i) On 8 April 2009, CSFGL issued 11,769,194 new ordinary shares at a price of HK\$0.50 per share to the Group for settling part of the consideration for acquiring the entire issued share capital of Shinhan-Golden Faith International Development Limited ("Shinhan-Golden") and World East Investments Limited ("World East") and the sale loans from the Group (the "Disposal"). The 11,769,194 new ordinary shares represented approximately 20.36% of the issued share capital of CSFGL as enlarged by the issue of 11,769,194 new ordinary shares and the fair value of which was HK\$2,118,000. As a result, the Group recorded an excess of acquirer's interest in fair value of associates' identifiable net assets over cost of acquisition of HK\$16,286,000 which was recognised as income in the determination of the investors' share of CSFGL and its subsidiaries for the year ended 31 December 2009.

(ii) On 2 July 2009, the Group subscribed for 94,153,552 new ordinary shares in CSFGL under the open offer announced on 23 April 2009. The consideration for subscription of the new ordinary shares amounted to HK\$9,415,000.

18. 於聯營公司之權益(續)

於二零一零年十二月三十一日, 本集團並無任何於聯營公司之權益。

於二零零九年十二月三十一日, 本集團於以下聯營公司中擁有權益:

附註:

(a) CSFGL

(i) 於二零零九年四月八日, CSFGL按每股0.50港元之價格向本集團發行11,769,194股新普通股股份, 以支付向本集團收購Shinhan-Golden Faith International Development Limited(「Shinhan-Golden」)及World East Investments Limited(「World East」)全部已發行股本連同彼等各自結欠本集團之貸款之部份代價(「出售事項」)。該11,769,194股新普通股股份佔CSFGL經發行11,769,194股新股份擴大之已發行股本20.36%, 而其公平值為2,118,000港元。因此, 本集團錄得收購方於聯營公司可識別淨資產公平值之權益超出收購成本之數額16,286,000港元, 已於釐定投資者應佔CSFGL及其附屬公司於截至二零零九年十二月三十一日止年度之溢利時確認為收入。

(ii) 於二零零九年七月二日, 本集團根據於二零零九年四月二十三日公佈之公開發售認購94,153,552股CSFGL新股份。認購新普通股之代價為9,415,000港元。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

18. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(a) CSFGL (Continued)

- (iii) On 7 December 2009, CSFGL issued new ordinary shares pursuant to a private placement and the exercise of share options which caused a dilution on the Group's interest in CSFGL from 20.36% to 15.66%. As a result, the Group recorded a loss on deemed disposal of an associate of HK\$6,629,000. The directors of the Company considered that the Group had retained significant influence over CSFGL by the representation of the Group on the board of directors of CSFGL despite the interest held by the Group is below 20% and the Group had continuously accounted for CSFGL as its associate for the year ended 31 December 2009.
- (iv) At 31 December 2009, the fair value of the Group's interest in CSFGL, based on published quoted price on the Stock Exchange, was HK\$33,366,000 and the carrying amount of the Group's interest was HK\$27,465,000.
- (v) On 21 January 2010, Mr. Heung Wah Keung, a then director of the Company, resigned as an executive director of CSFGL. As a result, CSFGL operates without regard to the views of the Group. Accordingly, the directors of the Company have considered that the Group had lost its significant influence over CSFGL since then and have reclassified the Group's interests in CSFGL as financial assets at fair value through profit or loss. The Group recorded a loss on losing significant influence of an associate of HK\$21,028,000 and shared a loss from the results of an associate of HK\$543,000 (2009: a profit of HK\$6,372,000) in the consolidated income statement.
- (vi) All the reclassified interests in CSFGL have disposed and a loss was recognised in consolidated income statement.

(b) CSEL

- (i) As a result of the conversion of the convertible notes receivable from CSEL, CSEL has become an associate of the Company and the Group recognised an excess of acquirer's interest in fair value of associates' identifiable net assets over cost of acquisition of HK\$686,214,000 which was recognised as income in the determination of the investors' share of CSEL and its subsidiaries for the year ended 31 December 2009.

18. 於聯營公司之權益(續)

附註：(續)

(a) CSFGL(續)

- (iii) 於二零零九年十二月七日，CSFGL根據私人配售及因行使購股權而發行新普通股股份，導致本集團於CSFGL之權益由20.36%攤薄至15.66%。因此，本集團錄得視作出售聯營公司虧損6,629,000港元。本公司董事認為本集團透過於CSFGL董事會中有代表，對CSFGL仍保留重大影響力，故儘管本集團所持權益少於20%，本集團於截至二零零九年十二月三十一日止年度仍繼續將CSFGL入賬列為其聯營公司。
- (iv) 於二零零九年十二月三十一日，本集團於CSFGL之權益之公平值(根據聯交所所報價格計算)為33,366,000港元，而本集團權益之賬面值為27,465,000港元。
- (v) 於二零一零年一月二十一日，本公司當時之董事向華強先生辭任CSFGL之執行董事。因此，CSFGL毋須理會本集團意見而營運。因此，本公司董事認為本集團自此已失去其對CSFGL之重大影響力，並已自失去重大影響力當日起將本集團於CSFGL之權益重新分類為按公平值計入損益表之金融資產。本集團於綜合收益表錄得失去聯營公司重大影響力之虧損21,028,000港元及應佔聯營公司業績虧損543,000港元(二零零九年：溢利6,372,000港元)。
- (vi) 所有重新分類之CSFGL權益已經出售，並於綜合收益表確認虧損。

(b) CSEL

- (i) 於兌換CSEL票據後，CSEL已成為本公司之聯營公司，而本集團已確認收購方於聯營公司可識別淨資產公平值之權益超出收購成本之數額686,214,000港元，其已於釐定投資者應佔CSEL及其附屬公司於截至二零零九年十二月三十一日止年度之溢利時確認為作收入。

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18. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(b) CSEL (Continued)

- (ii) On 10 December 2009, the Group disposed of 320,000,000 ordinary shares in CSEL to independent third parties at a price of HK\$0.20 per share. As the net asset value of CSEL attributable to the 320,000,000 ordinary shares in CSEL was HK\$343,130,000 and the consideration (after deducting transaction costs) was HK\$63,110,000, the Group recorded a loss on partial disposal of an associate of HK\$280,020,000.
- (iii) At 31 December 2009, the fair value of the Group's interest in CSEL, based on published quoted price on the Stock Exchange, was HK\$124,440,000 and the carrying amount of the Group's interest in CSEL was HK\$614,443,000.
- (iv) On 13 January 2010, CSEL issued 52,790,000 new ordinary shares upon exercise of share options which caused a dilution on the Group's shareholding interest in CSEL from 29.61% to 28.94%. As a result, the Group recorded a loss on deemed disposal of an associate of HK\$10,790,000. The directors of the Company consider that the Group has retained significant influence over CSEL.
- (v) On 11 February 2010, CSEL issued 540,000,000 new ordinary shares pursuant to a private placement which caused a dilution on the Group's shareholding interest in CSEL from 28.94% to 23.54%. As a result, the Group recorded a loss on deemed disposal of an associate of HK\$95,343,000. The directors of the Company consider that the Group has retained significant influence over CSEL.
- (vi) On 11 August 2010, CSEL allotted and issued 1,444,643,184 new ordinary shares pursuant to the rights issue proposed on 8 July 2010. The Group's shareholding interest in CSEL was diluted from 23.54% to 15.69% and the Group ceased to have significant influence over CSEL. Accordingly, the Group has accounted for CSEL as available-for-sale financial assets, instead of an associate. The fair value of the Group's interest in CSEL, based on published quoted price on the Stock Exchange, was HK\$68,000,000. The Group recorded a loss on deemed disposal of an associate of HK\$431,482,000 and shared a loss from the results of an associate of HK\$8,828,000 (2009: a profit of HK\$16,116,000) in the consolidated income statement.

18. 於聯營公司之權益(續)

附註：(續)

(b) CSEL(續)

- (ii) 於二零零九年十二月十日，本集團按每股0.20港元之價格，向獨立第三方出售320,000,000股CSEL普通股。由於320,000,000股CSEL普通股之資產淨值為343,130,000港元，而代價(扣除交易成本後)為63,110,000港元，故本集團錄得部份出售聯營公司之虧損280,020,000港元。
- (iii) 於二零零九年十二月三十一日，根據聯交所所報價格，本集團於CSEL之權益之公平值為124,440,000港元，而本集團於CSEL之權益賬面值為614,443,000港元。
- (iv) 於二零一零年一月十三日，CSEL因行使購股權而發行52,790,000股新普通股股份，導致本集團於CSEL之權益由29.61%攤薄至28.94%。因此，本集團錄得視作出售聯營公司之虧損約10,790,000港元。本公司董事認為，本集團保留對CSEL之重大影響力。
- (v) 於二零一零年二月十一日，CSEL根據私人配售發行540,000,000股新股份，導致本集團於CSEL之權益由28.94%攤薄至23.54%。因此，本集團錄得視作出售聯營公司之虧損95,343,000港元。本公司董事認為，本集團保留對CSEL之重大影響力。
- (vi) 於二零一零年八月十一日，CSEL根據於二零一零年七月八日建議之供股配發及發行1,444,643,184股新普通股股份。本集團於CSEL之權益由23.54%攤薄至15.69%，且不再對CSEL有重大影響力。因此，本集團已將CSEL列作可供出售之金融資產(而非聯營公司)。本公司於CSEL之權益之公平值(根據於聯交所所報價格計算)為68,000,000港元。本集團於綜合收益表錄得視作出售聯營公司之虧損431,482,000港元及應佔聯營公司業績虧損8,828,000港元(二零零九年：溢利16,116,000港元)。

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18. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(b) CSEL (Continued)

Summarised financial information in respect of the Group's associates is as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Total assets	資產總值	—	3,784,503
Total liabilities	負債總額	—	(1,289,730)
Net assets	資產淨值	—	2,494,773
Group's share of net assets of associates	本集團應佔聯營公司淨資產	—	641,908

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Total revenue	收益總額	479,087	567,652
Total (loss)/profit for the year	本年度(虧損)/溢利總額	(42,657)	190,494
Group's share of (loss)/profit of associates	本集團應佔聯營公司(虧損)/溢利	(9,371)	22,488
Group's share of other comprehensive expense of associates	本集團應佔聯營公司其他全面開支	(83)	(99)

18. 於聯營公司之權益(續)

附註：(續)

(b) CSEL(續)

有關本集團聯營公司之財務資料概要如下：

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

19. PROMISSORY NOTE RECEIVABLE

19. 應收承付票

		The Group 本集團	
		2010 二零一零年	2009 二零零九年
		HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日	31,853	—
Subscription of promissory note	認購承付票	—	25,952
Imputed interest income on promissory note	承付票之估算利息收入	3,520	5,901
Early repayment of promissory note	提早償還承付票	(35,373)	—
At 31 December	於十二月三十一日	—	31,853

On 8 April 2009, CSFGL issued a promissory note in a principal amount of HK\$100,000,000 to the Group for settling part of the consideration for acquiring the entire issued share capital of Shinhan-Golden and World East and the sale loans from the Group. The promissory note receivable is unsecured, interest-free and maturing on 7 April 2014.

The Group measured the promissory note initially at fair value and subsequently at amortised cost. The fair value of the promissory note as at the date of its issue is HK\$25,952,000 calculated at an effective interest rate of 30.97% per annum in year 2009.

On 26 May 2010, the promissory note was fully repaid to the Group by CSFGL. A gain on early repayment of promissory note receivable of HK\$64,627,000 was recognised.

