



中廣核礦業有限公司*

CGN Mining Company Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 1164)

ANNUAL REPORT 年報

2011



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Financial Highlights 財務摘要

OPERATING RESULTS 業績

		For the year ended 31 December 截至12月31日止年度				
		2011	2010	2009	2008	2007
		二零一一年	二零一零年	二零零九年	二零零八年	二零零七年
		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
Turnover	營業額	372,726	328,120	367,056	699,317	507,494
Operating (loss) profit	經營(虧損)溢利	(224,349)	52,942	66,171	97,887	77,576
Finance costs	融資成本	(10,524)	(779)	(586)	(16,405)	(12,605)
(Loss) profit before taxation	除稅前(虧損)溢利	(234,873)	52,163	65,585	81,482	64,971
Income tax credit (expense)	所得稅抵免(支出)	3,417	(12,947)	(12,615)	(20,563)	(14,512)
(Loss) profit for the year	本年度(虧損)溢利	(231,456)	39,216	52,970	60,919	50,459
(Loss) profit attributable to:	下列人士應佔					
	(虧損)溢利:					
Owners of the Company	本公司擁有人	(229,858)	36,610	53,010	61,095	50,622
Non-controlling interests	非控股權益	(1,598)	2,606	(40)	(176)	(163)
		(231,456)	39,216	52,970	60,919	50,459

FINANCIAL POSITION 財政狀況

		As at 31 December 於12月31日				
		2011	2010	2009	2008	2007
		二零一一年	二零一零年	二零零九年	二零零八年	二零零七年
		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
Total assets	總資產	1,945,034	871,860	725,102	794,921	741,037
Total liabilities	總負債	(908,167)	(164,845)	(74,912)	(197,549)	(236,995)
		1,036,867	707,015	650,190	597,372	504,042
Equity attributable to owners of the Company	本公司擁有人 應佔權益	1,034,844	703,601	649,382	596,959	503,453
Non-controlling interests	非控股權益	2,023	3,414	808	413	589
		1,036,867	707,015	650,190	597,372	504,042

Financial Highlights 財務摘要

Note: The consolidated results of the Group for the two years ended 31 December 2011 and 2010 and the assets and liabilities of the Group as at 31 December 2011 and 2010 have been extracted from the audited consolidated financial statements of the Group as set out on pages 73 to 76 of the Annual Report.

附註：本集團截至2011年及2010年12月31日止兩個年度的綜合業績和本集團於2011年及2010年12月31日的資產及負債是節錄於本年報內第73至76頁的本集團經審核綜合財務報表。

Corporate Information 公司資料

As at 23 March 2012

DIRECTORS

Chairman and Non-Executive Director

Yu Zhiping

Executive Directors

He Zuyuan (*Chief executive officer*)

Li Zhengguang

Zheng Xiaowei

Non-executive Directors

Wei Qiyang

Chen Zhiyu

Independent Non-executive Directors

Ling Bing

Qiu Xianhong

Huang Jinsong

AUDIT COMMITTEE

Qiu Xianhong (*Chairman*)

Wei Qiyang

Ling Bing

REMUNERATION COMMITTEE

Qiu Xianhong (*Chairman*)

Ling Bing

Huang Jinsong

He Zuyuan

Li Zhengguang

NOMINATION COMMITTEE

Yu Zhiping (*Chairman*)

He Zuyuan

Ling Bing

Qiu Xianhong

Huang Jinsong

AUTHORISED REPRESENTATIVES

He Zuyuan

Cheung Hin Kiu

COMPANY SECRETARY

Cheung Hin Kiu

(ACIS (ICSA), ACS (HKICS), ACCA)

(appointed on 31 March 2011)

於2012年3月23日

董事

主席暨非執行董事

余志平

執行董事

何祖元 (*首席執行官*)

李正光

鄭曉衛

非執行董事

魏其岩

陳志宇

獨立非執行董事

凌兵

邱先洪

黃勁松

審核委員會

邱先洪 (*主席*)

魏其岩

凌兵

薪酬委員會

邱先洪 (*主席*)

凌兵

黃勁松

何祖元

李正光

提名委員會

余志平 (*主席*)

何祖元

凌兵

邱先洪

黃勁松

授權代表

何祖元

張顯翹

公司秘書

張顯翹

(ACIS (ICSA), ACS (HKICS), ACCA)

(於2011年3月31日獲委任)

Corporate Information 公司資料

During the period from 18 August 2011 to 31 December 2011

於2011年8月18日至12月31日期間

DIRECTORS

Chairman and Non-Executive Director

Yu Zhiping

Executive Directors

He Zuyuan (*Chief executive officer*)

Li Zhengguang

Non-executive Directors

Wei Qiyao

Zheng Xiaowei

Chen Zhiyu

Independent Non-executive Directors

Ling Bing

Qiu Xianhong

Huang Jinsong

AUDIT COMMITTEE

Qiu Xianhong (*Chairman*)

Wei Qiyao

Ling Bing

REMUNERATION COMMITTEE

He Zuyuan (*Chairman*)

Li Zhengguang

Ling Bing

Qiu Xianhong

Huang Jinsong

AUTHORISED REPRESENTATIVES

He Zuyuan

Cheung Hin Kiu

COMPANY SECRETARY

Cheung Hin Kiu

(ACIS (ICSA), ACS (HKICS), ACCA)

(appointed on 31 March 2011)

董事

主席暨非執行董事

余志平

執行董事

何祖元 (*首席執行官*)

李正光

非執行董事

魏其岩

鄭曉衛

陳志宇

獨立非執行董事

凌兵

邱先洪

黃勁松

審核委員會

邱先洪 (*主席*)

魏其岩

凌兵

薪酬委員會

何祖元 (*主席*)

李正光

凌兵

邱先洪

黃勁松

授權代表

何祖元

張顯翹

公司秘書

張顯翹

(ACIS (ICSA), ACS (HKICS), ACCA)

(於2011年3月31日獲委任)

Corporate Information 公司資料

During the period from 1 January 2011 to 17 August 2011

於2011年1月1日至8月17日期間

DIRECTORS

Executive Directors

Xu Xiaofan (*Chairman*)
Chen Zhiyu (*Chief executive officer*)
Guo Lin
Huang Zemin
Li Ke
Liu James Jin

Independent Non-executive Directors

Lui Tin Nang
Lee Kwong Yiu
Chong Cha Hwa

AUDIT COMMITTEE

Lui Tin Nang (*Chairman*)
Lee Kwong Yiu
Chong Cha Hwa

REMUNERATION COMMITTEE

Lee Kwong Yiu (*Chairman*)
Lui Tin Nang
Chong Cha Hwa
Xu Xiaofan
Guo Lin

AUTHORISED REPRESENTATIVES

Liu James Jin
Cheung Hin Kiu (appointed on 31 March 2011)
Leung Wai Pong (resigned on 31 March 2011)

COMPANY SECRETARY

Cheung Hin Kiu
(ACIS (ICSA), ACS (HKICS), ACCA)
(appointed on 31 March 2011)

Leung Wai Pong
(CPA (Aust.), CPA)
(resigned on 31 March 2011)

董事

執行董事

徐小凡 (*主席*)
陳志宇 (*首席執行官*)
郭琳
黃澤民
李可
劉津

獨立非執行董事

呂天能
李廣耀
張家華

審核委員會

呂天能 (*主席*)
李廣耀
張家華

薪酬委員會

李廣耀 (*主席*)
呂天能
張家華
徐小凡
郭琳

授權代表

劉津
張顯翹 (於2011年3月31日獲委任)
梁偉邦 (於2011年3月31日離任)

公司秘書

張顯翹
(ACIS (ICSA), ACS (HKICS), ACCA)
(於2011年3月31日獲委任)

梁偉邦
(CPA (Aust.), CPA)
(於2011年3月31日離任)

Corporate Information 公司資料

REGISTERED OFFICE

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

HEAD OFFICE, HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 7, 31st Floor
Tower 1, Lippo Centre
89 Queensway
Hong Kong

COMPANY WEBSITE

<http://www.irasia.com/listco/hk/cgnmining/index.htm>
(with effect from 3 January 2012)

www.vital-pharm.com
(ceased to be effective from 3 January 2012)

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation Limited
The Agriculture Bank of China Limited
Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China (Asia) Limited

AUDITORS

SHINEWING (HK) CPA Limited

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

HSBC Trustee (Cayman) Limited
P.O. Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106
Cayman Islands

註冊辦事處

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

香港總辦事處、總部及主要營業地點

香港
金鐘道89號
力寶中心1座
31樓7室

公司網址

<http://www.irasia.com/listco/hk/cgnmining/index.htm>
(於2012年1月3日生效)

www.vital-pharm.com
(於2012年1月3日停用)

主要往來銀行

香港上海滙豐銀行有限公司
中國農業銀行股份有限公司
中國銀行(香港)有限公司
中國工商銀行(亞洲)有限公司

核數師

信永中和(香港)會計師事務所有限公司

開曼群島股份過戶登記總處及股份過戶辦事處

HSBC Trustee (Cayman) Limited
P.O. Box 484
HSBC House
68 West Bay Road
Grand Cayman
KY1-1106
Cayman Islands

Corporate Information 公司資料

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份登記分處及過戶辦事處

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



Chairman's Statement 主席報告書

On behalf of the board of directors (the “Board”) of CGN Mining Company Limited (“CGN Mining” or the “Company”) and its subsidiaries (collectively referred to as the “Group”), I hereby announce the audited consolidated results of the Group for the year ended 31 December 2011.

Year 2011 has been a remarkable year for the Company. Over the years, the Directors have been continuing in exploring suitable business opportunities to broaden the revenue base and to diversify the business scope of the Company. In March 2011, the Company entered into the Subscription Agreement pursuant to which the Company has agreed to (i) allot and issue to China Uranium Development Company Limited (“China Uranium Development”) the Subscription Shares at a price of HK\$0.23 per Subscription Share and (ii) allot and issue to China Uranium Development HK\$600,000,000 Convertible Bonds (“CB”) which can be converted into the Conversion Shares at an initial Conversion Price of HK\$0.23 per Conversion Share. The Subscription Agreement has been approved at the extraordinary general meeting held on 8 June 2011. Completion of the Share Subscription and completion of the CB Subscription took place simultaneously on 18 August 2011. The Group has explored new investment opportunity through introducing new investor.

本人謹代表中廣核礦業有限公司（「中廣核礦業」或「本公司」）連同其附屬公司（統稱「本集團」）董事會（「董事會」）宣佈本集團截至2011年12月31日止年度之經審核綜合業績。

2011年對本集團來說是一個新的突破。董事一直以來不斷發掘合適商機，以擴大收益基礎及多元化發展本公司之業務範疇。於2011年3月，本公司訂立一份認購協議。根據協議，本公司同意(i)按每股認購股份0.23港元的價格向中國鈾業發展有限公司（「中國鈾業發展」）配發及發行認購股份；及(ii)發行及配發600,000,000港元的可換股債券予中國鈾業發展，可換股債券可按換股價格（初步為每股換股股份0.23港元）轉換為換股股份。認購協議已於2011年6月8日的股東特別大會獲得通過。而股份認購及可換股債券之認購已於2011年8月18日同時交割。藉著引入新的投資者的機會，集團開拓投資機遇。

Chairman's Statement 主席報告書

BUSINESS REVIEW

In year 2011, the consolidated turnover of the Group increased by approximately 14% year-on-year to approximately HK\$373 million from HK\$328 million. The loss attributable to owners of the Company amounted to approximately HK\$230 million (2010: profit attributable to owners of the Company of approximately HK\$37 million).