於二零零九年四月八日，CSFGL向本集團發行本金額為100,000,000港元之承付票，以支付收購Shinhan-Golden及World East全部已發行股本之部份代價以及其各自欠付本集團之貸款。應收承付票乃無抵押、免息，並將於二零一四年四月七日期到期。

本集團初步按公平值及其後按攤銷成本計量應收承付票。本應收承付票於其發行日期之公平值為25,952,000港元，乃按二零零九年之實際利率每年30.97%計算。

於二零一零年五月二十六日，CSFGL向本集團悉數償還承付票。已確認提早償還應收承付票之收益64,627,000港元。

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

20. CONVERTIBLE NOTES RECEIVABLE

The convertible notes receivable contain two components: debt and conversion option components. The debt components are accounted for as loans and receivables while the conversion options components are accounted for as derivative financial instruments.

Movements in the debt components of the convertible notes receivable from CSFGL during the year were as follows:

20. 應收可換股票據

應收可換股票據包括兩部分：負債及兌換選擇權部分。負債部分乃入賬為借貸，而應收可換股票據之選擇權部分乃入賬為衍生金融工具。

應收CSFGL之可換股票據債務部分於本年度之變動載列如下：

		The Group 本集團	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At 1 January	於一月一日	3,670	—
Subscription of convertible notes	認購可換股票據	—	1,659
Imputed interest income on convertible notes	可換股票據之估算利息收入	527	2,011
Early repayment of convertible notes	提早償還可換股票據	(4,197)	—
At 31 December	於十二月三十一日	—	3,670

On 8 April 2009, CSFGL issued the convertible notes in an aggregate principal amount of HK\$100,000,000 to the Group for settling part of the consideration for acquiring the entire issued share capital of Shinhan-Golden and World East and the sale loans. The convertible notes are unsecured, interest-free and maturing on 7 April 2019.

於二零零九年四月八日，CSFGL向本集團發行本金額100,000,000港元之可換股票據以支付收購Shinhan-Golden及World East全部已發行股本之部分代價以及其各自欠付本集團之貸款。可換股票據為無抵押、免息及將於二零一九年四月七日期到期。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

20. CONVERTIBLE NOTES RECEIVABLE

(Continued)

The convertible notes entitle the Group to convert to ordinary shares of CSFGL at an adjusted conversion price of HK\$0.229 per share (subject to further adjustment) during the period from 8 April 2009 to 7 April 2019. Unless previously redeemed, converted or cancelled, the outstanding principal amount of the convertible notes shall be redeemed on 7 April 2019 at par.

The debt components of the convertible notes are measured at amortised cost and the effective interest rate of the debt components are 43.04% per annum. The conversion options components are presented as conversion options embedded in convertible notes receivable in the consolidated statement of financial position.

On 26 May 2010, the convertible notes were fully repaid to the Group by CSFGL. A gain on early repayment of convertible notes receivable of HK\$75,962,000 was recognised.

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS

20. 應收可換股票據(續)

可換股票據賦予本集團權力，於二零零九年四月八日至二零一九年四月七日期間按經調整兌換價每股0.229港元(可予調整)將其兌換為CSFGL之普通股。除非先前獲贖回、兌換或註銷，尚未贖回之可換股票據本金額將於二零一九年四月七日按面值贖回。

可換股票據之負債部分乃按攤銷成本計量，而負債部分之實際利率為43.04%。兌換選擇權部分於綜合財務狀況表以應收可換股票據內含之兌換選擇權呈列。

於二零一零年五月二十六日，CSFGL向本集團悉數償還可換股票據。已確認提早償還應收可換股票據之收益75,962,000港元。

21. 可供出售金融資產

		The Group	
		本集團	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Listed equity securities, Hong Kong	上市股本證券，香港		
— Reclassification from interests in associates (note 18)	— 重新分類於聯營公司之權益(附註18)	68,000	—
— Loss arising on change in fair value	— 公平值變動產生之虧損	(14,280)	—
		53,720	—
Club debenture	會所債券	172	172
		53,892	172

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)

Pursuant to the conditional sale and purchase agreement dated 31 March 2010, the Group acquired 6,750,000 ordinary shares (the "Sale Shares") in Hantec Holdings Investment Limited ("Hantec") from Mr. Man Kong Yiu at a consideration of HK\$18,000,000 on 16 April 2010. The consideration was satisfied by issuing 26,420,000 new ordinary shares of the Company credited as fully paid to Mr. Man.

Pursuant to the conditional sale and purchase agreement dated 31 March 2010,

- (i) the Group has granted a call option to Mr. Man to acquire the Sale Shares from the Group for a consideration of HK\$21,600,000 within one year from 16 April 2010, being the date of completion of the acquisition; and
- (ii) Mr. Man has irrevocably warranted and guaranteed to the Group that the dividend payouts to the Group in respect of the Sale Shares for (i) the period commencing from the date of completion of the acquisition to 30 June 2010 (the "1st Relevant Period") shall be no less than the amount equivalent to HK\$1,800,000 per annum in proportion to the number of days during the 1st Relevant Period (calculated based on 365 days per annum); (ii) for the year ending 30 June 2011 shall be no less than HK\$1,800,000 (the "2nd Relevant Period"); and (iii) for the year ending 30 June 2012 shall be no less than HK\$1,800,000 (the "3rd Relevant Period"). If the dividend payouts to the Group in respect of the Sale Shares for any of the 1st Relevant Period, the 2nd Relevant Period and/or the 3rd Relevant Period are less than the amounts as stated above, Mr. Man shall pay to the Group the shortfall on dollar-to-dollar basis in cash.

21. 可供出售金融資產(續)

根據於二零一零年三月三十一日訂立之有條件買賣協議，本集團於二零一零年四月十六日按代價18,000,000港元向文剛銳先生收購6,750,000股亨達集團控股投資有限公司(「亨達」)普通股(「銷售股份」)。代價已由本公司向文先生發行26,420,000股入賬列作繳足之本公司新普通股支付。

根據於二零一零年三月三十一日訂立之有條件買賣協議：

- (i) 本集團已向文先生授出認購期權，於二零一零年四月十六日(即收購完成日期)起計一年內以代價21,600,000港元向本集團收購銷售股份；及
- (ii) 文先生已不可撤回地向本集團保證及擔保，就(i)由收購完成日期至二零一零年六月三十日(「第一相關期間」)向本集團支付有關銷售股份之股息根據第一相關期間之日數按比例(根據一年365日計算)計算，將不少於相等於每年1,800,000港元之金額；(ii)截至二零一一年六月三十日止年度(「第二相關期間」)向本集團支付有關銷售股份之股息將不少於1,800,000港元；及(iii)截至二零一二年六月三十日止年度(「第三相關期間」)向本集團支付有關銷售股份之股息將不少於1,800,000港元。倘就任何第一相關期間、第二相關期間及/或第三相關期間向本集團支付有關銷售股份之股息少於上述金額，則文先生須按等額基準以現金向本集團支付差額。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)

On 17 May 2010, Hantec notified the Group that the registration of the transfer of the Sale Shares had been declined pursuant to the articles of association of Hantec. On 20 May 2010, a trust deed was executed by Mr. Man as trustee in favour of the Group as beneficiary, pursuant to which Mr. Man had agreed to act as nominee for the Group in respect of the Sale Shares and to hold the Sale Shares on trust for the Group. On the same date, Mr. Man gave an undertaking in favour of the Group that he should procure the registration of transfer of the Sale Shares within six months from the date of the undertaking and, if he failed to procure the registration within the prescribed time, to exercise the call option to acquire the Sale Shares from the Group at HK\$21,600,000. As Mr. Man failed to procure the registration of the transfer of the Sale Shares within the prescribed time, Mr. Man exercised the call option to acquire the Sale Shares from the Group at HK\$21,600,000. Taking into account the fair values of the consideration paid and the call option granted, a gain on disposal of available-for-sale financial assets of HK\$7,579,000 was recognised.

21. 可供出售金融資產(續)

於二零一零年五月十七日，亨達知會本集團，銷售股份之過戶登記根據亨達之組織章程細則遭拒絕。於二零一零年五月二十日，文先生(作為受託人)簽立一份受益人為本集團之信託契據，據此，文先生已同意出任本集團之銷售股份代名人，以信託方式代本集團持有銷售股份。同日，文先生亦向本集團作出承諾，表示將促使銷售股份於承諾日期起計六個月內進行過戶登記，而倘其無法於指定時間內促使辦妥有關登記，則行使認購期權以按21,600,000港元向本集團收購銷售股份。由於文先生未能於指定時間內促使銷售股份進行過戶登記，故文先生行使認購期權以按21,600,000港元向本集團收購銷售股份。經計及所支付代價及授出認購期權之公平值，本集團確認出售可供出售金融資產之收益7,579,000港元。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

22. TRADE RECEIVABLES

22. 貿易應收款項

		The Group 本集團	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
0-30 days	零至30日	5,859	6,022
31-60 days	31至60日	—	—
61-90 days	61至90日	—	—
Over 90 days	90日以上	396	396
		6,255	6,418
Less: Impairment loss recognised	減：已確認減值虧損	(396)	(396)
		5,859	6,022

Notes:

- (a) The following is an aged analysis of the trade receivables net of impairment loss at the end of the reporting period:

附註：

- (a) 於呈報期末，貿易應收款項扣除減值虧損後之賬齡分析如下：

		The Group 本集團	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
0-30 days	零至30日	5,859	6,022

The directors of the Company consider that the Group allows an average credit period of 90 days to its customers.

本公司董事認為本集團給予其客戶平均90日之信貸期。

- (b) At 31 December 2010, the Company had no trade receivables past due but not impaired (2009: Nil). The Group does not hold any collateral over these balances.

- (b) 於二零一零年十二月三十一日，本集團並無已逾期但未減值之貿易應收款項(二零零九年：無)。本集團並無就該等結餘持有任何抵押品。

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22. TRADE RECEIVABLES (Continued)

Notes: (Continued)

(c) Aging of impaired trade receivables is as follows:

Over 90 days	90 日以上
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The directors of the Company consider the carrying amounts of trade receivables approximate to their fair values.

22. 貿易應收款項(續)

附註：(續)

(c) 已減值貿易應收款項之賬齡如下：

		The Group 本集團	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Over 90 days	90 日以上	396	396

本公司董事認為貿易應收款項之賬面值與其公平值相若。

23. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

23. 按金、預付款項及其他應收款項

		The Group 本集團		The Company 本公司	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Deposits	按金	879	842	—	—
Prepayments	預付款項	360	60	—	—
Other receivables	其他應收款項	1,217	113	192	101
		2,456	1,015	192	101

The directors of the Company consider the carrying amounts of the deposits, prepayments and other receivables approximate to their fair values.

本公司董事認為按金、預付款項及其他應收款項之賬面值與其公平值相若。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

24. LOAN TO AN ASSOCIATE

24. 向聯營公司貸款

		The Group and the Company 本集團及本公司	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At 1 January	於一月一日	155,536	—
Loan to an associate	向聯營公司貸款	—	375,536
Repayment of loan	償還貸款	(155,536)	(220,000)
At 31 December	於十二月三十一日	—	155,536

On 8 April 2009 (being the date of completion of the Disposal), 上海昇平文化發展有限公司 (“Shanghai Shengping”) was indebted to the Group in the sum of HK\$375,536,000. Pursuant to the sale and purchase agreement of the Disposal, the loan made to Shanghai Shengping by the Group was not settled immediately upon completion and CSFGL has provided a guarantee to the Group for a term of maximum of three financial years ending 31 December 2011 to secure the repayment. If any part of the loan has not been settled on the day falling on the fifth anniversary of the date of completion, CSFGL will issue a convertible note to settle the outstanding balance of the loan.

The loan to Shanghai Shengping is secured by a corporate guarantee given by CSFGL, interest-free and has no fixed terms of repayment.

於二零零九年四月八日(即出售事項完成日期), 上海昇平發展有限公司(「上海昇平」)結欠本集團為數375,536,000港元。根據出售之買賣協議, 本集團向上海昇平作出之貸款並無於完成時即時清償, 而CSFGL已向本集團提供擔保, 年期最多為截至二零一一年十二月三十一日止三個財政年度, 作為還款擔保。倘任何貸款部份並無於完成日期起計五週年當日清償, 則CSFGL將發行可換股票據, 以清償有關貸款。

有關貸款以CSFGL提供之擔保作抵押, 乃免息及無固定還款期。

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25. AMOUNT DUE FROM AN ASSOCIATE

Amount due from an associate disclosed pursuant to section 161B of the Companies Ordinance are as follows:

	Maximum amount outstanding during the year 年內未償還之 最高金額 HK\$'000 千港元	The Group 本集團	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
CSEL	5,103	—	5,103

	Maximum amount outstanding during the year 年內未償還之 最高金額 HK\$'000 千港元	The Company 本公司	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
CSEL	3,973	—	3,973

The amount due from an associate is unsecured, interest-free and has no fixed terms of repayment.

During the year, the amount due from an associate had been fully repaid to the Group.

根據公司條例第161B節之應收聯營公司款項如下：

應收聯營公司款項為無抵押、免息及並無固定還款期。

年內，已向本集團悉數償還應收聯營公司款項。

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26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

26. 按公平值計入損益表之金融資產

		The Group	
		本集團	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Investments held-for-trading:	持作買賣之投資：		
Listed equity securities	上市股本證券		
— Hong Kong, at fair value	— 香港，按公平值	7,650	—
Listed derivatives	上市衍生工具		
— Hong Kong, at fair value	— 香港，按公平值	1,768	—
		9,418	—

During the year, 136,000,000 warrants were issued to the Group pursuant to the bonus issue of warrants by CSEL to its shareholders on the basis of one warrant for every five existing shares held on 8 June 2010.

During the year, a gain arising on change in fair value of financial assets at fair value through profit or loss amounted HK\$4,918,000 was recognised.

年內，本集團根據CSEL按於二零一零年六月八日每持有五股現有股份獲發一份認股權證之基準向其股東發行紅利認股權證而獲發行136,000,000份認股權證。

年內，已確認按公平值計入損益表之金融資產之公平值變動產生之收益4,918,000港元。

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27. LOAN TO A RELATED COMPANY

On 29 April 2009, the Company made a loan of HK\$200,000,000 to CSEL pursuant to the conditional loan agreement dated 11 March 2009. The Company may at any time before the maturity date demand a repayment of the whole or part of the loan by serving 20 business days prior written notice to CSEL. The loan made to CSEL was approved by the shareholders, other than Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and their associates, on 22 April 2009. On 21 September 2009, the loan was utilised to subscribe the convertible notes of HK\$200,000,000 issued by CSEL pursuant to the conditional subscription agreement dated 23 July 2009 (note 29).

The loan was unsecured, interest bearing at prime rate as quoted by The Hong Kong and Shanghai Banking Corporation Limited per annum and maturing on 28 April 2012.

28. CONVERSION OPTIONS EMBEDDED IN CONVERTIBLE NOTES RECEIVABLE

Conversion options embedded in convertible notes receivable represent the conversion options components of the convertible notes receivable from CSFGL, which are measured at fair value using a binomial option pricing model, at initial recognition and at the end of each reporting period.

27. 向關連公司貸款

於二零零九年四月二十九日，本公司根據於二零零九年三月十一日訂立之有條件貸款向CSEL作出200,000,000港元之貸款。本公司可於到期日前任何時間透過向CSEL送達20個營業日之事先書面通知要求償還全部或部分貸款。向CSEL作出之貸款於二零零九年四月二十二日獲向華強先生、陳明英女士及彼等之聯繫人士以外之股東批准。於二零零九年九月二十一日，該筆貸款已動用以認購CSEL根據日期為二零零九年七月二十三日之有條件認購協議發行之200,000,000港元可換股票據(附註29)。

該筆貸款為無抵押、按香港上海滙豐銀行有限公司所報之最優惠年利率計算，並於二零一二年四月二十八日到期。

28. 應收可換股票據內含之兌換選擇權

內含於應收可換股票據之兌換選擇權乃指CSFGL票據之兌換選擇權因素，並於初步確認及呈報期末採用二項式期權定價模式按公平值計量。

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28. CONVERSION OPTIONS EMBEDDED IN CONVERTIBLE NOTES RECEIVABLE

(Continued)

Movements in the conversion options component of the convertible notes receivable during the year were as follows:

28. 應收可換股票據內含之兌換選擇權 (續)

應收可換股票據內含之兌換選擇權部分於年內之變動如下：

		The Group	
		本集團	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 January	於一月一日	18,316	—
Subscription of convertible notes	認購可換股票據		
— conversion options component	— 兌換選擇權部分	—	82,858
Gain/(loss) arising on change in fair value of conversion options component	因兌換選擇權部分之公平值變動產生之收益／(虧損)	1,525	(64,542)
Early repayment of convertible notes	提早償還可換股票據	(19,841)	—
At 31 December	於十二月三十一日	—	18,316

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28. CONVERSION OPTIONS EMBEDDED IN CONVERTIBLE NOTES RECEIVABLE

(Continued)

Binomial option pricing model is used for valuation for conversion options components. The inputs into the model as at 8 April 2009 (being the date of subscription), 31 December 2009 and 26 May 2010 (being the date of repayment) are as follows:

	8 April 2009 (the date of subscription) 二零零九年 四月八日 (認購日期)	31 December 2009 二零零九年 十二月三十一日	26 May 2010 (the date of repayment) 二零一零年 五月二十六日 (還款日期)
Stock price 股份價格	HK\$0.545 0.545 港元	HK\$0.315 0.315 港元	HK\$0.250 0.250 港元
Conversion price 兌換價	HK\$0.5 per share 每股 0.5 港元	HK\$0.229 per share 每股 0.229 港元	HK\$0.848 per share 每股 0.848 港元
Volatility 波幅	119.64%	123.18%	121.64%
Dividend yield 股息收益率	Zero 零	Zero 零	Zero 零
Option life 期權年期	10 years 10 年	9.27 years 9.27 年	8.87 years 8.87 年
Risk free rate 無風險利率	2.101%	2.512%	2.307%

28. 應收可換股票據內含之兌換選擇權 (續)

二項式期權定價模式乃用以評估兌換選擇權部分。各可換股票據於二零零九年四月八日(即認購日期)、二零零九年十二月三十一日及二零一零年五月二十六日(即還款日期)之模式輸入參數如下：

29. CONVERTIBLE NOTE DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS

On 21 September 2009, the Group subscribed for the convertible note in a principal amount of HK\$200,000,000 from CSEL pursuant to the conditional subscription agreement dated 23 July 2009. The subscription price of the convertible note was satisfied by setting off the loan of HK\$200,000,000 made by the Company to CSEL on 29 April 2009 (note 27). The convertible note entitles the Group to convert to ordinary shares in CSEL at an initial conversion price of HK\$0.20 per share (subject to adjustment). The convertible note was unsecured, interest bearing at prime rate as quoted by The Hong Kong and Shanghai Banking Corporation Limited per annum and maturing on 20 September 2012. The subscription of the convertible note was approved by the shareholders, other than Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and their respective associates, on 14 September 2009.

The convertible note was designated as financial assets at fair value through profit or loss as the convertible note met the criteria for the category of financial assets at fair value through profit or loss.

During the year ended 31 December 2009, the Group converted the entire convertible note into 1,000,000,000 shares in CSEL at a conversion price of HK\$0.20 per share. As a result, the Group recognised a gain arising on change in fair value in respect of convertible note of HK\$55,244,000, which represented the difference between the fair value of the convertible note upon conversion of HK\$255,244,000 and the carrying amount of the convertible note of HK\$200,000,000.

29. 指定為按公平值計入損益表之可換股票據

於二零零九年九月二十一日，本集團根據於二零零九年七月二十三日訂立之有條件認購協議認購CSEL發行本金額200,000,000港元之可換股票據。可換股票據之認購價透過抵銷本公司於二零零九年四月二十九日向CSEL作出貸款200,000,000港元支付(附註27)。可換股票據賦予本集團權力，可按初步兌換價每股0.20港元(可予調整)將未償還本金額兌換為CSEL普通股。可換股票據為無抵押、按香港上海滙豐銀行有限公司所報之最優惠年利率計算，並於二零一二年九月二十日到期。認購可換股票據於二零零九年九月十四日獲向華強先生、陳明英女士及彼等各自之聯繫人士以外之股東批准。

由於可換股票據符合按公平值計入損益表之金融資產之準則，故本集團將可換股票據指定為按公平值計入損益表之金融資產。

截至二零零九年十二月三十一日止年度，本集團按兌換價每股0.20港元將可換股票據全數兌換為1,000,000,000股CSEL股份。因此，本集團錄得可換股票據公平值變動收益55,244,000港元(即可換股票據公平值255,244,000港元與其賬面值200,000,000港元之差額)。

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29. CONVERTIBLE NOTE DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The fair value of the convertible note as at 21 September 2009 (being the date of subscription) was measured using a binomial option pricing model. The inputs into the model are as follows:

	21 September 2009 (the date of subscription)
Stock price	HK\$0.171
Conversion price	HK\$0.2 per share
Volatility	95.63%
Dividend yield	11.06%
Option life	3 years
Risk free rate	0.941%

29. 指定為按公平值計入損益表之可換股票據(續)

可換股票據於二零零九年九月二十一日(即認購日期)之公平值乃採用二項式期權定價模式按公平值計量。所用模式輸入之資料如下：

	二零零九年九月二十一日 (認購日期)
股份價格	0.171 港元
兌換價	每股 0.2 港元
波幅	95.63%
股息收益率	11.06%
期權年期	3 年
無風險利率	0.941%

30. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting periods as shown in the consolidated cash flows statement can be reconciled to the related items in the consolidated statement of financial position as follows:

30. 現金及現金等價物

綜合現金流量表所示於報告期末之現金及現金等價物可與綜合財務狀況表之有關項目對賬如下：

		The Group 本集團		The Company 本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong Dollars	港元	989,602	275,802	15,078	40,027
United States Dollars	美元	23	—	—	—
		989,625	275,802	15,078	40,027

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31. SHARE CAPITAL

31. 股本

Movements in the share capital of the Company during the year are as follows:

本公司年內之股本變動如下：

	Number of shares 股份數目		Share capital 股本			
	2010 二零一零年 '000 千股	2009 二零零九年 '000 千股	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元		
Ordinary shares of HK\$0.01 each (2009: HK\$0.01 each) 每股面值0.01港元 (二零零九年：每股面值0.01港元) 之普通股						
<i>Authorised:</i> At 1 January and 31 December		法定： 於一月一日及十二月 三十一日	2,000,000	2,000,000	20,000	20,000
<i>Issued and fully paid:</i> At 1 January		已發行及繳足： 於一月一日	188,128	195,187	1,881	1,952
Top-up subscription of new shares (note a)		以先舊後新方式認購 新股份(附註a)	—	39,000	—	390
Placing of new shares (note b)		配售新股份(附註b)	—	200,000	—	2,000
Placing of new shares (note c)		配售新股份(附註c)	—	300,000	—	3,000
Open offer of new shares (note d)		公開發售新股份 (附註d)	—	367,093	—	3,671
Capital reorganisation		股本重組				
— share consolidation (note e(i))		— 股份合併 (附註e(i))	—	(991,152)	—	—
— capital reduction (note e(ii))		— 股本削減 (附註e(ii))	—	—	—	(9,912)
Top-up subscription of new shares (note f)		以先舊後新方式認購 新股份(附註f)	—	22,000	—	220
Issuance of new shares (note g)		發行新股份(附註g)	—	56,000	—	560
Issuance of new shares (note h)		發行新股份(附註h)	26,420	—	264	—
Exercise of share options (notes i, j and k)		行使購股權 (附註i、j及k)	15,060	—	151	—
Placing of new shares (note l)		配售新股份(附註l)	45,920	—	459	—
Rights issue of new shares (note m)		供股發行新股份 (附註m)	826,584	—	8,266	—
At 31 December		於十二月三十一日	1,102,112	188,128	11,021	1,881