The significant decrease in the results for the year 2011 as compared with previous year was primarily attributable to the effect of the change of industry regulations and internal integration on our pharmaceutical and food business.

In addition, the Group discovered that since June 2011, there has been a substantial drop in the sales of Osteoform compound calcium amino acid chelate food capsule ("Osteoform Calcium Food"). The food hygiene license (食品衛生許可證) obtained by the Group was expired on 25 November 2011. Due to the change of relevant rules and regulations relating to food hygiene, the food hygiene licence for Osteoform Calcium Food was unable to obtain its renewal and therefore the Group has stopped the production of Osteoform Calcium Food.

As a result of the above events, the profits of the Group for the year has been recorded a substantial decrease as compared to year 2010, due to the impairment for goodwill amounted to approximately HK\$52 million, impairment for inventory amounted to approximately HK\$15 million, and staff compensation amounted to approximately HK\$44 million. Furthermore, due to integration of production line (the "Integration"), which resulted in the idleness of certain plants and equipment, impairment loss amounted to approximately HK\$72 million has been recognised for the property, plant and equipment of subsidiaries of the Company.

Since the Group has shifted the manufacturing activities to China, there is idle capacity of the production facilities in Hong Kong. After careful consideration, the Group disposed of its property situated in Shatin.

業務回顧

2011年，本集團之綜合營業額約373百萬港元，較去年同期約328百萬港元增加約14%。本公司擁有人應佔虧損約230百萬港元（2010年：本公司擁有人應佔溢利約37百萬港元）。

2011年業績比去年大幅下降，主要是因為集團藥品及食品之業務受著行業規條改變及內部整合所影響。

另外，本集團發現旗下食品「樂力複合氨基酸螯合鈣膠囊食品」（「樂力鈣食品」）自2011年6月起銷情大減。本集團取得之食品衛生許可證已於2011年11月25日屆滿。因食品衛生規則及規例有所修改，所以未能獲得重續。因此，本集團已停止生產樂力鈣食品。

根據上述事項，集團為商譽作出減值約為52百萬港元和存貨減值約為15百萬港元，加上員工補償約為44百萬港元，本集團於年內之溢利較2010年大幅下降。此外，由於整合生產線（「整合」），因而導致若干廠房及設備閒置，本公司附屬公司物業、廠房及設備確認減值虧損約為72百萬港元。

由於集團已將生產活動遷移至國內，導致香港之生產設施出現閒置情況。經審慎考慮後，本集團已出售位於沙田的物業。

Chairman's Statement 主席報告書

FUTURE PLANS AND PROSPECTS

The Board is of the view that, in the foreseeable future, consolidation will be seen in the markets of food, pharmaceuticals and properties of the PRC, with substantial pressure existing in the operating environment. The Group will strengthen risk management and scale down the existing pharmaceutical and food business. On the other hand, the Group will expand the scale of trading of natural uranium and proactively identify uranium resource investment opportunities.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express our heartfelt gratitude to our business partners, customers and shareholders for their relentless support. I would also like to thank all our staff for their dedicated efforts over the past year.

Yu Zhiping

Chairman

Hong Kong, 23 March 2012

未來計劃及前景

董事會認為，在可預見的將來，國內的食品、藥品和房地產市場都會繼續出現調整和有著重大的經營壓力。集團會加強風險管理及縮減現有之藥品及食品業務。另外，本集團將擴張天然鈾貿易規模及積極尋找鈾資源投資的契機。

致意

本人謹代表董事會向一直支持我們的業務夥伴、客戶及股東表示衷心的謝意，並對全體員工於過去一年的不懈努力予以感謝。

主席

余志平

香港，2012年3月23日



Management Discussion and Analysis 管理層討論及分析

In year 2011, the consolidated turnover of the Group increased by approximately 14% year-on-year to approximately HK\$373 million from HK\$328 million. The loss attributable to owners of the Company amounted to approximately HK\$230 million (2010: profit attributable to owners of the Company of approximately HK\$37 million).

The significant decrease in the results for the year 2011 as compared with previous year was primarily attributable to the effect of the change of industry regulations and internal integration on our pharmaceutical and food business.

In addition, the Group discovered that since June 2011, there has been a substantial drop in the sales of Osteoform compound calcium amino acid chelate food capsule (“Osteoform Calcium Food”). The food hygiene license (食品衛生許可證) obtained by the Group was expired on 25 November 2011. Due to the change of relevant rules and regulations relating to food hygiene, the food hygiene licence for Osteoform Calcium Food was unable to obtain its renewal and therefore the Group has stopped the production of Osteoform Calcium Food.

2011年，本集團之綜合營業額約373百萬港元，較去年同期約328百萬港元增加約14%。本公司擁有人應佔虧損約230百萬港元（2010年：本公司擁有人應佔溢利約37百萬港元）。

2011年業績比去年大幅下降，主要是因為集團藥品及食品之業務受著行業規條改變及內部整合所影響。

另外，本集團發現旗下食品「樂力複合氨基酸螯合鈣膠囊食品」（「樂力鈣食品」）自2011年6月起銷情大減。本集團取得之食品衛生許可證已於2011年11月25日屆滿。因食品衛生規則及規例有所修改，所以未能獲得重續。因此，本集團已停止生產樂力鈣食品。

Management Discussion and Analysis 管理層討論及分析

As a result of the above events, the profits of the Group for the year has been recorded a substantial decrease as compared to year 2010, due to the impairment for goodwill amounted to approximately HK\$52 million, impairment for inventory amounted to approximately HK\$15 million, and staff compensation amounted to approximately HK\$44 million. Furthermore, due to integration of production line (the "Integration"), which resulted in the idleness of certain plants and equipment, impairment loss amounted to approximately HK\$72 million has been recognised for the property, plant and equipment of subsidiaries of the Company.

Since the Group has shifted the manufacturing activities to China, there is idle capacity of the production facilities in Hong Kong. After careful consideration, the Group disposed of its property situated in Shatin.

As a whole, the loss attributable to owners of the Company amounted to approximately HK\$230 million (2010: profit attributable to owners of the Company of approximately HK\$37 million). Basic loss per share was HK10.31 cents (2010: earnings of HK2.36 cents). The Group's financial position remained strong during the year, with approximately HK\$1,264 million of bank balance and cash as at 31 December 2011. Gearing ratio (total borrowings/equity attributable to owners of the Company, net of intangible assets and goodwill) as at 31 December 2011 was 45%.

TRADING OF NATURAL URANIUM

Over the years, the directors of the Company have been exploring suitable business opportunities to broaden the revenue base and to diversify the business scope of the Company. In March 2011, the Company entered into the Subscription Agreement pursuant to which the Company has agreed to (i) allot and issue to China Uranium Development the Subscription Shares at a price of HK\$0.23 per Subscription Share and (ii) issue and allot to China Uranium Development HK\$600,000,000 Convertible Bonds ("CB") which can be converted into the Conversion Shares at an initial Conversion Price of HK\$0.23 per Conversion Share. The Subscription Agreement has been approved at the extraordinary general meeting held on 8 June 2011. Completion of the Share Subscription and completion of the CB Subscription took place simultaneously on 18 August 2011. The proceeds from the Share Subscription and the CB Subscription may finance new business opportunities or investments of the Group. The Group can explore new investment opportunity through introducing new investor.

根據上述事項，集團為商譽作出減值約為52百萬港元和存貨減值約為15百萬港元，加上員工補償約為44百萬港元，本集團於年內之溢利較2010年大幅下降。此外，由於整合生產線（「整合」），因而導致若干廠房及設備閒置，本公司附屬公司物業、廠房及設備確認減值虧損約為72百萬港元。

由於集團已將生產活動遷移至國內，導致香港之生產設施出現閒置情況。經審慎考慮後，本集團已出售位於沙田的物業。

整體而言，本公司擁有人應佔虧損約為230百萬港元（2010年：本公司擁有人應佔溢利約37百萬港元）。每股基本虧損為10.31港仙（2010年度：每股基本盈利2.36港仙）。集團在年內的財政狀況保持穩健，於2011年12月31日，集團擁有銀行結餘及現金約1,264百萬港元，資本借貸比率（全部借貸／扣減無形資產及商譽後的本公司擁有人應佔權益）為45%。

天然鈾貿易

多年來，本公司董事致力於發掘合適商機，以擴大收益基礎及多元化發展本公司之業務範疇。於2011年3月份，本公司訂立一份認購協議。根據協議，本公司同意(i)按每股認購股份0.23港元的價格向中國鈾業發展配發及發行認購股份；及(ii)發行及配發600,000,000港元的可換股債券予中國鈾業發展，可換股債券可按換股價格（初步為每股換股股份0.23港元）轉換為換股股份。認購協議已於2011年6月8日的股東特別大會獲得通過。而股份認購及可換股債券之認購已於2011年8月18日同時交割。股份認購及可換股債券之認購所得款項可為本集團新業務機會或投資提供資金。藉著引入新的投資者的機會，集團可開拓投資機遇。

Management Discussion and Analysis 管理層討論及分析

The Group has commenced the trading of natural uranium during the year. In October 2011, the Company and CGNPC Uranium Resources Co., Ltd (“CGNPC-URC”) (presently known as “CGNPC Nuclear Fuel Co., Ltd”) entered into a framework agreement in relation to the sale of natural uranium by the Group to CGNPC-URC during the effective period. During the year, the Group has procured the first batch of natural uranium from overseas supplier.

PHARMACEUTICAL AND FOOD INDUSTRY

Product Sales

During the year, the Group's turnover from sales of pharmaceutical and food product was amounted to approximately HK\$367 million, an increase of approximately 13% as compared with the sales of approximately HK\$324 million for the corresponding year.

“Osteoform Calcium Food”, a food product of the Group

The Group's food product “Osteoform Calcium Food” consists of multiple minerals and vitamins. Its nutrition facilitates the absorption of calcium by human body, thus helping the formation of bone matrix and the maintenance of bone density. Turnover of “Osteoform Calcium Food” amounted to approximately HK\$181 million in year 2011, representing a decrease of approximately 12% as compared with last year. As mentioned above, the Group has stopped the production of Osteoform Calcium Food.

“Osteoform Vitamins with minerals dispersible tablet”, a compound vitamin and minerals product

“Osteoform Vitamins with minerals dispersible tablet”, a compound product for the prevention and treatment of disease caused by lack of vitamins and minerals, has been launched to the market during the second quarter of year 2009. The sales turnover in year 2011 was around HK\$21 million, representing a growth of approximately 17% as compared with last year.

集團於年內開始天然鈾貿易業務。於2011年10月，本公司與中廣核鈾業發展有限公司（「中廣核鈾業發展」）（現稱「中廣核燃料有限公司」）就本集團於有效時期內向中廣核鈾業發展出售天然鈾訂立框架協議。於年內，集團從海外供應商購入第一批天然鈾。

藥品和食品業務

產品銷售

年內，本集團之藥品和食品銷售營業額約3.67億港元，與去年同期約3.24億港元比較，上升約13%。

『樂力鈣食品』— 本集團的食品

本集團的食品「樂力鈣食品」含多種礦物質和維生素，其營養作用可促進人體對鈣的吸收、亦能促進骨基質生成，維持骨質密度，樂力鈣食品在2011年內錄得營業額約181百萬港元，與去年比較，錄得跌幅約12%。如前所述，本集團已停止生產樂力鈣食品。

『樂力多維元素分散片』— 維生素與礦物質分散片

於2009年第2季度中推出了市場的「樂力多維元素分散片」，可用於預防和治療因缺乏維生素與礦物質所引起的各種疾病，於2011年錄得約21百萬港元的銷售，與去年比較，錄得升幅約17%。

Management Discussion and Analysis 管理層討論及分析

Madaus products

For the trading of overseas agency products of Madaus GmbH, Germany, which include Legalon (Silymarin) and Uralyt-U (Potassium Sodium Hydrogen Citrate Granules), etc., the Group has recorded sales of approximately HK\$93 million in year 2011, representing a growth of approximately 82% as compared with last year.