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

31. SHARE CAPITAL (Continued)

Notes:

- (a) On 9 January 2009, 39,000,000 new ordinary shares of HK\$0.01 each were allotted and issued at a price of HK\$0.102 per share by way of top-up subscription of new shares under general mandate. The net proceeds of HK\$3,820,000 were intended to be used for reducing the Group's bank borrowings.
- (b) On 11 February 2009, 200,000,000 new ordinary shares of HK\$0.01 each were allotted and issued at a price of HK\$0.102 per share by way of placing of new shares under specific mandate. The net proceeds of HK\$19,870,000 were intended to be used for reducing the Group's bank borrowings.
- (c) On 2 March 2009, 300,000,000 new ordinary shares of HK\$0.01 each were allotted and issued at a price of HK\$0.091 per share by way of placing of new shares under specific mandate. The net proceeds of HK\$26,850,000 were intended to be used for reducing the Group's bank borrowings.
- (d) On 30 March 2009, 367,093,498 new ordinary shares of HK\$0.01 each were allotted and issued at a subscription price of HK\$0.10 per share by way of open offer to qualifying shareholders on the basis of one new ordinary share for every two existing ordinary shares held on 6 March 2009. The net proceeds of HK\$34,339,000 were intended to be used for financing possible diversified investments and general working capital of the Group.
- (e) On 22 April 2009, the shareholders approved the following changes to the capital of the Company:
- (i) share consolidation: that every ten issued and existing ordinary shares of HK\$0.01 each in the issued share capital of the Company be consolidated into one issued ordinary share of HK\$0.10 in the issued share capital of the Company; and
- (ii) capital reduction — that (i) the total number of the ordinary shares of HK\$0.10 each in the issued share capital of the Company following the share consolidation be rounded down to a whole number by cancelling the fractional share arising from the share consolidation; (ii) the nominal value of each of the issued ordinary shares of HK\$0.10 be reduced to HK\$0.01 by cancelling the paid-up capital to the extent of HK\$0.09 on each issued ordinary share of HK\$0.10; and (iii) the amount of credit arising from capital reduction be credited to the contributed surplus account of the Company.

The capital reorganisation became effective on 23 April 2009.

31. 股本(續)

附註：

- (a) 於二零零九年一月九日，本公司根據一般授權透過先舊後新認購之方式，按每股0.102港元之價格配發及發行39,000,000股每股面值0.01港元之新普通股。所得款項淨額3,820,000港元擬用作減少本集團之銀行借貸。
- (b) 於二零零九年二月十一日，本公司透過根據特別授權配售新股份之方式，按每股0.102港元之價格配發及發行200,000,000股每股面值0.01港元之新普通股。所得款項淨額19,870,000港元擬用作減少本集團之銀行借貸。
- (c) 於二零零九年三月二日，本公司透過根據特別授權配售新股份之方式，按每股0.091港元之價格配發及發行300,000,000股每股面值0.01港元之新普通股。所得款項淨額26,850,000港元擬用作減少本集團之銀行借貸。
- (d) 於二零零九年三月三十日，本公司透過以於二零零九年三月六日每持有兩股現有普通股獲發一股新普通股之基準向合資格股東公開發售股份之方式，按每股0.10港元之價格配發及發行367,093,498股每股面值0.01港元之新普通股。所得款項淨額34,339,000港元擬用作撥付本集團之可能多元化投資及本集團之一般營運資金。
- (e) 於二零零九年四月二十二日，股東批准對本公司股本作出以下變動：
- (i) 股份合併：將每十股本公司已發行股本中每股面值0.01港元之已發行現有股份合併為一股本公司股本中面值0.10港元之已發行普通股；及
- (ii) 股本削減 — (i) 透過註銷股份合併產生之零碎股份，將股份合併後本公司已發行股本中之合併股份總數下調至整數；(ii) 透過自繳足股本註銷每股已發行合併股份0.09港元，將每股面值0.10港元之已發行合併股份面值削減至0.01港元；及(iii) 將股本削減產生之進賬金額撥入本公司之實繳盈餘賬。

股本重組於二零零九年四月二十三日生效。

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31. SHARE CAPITAL (Continued)

Notes: (Continued)

- (f) On 10 September 2009, 22,000,000 new ordinary shares of HK\$0.01 each were allotted and issued at a price of HK\$0.42 per share by way of top-up subscription of new shares under general mandate. The net proceeds of HK\$9,030,000 were intended to be used for general working capital of the Group.
- (g) On 29 December 2009, 56,000,000 new ordinary shares of HK\$0.01 each were allotted and issued to Thought Diamond International Limited at a price of HK\$0.50 per share. The net proceeds of HK\$27,700,000 were intended to be used for possible diversified investments of the Group.
- (h) On 16 April 2010, the Company allotted and issued 26,420,000 new ordinary shares of HK\$0.01 each credited as fully paid to Mr. Man Kong Yiu for settling the consideration of HK\$18,000,000 for acquiring 6,750,000 shares in Hantec Holdings Investment Limited.
- (i) On 29 April 2010, the Company allotted and issued 5,680,000 new ordinary shares of HK\$0.01 each at a price of HK\$0.64 per share and 5,830,000 new ordinary shares of HK\$0.01 each at a price of HK\$0.60 per share pursuant to the exercise of share options granted to the directors and the Group's employees and consultants.
- (j) On 5 May 2010, the Company allotted and issued 990,000 new ordinary shares of HK\$0.01 each at a price of HK\$0.60 per share and 1,600,000 new ordinary shares of HK\$0.01 each at a price of HK\$0.64 per share pursuant to the exercise of share options granted to the employees and consultants of the Group.
- (k) On 10 June 2010, the Company allotted and issued 960,000 new ordinary shares of HK\$0.01 each pursuant to the exercise of share options granted to an employee of the Group. The exercise price was HK\$0.66 per share.
- (l) On 23 July 2010, 45,920,000 new ordinary shares of HK\$0.01 each were allotted and issued at a price of HK\$0.55 per share by way of placing of new shares under general mandate. The net proceeds of HK\$24,900,000 were intended to be used for general working of the Group.

31. 股本(續)

附註：(續)

- (f) 於二零零九年九月十日，根據一般授權以先舊後新配售之方式按每股0.42港元之價格配發及發行22,000,000股每股面值0.01港元之新普通股。所得款項淨額9,030,000港元擬用作本集團之一般營運資金。
- (g) 於二零零九年十二月二十九日，Thought Diamond International Limited按每股0.50港元之價格獲配發及發行56,000,000股每股面值0.01港元之新普通股。所得款項淨額27,700,000港元擬用作本集團之可能多元化投資。
- (h) 於二零一零年四月十六日，本公司向文剛銳先生配發及發行26,420,000股每股面值0.01港元入賬列作繳足之新普通股，以支付收購6,750,000股亨達集團控股投資有限公司股份之代價18,000,000港元。
- (i) 於二零一零年四月二十九日，本公司因授予董事、本集團僱員及顧問之購股權獲行使而按行使價每股0.64港元配發及發行5,680,000股每股面值0.01港元之新普通股，以及按行使價每股0.60港元配發及發行5,830,000股每股面值0.01港元之新普通股。
- (j) 於二零一零年五月五日，本公司因授予本集團僱員及顧問之購股權獲行使而按行使價每股0.64港元配發及發行1,600,000股每股面值0.01港元之新普通股，以及按行使價每股0.60港元配發及發行990,000股每股面值0.01港元之新普通股。
- (k) 於二零一零年六月十日，本公司因授予本集團僱員之購股權獲行使而配發及發行960,000股每股面值0.01港元之新普通股。行使價為每股0.66港元。
- (l) 於二零一零年七月二十三日，根據一般授權透過配售新股份之方式按每股0.55港元之價格配發及發行45,920,000股每股面值0.01港元之新普通股。所得款項淨額24,900,000港元擬用作本集團之一般營運資金。

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31. SHARE CAPITAL (Continued)

Notes: (Continued)

- (m) On 29 September 2010, 826,584,147 new ordinary shares of HK\$0.01 each were allotted and issued at a subscription price of HK\$0.04 per share by way of rights issue to qualifying shareholders on the basis of three new ordinary shares for every one existing ordinary share held on 3 September 2010. The net proceeds of HK\$325,330,000 were intended to be used for funding a loan facility to be granted to a joint venture company.

31. 股本(續)

附註：(續)

- (m) 於二零一零年九月二十九日，本公司透過以於二零一零年九月三日每持有一股現有普通股獲發三股新普通股之基準向合資格股東發售股份之方式，按每股0.04港元之認購價配發及發行826,584,147股每股面值0.01港元之新普通股。所得款項淨額325,330,000港元擬撥付授予合營公司之貸款融資。

32. ACCRUALS AND OTHER PAYABLES

32. 應計費用及其他應付款項

		The Group 本集團		The Company 本公司	
		2010 二零一零年 HK'000 千港元	2009 二零零九年 HK'000 千港元	2010 二零一零年 HK'000 千港元	2009 二零零九年 HK'000 千港元
Accruals	應計費用	7,272	6,414	3,659	3,042
Other payables	其他應付款項	3,600	3,786	—	—
		10,872	10,200	3,659	3,042

The directors of the Company consider the carrying amounts of accruals and other payables approximate to their fair values.

本公司董事認為應計費用及其他應付款項之賬面值與其公平值相若。

33. CONVERTIBLE NOTES PAYABLE

On 29 August 2008, the Company issued two convertible notes with a principal amount of HK\$72,000,000 each to Well Will Investment Limited ("Well Will") for settling part of the consideration for acquiring Rich Daily. Each of the convertible notes bears interest at a rate of 5% per annum and carries a right to convert the principal amount into shares of HK\$0.01 each in the share capital of the Company at an adjusted conversion price of HK\$16.00 per share (subject to further adjustment) during the period from 29 August 2008 to 28 August 2018. The Company may at any time before the maturity date redeem the convertible notes at par. Any amount of the convertible notes which remains outstanding on the maturity date will be redeemed at their then outstanding principal amount, inclusive of interest as accrued thereon.

On 13 July 2009, a convertible note with a principal amount of HK\$72,000,000 was cancelled for settling the adjustment to the consideration for acquiring the entire issued share capital of Rich Daily. A loss on cancellation of convertible notes payable of HK\$18,247,000 was recognised.

On 27 July 2010, the Group had early redeemed the other convertible notes with a principal amount of HK\$72,000,000. The fair value of the liability component of convertible notes was determined by Grant Sherman Appraisal Limited, an independent firm of professional valuers, and the discount rate 9.707% was used. A loss on early redemption of convertible notes payable of HK\$1,062,000 was recognised.

33. 應付可換股票據

於二零零八年八月二十九日，本公司向 Well Will Investment Limited (「Well Will」) 發行兩份本金額各為 72,000,000 港元之可換股票據，以清償收購 Rich Daily 之部份代價。可換股票據各自按年利率 5 厘計息，並附帶權利可按經調整兌換價每股 16.00 港元(可予調整)將本金額兌換為本公司股本中每股面值 0.01 港元之股份。本公司可能於到期日之前之任何時間按面值贖回可換股票據。任何於到期日尚未贖回之可換股票據金額將按其當時尚未贖回之本金額贖回，包括其應付利息。

於二零零九年七月十三日，本金額為 72,000,000 港元之可換股票據已予註銷，以清償收購 Rich Daily 全部已發行股本之代價調整金額，而註銷應付可換股票據 18,247,000 港元已予以確認。

於二零一零年七月二十七日，本集團已提早贖回本金額為 72,000,000 港元之其他可換股票據。可換股票據負債部分之公平值乃由獨立專業估值師行中證評估有限公司釐定，所用之折現率為 9.707%。已確認提早贖回可換股票據之虧損 1,062,000 港元。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

33. CONVERTIBLE NOTES PAYABLE

(Continued)

The convertible notes contain two components: liability and equity components. The equity component is presented in equity heading “convertible notes reserve” in note 36 to the consolidated financial statements. The effective interest rate of the liability component on initial recognition is 9.75% per annum.

Movements in the liability component during the year were as follows:

33. 應付可換股票據(續)

可換股票據包括兩部分：負債及股權部分。股權部分於綜合財務報表附註36股權「可換股票據儲備」一節呈列。負債部分之實際利率為年利率9.75%。

負債部分於年內之變動如下：

		The Group and the Company	
		本集團及本公司	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 January	於一月一日	54,563	105,803
Imputed interest expense for the year	本年度之估算利息開支	3,041	8,051
Interest expense paid and payable	已付及應付利息開支	(2,041)	(5,538)
Cancellation of a convertible note of HK\$72,000,000	註銷 72,000,000 港元之可換股票據	—	(53,753)
Early redemption of a convertible note of HK\$72,000,000	提早贖回 72,000,000 港元之可換股票據	(55,563)	—
At 31 December	於十二月三十一日	—	54,563

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34. DEFERRED TAXATION

The followings are the major deferred tax liabilities and assets recognised and movements thereon:

34. 遞延稅項

以下為主要已確認遞延稅項負債及資產及有關變動：

The Group

本集團

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Estimated tax losses 估計稅務虧損 HK\$'000 千港元	Convertible notes payable 應付可換股票據 HK\$'000 千港元	Intangible assets 無形資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2009	於二零零九年 一月一日	254	(254)	6,855	54,823	61,678
Released on cancellation of convertible notes payable	註銷應付可換股票 據時解除	—	—	(3,428)	—	(3,428)
Released on impairment loss recognised in respect of intangible assets	就無形資產確認減值 虧損時解除	—	—	—	(14,078)	(14,078)
Credit to consolidated income statement	計入綜合收益表	—	—	(415)	—	(415)
At 31 December 2009 and 1 January 2010	於二零零九年十二月 三十一日及二零 一零年一月一日	254	(254)	3,012	40,745	43,757
Released on early redemption of convertible notes payable	提早贖回應付可換 股票據時解除	—	—	(3,427)	—	(3,427)
Released on impairment loss recognised in respect of intangible assets	就無形資產確認減值 虧損時解除	—	—	—	(583)	(583)
Credit to consolidated income statement	計入綜合收益表	—	—	415	—	415
At 31 December 2010	於二零一零年 十二月三十一日	254	(254)	—	40,162	40,162

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34. DEFERRED TAXATION (Continued)

34. 遞延稅項(續)

The Company

本公司

		Convertible notes 可換股票據 HK\$'000 千港元
At 1 January 2009	於二零零九年一月一日	6,855
Release on cancellation of convertible note payable of HK\$72,000,000	註銷72,000,000港元之應付可換股票據時解除	(3,428)
Credited to income statement	計入收益表	(415)
At 31 December 2009 and 1 January 2010	於二零零九年十二月三十一日及二零一零年一月一日	3,012
Release on early redemption of convertible note payable of HK\$72,000,000	提早贖回72,000,000港元之應付可換股票據時解除	(3,427)
Credited to income statement	計入收益表	415
At 31 December 2010	於二零一零年十二月三十一日	—

The Group

本集團

At 31 December 2010, the Group had unused estimated tax losses of HK\$78,717,000 (2009: HK\$63,179,000) available for offsetting against future taxable profits. A deferred tax asset of HK\$254,000 (2009: HK\$254,000) has been recognised. No deferred tax asset has been recognised in respect of the remaining balance of HK\$78,463,000 (2009: HK\$62,925,000) due to the unpredictability of future profit streams.

於二零一零年十二月三十一日，本集團有約78,717,000港元(二零零九年：63,179,000港元)之未動用估計稅務虧損可供抵銷日後應課稅溢利。254,000港元(二零零九年：254,000港元)之遞延稅項資產已獲確認。由於未能預計日後之溢利，故並無就餘額78,463,000港元(二零零九年：62,925,000港元)確認遞延稅項資產。

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35. INTERESTS IN SUBSIDIARIES

35. 於附屬公司之權益

		The Company 本公司	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	83,553	83,553
Impairment losses recognised	已確認減值虧損	(83,553)	(83,553)
		—	—
Amounts due from subsidiaries	應收附屬公司款項	1,685,316	1,195,287
Impairment losses recognised	已確認減值虧損	(975,553)	(980,196)
		709,763	215,091

The carrying amounts of the interests in subsidiaries are reduced to their recoverable amounts which are determined by reference to the estimation of future cash flows expected to be generated from the respective subsidiaries.

The amounts due from subsidiaries are unsecured, interest-free and have no fixed repayment terms. In the opinion of the directors of the Company, the carrying amounts of the amounts due from subsidiaries at 31 December 2010 and 2009 approximate to their fair values.

於附屬公司之權益之賬面值獲調減至其可收回金額，有關可收回金額乃參考預期將從各附屬公司產生之估計未來現金流量釐定。

應收附屬公司款項為無抵押、免息及無固定還款期。本公司董事認為，於二零一零年及二零零九年十二月三十一日，應收附屬公司款項之賬面值與其公平值相若。

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35. INTERESTS IN SUBSIDIARIES (Continued)

Details of the Company's subsidiaries at 31 December 2010 are set out as follows:

35. 於附屬公司之權益(續)

本公司之附屬公司於二零一零年十二月三十一日之詳情載列如下：

Name of subsidiary 附屬公司名稱	Country/ place of incorporation 註冊成立 國家/地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Principal activities 主要業務
Best Season Holdings Corp.	British Virgin Islands 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元 之普通股	Dormant 暫無營業
Bluelagoon Investment Holdings Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股	Investment holding, sales of financial assets, distribution of films and sub-licensing of film rights in the PRC 投資控股、銷售金融資產、 於中國發行電影及 轉授電影發行權
Dragon Leader Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股	Investment holding 投資控股
Gainful Fortune Limited	British Virgin Islands 英屬處女群島	160,000,100 ordinary shares of HK\$1 each 160,000,100股每股面 值1港元之普通股	Holding of film rights 持有電影發行權
Legend Rich Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股	Investment holding 投資控股
Max Winner Investments Limited 凱宏投資有限公司	Hong Kong 香港	1 ordinary share of HK\$1 1股面值1港元之普通股	Investment holding 投資控股
Ocean Shores Licensing Limited	British Virgin Islands 英屬處女群島	10,000 ordinary shares of US\$1 each 10,000股每股面值 1美元之普通股	Holding of film rights outside Hong Kong 於香港以外地區持有電影 發行權

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35. INTERESTS IN SUBSIDIARIES (Continued)

35. 於附屬公司之權益(續)

Name of subsidiary 附屬公司名稱	Country/ place of incorporation 註冊成立 國家/地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Principal activities 主要業務
Rich Joy Investments Limited 富樂投資有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股每股面值1港元之 普通股	Dormant 暫無營業
Riche Advertising Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股	Sales of financial assets 銷售金融資產
Riche (BVI) Limited	British Virgin Islands 英屬處女群島	1,000 ordinary shares of US\$1 each 1,000股每股面值1美元 之普通股	Investment holding in Hong Kong 於香港投資控股
Riche Distribution Limited 豐采發行有限公司	Hong Kong 香港	1,000,000 ordinary shares of HK\$1 each 1,000,000股每股面值 1港元之普通股	Sub-licensing of film rights in Hong Kong and sales of financial assets 於香港轉授電影發行權及 銷售金融資產
Riche Multi-Media Limited 豐采多媒體有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股每股面值1港元之 普通股	Distribution of films and other video features in the PRC 於中國發行電影及其他影 視特輯
Riche Pictures Limited 豐采影畫有限公司	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股	Investment holding in Hong Kong 於香港投資控股
Riche Video Limited 豐采錄影有限公司	Hong Kong 香港	10 ordinary shares of HK\$100 each 20,000 non-voting deferred shares of HK\$100 each* 10股每股面值100港元 之普通股 20,000股每股面值100 港元之無投票權遞延 股份*	Distribution of video products in Hong Kong 於香港發行影視產品

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35. INTERESTS IN SUBSIDIARIES (Continued)

35. 於附屬公司之權益(續)

Name of subsidiary 附屬公司名稱	Country/ place of incorporation 註冊成立 國家/地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Principal activities 主要業務
Rich Daily Group Limited	British Virgin Islands 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元 之普通股	Provision of management services 提供管理服務
Stable Income Limited 堅益有限公司	Hong Kong 香港	1,000,000 ordinary shares of HK\$1 each 1,000,000股每股面值 1港元之普通股	Travel business 旅遊業務
Simple View Investment Limited	British Virgin Island 英屬處女群島	1 ordinary share of US\$1 1股面值1美元之普通股	Investment holding 投資控股

* The non-voting deferred shares, which are not held by the Group, carry practically no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of Riche Video Limited nor to participate in any distribution on winding up.

* 該等無投票權遞延股份實際並無權利分享股息、接收任何豐采錄影有限公司股東大會之通告、出席該等大會或在會上投票之權利，在清盤時亦不可享有任何分派。

The Company directly holds the interest in Riche (BVI) Limited. All other subsidiaries are indirectly held by the Company.

本公司直接持有 Riche (BVI) Limited 之權益。所有其他附屬公司均由本公司間接持有。

All of the subsidiaries are wholly owned by the Company, except Best Season Holdings Corp. which is 75% owned by the Group.

所有附屬公司均由本公司全資擁有，惟 Best Season Holdings Corp. 由本集團擁有 75%。

None of the subsidiaries had any debt securities outstanding at the end of the reporting period, or at any time during the reporting period.

各附屬公司於呈報期末或呈報期末任何時間均無任何尚未贖回之債務證券。

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36. RESERVES

36. 儲備

The Company

本公司

		Share premium	Contributed surplus	Share-based payment reserve	Convertible notes reserve	Accumulated losses	Total
		股份溢價 HK\$'000 千港元	實繳盈餘 HK\$'000 千港元 (note) (附註)	以股份形式 支付儲備 HK\$'000 千港元	可換股 票據儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2009	於二零零九年一月一日	—	651,375	32,050	34,692	(503,134)	214,983
Capital reorganisation (note 31)	股本重組 (附註31)						
— capital reduction	— 股本削減	—	9,912	—	—	—	9,912
— set off accumulated losses against contributed surplus	— 從實繳盈餘中撇銷累計虧損	—	(9,912)	—	—	9,912	—
Issuance of new shares	發行新股份	114,380	—	—	—	—	114,380
Cancellation of convertible notes payable	註銷應付可換股票據	—	—	—	(17,346)	—	(17,346)
Share-based payment expenses	以股份形式支付之開支	—	—	3,729	—	—	3,729
Loss for the year	本年度虧損	—	—	—	—	(17,149)	(17,149)
At 31 December 2009 and 1 January 2010	於二零零九年十二月三十一日及二零一零年一月一日	114,380	651,375	35,779	17,346	(510,371)	308,509
Issue of new shares	發行新股份	13,729	—	—	—	—	13,729
Placing of new shares	配售新股份	24,424	—	—	—	—	24,424
Exercise of share options	行使購股權	11,792	—	(2,559)	—	—	9,233
Allotment and issue of rights shares	配發及發行供股股份	318,168	—	—	—	—	318,168
Share-based payment expenses	以股份形式支付之開支	—	—	2,310	—	—	2,310
Release on lapse of share options	購股權失效時解除	—	—	(23,372)	—	23,372	—
Early redemption of convertible notes payable	提早贖回應付可換股票據	—	—	—	(20,773)	3,446	(17,327)
Reversal of deferred tax upon early redemption of convertible notes payable (note 34)	提早贖回應付可換股票據時撥回遞延稅項 (附註34)	—	—	—	3,427	—	3,427
Dividend paid (note 15)	已付股息(附註15)	—	(33,063)	—	—	—	(33,063)
Loss for the year	本年度虧損	—	—	—	—	(8,237)	(8,237)
At 31 December 2010	於二零一零年十二月三十一日	482,493	618,312	12,158	—	(491,790)	621,173

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36. RESERVES (Continued)

The Company (Continued)

Note:

The contributed surplus account of the Company represents the difference between the underlying net assets of the subsidiaries acquired by the Company as at the date of the group reorganisation and the nominal amount of the Company's share capital issued as consideration for the acquisition as well as the net amount transferred from share premium account and to accumulated losses account pursuant to a special resolution passed at the special general meeting held on 22 August 2003.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus, if:

- (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

37. AMOUNTS DUE TO SUBSIDIARIES

The amounts due to subsidiaries are unsecured, interest-free and repayable on demand.