“Taurolite®”, a prescription medication capable of dissolving the cholesterol stones formed in the gallbladder and bile-duct

“Taurolite®” Tauroursodeoxycholic acid capsule cures and prevents liver diseases such as cholelithiasis and chronic bile stasis. In the case of cholesterol stone smaller than 2cm, sufferers may simply dissolve it by taking the medication without having to undergo operation. “Taurolite®” has been launched into the market during the second half of year 2009. The sales turnover for year 2011 was around HK\$19 million, representing a growth of approximately 233% as compared with last year.

Vital Pharmaceuticals (Sichuan) Co., Ltd

During the year, the plant of Vital Pharmaceuticals (Sichuan) Co., Ltd. is principally responsible for the production of the Group’s product “Aceclofenac Tablets”, “Aotianping” (Miglitol Tablets), the new drug to gynaecology called “Hongjinxiaojie Tablet”, “Mengtuoshisan” which is used for the treatment of diarrhoea and “Domperidone Tablets” which is used for the treatment of plenitude and indigestion.

Vital Pharmaceuticals (Sichuan) Co., Ltd. has applied to the relevant government authorities for the split (“Split”) on 19 July 2011 and the Split has been completed. Vital Pharmaceuticals (Sichuan) Co., Ltd. has been split into 2 companies, namely, 四川維奧製藥有限公司 (Vital Pharmaceuticals (Sichuan) Co., Ltd.) and a newly established company, 四川維奧實業有限公司 (Sichuan Vital Industrial Co., Ltd.).

德國馬博士大藥廠產品

在代理經營德國馬博士大藥廠的藥品方面，其中包括『利加隆』(水飛薊素)和『友來特』(枸橼酸氫鉀鈉顆粒)等，集團於2011年內錄得約93百萬港元的銷售，與去年比較，錄得升幅約82%。

『滔羅特®』— 溶解膽囊和膽管中膽固醇結石的處方藥

「滔羅特®」牛磺熊去氧膽酸膠囊，其主要適應症為治療和預防膽固醇結石及慢性膽汁淤積性肝病，使患者在無需接受手術治療下服藥溶解小於2cm的膽固醇結石。「滔羅特®」於2009年下旬推出了市場，於2011年內錄得營業額約19百萬港元，與去年比較，錄得升幅約233%。

四川維奧製藥有限公司

四川維奧製藥有限公司於年內主要負責生產本集團的「維樸芬」(醋氯芬酸)、「奧恬蘋」米格列醇片及新產品婦科用藥維奧美消丹「紅金消結片」和用於治療腹瀉的「蒙脫石散」及治療胃脹、消化不良的胃動力藥品「多潘立酮片」。

四川維奧製藥有限公司已於2011年7月19日向相關政府機構申請分拆，而分拆已經完成。四川維奧製藥有限公司現分拆為兩家公司，即分拆完成後之四川維奧製藥有限公司與一家新成立公司四川維奧實業有限公司。

Management Discussion and Analysis 管理層討論及分析

Due to the integration of production line, certain plants and equipment in Vital Pharmaceuticals (Sichuan) Co., Ltd. have been idled. In view of that, on 16 August 2011, Yugofoil Holdings Limited (“Yugofoil”), a wholly-owned subsidiary of the Company, entered into a conditional agreement with an independent third party, Bright Future Pharmaceutical Holdings Limited (“Bright Future”), pursuant to which Yugofoil agreed to dispose of and Bright Future agreed to acquire the entire equity interest of Vital Pharmaceuticals (Sichuan) Co., Ltd (the entity after completion of the Split) at cash consideration of HK\$51,000,000. The disposal of equity interest was completed.

The Production Base in Wuhan, Hubei Province, the PRC

During the year, major production included a new drug “Glimepiride orally disintegrating tablets” – medication for diabetes, “Vital Fast” – a slow release flu medication, “Opin” – a gynaecology biological drug and the Group’s food product “Osteoform Calcium Food”. Production of “Osteoform Calcium Food” has been stopped since August 2011.

Weiao (Chengdu) Pharmaceutical Co., Ltd. (維奧(成都)製藥有限公司)

Weiao (Chengdu) Pharmaceutical Co., Ltd. has received GMP certificate at the end of January 2011. Since the launch of the New GMP Standard, the existing GMP certificate will be expired in December 2013. Improvement work shall be conducted to comply with the new standard and substantial funding will be required. Furthermore, the state industrial policy restricted the production capacity of new drug and product submission, and classified injection drug as high-risk medication. Taking into account the cost effectiveness of the production, the Company has suspended the production and dismissed the staff of the product line in the first quarter. On 25 July 2011, Vital Pharmaceuticals (Sichuan) Company Limited, a wholly-owned subsidiary of the Company, entered into an agreement with Sichuan Hebon Enterprise Company Ltd (四川禾邦實業集團有限公司) (“Sichuan Hebon”), pursuant to which Vital Pharmaceuticals (Sichuan) Company Limited agreed to dispose of and Sichuan Hebon agreed to acquire the entire equity interest of Weiao (Chengdu) Pharmaceutical Co., Ltd. (維奧(成都)製藥有限公司) at a consideration of RMB1.5 million. Transfer of equity interest has been completed.

由於整合四川維奧製藥有限公司之生產線，導致若干廠房及設備閒置。因此，於2011年8月16日，本公司全資附屬公司裕高飛控股有限公司（「裕高飛」）與獨立第三方Bright Future Pharmaceutical Holdings Limited（「Bright Future」）訂立有條件協議，據此，裕高飛同意出售，而Bright Future同意收購分拆後之四川維奧製藥有限公司之全部股本權益，現金代價為51,000,000港元。轉讓股本權益已完成。

中國湖北省武漢市的生產基地

年內，本工廠主要生產：用於治療糖尿病的新產品「格列美脲」、治療感冒的藥品「維快」、治療婦科病的生物藥品「樂平」及本集團的食品「樂力鈣食品」。 「樂力鈣食品」於2011年8月份以後已停產。

維奧(成都)製藥有限公司

維奧(成都)製藥有限公司已於2011年1月底獲得GMP證書。因國家新版GMP標準的推行，現有GMP證書將於2013年12月到期，按規定應重新進行GMP改造，此需要大量資金；並且國家產業政策限制新建藥品生產產能、限制產品報批，並將注射劑列為高風險劑型。集團考慮到成本效益的問題，所以公司已於第1季度停止生產，及解散生產線員工。於2011年7月25日，本公司全資附屬公司四川維奧製藥有限公司與四川禾邦實業集團有限公司（「四川禾邦實業」）簽訂一份協議，據此，本公司之全資附屬公司四川維奧製藥同意出售而四川禾邦實業同意收購維奧(成都)製藥有限公司全部股本權益。轉讓價款為人民幣1,500,000元。轉讓股本權益已完成。

Management Discussion and Analysis 管理層討論及分析

Sichuan Hengtai Pharmaceutical Company Limited

Sichuan Hengtai Pharmaceutical Company Limited is the major sales arm of the Group. During the year, major sales products included: “Osteoform Calcium Food”, Madaus products, “Osteoform Vitamins with minerals dispersible tablet”, “Taurolite®” and “Vital Fast” etc.

Property Investment

Property development

Chengdu Wenjiang Vital Property Development Company Limited (成都溫江維奧房地產開發有限公司) was incorporated in July 2010 for the purpose of developing the land acquired in May 2010 by auction, which is a tract of state-owned land for construction use, located in the Wancheng Community, Liucheng Street, Wenjiang District, Chengdu, the PRC (中國成都市溫江區柳城街辦萬盛社區) with a total area of approximately 49,595 square meters. Given the government's austerity measures to curb the real estate market, the property market in the PRC will remain uncertain. In order to mitigate the risk, on 29 July 2011, Chengdu Vital Property Co., Ltd. (成都維奧置業有限公司) entered into an agreement with Sichuan Longhe Properties Limited (四川隆禾置業有限公司) and Chengdu Wenjiang Vital Property Development Company Limited (成都溫江維奧房地產開發有限公司), pursuant to which Chengdu Vital Property Co., Ltd. has agreed to dispose of and Sichuan Longhe Properties Limited has agreed to acquire the Sale Interest and the Sale Loan of Chengdu Wenjiang Vital Property Development Company Limited at an aggregate consideration of RMB230,609,000 (equivalent to approximately HK\$281,230,000). The Agreement has been approved by passing of a resolution by the shareholders of the Company at the extraordinary general meeting held on 8 September 2011. The said disposal has been completed.

Leased investment property

Besides property development, property investment segment also includes leased properties situated in Sichuan, the PRC. During the year 2011, the properties had contributed around HK\$5.5 million (2010: HK\$4.2 million) rental income to the Group.

四川恒泰醫藥有限公司

四川恒泰醫藥有限公司為本集團之主要銷售公司。於本年度主要負責銷售的產品包括：「樂力鈣食品」、馬博士系列產品、「樂力多維元素分散片」、「滔羅特®」及「維快」等。

房地產投資

房地產開發項目

成都溫江維奧房地產開發有限公司已於2010年7月成立，主要用來發展於2010年5月投得位於中國成都市溫江區柳城街辦萬盛社區內一塊面積約49,595平方米的國有建設用地使用權。因為國家對房地產市場的調控，中國的物業市場前景存在很多不明朗因素。基於降低風險考慮，於2011年7月29日，成都維奧置業有限公司與四川隆禾置業有限公司及成都溫江維奧房地產開發有限公司訂立協議，據此，成都維奧置業有限公司同意出售而四川隆禾置業有限公司同意收購成都溫江維奧房地產開發有限公司之銷售權益及銷售貸款，總代價為人民幣230,609,000元（約相當於281,230,000港元）。協議已於2011年9月8日的股東特別大會獲得通過，而出售事項已經完成。

投資物業租賃

除房地產開發之外，房地產投資分部還包括位於中國四川省的已出租物業，於2011年內帶來約5.5百萬港元（2010年：4.2百萬港元）租金收入。

Management Discussion and Analysis 管理層討論及分析

BUSINESS PROSPECTS

The Board is of the view that, in the foreseeable future, consolidation will be seen in the markets of food, pharmaceuticals and properties of the PRC, with substantial pressure existing in the operating environment. The Group will strengthen risk management and scale down the existing pharmaceutical and food business. On the other hand, the Group will expand the scale of trading of natural uranium and proactively identify uranium resource investment opportunities.

FINANCIAL REVIEW

Capital structure

As at 31 December 2011, the Company had in issue 3,332,586,993 ordinary shares (31 December 2010: 1,551,056,993 ordinary shares). During the year 2011, the Company had issued 1,781,530,000 new shares, in which 1,670,000,000 new shares were allotted and issued to China Uranium Development at HK\$0.23 each and 111,530,000 new shares were issued for share option exercised. The market capitalisation of the Company as at 31 December 2011 was approximately HK\$3,199 million. (31 December 2010: approximately HK\$357 million).