36. 儲備(續)

本公司(續)

附註：

根據於二零零三年八月二十二日舉行之股東特別大會上通過之特別決議案，本公司之實繳盈餘賬指本公司所收購之附屬公司於集團重組日期之相關資產淨值與本公司作為收購代價之所發行股本之面值及自股本、股份溢價賬轉撥至累計虧損賬之淨額之差額。

根據百慕達一九八一年公司法(經修訂)，本公司之實繳盈餘賬可予分派。惟倘出現下列情況，則本公司不得宣派或派付股息或在實繳盈餘中作出分派：

- (i) 本公司現時或於分派後無法償還其到期負債；或
- (ii) 本公司資產可變現價值降至少於其負債、已發行股本及股份溢價賬之總和。

37. 應付附屬公司款項

應付附屬公司款項為無抵押、免息及應要求償還。

38. ADJUSTMENT TO COST OF COMBINATION IN RESPECT OF AN ACQUISITION IN PRIOR YEAR

On 29 August 2008, the Group acquired the entire issued share capital of Rich Daily from Well Will at an initial consideration of HK\$504,000,000 (subject to adjustment). Pursuant to the sale and purchase agreement dated 28 February 2008, Mr. Ng Cheuk Fai, the ultimate beneficial owner of Well Will, has irrevocably and unconditionally guaranteed to the Group that the service fee income of Rich Daily for each of the 12-month ending 30 June 2009 and 2010 shall not be less than HK\$72,000,000. In the event that:

- (i) the actual service fee income of Rich Daily for the 12-month ending 30 June 2009 is less than HK\$72,000,000, the initial consideration of HK\$504,000,000 shall be adjusted by the shortfall between HK\$72,000,000 and the actual service fee income of Rich Daily for the 12-month ending 30 June 2009 multiplied by seven; and
- (ii) the actual service fee income of Rich Daily for the 12-month ending 30 June 2010 is less than HK\$72,000,000, Mr. Ng has undertaken to pay the shortfall between HK\$72,000,000 and the actual service fee income of Rich Daily for the 12-month ending 30 June 2010.

As the actual service fee income of Rich Daily for the 12-month ended 30 June 2009 was HK\$57,224,000, the consideration for acquiring Rich Daily was adjusted from HK\$504,000,000 to HK\$400,566,000 in accordance with the sale and purchase agreement dated 28 February 2008. Accordingly, the Group recognised a gain on adjustment to cost of combination in respect of an acquisition in prior year of HK\$103,434,000 during the year ended 31 December 2009.

38. 於過往年度進行收購之合併成本調整

於二零零八年八月二十九日，本集團向 Well Will 收購 Rich Daily 之全部已發行股本，初步代價為 504,000,000 港元(可予調整)。根據於二零零八年二月二十八日訂立之買賣協議，吳卓徽先生(Well Will 之最終實益擁有人)已不可撤回及無條件地向本集團擔保，Rich Daily 於截至二零零九年及二零一零年六月三十日止十二個月各月之服務費不少於 72,000,000 港元。倘：

- (i) Rich Daily 於截至二零零九年六月三十日止十二個月之實際服務費少於 72,000,000 港元，則初步代價 504,000,000 港元應調整 72,000,000 港元及 Rich Daily 於截至二零零九年六月三十日止十二個月之實際服務費之差額之七倍；及
- (ii) Rich Daily 於截至二零一零年六月三十日止十二個月之實際服務費少於 72,000,000 港元，吳先生已承諾支付 72,000,000 港元及 Rich Daily 於截至二零一零年六月三十日止十二個月之實際服務費之差額。

由於 Rich Daily 於截至二零零九年六月三十日止十二個月之實際服務費為 57,224,000 港元，收購 Rich Daily 之代價根據於二零零八年二月二十八日訂立之買賣協議由 504,000,000 港元調整至 400,566,000 港元。因此，本集團確認截至二零零九年十二月三十一日止年度於過往年度進行收購之合併成本調整之 103,434,000 港元。

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39. COMMITMENTS

Lease commitments

As lessee

At the reporting date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		The Group	
		本集團	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	2,459	1,836
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	4,729	1,703
		7,188	3,539

Operating lease payments represented rentals payable by the Group for its office premises. Leases are mainly negotiated for an average term of two years and rentals are fixed for an average of two years.

39. 承擔

租賃承擔

作為承租人

於呈報日期，本集團根據於下列期限到期之租賃物業不可撤銷經營租約之日後最低租金承擔如下：

經營租金指本集團辦公室物業應付之租金。租約主要就平均兩年租期磋商，而租金平均兩年固定不變。

40. SHARE-BASED PAYMENT TRANSACTIONS

The Company's share option scheme (the "Option Scheme") was adopted on 21 January 2002 to replace the share option scheme adopted on 19 January 2000 and will expire on 20 January 2012. The purpose of the Option Scheme is to enable the board of directors of the Company to grant share options to selected eligible persons as incentives or rewards for their contribution or potential contribution to the Group.

Under the Option Scheme, the board of directors of the Company may grant share options to the following eligible persons:

- (a) (i) any director or proposed director (whether executive or non-executive, including any independent non-executive director), employees or proposed employee (whether full time or part time) of, or
 - (ii) any individual for the time being second to work for,
- any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder; or
- (b) any holder of any securities issued by any member of the Group or any controlling shareholder or any company controlled by a controlling shareholder; or

40. 以股份形式支付之交易

本公司於二零零二年一月二十一日採納購股權計劃(「購股權計劃」)，以取代於二零零零年一月十九日採納之購股權計劃，並將於二零一二年一月二十日屆滿。購股權計劃旨在讓本公司董事會可向選定合資格人士授出購股權作為彼等對本集團之貢獻或潛在貢獻之獎勵或回報。

根據購股權計劃，本公司董事會可向以下合資格人士授出購股權：

- (a) 本集團之任何成員公司或任何控權股東或任何由控權股東控制之公司或
 - (i) 任何董事或候任董事(不論執行或非執行董事，包括任何獨立非執行董事)、僱員或候任僱員(不論全職或兼職)，或
 - (ii) 任何當時臨時調派之人士；或
- (b) 持有本集團之任何成員公司或任何控權股東或任何由控權股東控制之公司所發行任何證券之人士；或

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40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(c) any business or joint venture partner, contractor, agent or representative of,

(i) any person of entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to,

(ii) any supplier, producer or licensor of films, television programmes, video features, goods or services to,

(iii) any customer, licensee (including any sub-licensee) or distributor of films, television programmes, video features, goods or services of, or

(iv) any landlord or tenant (including any subtenant) of,

any member of the Group or any controlling shareholder or a company controlled by a controlling shareholder.

The maximum number of shares which may be issued upon exercise of all share options to be granted by the Company under the Option Scheme and any other share option schemes of the Company must not exceed 10% of the Company's shares in issue as at the date of approval of the Option Scheme. Such limit may be refreshed by shareholders in general meeting from time to time. The maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Options Scheme and any other share option schemes of the Company must not exceed 30% of the Company's shares in issue from time to time.

40. 以股份形式支付之交易(續)

(c) 本集團之任何成員公司或任何控權股東或任何由控權股東控制之公司

(i) 獲提供研究、開發或其他技術支援或任何顧問、諮詢、專業或其他服務之公司之任何人士；

(ii) 獲提供電影、電視節目、影視產品、貨物或服務之任何供應商、製片商或授權人；

(iii) 獲提供電影、電視節目、影視產品、貨物或服務之任何客戶、授權人(包括任何轉授受權人)或發行商；或

(iv) 任何業主或租戶(包括任何分租租戶)，

之任何業務或合營夥伴、承包商、代理人或代表。

因行使本公司根據購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權而可予發行之最高股份數目，不得超過批准購股權計劃當日本公司已發行股份10%。該限額可由本公司於股東大會上不時更新。因行使根據購股權計劃及本公司任何其他購股權計劃授出之所有未行使而有待行使之購股權而可予發行之最高股份數目，不得超過不時之本公司已發行股份30%。

40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The maximum number of shares issued or to be issued upon exercise of share options granted under the Option Scheme and any share option schemes of the Company to any eligible person in any 12 months period shall not exceed 1% of the Company's shares in issue. Any further grant in excess of such limit must be separately approved by shareholders with such eligible person and his associates abstaining from voting.

Any grant of share options to a director, chief executive or substantial shareholder of the Company (or any of their associates) must be approved by independent non-executive directors. In addition, any grant of share options to a substantial shareholder or an independent non-executive directors of the Company (or any of their associates) in excess of 0.1% of the Company's shares in issue and having an aggregate value in excess of HK\$5,000,000 in any 12 months period, is required to be approved by shareholders in general meeting in accordance with the Listing Rules.

An offer of the grant of share options must be accepted within 30 days inclusive of the day on which such offer is made, with a payment of HK\$1 by the grantee to the Company. The exercise period of the share options granted is determinable by the board of directors, but in any event shall not exceed ten years from the date of grant.

40. 以股份形式支付之交易(續)

於任何12個月期間內因行使根據購股權計劃及本公司任何其他購股權計劃授出之購股權而向任何合資格人士發行或將予發行之最高股份數目，不得超過本公司已發行股份1%。進一步授出超過該限額之購股權須經股東另行批准，而該合資格人士及其聯繫人士須放棄投票。

向本公司董事、主要行政人員或主要股東(或彼等之任何聯繫人士)授出任何購股權必須經獨立非執行董事批准。此外，於任何12個月期間內向本公司主要股東或獨立非執行董事(或彼等之任何聯繫人士)授出超過本公司已發行股份0.1%而總值超過5,000,000港元之購股權，須根據上市規則於股東大會上經股東批准。

授出購股權建議必須於作出該建議之日(包括該日)起計30日內由承授人向本公司支付1港元接納。已授出購股權之行使期由董事會釐定，惟無論如何不得超過授出日期起計十年。

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40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The exercise price of share options is determined by the board of directors provided that it shall be at least the highest of:

- (a) the closing price of the Company's shares as stated in the daily quotation sheet issued by the Stock Exchange on the date on which a share option is offered to an eligible person, which must be a business day; and
- (b) the average closing price of the Company's shares as stated in the daily quotation sheet issued by the Stock Exchange for the five business days immediately preceding the date on which a share option is offered to an eligible person, provided that the exercise price per share shall in no event be less than the nominal value of the Company's share.