Liquidity and financial resources

As at 31 December 2011, the Group did not have any outstanding bank borrowing (31 December 2010: HK\$71 million). Bank balances and cash amounted to approximately HK\$1,264 million (31 December 2010: HK\$80 million), including pledged bank deposits of approximately HK\$1 million (31 December 2010: HK\$12 million). The increase was mainly due to the issuance and allotment of the Subscription Shares and CB, and the disposal of assets during the year.

As at 31 December 2011, the Group has obtained banking facilities of approximately HK\$88 million from banks in the PRC (31 December 2010: HK\$259 million). Unutilised banking facilities amounted to approximately HK\$88 million (31 December 2010: HK\$187 million). The average cost of financing was around 6% per annum (2010: 6%). The Group has maintained sufficient financial resources for business operation purpose. The Group has no seasonality of borrowing requirement.

業務展望

董事會認為，在可預見的將來，國內的食品、藥品和房地產市場都會繼續出現調整和有著重大的經營壓力。集團會加強風險管理及縮減現有之藥品及食品業務。另外，本集團將擴張天然鈾貿易規模及積極尋找鈾資源投資的契機。

財務回顧

資本結構

於2011年12月31日，本公司已發行共3,332,586,993股普通股（2010年12月31日：1,551,056,993普通股）。於2011年度，本公司共發行了1,781,530,000股新股份，其中1,670,000,000股新股以認購價每股0.23港元配發及發行予中國鈾業發展；另有111,530,000股新股是由於行使購股權而發行。於2011年12月31日，本公司的市值約31.99億港元（2010年12月31日：約3.57億港元）。

流動資金和財務資源

於2011年12月31日，集團並沒有銀行貸款（2010年12月31日：71百萬港元）；現金及銀行存款約1,264百萬港元（2010年12月31日：80百萬港元），包括已抵押銀行結存約1百萬港元（2010年12月31日：12百萬港元）。現金及銀行存款增加主要是由於年內配發及發行認購股份及可換股債券，及出售部分資產。

於2011年12月31日，集團獲得中國的銀行信貸額度約為88百萬港元（2010年12月31日：259百萬港元），尚未動用的銀行信貸額度約為88百萬港元（2010年12月31日：187百萬港元），平均融資成本約年息6%（2010年：6%）。集團有足夠資金應付業務所需。集團並沒有季節性的借款需求。

Management Discussion and Analysis 管理層討論及分析

The Group adopts a conservative funding and treasury policies and objectives. During the year ended 31 December 2011, the Group financed its operations mainly by internally generated resources and the net proceeds from the issuance and allotment of the Subscription Shares and CB.

As at 31 December 2011, in relation to cash and bank balances amounting to approximately HK\$1,264 million (31 December 2010: HK\$80 million), approximately 7% (2010: 78%) of which was denominated in RMB, approximately 93% (2010: 9%) was denominated in Hong Kong dollar, approximately 11% and 2% were denominated in US dollar and other currencies respectively as at 31 December 2010.

Exposure to foreign exchange risk and Currency policy

The sales receipts of the Group were mainly denominated in RMB. Purchases were denominated as to approximately 71% in USD (2010: 42%), 19% in RMB (2010: 32%) and 10% in EURO (2010: 26%). Operating expenditures including selling and distribution expenses and administrative expenses were denominated as to approximately 67% in RMB (2010: 76%), others are in HKD, AUD, USD and Macau Pataca, etc. In 2011, the Group did not enter into forward contracts, interest or currency swaps or other financial derivatives for hedging purpose. In 2010, in order to minimise the exposure to exchange rate fluctuation, the Group has entered into several forward foreign exchange contracts to lock up the price of purchasing. However, the Group did not enter into any interest or currency swaps, or other financial derivatives for hedging purpose. During the year 2011, the Group did not experience any material difficulty or negative effect on its operations or liquidity as a result of fluctuations on currency exchange rates.

本集團採納了保守的資金及庫務政策及目標。於截至2011年12月31日止年度，本集團主要以內部產生的資源及發行及配發認購股份及可換股債券的所得款項淨額為其營運提供資金。

於2011年12月31日，銀行結存及現金為約1,264百萬港元（2010年12月31日：80百萬港元），其中約7%（2010年：78%）以人民幣計算，約93%（2010年：9%）以港幣計算，而於2010年12月31日其中約11%及2%分別以美元及其他貨幣計算。

外匯風險及貨幣政策

集團的銷售收入主要以人民幣結算。至於購貨結算，美元約佔71%（2010年：42%）、人民幣約佔19%（2010年：32%）及歐羅約佔10%（2010年：26%）。經營開支方面，包括銷售及分銷開支和行政開支，人民幣佔約67%（2010年：76%），其餘則是港幣、澳元、美元、澳門幣等貨幣。於2011年，本集團並無任何遠期外匯合同、利息或貨幣掉期或其他對沖用途之金融衍生工具。於2010年，集團為了鎖定外匯浮動帶來的購貨壓力，集團與銀行簽定了若干份遠期外匯合同。但集團並無參與任何利息或貨幣掉期或其他對沖用途之金融衍生工具。於2011年內，本集團並無因貨幣匯率的波動而令其營運或流動資金出現任何重大困難或影響。

Management Discussion and Analysis 管理層討論及分析

Contingent liabilities

As at 31 December 2011, the Group had no material contingent liabilities (2010: nil).

Key financial figures and ratios

Income statement item:

Gross profit margin: Due to the significant decrease in the average selling price of Osteoform Calcium Food, the average gross profit margin of the year 2011 was decreased to around 29%, when compared with around 68% for the year 2010.

Other operating income: The other operating income for the year 2011 was approximately HK\$32 million, which had been increased by approximately HK\$16 million from the year 2010. It was mainly attributable to the increase of exchange gain and gain on disposal of property, plant and equipment during the year.

Selling and distribution expenses: The Group had identified that high selling and distribution expenses is a business risk and aimed to tighten the outflow. However, due to the significant decrease in the average selling price of Osteoform Calcium Food as mentioned above, the ratio of selling and distribution expenses to turnover slightly increased from 25% for the year 2010 to 26% for the year 2011.

Administrative expenses: Although the Group focused on tightening its budgetary control to cut down administrative costs, the administrative expenses increased from approximately HK\$73 million to HK\$93 million as the Group made efforts to explore new business opportunities during the year.

或然負債

於2011年12月31日，本集團並無重大或然負債（2010年：無）。

主要的財務數據和比率

收益表項目方面：

毛利率：由於樂力鈣食品的平均售價大幅下跌，2011年全年平均毛利率下跌至約29%，2010年全年平均毛利率約為68%。

其他經營收入：於2011年的其他經營收入約為32百萬港元，較2010年增加約16百萬港元。此乃主要由於年內匯兌收益及出售物業、廠房及設備之收益增加所致。

銷售及分銷開支：集團致力收緊開支，以降低已識別出的高銷售及分銷開支可能引起的業務風險。然而，由於如上文所述樂力鈣食品的平均售價大幅下跌，於2011年，銷售和分銷開支與營業額比例為26%，較2010年的25%輕微增加。

行政開支：儘管集團重點控制費用預算以節約行政成本，行政開支因集團於年內致力開拓新商機而從約73百萬港元上升至93百萬港元。

Management Discussion and Analysis 管理層討論及分析

Finance costs: The finance costs for the year 2011 mainly arose from the CB issued and allotted during the year.

融資成本：2011年的融資成本主要由年內發行及配發的可換股債券產生。

		Year 2011 2011年	Year 2010 2010年
Income statement item:	收益表項目：		
Turnover (HK\$' million)	營業額 (百萬港元)	373	328
Gross profit margin	毛利率	29%	68%
Selling and distribution expenses (HK\$' million)	銷售及分銷開支 (百萬港元)	98	82
Gross profit margin after selling and distribution expenses	扣除銷售及分銷開支後 毛利率	3%	43%
(Loss) profit attributable to owners of the Company/Turnover	本公司擁有人應佔 (虧損) 溢利與營業額比率	(62%)	11%
(Loss) earning before interest, tax, depreciation and amortisation ("LBITDA" "EBITDA") (HK\$' million)	在利息、税金、折舊和 攤銷前的 (虧損) 盈利 (「LBITDA」 「EBITDA」) (百萬港元)	(224)	69
(LBITDA) EBITDA/Turnover	(LBITDA) EBITDA與 營業額比率	(60%)	21%

Statement of financial position item:

Gearing ratio: Taken into account of the issuance and allotment of CB in the year 2011, total borrowing balance increased as compared of 31 December 2010. As such, the gearing ratio was increased to 45%.

財務狀況表項目：

資本借貸比率：經計及於2011年發行及配發可換股債券，借貸結餘總額對比2010年12月31日有所增加，因此，資本借貸比率上升至45%。

Management Discussion and Analysis 管理層討論及分析

During the year, the Group had increased the demand of cash on delivery policy to the distributors, the average trade receivable turnover days therefore had dropped to around 46 days. Average inventory turnover days decreased from 263 days to 74 days since the Group had accelerated the sales of the inventory of Osteoform Calcium Food in the fourth quarter of the year 2011.

由於集團本年加強了向分銷商要求現款現貨的政策，所以應收賬款的平均週期下降至約46天。存貨平均週期由263天下降至74天，原因是本集團在2011年第四季加快銷售樂力鈣食品存貨。

		As at 31 December 2011 於2011年 12月31日 HK\$' million 百萬港元	As at 31 December 2010 於2010年 12月31日 HK\$' million 百萬港元
Statement of financial position item:	財務狀況表項目：		
Short-term bank loans	銀行貸款－短期	–	71
Long-term bank loans	銀行貸款－長期	–	–
Bank balances and cash	銀行結存及現金	1,264	80
Net tangible assets	有形資產淨值	1,037	652
Gearing ratio	資本借貸比率	45%	11%
Average trade receivable turnover days	應收賬款週期－平均	46 days 46天	53 days 53天
Average inventory turnover days (excluding goods in transit)	存貨週期－平均 (不包括在途商品)	74 days 74天	263 days 263天

As at 31 December 2011, the Group had approximately HK\$1 million in bank balances and cash, HK\$2 million in property, plant and equipment, HK\$1 million in prepaid lease payments on land use rights, and HK\$69 million in investment properties were pledged as collateral to banks. For the year 2011, return on equity was on average -22%.

於2011年12月31日，集團約有港幣1百萬元銀行結存及現金、2百萬港元的物業、廠房及設備、1百萬港元的土地使用權預付租賃款項和69百萬港元的投資物業作為銀行的抵押品。2011年度，股東資金回報率平均是-22%。

EMPLOYEE INFORMATION

As at 31 December 2011, the Group had 100 employees, comprising 1 in research and development, 5 in production, 2 in sales and marketing, 3 in engineering and 89 in general administration and finance. 52 of these employees were located in China and 48 in Hong Kong and Macau.

僱員資料

於2011年12月31日，集團共有100名僱員，包括1名科研人員、5名生產人員、2名銷售及市場推廣人員、3名工程人員及89名一般行政與財務人員。該等僱員中，52名處於中國，而48名則處於香港及澳門。

Management Discussion and Analysis 管理層討論及分析

The policies of employee remuneration, bonus, share option scheme and training are commensurate with performance and comparable to market rate. The Group encourages employees to participate in external training programs to develop themselves on a continuous basis, so as to improve staff quality to meet future challenges and gain a competitive edge. Total staff costs for the year 2011 amounted to approximately HK\$120 million.

MAJOR TRANSACTION

Allot and issue Subscription Shares and CB

On 18 March 2011, the Company entered into the Subscription Agreement pursuant to which the Company has agreed to (i) allot and issue to China Uranium Development the Subscription Shares at a price of HK\$0.23 per Subscription Share and (ii) allot and issue to China Uranium Development HK\$600,000,000 CB which can be converted into the Conversion Shares at an initial Conversion Price of HK\$0.23 per Conversion Share. The Agreement was passed at the extraordinary general meeting held on 8 June 2011. The completion of the Share Subscription and the CB Subscription took place simultaneously on 18 August 2011.

The Land disposal

On 29 July 2011, Chengdu Vital Property Co., Ltd. (成都維奧置業有限公司) as vendor entered into an agreement with Sichuan Longhe Properties Limited (四川隆禾置業有限公司) as purchaser and Chengdu Wenjiang Vital Property Development Company Limited (成都溫江維奧房地產開發有限公司) as target, pursuant to which Chengdu Vital Property Co., Ltd. has agreed to dispose of and Sichuan Longhe Properties Limited has agreed to acquire the Sale Interest and the Sale Loan of Chengdu Wenjiang Vital Property Development Company Limited at an aggregate consideration of RMB230,609,000 (equivalent to approximately HK\$281,230,000). Details of the major transaction in relation to the disposal have been set out in the Company's circular dated 19 August 2011 which has been approved by passing of a resolution by the shareholders of the Company at the extraordinary general meeting held on 8 September 2011. The transaction has been completed during the year.

集團員工的薪酬、花紅、購股權計劃及培訓政策方面均與表現掛鉤和貼近市場水準。集團鼓勵僱員透過參加外界舉辦的專業培訓課程持續發展，以提高員工素質，迎接各項挑戰，藉以增強本集團的市場競爭優勢。2011年度的員工成本總計約120百萬港元。

主要交易

配發及發行認購股份及可換股債券

於2011年3月18日，本公司訂立一份認購協議。根據協議，本公司同意(i)按每股認購股份0.23港元的價格向中國鈾業發展配發及發行認購股份；及(ii)配發及發行600,000,000港元的可換股債券予中國鈾業發展，可換股債券可按換股價格（初步為每股換股股份0.23港元）轉換為換股股份。協議已於2011年6月8日的股東特別大會上獲得通過。股份認購及可換股債券認購已於2011年8月18日同時交割。

土地出售事項

於2011年7月29日，成都維奧置業有限公司（作為賣方）與四川隆禾置業有限公司（作為買方）及成都溫江維奧房地產開發有限公司（作為目標公司）訂立協議，據此，成都維奧置業有限公司同意出售而四川隆禾置業有限公司同意收購成都溫江維奧房地產開發有限公司之銷售權益及銷售貸款，總代價為人民幣230,609,000元（約相當於281,230,000港元）。有關土地出售之主要交易的交易詳情已載於本公司日期為2011年8月19日之通函，有關土地出售已於2011年9月8日舉行之股東特別大會上獲本公司股東通過。該交易已於年內完成。

Profile of Directors and Senior Management 董事及高級管理層人員簡介

CHAIRMAN AND NON-EXECUTIVE DIRECTORS

Mr. Yu Zhiping, aged 48, joined the Company as chairman and non-executive director in August 2011. Mr. Yu is a senior engineer. He joined CGN Group in 1989, and is currently a general manager of CGNPC Nuclear Fuel Co., Ltd (formerly known as “CGNPC Uranium Resources Co., Ltd.”). Prior to that, he was the secretary general of the Financial and Economic Affairs Committee, director of the research centre, and a general manager of the strategic planning department of China Guangdong Nuclear Power Holding Corporation (“CGNPC”, the ultimate controlling shareholder of the Company, collectively with its subsidiaries referred to as “CGN Group”). Mr. Yu has over 22 years of experience in corporate management and uranium exploration. Mr. Yu is currently the Chairman of CGNPC Uranium Resource Xinjiang Co., Ltd, CGNPC Uranium Resource Guangdong Co., Ltd and China Uranium Development Company Limited. He is also a director of Kalahari Minerals Plc (a listed company in London, stock code: KAH), Extract Resources Ltd (a listed company in Australia, Toronto and Namibia, stock code: EXT) and Taurus Mineral Limited. Mr. Yu graduated with a bachelor degree in Engineering Mechanics from Huazhong University of Science & Technology in 1985.

非執行董事暨主席

余志平先生，48歲，於2011年8月加入本公司為主席及非執行董事。余先生是高級工程師。彼於1989年加入中廣核集團，現任中廣核燃料有限公司（前稱「中廣核鈾業發展有限公司」）總經理。擔任現職之前，曾擔任中國廣東核電集團有限公司（「中廣核集團公司」，本公司之最終控股股東，連同其附屬公司，合稱「中廣核集團」）財經委員會秘書長、研究中心主任和戰略規劃部總經理。余先生擁有超過22年的公司管理和鈾礦勘探經驗。余先生目前擔任中廣核鈾業新疆發展有限公司董事長、中廣核鈾業廣東有限公司董事長和中國鈾業發展有限公司董事長。彼亦為Kalahari Minerals PLC（倫敦上市公司，股份代號：KAH）、Extract Resources Ltd（澳洲、多倫多及納米比亞上市公司，股份代號：EXT）及Taurus Mineral Ltd之董事。余先生於1985年畢業於華中科技大學工程力學專業，獲學士學位。

Profile of Directors and Senior Management 董事及高級管理層人員簡介

EXECUTIVE DIRECTORS

Mr. He Zuyuan, aged 46, joined the Company as the chief executive officer, executive director and authorized representative in August 2011. He joined CGN Group in 2007, and is currently a deputy general manager of CGNPC Nuclear Fuel Co., Ltd.. He had served as a CFO of CGNPC Nuclear Fuel Co. Ltd.. Mr. He has over 21 years of experience in uranium exploration and financial management. He has worked for Nanjing Zhongda Group for 3 years, serving as its Chief Financial Officer and vice president. Mr. He is currently a director of Beijing Sino-Kaz Uranium Resources Investment Company Limited, Energy Metals Ltd. (a listed company in Australia, stock code: EME), China Uranium Development Company Limited, Kalahari Minerals Plc (a listed company in London, stock code: KAH), Extract Resources Ltd (a listed company in Australia, Toronto and Namibia, stock code: EXT), Taurus Mineral Limited and Semizbay-U LLP. Mr. He graduated with a bachelor degree in geological economics from East China Institute of Geology in 1988 and was also awarded an MBA degree from Tsinghua University.

Mr. Li Zhengguang, aged 39, joined the Company as an executive director in August 2011. He joined CGN Group in 2008, and is currently a deputy head of financial department of CGNPC Nuclear Fuel Co. Ltd.. Mr. Li has over 16 years of experience in financial management. He has worked for China Construction Bank, serving as a deputy head and then as head of the Finance Department of Shanxi Changzhi Branch. Mr. Li is currently a director of CGNPC URC Logistics (Beijing) Co., Ltd. and Newkum Inc.. Mr. Li graduated with an MBA degree from Tsinghua University in 2008.

Ms. Zheng Xiaowei, aged 45, joined the Company as a non-executive director in August 2011 and was re-designated as an executive director in March 2012. Ms Zheng worked in the finance department and planning department of CGNPC during 1998-2002. She is currently the Chief Legal Advisor and Company Secretary of CGNPC Nuclear Fuel Co. Ltd. and a director of the following companies: Beijing Sino-Kaz Uranium Resources Investment Company Limited, Newkum Inc., CGNPC URC Logistics (Beijing) Co., Ltd, Energy Metals Ltd. (a listed company in Australia, stock code: EME) and China Uranium Development Company Limited. Prior to that, she served as a head of the investment and legal department of CGNPC Nuclear Fuel Co. Ltd. Ms. Zheng has over 15 years of experience in investment, project management and corporate governance. Ms. Zheng graduated with a bachelor degree of industrial automation from Zhejiang University in 1988 and was also awarded a master degree of information engineering in 1992.

執行董事

何祖元先生，46歲，於2011年8月加入本公司為首席執行官、執行董事及授權代表。何先生於2007年加入中廣核集團，現任中廣核燃料有限公司副總經理。他曾擔任中廣核燃料有限公司總會會計師。何先生擁有超過21年的鈾礦勘探和財務管理經驗，曾在南京中達集團任職3年，擔任首席財務官和副總裁。何先生目前擔任北京中哈鈾資源投資有限公司、Energy Metals Ltd. (澳大利亞上市公司，股份代號：EME)、中國鈾業發展有限公司、Kalahari Minerals Plc (倫敦上市公司，股份代號：KAH)、Extract Resources Ltd (澳洲、多倫多及納米比亞上市公司，股份代號：EXT)、Taurus Mineral Ltd及Semizbay-U LLP之董事。何先生於1988年畢業於華東地質學院，獲學士學位(地質經濟專業)，另獲清華大學工商管理碩士學位。

李正光先生，39歲，於2011年8月加入本公司為執行董事。李先生於2008年加入中廣核集團，現任中廣核燃料有限公司財務部副總監。李先生擁有超過16年的財務管理經驗，曾在中國建設銀行任職，先後擔任山西長治分行財務部部門副經理及部門經理。李先生目前擔任中廣核鈾業物流(北京)有限公司及Newkum Inc.的董事。李先生於2008年獲得清華大學工商管理碩士學位。

鄭曉衛女士，45歲，於2011年8月加入本公司為非執行董事，並於2012年3月調任為執行董事。鄭女士於1998年-2002年在中廣核集團公司財務部及發展計劃部工作。彼現任中廣核燃料有限公司總法律顧問兼公司秘書並擔任北京中哈鈾資源投資有限公司、Newkum Inc.、中廣核鈾業物流(北京)有限公司、Energy Metals Ltd. (澳大利亞上市公司，股份代號：EME)及中國鈾業發展有限公司的董事。擔任現職之前，曾擔任中廣核燃料有限公司投資及法律部總監。鄭女士擁有超過15年的投資、項目管理和企業管治經驗。鄭女士於1988年畢業於浙江大學，獲工業自動控制學士學位，並於1992年獲資訊工程碩士學位。

Profile of Directors and Senior Management 董事及高級管理層人員簡介

NON-EXECUTIVE DIRECTORS

Mr. Wei Qiyang, aged 44, joined the Company as a non-executive director in August 2011. He is a senior engineer and holder of doctorate degree in Management. Mr. Wei joined CGN Group in 1991, and is currently a deputy general manager of CGNPC Nuclear Fuel Co., Ltd. Prior to that, he served as the head of the planning and contract department and the contract manager of the engineering department in Taishan Nuclear Power Joint Venture Co., Ltd. Mr. Wei has over 20 years of experience in nuclear fuel, nuclear power plant technology, contract management and corporate management. Mr. Wei graduated with a master degree in engineering from Tsinghua University in 1991 and received a doctorate degree in management from Huazhong University of Science and Technology in 2007.