40. 以股份形式支付之交易(續)

購股權行使價由董事會釐定，惟必須至少為下列之最高者：

- (a) 本公司股份於向合資格人士授出購股權當日(必須為營業日)於聯交所公佈之每日報價表所報收市價；及
- (b) 本公司股份於緊接授出日期前五個營業日之平均聯交所收市價，惟每股行使價無論如何不得低於本公司股份之面值。

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40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

40. 以股份形式支付之交易(續)

Details of specific categories of share options are as follows:

購股權特定類別之詳情如下：

Share option type 購股權類別	Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價
2002	8 March 2002 二零零二年三月八日	8 March 2002 to 7 March 2012 二零零二年三月八日至 二零一二年三月七日	HK\$244.66* 244.66 港元*
2004	13 December 2004 二零零四年十二月十三日	13 December 2004 to 12 December 2014 二零零四年十二月十三日至 二零一四年十二月十二日	HK\$182.54* 182.54 港元*
2007A	22 March 2007 二零零七年三月二十二日	22 March 2007 to 21 March 2017 二零零七年三月二十二日至 二零一七年三月二十一日	HK\$44.25* 44.25 港元*
2007B	31 May 2007 二零零七年五月三十一日	31 May 2007 to 30 May 2017 二零零七年五月三十一日至 二零一七年五月三十日	HK\$65.87* 65.87 港元*
2007C	11 July 2007 二零零七年七月十一日	11 July 2007 to 10 July 2009 二零零七年七月十一日至 二零零九年七月十日	HK\$65.75 65.75 港元
2008	20 March 2008 二零零八年三月二十日	20 March 2008 to 19 March 2010 二零零八年三月二十日至 二零一零年三月十九日	HK\$11.88 11.88 港元
2009A	28 July 2009 二零零九年七月二十八日	28 July 2009 to 27 July 2010 二零零九年七月二十八日至 二零一零年七月二十七日	HK\$0.64 0.64 港元
2009B	30 October 2009 二零零九年十月三十日	30 October 2009 to 29 October 2010 二零零九年十月三十日至 二零一零年十月二十九日	HK\$0.54* 0.54 港元*
2010	13 May 2010 二零一零年五月十三日	13 May 2010 to 12 May 2011 二零一零年五月十三日至 二零一一年五月十二日	HK\$0.60* 0.60 港元*

* The exercise prices are adjusted for the rights issue as completed on 29 September 2010.

* 行使價按於二零一零年九月二十九日完成之供股作出調整。

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40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The fair values of the share options granted on 13 May 2010, 28 July 2009 and 30 October 2009 were measured, using a binomial option pricing model, by Grant Sherman Appraisals Limited, an independent firm of professional valuers. The following table lists the inputs to the model used:

	2009A	2009B	2010
Option life 購股權年期	1 year 1年	1 year 1年	1 year 1年
Grant date share price 授出日期股價	HK\$0.64 0.64 港元	HK\$0.60 0.60 港元	HK\$0.66 0.66 港元
Exercise price 行使價	HK\$0.64 0.64 港元	HK\$0.60 0.60 港元	HK\$0.66 0.66 港元
Expected volatility (%) 預期波幅(%)	111.18%	111.68%	92.50%
Expected lives of share options 購股權預期年期	1 year 1年	1 year 1年	1 year 1年
Dividend yield (%) 股息率(%)	0%	0%	0%
Risk-free interest rate 無風險利率	0.09%	0.14%	0.215%

The fair value of the share options granted during the years ended 31 December 2010 and 2009 were HK\$2,310,000 and HK\$3,729,000 respectively which had been expensed as share-based payment expenses during the years.

40. 以股份形式支付之交易(續)

於二零一零年五月十三日、二零零九年七月二十八日及二零零九年十月三十日授出之購股權之公平值乃於授出日期由獨立專業估值師行中證評估有限公司採用二項式期權定價模式計量。下表列示輸入所用模式之資料：

截至二零一零年及二零零九年十二月三十一日止年度授出之購股權之公平值分別為2,310,000港元及3,729,000港元，已於年內列作以股份形式支付之開支。

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40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The following table discloses movements of the Company's share options held by directors, employees and consultants during the year:

40. 以股份形式支付之交易(續)

下表披露年內本公司之董事、僱員及顧問所持有之購股權之變動：

Share option type	Outstanding at 1 January 2010	Granted during the year	Number of share options			Adjusted for rights issue	Outstanding at 31 December 2010
			Exercised during the year	Lapsed during the year	購股權數目		
購股權類別	於二零一零年一月一日尚未行使	於年內授出	於年內行使	於年內失效	就供股作出調整 (note) (附註)	於二零一零年十二月三十一日尚未行使	
2002	182,185	—	—	—	19,755	201,940	
2004	264,360	—	—	—	28,666	293,026	
2007A	144,980	—	—	—	15,721	160,701	
2007B	758,743	—	—	—	82,273	841,016	
2008	1,228,789	—	—	(1,228,789)	—	—	
2009A	11,000,000	—	(7,280,000)	(3,720,000)	—	—	
2009B	11,010,000	—	(6,820,000)	(4,644,337)	454,337	—	
2010	—	13,212,000	(960,000)	—	1,328,530	13,580,530	
	24,589,057	13,212,000	(15,060,000)	(9,593,126)	1,929,282	15,077,213	

Exercisable at the end of the year

於年終可行使

15,077,213

Weighted average exercise price

加權平均行使價

HK\$7.875 港元

HK\$0.660 港元

HK\$0.623 港元

HK\$2.031 港元

— HK\$11.511 港元

Note:

The number of share options is adjusted for the rights issue as completed on 29 September 2010.

附註：

購股權數目按於二零一零年九月二十九日完成之供股作出調整。

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40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The following table discloses movements of the Company's share options held by directors, employees and consultants during prior year:

40. 以股份形式支付之交易(續)

下表披露過往年度本公司之董事、僱員及顧問所持有之購股權之變動：

Share option type	Outstanding at 1 January 2009	Granted during the year	Number of share options			Adjusted for open offer	Outstanding at 31 December 2009
			Exercised during the year	Lapsed during the year	購股權數目		
購股權類別	於二零零九年 一月一日 尚未行使	於年內授出	於年內行使	於年內失效		就公開發售 作出調整 (note) (附註)	於二零零九年 十二月 三十一日 尚未行使
2002	1,889,326	—	—	—	(1,707,141)	182,185	
2004	2,741,511	—	—	—	(2,477,151)	264,360	
2007A	1,503,506	—	—	—	(1,358,526)	144,980	
2007B	7,868,446	—	—	—	(7,109,703)	758,743	
2007C	9,798,342	—	—	(944,840)	(8,853,502)	—	
2008	12,742,999	—	—	—	(11,514,210)	1,228,789	
2009A	—	11,000,000	—	—	—	11,000,000	
2009B	—	11,010,000	—	—	—	11,010,000	
	36,544,130	22,010,000	—	(944,840)	(33,020,233)	24,589,057	
Exercisable at the end of the year							
於年終可行使							24,589,057
Weighted average exercise price							
加權平均行使價	HK\$6.626 港元	HK\$0.620 港元	—	HK\$65.75 港元	—	HK\$7.875 港元	

Note:

The number of share options is adjusted for the open offer as completed on 30 March 2009 and the capital reorganisation as completed on 23 April 2009.

附註：

購股權數目就於二零零九年三月三十日完成之公開發售及於二零零九年四月二十三日完成之股本重組作出調整。

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40. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

40. 以股份形式支付之交易(續)

The following share options granted under the Option Scheme were exercised in the current year:

於本年度根據購股權計劃授出以下購股權：

Share option type	Number exercised	Exercise date	Share price at exercise date
購股權類別	已行使數目	行使日期	於行使日期之股份價格
2009A	5,680,000	28 April 2010 二零一零年四月二十八日	HK\$0.88 0.88 港元
2009B	5,830,000	28 April 2010 二零一零年四月二十八日	HK\$0.88 0.88 港元
2009A	1,600,000	4 May 2010 二零一零年五月四日	HK\$0.692 0.692 港元
2009B	990,000	4 May 2010 二零一零年五月四日	HK\$0.692 0.692 港元
2010	960,000	9 June 2010 二零一零年六月九日	HK\$0.74 0.74 港元
	<u>15,060,000</u>		

At 31 December 2010, the Company had 15,077,213 share options outstanding under the Option Scheme (2009: 24,589,057), representing 1.37% (2009: 13.07%) of the issued share capital of the Company at that date.

於二零一零年十二月三十一日，本公司有15,077,213份根據購股權計劃授出之尚未行使購股權(二零零九年：24,589,057份)，佔本公司於當日之已發行股本1.37%(二零零九年：13.07%)。

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41. RETIREMENT BENEFITS SCHEMES

With effect from 1 December 2000, the Group has set up a defined contribution retirement scheme, the Mandatory Provident Fund Scheme (the “MPF Scheme”), for all the eligible employees of the Group. The Group did not provide retirement benefits for its employees prior to set up of the MPF Scheme.

Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries up to a maximum of HK\$1,000 per employee and they can choose to make additional contributions. The employer’s monthly contributions are calculated at 5% of each employee’s monthly salaries up to a maximum of HK\$1,000 (the “Mandatory Contribution”). The employees are entitled to 100% of the employer’s Mandatory Contribution upon their retirement at the age of 65 years old, death or total incapacity.

41. 退休福利計劃

自二零零零年十二月一日起，本集團為所有合資格僱員設立一項定額供款退休計劃 — 強制性公積金計劃（「強積金計劃」）。於設立強積金計劃前，本集團並無為僱員提供任何退休福利。

根據強積金計劃，僱員均須按其月薪5%（最多以每僱員1,000港元為限）作出供款，並可選擇作出額外供款。僱主每月之供款乃按各僱員月薪5%（最多以1,000港元為限）計算（「強制性供款」）。僱員可於65歲退休、逝世或完全失去工作能力時全數獲得僱主之強制性供款。

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綜合財務報表附註

For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

42. MATERIAL RELATED PARTY TRANSACTIONS

(a) Save as disclosed elsewhere in these consolidated financial statements, the Group entered into the following material related party transactions during the years ended 31 December 2010 and 2009:

During the year, the Group entered into the following transactions with the CSEL Group and the CSFGL Group:

42. 重大關連人士交易

(a) 除本綜合財務報表其他地方所披露者外，於截至二零一零年及二零零九年十二月三十一日止年度內，本集團進行下列重大關連人士交易：

年內，本集團與CSEL集團及CSFGL集團進行下列交易：

Name of company 公司名稱	Nature of transaction 交易性質	2010	2009
		二零一零年 HK\$'000 千港元	二零零九年 HK\$'000 千港元
Paid or payable to: 已付或應付賬款：			
CSEL	Salaries 薪金	—	500
	Loan advanced by the Group 本集團之已墊付貸款	—	200,000
	Subscription of convertible note 認購可換股票據	—	200,000
Received or receivable from: 已收或應收賬款：			
CSEL	Loan repaid 償還貸款	5,103	200,000
	Interest income on: 以下各項之利息收入：		
	— loan advanced 已墊付貸款	—	3,972
	— convertible note 可換股票據	—	1,130
CSFGL Group CSFGL集團	Promissory note repaid 償還承付票	100,000	—
	Convertible note repaid 償還可換股票據	100,000	—
	Loan repaid 償還貸款	155,536	—
	Dividend received 已收股息	2,542	—

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

42. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

42. 重大關連人士交易(續)

(b) Compensation for key management personnel

(b) 主要管理人員薪酬

Remuneration for key management personnel, including amount paid to the directors of the Company and certain of the highest paid employees, as disclosed in notes 11 and 12 to the consolidated financial statements, is as follows:

主要管理人員薪酬(包括綜合財務報表附註11及12所披露支付予本公司董事及若干最高薪僱員之金額)如下:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Director fees	董事袍金	360	360
Salaries and allowances	薪金及其他津貼	1,326	3,412
Contributions to retirement benefits scheme	退休福利計劃供款	44	18
Share-based payment expenses	以股份形式支付之開支	839	453
		2,569	4,243

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

43. CAPITAL MANAGEMENT

Capital risk management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, maintains a strong credit rating and healthy ratios in order to support its business and enhance shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise and repay debts. The Group's capital management objectives, policies or processes were unchanged during the years 2010 and 2009.