Mr. Chen Zhiyu, aged 50, joined the Group in November 2009 and was re-designated from an executive director to a non-executive director of the Company in August 2011. He ceased to be the chief executive officer of the Company in August 2011. He graduated with a bachelor degree in Science from Southwest China Normal College (西南師範學院) (presently known as Southwest University) in 1982 and a master degree in Economics from Southwestern University of Finance and Economics (西南財經大學) in 1990. Mr. Chen has over 10 years of experience in pharmaceutical industry. He was the general manager of Beijing Xianmai Medicine Company Limited (北京先邁醫藥有限公司) from 2000 to 2002, and the general manager and chairman of Guangdong Suntop Pharmaceutical Co., Ltd. (廣東信東醫藥有限公司) from 2003 to October 2009. As at the date of this report, Mr. Chen still has approximately 52% shareholding in the said Guangdong Suntop Pharmaceutical Co., Ltd..

非執行董事

魏其岩先生，44歲，於2011年8月加入本公司為非執行董事。魏先生為高級工程師及管理學博士。魏先生於1991年加入中廣核集團，現任中廣核燃料副總經理。擔任現職之前，曾擔任台山核電合營有限公司計劃合同部經理兼工程部主任經理。魏先生擁有超過20年的核燃料、核電站技術、合同管理及公司管理經驗。魏先生於1991年畢業於清華大學，獲工學碩士學位，2007年在華中科技大學獲管理學博士學位。

陳志宇先生，50歲，於2009年11月加入本集團，並於2011年8月由本公司執行董事調任為非執行董事。彼於2011年8月起不再擔任本公司之首席執行官。彼於1982年畢業於西南師範學院（現稱西南大學），取得理學學士學位，其後於1990年獲西南財經大學頒發經濟學碩士學位。陳先生於醫藥業累積逾10年經驗，曾於2000至2002年間擔任北京先邁醫藥有限公司總經理，其後於2003至2009年10月出任廣東信東醫藥有限公司總經理兼董事長之職。於本報告日期，陳先生仍持有上述廣東信東醫藥有限公司之約52%股權。

Profile of Directors and Senior Management 董事及高級管理層人員簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ling Bing, aged 45, a qualified lawyer in the PRC, and is currently a professor of the Faculty of Law of the Chinese University of Hong Kong, Mr Ling joined the Company in August 2011. Mr. Ling is also the secretary of the International Law Association (ILA) (Hong Kong Chapter), a member of the Executive Council of the Chinese Society of International Law, a member of Constitutional Affairs Committee of the Law Society of Hong Kong, a consultant to the research centre of law of the sea of School of Law of Tsinghua University, a consultant to the Centre of Comparative Law and Transnational Law of Tilburg University in the Netherlands and an external consultant for both the LLM Program in Chinese Law of the Faculty of Law of the University of Hong Kong and the LLM Program of the Open University of Hong Kong. Mr. Ling was a visiting professor of the Law School of Tsinghua University, an adjunct professor of School of Law of Fudan University, a visiting professor of Law School of the University of Michigan, and a tutor of the Institute of International Law of Peking University. Mr. Ling has over 21 years of experience in Business Law teaching and research. Mr. Ling has an LLB degree from Peking University and an LLM degree from the University of Michigan.

Mr. Qiu Xianhong, aged 49, a Certified Public Accountant in the PRC and a senior accountant. Mr. Qiu joined the Company in August 2011. Mr. Qiu is a partner of Beijing QQCPA Accounting Firm. Mr. Qiu is also a finance consultant to China Institute of Strategy and Management. Mr. Qiu was the deputy head of the financial department and asset management department of China National Packaging Corporation, and the deputy director of the Financial Department of China Patent Bureau. Mr. Qiu has over 27 years of experience in financial accounting, financial management and auditing. Mr. Qiu graduated with a bachelor degree in financial accounting from Jiangxi University of Finance and Economics.

Mr. Huang Jinsong, aged 42, an associate professor of Corporate Management of the School of Economics and Management of Beijing University of Aeronautics and Astronautics, joined the Company in August 2011. Mr. Huang has worked as the chief consultant to Beijing Zhengxinchuangye Investment Consulting Company Limited for 3 years. Mr. Huang has over 12 years of experience in corporate reorganization and development strategy. Mr. Huang has a master degree and a doctorate degree in Management, both of which are from Tsinghua University.

獨立非執行董事

凌兵先生，現年45歲，具有中國律師職業資格，現在擔任香港中文大學法律學院教授。凌先生於2011年8月加入本公司。凌先生現在同時擔任國際法協會香港分會秘書長、中國國際法學會常務理事、香港律師會憲政事務委員會委員、清華大學法學院海洋法研究中心顧問、荷蘭蒂爾堡大學比較法和跨國法學院顧問、香港大學法律學院中國法學碩士項目校外評審顧問和香港公開大學法學碩士專案校外評審顧問。凌先生曾擔任清華大學法學院訪問教授、復旦大學法學院兼職教授、美國密執安大學法學院訪問教授和北京大學國際法研究所助教。凌先生具有超過21年的商法教學和科研經驗。凌先生持有北京大學法學學士學位和美國密執安大學法學碩士學位。

邱先洪先生，現年49歲，具有中國註冊會計師資格，高級會計師職稱。邱先生於2011年8月加入本公司。邱先生現在擔任北京全企國際會計師事務所有限責任公司合夥人，還擔任中國戰略與管理研究會財務顧問。邱先生曾擔任中國包裝總公司財務部副主任、資產管理部副主任和中國專利局財務處副處長。邱先生具有超過27年的財務會計、財務管理及審計經驗。邱先生畢業於江西財經大學，獲得學士學位（財務會計）。

黃勁松先生，現年42歲，現任北京航空航天大學經濟管理學院企業管理系副教授。黃先生於2011年8月加入本公司。黃先生曾在北京正信創業投資諮詢有限公司工作3年，擔任其首席諮詢師。黃先生具有超過12年的企業重組和發展戰略經驗。黃先生持有清華大學管理學碩士和博士學位。

Profile of Directors and Senior Management 董事及高級管理層人員簡介

SENIOR MANAGEMENT

Mr. Li Xianli, aged 38, joined the Company as the Chief Financial Officer (CFO) in February 2012. Mr Li is currently a non-practicing member of The Chinese Institute of Certified Public Accountants. He graduated from the Central University of Finance and Economics with a bachelor degree in economics in 1996. From 1996 to 2000, Mr. Li was involved in the financial management work in the finance department of CGNPC. From April 2010 to February 2012, Mr. Li was the executive director of Silver Grant International Industries (“Silver Grant”) (Stock code:171), whose shares are listed on the The Stock Exchange of Hong Kong Limited, during which, he was also the Deputy General Manager of Silver Grant from September 2010 to January 2012. Mr. Li has over 10 years of experience in accounting and financial management.

Ms. Guo Lin, aged 48, a former executive director of the Company. She is a director of Sichuan Vital Industrial Co., Ltd, a subsidiary of the Company. Ms. Guo was awarded a bachelor degree in Economics from Hunan Finance and Economics Institute in 1984 and a master degree from Zhongnan Industrial University in 1993. She was a lecturer in Hunan Finance and Economics Institute and Zhongnan Industrial University and also worked as a manager of an investment bank. Ms. Guo joined the Group in June 2001 and was appointed as an executive director of the Company on 1 January 2008 and resigned as an executive director of the Company in August 2011.

高級管理層

李現立先生，現年38歲，於2012年2月加入本公司為首席財務官。李先生現為中國註冊會計師協會非執業會員。李先生於1996年在中國財經大學畢業，獲經濟學學士學位。李先生於1996年至2000年期間在中廣核集團公司財務部從事財務管理工作。於2010年4月至2012年2月期間出任銀建國際實業有限公司（「銀建」）（股份代號：171）執行董事，其中於2010年9月至2012年1月期間，彼兼任銀建之副總經理，該公司股份於聯交所上市。李先生在會計及財務管理方面擁有逾10年經驗。

郭琳女士，48歲，本公司前任執行董事。彼為本公司附屬公司四川維奧實業有限公司之董事。郭女士於1984年取得湖南財經學院之經濟學學士學位，於1993年取得中南工業大學碩士學位。郭女士曾為湖南財經學院及中南工業大學講師，亦曾於投資銀行出任經理。郭女士於2001年6月加盟本集團，並於2008年1月1日獲委任為本公司之執行董事及於2011年8月辭任本公司執行董事一職。

Profile of Directors and Senior Management 董事及高級管理層人員簡介

Mr. Li Ke, aged 50, a former executive director of the Company. He is a director of Sichuan Vital Industrial Co., Ltd. and Chengdu Vital Property Co., Ltd, subsidiaries of the Company. He graduated with a bachelor degree in medicine from Sichuan Medical Institute (四川醫學院) in 1982. He has over 10 years of experience in pharmaceutical industry and 9 years of experience in real estate industry. Mr. Li was a technician in Fourth Sichuan Chengdu Pharmaceutical Factory (四川成都製藥四廠) from 1982 to 1987. He worked with 999 Group (三九企業集團) from 1994 to 2006, as a deputy head of development department, a general manager of Yaan Sanjiu Pharmaceutical Co., Ltd. (雅安三九藥業有限公司) and a general head of Chengdu Sanjiu Investment Management Co., Ltd. (成都三九投資管理有限公司). He joined the Company as an executive director in November 2009 and resigned as an executive director of the Company in August 2011.

Mr. Guo Wei Ping, aged 53, is the general manager of Wuhan Weiao Pharmaceutical Co. Ltd, a subsidiary of the Company. Mr. Guo graduated from Luzhou Chemical Engineering College with a diploma in organic synthetics in 1982 and Huaxi Medical University with a diploma in pharmacy. He worked for Chengdu Fourth Pharmaceutical Factory for almost 20 years and the last position he held was deputy technical manager. Mr. Guo joined the Group in 1998.

李可先生，50歲，本公司前任執行董事，本公司附屬公司四川維奧實業有限公司及成都維奧置業有限公司之董事。彼於1982年畢業於四川醫學院，獲頒醫學學士學位。彼分別於醫藥業及房地產業累積逾10年及9年經驗。李先生曾於1982年至1987年間擔任四川成都製藥四廠之技術員，在1994年至2006年任職三九企業集團，曾出任發展部副經理、雅安三九藥業有限公司總經理及成都三九投資管理有限公司總經理之職位。彼於2009年11月加入本公司為執行董事及於2011年8月辭任本公司執行董事一職。

郭衛平先生，53歲，本公司附屬公司武漢維奧製藥有限公司之總經理。彼於1982年在瀘州化工專科學校畢業，取得有機合成專業文憑及華西醫科大學之藥劑文憑。郭先生曾任職成都製藥四廠近20年，最後擔任技術副總經理。彼於1998年加盟本集團。



Corporate Governance Report 企業管治報告

The Company is committed to establishing and fulfilling a good corporate governance practices and procedures, by ensuring a quality Board, sound internal control, and transparency and accountability to all shareholders.

CODE ON CORPORATE GOVERNANCE PRACTICES

Throughout the year ended on 31 December 2011, the Company was in compliance with the code provisions set out in the Code on Corporate Governance Practices (“CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), except for the deviation from the code provision E.1.2.

Code provision E.1.2 of the CG Code provides that the Chairman of the independent board committee (if any) should be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders’ approval. Mr. Ling Bing, the Chairman of the Independent Board Committee, did not attend the extraordinary general meeting of the Company, held on 28 November 2011, by the reason of his business trip.

Save as the aforesaid and in the opinion of the Directors, the Company has met the code provisions set out in the CG Code for the year ended 31 December 2011.

本公司致力制定及履行良好的企業管治常規及程序，確保高質素之董事會、健全之內部監控，以及對股東之透明度及問責性。

企業管治常規守則

本公司於截至2011年12月31日止年度內一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治常規守則（「企業管治常規守則」）所載之守則條文，只有守則條文E.1.2項偏離守則。

企業管治守則第E.1.2條守則條文規定董事會轄下的獨立委員會（如有）的主席亦應在任何批准以下交易的股東大會上回應問題，即關連交易或任何其他須經獨立股東批准的交易。獨立委員會主席凌兵先生因外出公幹而缺席本公司2011年11月28日舉行之股東特別大會。

除上述者外及就董事所悉，本公司於截至2011年12月31日止年度一直遵守企業管治守則所載之守則條文。

Corporate Governance Report 企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the principle standards of securities transactions for directors of the Company. Save as disclosed herein, all directors have confirmed, in response to the specific enquiry made by the Company that they have complied with the required standard set out in the Model Code during the year ended 31 December 2011. Details of non-compliance and remedial steps taken by the Company are as follow:

According to The Codes on Takeovers and Mergers and Share Repurchases (the “Takeovers Code”) published by the Securities and Futures Commission (the “SFC”), the offer period of the Company starts when an announcement is made of a proposed or possible offer and ends whichever is the latest of the date when the offer is accepted, lapsed or withdrawn. When an offer period begins, the respective associates of the Company must disclose their dealings in any securities of the Company.

Reference is made to the Company’s announcement dated 31 March 2011 (the “Joint Announcement”) regarding the proposed subscription of shares of the Company and the proposed subscription of convertible bonds offered by China Uranium Development Company Limited. The offer period of the Company starts on 31 March 2011, the date of the Joint announcement, and ends on 8 June 2011, the date of EGM approving the Subscription Agreement (as defined in the Joint Announcement) and the transactions contemplated thereunder and the Whitewash Waiver (as defined in the Joint Announcement).

Ms. Zeng Qingling’s late submission of disclosure form

Ms. Zeng Qingling is the wife of Mr. Liu James Jin, a former executive director of the Company. Under class (3) of the definition of “associate” of the Takeovers Code, Ms. Zeng Qingling is an associate of the Company.

進行證券交易之標準守則

本公司已採納上市規則附錄10載列之標準守則，作為本公司董事進行證券交易之操守準則。除以下事件外，經向本公司全體董事作出特定查詢後，本公司全體董事確認於截至2011年12月31日止年度內一直遵守標準守則所載規定準則。違反及本公司所採取之補救措施詳情如下：

根據證券及期貨事務監察委員會（「證監會」）刊發之收購及合併及股份購回守則（「收購守則」），本公司之要約期在建議或可能要約之公佈作出時開始，並在要約獲接納、失效或撤銷當日（以最後者為準）結束。當要約期開始時，本公司有關之聯繫人士必須披露其於本公司任何證券上之交易。

茲提述本公司日期為2011年3月31日之公告（「聯合公告」），內容有關中國鈾業發展有限公司建議認購本公司股份及建議認購可換股債券。本公司之要約期於2011年3月31日（即聯合公告日期）開始，並於2011年6月8日（即批准認購協議（定義見聯合公告）及其項下擬進行之交易以及清洗豁免（定義見聯合公告）之股東特別大會當日）結束。

Zeng Qingling女士逾期遞交披露表格

Zeng Qingling女士為本公司前執行董事劉津先生之妻子。根據收購守則「聯繫人」第(3)項定義，Zeng Qingling女士為本公司之聯繫人。

Corporate Governance Report 企業管治報告

On 1 April 2011 and 4 April 2011, Ms. Zeng Qingling bought a total of 1,000,000 shares of the Company. As required by Rule 22 of the Takeovers Code (Disclosure of dealings during offer period), Ms. Zeng Qingling is required to disclose any dealing during the offer period from 31 March 2011 to 8 June 2011. Disclosure must be made no later than 10:00 a.m. on the business day following the date of the dealing.

Ms. Zeng Qingling submitted the disclosure of dealing form to SFC on 11 April 2011.

Ms. Tao Bei Di's late submission of disclosure form

Ms. Tao Bei Di is the daughter of Mr. Tao Lung, who is one of the shareholders of Perfect Develop Holding Inc. Under class (3) of the definition of "associate" of the Takeovers Code, Ms. Tao Bei Di is an associate of the Company.

On 6 April 2011, Ms. Tao Bei Di bought 250,000 shares of the Company. As required by Rule 22 of the Takeovers Code (Disclosure of dealings during offer period), Ms. Tao Bei Di is required to disclose any dealing during the offer period from 31 March 2011 to 8 June 2011. Disclosure must be made no later than 10:00 a.m. on the business day following the date of the dealing.

Ms. Tao Bei Di submitted the disclosure of dealing form to SFC on 12 April 2011.

Save as disclosed above, the Directors have complied with the Model Code.

BOARD COMPOSITION AND BOARD PRACTICES

The Board is responsible for the oversight of the Group's business management, strategic decisions, performance and affairs with the objective of enhancing shareholders interest. The Board delegated certain authorities and responsibilities to the management of the Group. In addition, the Board has also delegated various responsibilities (such as determining remuneration) to several committees.

於2011年4月1日及2011年4月4日，Zeng Qingling女士購入合共1,000,000股本公司股份。如收購守則規則22（披露要約期內之交易）所規定，Zeng Qingling女士須披露由2011年3月31日起至2011年6月8日止要約期內任何交易，且最遲須於交易日期後之營業日上午十時正前作出披露。

Zeng Qingling女士於2011年4月11日遞交披露交易表格予證監會。

Tao Bei Di女士逾期遞交披露表格

Tao Bei Di女士為Perfect Develop Holding Inc.其中一名股東陶龍先生之女兒，根據收購守則「聯繫人」第(3)項定義，Tao Bei Di女士為本公司之聯繫人。

於2011年4月6日，Tao Bei Di女士購入合共250,000股本公司股份。如收購守則規則22（披露要約期內之交易）所規定，Tao Bei Di女士須披露由2011年3月31日起至2011年6月8日止要約期內任何交易，且最遲須於交易日期後之營業日上午十時正前作出披露。

Tao Bei Di女士於2011年4月12日遞交披露交易表格予證監會。

除上文披露者外，董事已遵守標準守則。

董事會組成及董事會常規

董事會負責監察本集團業務管理、策略方針、表現及不同事務的工作，確保達致提升股東利益的目標。董事會已向管理層轉授若干職權。此外，董事會亦已將各職責（如釐定薪酬）分派至各附屬委員會。

Corporate Governance Report 企業管治報告

As at 31 December 2011, the Board comprises 2 Executive Directors (“EDs”), 4 Non-executive Directors (“NEDs”) and 3 Independent Non-executive Directors (“INEDs”) whose biographical details are set out on pages 24 to 27. All the INEDs have appropriate professional qualifications, or accounting or related financial management experience.

Except for Mr. Huang Jianming, who resigned as Director of the Company on 11 November 2009, who is the brother of Mr. Huang Zemin (resigned as Director of the Company on 18 August 2011), who was appointed as Director of the Company on 11 November 2009, the Board members have no financial, business, family or other material/relevant relationships with each other. Such balanced board composition ensuring a strong independence exists across the Board and has met the recommended practice under the Code on CG for the Board to have at least 1/3 in number of its members comprising INEDs.

The Company has received from each of the INEDs, the written confirmation of their respective independence pursuant to Rule 3.13 of the Listing Rules. The Company, based on such confirmation, considers all the INEDs as independent.

All Directors are subject to retirement by rotation once every three years in accordance with the Company’s Articles of Association and the CG Code.

The Board has four scheduled meetings a year at quarterly interval and meets as and when required. Its members have full access to relevant information both at the meetings and at regular intervals. Apart from regular Board meetings, the Chairman shall hold meetings with the INEDs without the presence of EDs at least once every year.

於2011年12月31日，本公司董事會由2名執行董事（「執行董事」）、4名非執行董事（「非執行董事」）及3名獨立非執行董事（「獨立非執行董事」）組成，彼等之履歷詳情載於第24頁至第27頁。所有的獨立非執行董事均具備適當之專業資格，或具備適當之會計或相關財務管理經驗。

除於2009年11月11日離任本公司董事一職的黃建明先生與於2009年11月11日獲委任為本公司董事的黃澤民先生（已於2011年8月18日離任本公司董事一職）是兄弟關係外，董事會成員間並無任何財務、業務、家族或其他重大／相關之關係。董事會以如此均衡之架構組成，目的在確保整個董事會擁有穩固之獨立性，其組成情況符合企業管治守則所推薦董事會成員最少須有1/3為獨立非執行董事之做法。

本公司已接獲每名獨立非執行董事根據上市規則第3.13條發出之書面確認函。董事會根據此書面確認函，確定全體獨立非執行董事之獨立性。

根據本公司組織章程及企業管治守則之規定，所有的董事均須每3年輪流告退，惟如彼合資格可膺選連任。

董事會每年定期召開4次會議（每季度1次），亦會於有需要時召開會議。董事會可於會議上取得全部相關資料。除定期董事會外，主席亦最少每年1次與獨立非執行董事單獨召開會議。

Corporate Governance Report 企業管治報告

During the year, the Board held 24 meetings. The attendance of the Directors at the meetings is set out as follows:

於本年度，董事會召開24次會議。董事出席董事會會議之情況如下：

		Attendance 出席次數
Executive Directors		
He Zuyuan (<i>Chief Executive Officer</i>) (appointed on 18 August 2011)	何祖元 (<i>首席執行官</i>) (於2011年8月18日獲委任)	8/8
Li Zhengguang (appointed on 18 August 2011)	李正光 (於2011年8月18日獲委任)	7/8
Zheng Xiaowei (appointed on 18 August 2011 as non-executive Director and re-designated as executive Director on 15 March 2012)	鄭曉衛 (於2011年8月18日獲委任為非執行董事及於2012年3月15日獲調任為執行董事)	8/8
Xu Xiaofan (resigned on 18 August 2011)	徐小凡 (於2011年8月18日辭任)	16/16
Liu James Jin (resigned on 18 August 2011)	劉津 (於2011年8月18日辭任)	15/16
Guo Lin (resigned on 18 August 2011)	郭琳 (於2011年8月18日辭任)	15/16
Huang Zemin (resigned on 18 August 2011)	黃澤民 (於2011年8月18日辭任)	13/16
Li Ke (resigned on 18 August 2011)	李可 (於2011年8月18日辭任)	12/16
Non-Executive Directors		
Yu Zhiping (<i>Chairman</i>) (appointed on 18 August 2011)	余志平 (<i>主席</i>) (於2011年8月18日獲委任)	8/8
Wei Qiyang (appointed on 18 August 2011)	魏其岩 (於2011年8月18日獲委任)	8/8
Chen Zhiyu (re-designated from an executive Director to a non-executive Director on 18 August 2011)	陳志宇 (於2011年8月18日由執行董事調任為非執行董事)	24/24
Independent Non-executive Directors		
Ling Bing (appointed on 18 August 2011)	凌兵 (於2011年8月18日獲委任)	8/8
Qiu Xianhong (appointed on 18 August 2011)	邱先洪 (於2011年8月18日獲委任)	8/8
Huang Jinsong (appointed on 18 August 2011)	黃勁松 (於2011年8月18日獲委任)	8/8
Lui Tin Nang (resigned on 18 August 2011)	呂天能 (於2011年8月18日辭任)	14/16
Lee Kwong Yiu (resigned on 18 August 2011)	李廣耀 (於2011年8月18日辭任)	14/16
Chong Cha Hwa (resigned on 18 August 2011)	張家華 (於2011年8月18日辭任)	14/16

Board papers are circulated not less than three days before the Board meetings to enable the Directors to make informed decisions on matters to be raised at the Board meetings. The Company Secretary and the accountant shall attend all regular Board meetings to advise on corporate governance, statutory compliance, accounting and financial matters when necessary.