The Company monitors capital using gearing ratio, which is the Group' total borrowings over equity attributable to owners of the Company. The gearing ratios as at 31 December 2010 and 2009 were as follows:

43. 資本管理

資本風險管理

本集團管理資本之主要目標為保障本集團持續經營之能力，維持強大信貸評級及穩健比率以支持其業務及提升股東價值。

本集團管理其資本結構並根據經濟情況變動作出調整。為維持或調整資本結構，本集團可調整向股東派發之股息、向股東退還資本、發行新股份或籌集及償還債項。於二零一零年及二零零九年，本集團之資本管理目標、政策或程序維持不變。

本公司採用負債比率(即本集團總借貸除以本公司擁有人應佔股權)監察資本。於二零一零年及二零零九年十二月三十一日之負債比率如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Convertible notes payable	應付可換股票據	—	54,563
Equity attributable to owners of the Company	本公司擁有人應佔股權	1,344,663	1,371,044
Gearing ratio	負債比率	—	4.0%

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

44. FINANCIAL INSTRUMENTS

44. 金融工具

Categories of financial instruments

金融工具之類別

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	996,701	496,415
Available-for-sale financial assets	可供出售之金融資產	53,892	172
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產	9,418	—
Financial liabilities	金融負債		
Amortised cost	攤銷成本	10,872	65,240

Financial risk management objectives and policies

財務風險管理目標及政策

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. These risks include credit risk, liquidity risk and price risk.

本集團之整體風險管理計劃專注於財務市場之難預測性，務求盡量減低對本集團財務表現之潛在不利影響。該等風險包括信貸風險、流動資金風險及價格風險。

44. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(a) Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

44. 金融工具(續)

財務風險管理目標及政策(續)

(a) 信貸風險

本集團所承受由於對手方未有履行義務而將導致本集團出現財務損失之最高信貸風險為於綜合財務狀況表所列相關已確認金融資產之賬面值。

為盡量減低信貸風險，本集團管理層已授權專責小組負責釐定信貸限額、信貸批准及其他監管程序，以確保已採取以下行動收回逾期債項。此外，本集團於各呈報期末檢討各個別債項之可收回金額，以確保已就不可收回金額作出充分減值虧損。就此而言，本公司董事認為本集團之信貸風險獲重大減低。

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44. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(b) Liquidity risk

The Group manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

The Group closely monitors its exposure to liquidity risk by reviewing the cash position report monthly. The Group mainly relies on cash inflow from provision of management services to fund its operations. The Group has sufficient cash on hand and also has alternative plans to monitor liquidity risk should there be significant adverse changes on the Group's cash flow projections.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

44. 金融工具(續)

財務風險管理目標及政策(續)

(b) 流動資金風險

本集團透過確保充足流動現金結存履行到期付款責任，以管理其流動資金風險。

本集團透過每月檢討現金狀況報告密切監察其承受之流動資金風險。本集團主要依賴提供管理服務之現金流入以為其業務提供資金。本集團有充裕手頭現金，而倘本集團之現金流量預測有重大不利變動，亦有其他監控流動資金風險之計劃。

下表詳列本集團就其非衍生金融負債之餘下合約到期日。該表已根據按本集團被要求支付之最早日期之金融負債未折現現金流量而編製。該表包括利息及本金現金流量。

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44. FINANCIAL INSTRUMENTS (Continued)

44. 金融工具(續)

Financial risk management objectives and policies (Continued)

財務風險管理目標及政策(續)

(b) Liquidity risk (Continued)

(b) 流動資金風險(續)

		3 months					
		Less than 1 month	1 to 3 months	to 1 year 三個月 至一年	1 to 5 years	Over 5 years	Total
		少於一個月	一至三個月	三個月 至一年	一至五年	五年以上	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
2010	二零一零年						
Continuing operations	持續經營業務						
Accruals and other payables	應計費用及其他應付款項	10,872	—	—	—	—	10,872
2009	二零零九年						
Continuing operations	持續經營業務						
Accruals and other payables	應計費用及其他應付款項	10,200	—	—	—	—	10,200

(c) Price risk

(c) 價格風險

The Group is exposed to equity price risk mainly through its investment in listed equity securities. The management manages this exposure by maintaining a portfolio of investments with different risk and return profiles.

本集團主要通過其上市股本證券投資而承受股本價格風險。管理層以不同風險及回報程度之投資組合管理此承擔。

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For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度

44. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(c) Price risk (Continued)

Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the end of the reporting period. For sensitivity analysis purpose, the sensitivity rate is increased to 15% in the current year as a result of the volatile financial market.

If equity prices had been 15% higher/lower (2009: Nil):

- Post-tax profit for the year ended 31 December 2010 would increase/decrease by HK\$1,413,000 (2009: Nil). This is mainly due to the changes in fair value of held-for-trading investments; and
- other comprehensive income would increase/decrease by HK\$8,058,000 (2009: Nil) as a result of the changes in fair value of available-for-sale investments.

(d) Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows.

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid and ask prices respectively.

44. 金融工具(續)

財務風險管理目標及政策(續)

(c) 價格風險(續)

股本價格敏感度分析

以下敏感度分析乃根據於報告期末之股本價格風險承擔而釐定。就敏感度分析而言，由於金融市場波動，故本年度敏感度上升15%。

倘若股本價格增加／減少15%（二零零九年：無）：

- 截至二零一零年十二月三十一日止年度之本年度除稅後溢利將增加／減少1,413,000港元（二零零九年：無），主要由於持作買賣投資之公平值變動所致。
- 其他全面收益將增加／減少8,058,000港元（二零零九年：無），主要由於可供出售投資之公平值變動所致。

(d) 金融工具之公平值

金融資產及金融負債之公平值按以下方式釐定：

- 受標準條款及條件規管及於活躍市場交易之金融資產及金融負債之公平值乃分別參考市場所報之買入及賣出價而釐定。

44. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(d) Fair value of financial instruments (Continued)

- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

44. 金融工具(續)

財務風險管理目標及政策(續)

(d) 金融工具之公平值(續)

- 衍生工具之公平值乃以報價計算。倘未取得有關價格，則非期權衍生工具以工具年期之適用收益曲線進行折現現金流量分析，而期權衍生工具則以期權定價模式進行折現現金流量分析。外匯遠期合約之計量乃配合合約年期之市場利率而產生遠期匯率和收益曲線而成。利率掉期之公平值乃以市場利率衍生之合適收益曲線來折現預計未來現金流量之現值計量。
- 其他金融資產及金融負債之公平值乃以公認計價模式按折算現金流量分析釐定。

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44. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(d) Fair value of financial instruments (Continued)

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values:

44. 金融工具(續)

財務風險管理目標及政策(續)

(d) 金融工具之公平值(續)

除下表詳述者外，董事認為於綜合財務報表內金融資產及金融負債之賬面值與其公平值相若：

		2010 二零一零年		2009 二零零九年	
		Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Financial assets	金融資產				
Available-for-sale financial assets	可供出售金融資產	53,892	53,920	172	172
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產	9,418	9,418	—	—

44. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(d) Fair value of financial instruments (Continued)

Fair value measurements recognised in the consolidated statement of financial position

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

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

44. 金融工具(續)

財務風險管理目標及政策(續)

(d) 金融工具之公平值(續)

確認於綜合財務狀況表之公平值計量

下表提供初次確認後以公平值計量之金融工具之分析，其按可觀察公平值之程度分為1至3級：

- 第1級公平值計量乃按相同資產或負債於活躍市場中所報價格(未經調整)；
- 第2級公平值計量乃除第一級計入之報價外，來自資產或負債可直接或間接觀察輸入數據得出；及
- 第3級公平值計量乃計入並非根據可觀察市場數據之資產或負債之估值方法得出。

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44. FINANCIAL INSTRUMENTS (Continued)

44. 金融工具(續)

Financial risk management objectives and policies (Continued)

財務風險管理目標及政策(續)

(d) Fair value of financial instruments (Continued)

(d) 金融工具之公平值(續)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

確認於綜合財務狀況表之公平值計量(續)

The following table shows an analysis of financial instruments recorded at fair value by the fair value hierarchy:

下表顯示以公平值等級按公平值記錄之金融工具分析：

		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2010	於二零一零年 十二月三十一日				
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產				
– Listed equity securities	– 上市股本證券	7,650	–	–	7,650
– Listed derivatives	– 上市衍生工具	1,768	–	–	1,768
Available-for-sale financial assets	可供出售金融資產	53,720	–	–	53,720
At 31 December 2009	於二零零九年 十二月三十一日				
Conversion options embedded in convertible notes receivable	應收可換股票據之內含兌換選擇權	–	–	18,316	18,316

There were no transfers between Levels 1 and 2 in the both year.

兩年內，級別1及2之間均無轉撥。

45. EVENTS AFTER THE REPORTING PERIOD

On 21 January 2011, the Company and CSEL entered into a subscription agreement pursuant to which CSEL has conditionally agreed to issue and the Company has conditionally agreed to subscribe or procure subscription for the convertible bonds in the maximum principal amount of HK\$650,000,000 in two tranches at their face value. The convertible bonds are unsecured, interest bearing at 8% per annum and maturing on the fifth anniversary of the date of their issue. The convertible bonds carry rights entitling the Company to convert their principal amount into shares in CSEL at an initial conversion price of HK\$0.08 per share (subject to adjustment). The subscription and the conversion of the convertible bonds are subject to the shareholders' approval. Please refer to the Company's announcement dated 9 February 2011 for details.

46. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 March 2011.

45. 呈報期後事項

於二零一一年一月二十一日，本公司與CSEL訂立認購協議，據此，CSEL已有條件同意分兩批按面值發行而本公司已有條件同意認購或促使認購最高本金額650,000,000港元之可換股債券。可換股債券為無抵押，以每年8%計息，及於發行日期第五週年到期。可換股債券可賦予本公司權力，以按初步換股價每股股份0.08港元兌換其本金額為CSEL股份(可予調整)。認購及兌換可換股債券須待股東批准。詳情請參閱本公司於二零一一年二月九日刊發之公佈。

46. 批准財務報表

財務報表已於二零一一年三月二十五日經董事會批准及授權刊發。

Five-Year Financial Summary

五年財務概要

		For the years ended 31 December 截至十二月三十一日止年度				
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (Restated) (重列)	2006 二零零六年 HK\$'000 千港元 (Restated) (重列)
Results	業績					
Turnover	營業額	78,200	74,711	19,253	7,722	9,375
(Loss)/profit from continuing operations	來自持續經營業務之(虧損)/溢利	(353,053)	415,731	(107,240)	(44,749)	(11,484)
Finance costs	融資費用	(3,041)	(8,086)	(3,350)	—	(9,615)
(Loss)/profit before taxation	除稅前(虧損)/溢利	(356,094)	407,645	(110,590)	(44,749)	(21,099)
Income tax (expense)/credit	稅項(支出)/抵免	(363)	14,493	13,854	—	(195)
(Loss)/profit for the year from continuing operations	來自持續經營業務之本年度(虧損)/溢利	(356,457)	422,138	(96,736)	(44,749)	(21,294)
(Loss)/profit for the year from discontinued operation	來自已終止經營業務之本年度(虧損)/溢利	—	(5,576)	(127,772)	70,443	—
(Loss)/profit for the year	本年度(虧損)/溢利	(356,457)	416,562	(224,508)	25,694	(21,294)
Dividends	股息	33,063	—	—	—	—

ASSETS AND LIABILITIES

資產及負債

		At 31 December 於十二月三十一日				
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (Restated) (重列)	2006 二零零六年 HK\$'000 千港元 (Restated) (重列)
Total assets	資產總值	1,397,404	1,480,772	1,524,280	1,542,452	922,228
Total liabilities	負債總額	(52,741)	(109,728)	(629,857)	(492,476)	(518,696)
Total equity	股權總額	1,344,663	1,371,044	894,423	1,049,976	403,532