為確保董事對董事會會議之討論事項具備充分資料以作出決定，會議文件均於會議召開前不少於3天送交全體董事。公司秘書及會計師均出席各董事會定期會議，於有需要時就企業管治、條例監管、會計及財務等事宜向董事會提供意見。

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Board minutes are kept by the Company Secretary of the Company and are circulated to the Directors and are open for inspection by the Directors.

The Company Secretary of the Company shall provide professional advice and information to the Directors. In addition, the Directors enable, upon the reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses. The Board shall resolve to provide separate appropriate independent professional advice to the directors to assist the relevant directors to discharge their duties.

Each newly appointed Director is provided with a package of orientation materials setting out the duties and responsibilities of Directors under the Listing Rules, related ordinance and relevant regulatory requirements of Hong Kong. All newly appointed Directors have confirmed that they have received directors' training and declared their understanding of their respective responsibilities under the Listing Rules.

Appropriate insurance cover has been arranged in respect of legal action arising from the business of the Group against the Directors.

NOMINATION COMMITTEE

During the year ended on 31 December 2011, the Company does not have a nomination committee for appointment of new Directors to the Board. The responsibilities of identifying and selecting suitably qualified individuals to become members of the Board are undertaken by the Board collectively. Where the Board considers necessary or desirable to appoint a new member to the Board (whether to fill a casual vacancy or otherwise), each member of the Board may nominate suitable individual(s) as candidate(s) of member(s) of the Board for the decision of the Board. In selecting a suitable candidate to become a member of the Board, the Board will consider various criteria such as education, qualification, experience, skills and possible contribution of such candidate.

董事會會議記錄乃由公司秘書保存，並會送呈各董事作為記錄及公開予董事查閱。

公司秘書須提供專業意見及資訊予董事。另應董事合理要求，可在適當情況下尋求獨立專業意見，有關費用由本公司支付。董事會須致力向董事提供不同及適當之獨立專業意見，以協助有關董事履行彼等之職責。

各新任董事於就任時均獲提供詳盡資料，載列上市規則、相關法律及香港有關監管規例所訂明之董事職責及責任。全體新委任董事已確認，彼等已接受董事之培訓，並聲明已明瞭彼等各自於上市規則下之責任。

本公司已為董事購買合適之責任保險，就彼等因本集團業務承擔法律訴訟時為其提供保障。

提名委員會

於截至2011年12月31日止年度內，本公司並無提名委員會負責提名新董事。現由董事會集體負責物色及挑選合資格人士成為董事會成員的責任。如董事會認為有需要或適宜委任一名新董事會成員（不論是填補臨時空缺或其他原因），每名董事會成員均可提名合適的人士作為董事會成員的候選人，讓董事會決擇。在挑選合適的候選人成為董事會成員時，董事會將考慮多方面的條件，如該候選人的教育水平、資歷、經驗、技術及可作出的貢獻。

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Throughout the year 2011, the Board had reviewed the structure, size and composition (including the skills, knowledge and experience) of the Directors, and made recommendations regarding further refinement of the Board composition, to tie in development and fill up casual vacancy. As such, Mr. He Zuyuan and Mr. Li Zhengguang had been appointed as Executive Director on 18 August 2011; and Mr. Yu Zhiping, Ms. Zheng Xiaowei, Mr. Wei Qiyan had been appointed as Non-Executive Director on 18 August 2011; and Mr. Ling Bing, Mr. Qiu Xianhong and Mr. Huang Jinsong had been appointed as Independent Non-Executive Director on 18 August 2011. In addition, the Board had also assessed the independence of Independent Non-executive Directors during the year 2011.

Pursuant to the relevant requirements of the Listing Rules, the Company established a nomination committee (“Nomination Committee”) on 15 March 2012. The chairman of the Nomination Committee is Mr. Yu Zhiping, and the members of the Nomination Committee include Mr. He Zuyuan, Mr. Ling Bing, Mr. Qiu Xianhong and Mr. Huang Jinsong. The Nomination Committee comprises a majority of independent non-executive directors.

CHANGES OF DIRECTORS

Pursuant to the written resolution signed by all Directors on 17 August 2011, the Board has approved the following changes in the composition of the board of directors with effect from 18 August 2011:

Resignation of directors:

- (1) Mr. Xu Xiaofan resigned as the chairman, the executive Director and a member of the remuneration committee;
- (2) Mr. Liu James Jin resigned as an executive Director and an authorized representative under the Companies Ordinance and the Listing Rules;
- (3) Ms. Guo Lin resigned as an executive Director and a member of the remuneration committee;
- (4) Mr. Huang Zemin resigned as an executive Director;
- (5) Mr. Li Ke resigned as an executive Director;
- (6) Mr. Lee Kwong Yiu resigned as an independent non-executive Director, the chairman of remuneration committee and a member of audit committee;

於2011年，董事會已檢討董事的架構、規模及成員（包括技能、知識及經驗），及就有關進一步提昇董事會的組成作出推薦意見。為了增強董事會的全面性、配合發展及填補臨時空缺，何祖元先生及李正光先生已於2011年8月18日獲委任為執行董事；而余志平先生、鄭曉衛女士、魏其岩先生已於2011年8月18日獲委任為非執行董事；而凌兵先生、邱先洪先生及黃勁松先生已於2011年8月18日獲委任為獨立非執行董事。另外，董事會已於2011年評估了獨立非執行董事之獨立性。

根據上市規則有關需求，公司已於2012年3月15日成立提名委員會（「提名委員會」）。提名委員會之主席是由余志平先生擔任，而成員包括何祖元先生、凌兵先生、邱先洪先生及黃勁松先生。提名委員會成員以獨立非執行董事佔大多數。

董事之變動

根據2011年8月17日所有董事簽署之書面決議，董事會已批准以下董事會組成之變動，自2011年8月18日起生效：

董事之辭任：

- (1) 徐小凡先生已辭任主席、執行董事兼薪酬委員會成員職務；
- (2) 劉津先生已辭任執行董事兼根據公司條例及上市規則所規定之授權代表職務；
- (3) 郭琳女士已辭任執行董事兼薪酬委員會成員職務；
- (4) 黃澤民先生已辭任執行董事職務；
- (5) 李可先生已辭任執行董事職務；
- (6) 李廣耀先生已辭任獨立非執行董事、薪酬委員會主席兼審核委員會成員職務；

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- (7) Mr. Lui Tin Nang resigned as an independent non-executive Director, the chairman of audit committee and a member of remuneration committee; and
- (8) Mr. Chong Cha Hwa resigned as an independent non-executive Director, a member of audit committee and a member of remuneration committee.

Appointment of directors:

- (1) Mr. Yu Zhiping was appointed as a chairman and non-executive Director;
- (2) Mr. He Zuyuan was appointed as an executive Director, chief executive officer, chairman of remuneration committee and an authorized representative under the Companies Ordinance and the Listing Rules;
- (3) Mr. Li Zhengguang was appointed as an executive Director and a member of remuneration committee;
- (4) Mr. Wei Qiyan was appointed as a non-executive Director and a member of audit committee;
- (5) Ms. Zheng Xiaowei was appointed as a non-executive Director;
- (6) Mr. Ling Bing was appointed as an independent non-executive Director, a member of remuneration committee and a member of audit committee;
- (7) Mr. Qiu Xianhong was appointed as an independent non-executive Director, chairman of audit committee and a member of remuneration committee; and
- (8) Mr. Huang Jinsong was appointed as an independent non-executive Director and a member of remuneration committee.

Re-designation of director

Mr. Chen Zhiyu was re-designated from an executive Director to a non-executive Director and ceased to be the Chief Executive Officer.

- (7) 呂天能先生已辭任獨立非執行董事、審核委員會主席及薪酬委員會成員職務；及
- (8) 張家華先生已辭任獨立非執行董事、審核委員會成員及薪酬委員會成員職務。

董事之委任：

- (1) 余志平先生獲委任為主席兼非執行董事；
- (2) 何祖元先生獲委任為執行董事、首席執行官、薪酬委員會主席兼根據公司條例及上市規則所規定之授權代表；
- (3) 李正光獲委任為執行董事兼薪酬委員會成員；
- (4) 魏其岩先生獲委任為非執行董事兼審核委員會成員；
- (5) 鄭曉衛女士獲委任為非執行董事；
- (6) 凌兵先生獲委任為獨立非執行董事、薪酬委員會成員兼審核委員會成員；
- (7) 邱先洪先生獲委任為獨立非執行董事、審核委員會主席兼薪酬委員會成員；及
- (8) 黃勁松先生獲委任為獨立非執行董事兼薪酬委員會成員；

董事之調任

陳志宇先生已從執行董事調任為非執行董事並不再擔任首席執行官一職。

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Pursuant to the written resolution signed by all Directors on 15 March 2012, the Board has approved the following changes with effect from 15 March 2012:

- (1) the re-designation of Ms. Zheng Xiaowei (鄭曉衛) from a non-executive Director to an executive Director; and
- (2) the re-designation of Mr. Qiu Xianhong (邱先洪) from a member of the Remuneration Committee to the chairman of the Remuneration Committee and the re-designation of Mr. He Zuyuan (何祖元) from the chairman of the Remuneration Committee to a member of the Remuneration Committee.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER (“CEO”)

The position of the Chairman and CEO are held by separate individuals to maintain and preserve independence and an effective segregation of duties respecting management of the Board and the day-to-day management of the Group's business.

The Chairman provides leadership to the Board so that the Board works effectively and discharges its responsibilities and that all key and appropriate issues are discussed by the Board in a timely manner. All Directors have been consulted about any matters proposed for inclusion in the agenda. The Chairman has delegated the responsibility for drawing up the agenda for each Board meeting to the Company Secretary.

The CEO is responsible for the business directions and operational decisions of the management and performance of the Group. The CEO together with the other EDs and management team, is responsible for the implementation of strategies adopted by the Board and assuming full accountability to the Board for the operations of the Group.

REMUNERATION COMMITTEE

The Company established its Remuneration Committee on 30 June 2005 and comprises 2 EDs and 3 INEDs.

The principle responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for all remuneration of executive directors and senior management and reviewing the specific remuneration packages of all EDs and senior management by referencing to the corporate goals and objectives resolved by the Board from time to time. The detailed terms of reference of the Remuneration Committee are posted on the Company's website in March 2012.

根據2012年3月15日所有董事簽署之書面決議，董事會已批准以下之變動，自2012年3月15日生效：

- (1) 鄭曉衛女士由非執行董事調任為執行董事；及
- (2) 邱先洪先生由薪酬委員會成員調任為薪酬委員會主席以及何祖元先生由薪酬委員會主席調任為薪酬委員會成員。

主席及首席執行官

主席及首席執行官之職務由不同人士擔任，使董事會運作及集團日常業務管理得以有效區分及維持其獨立性。

主席負責領導董事會，使董事會有效運作及履行其職責，並使董事會及時處理所有重要及適當之問題。所有董事均經過諮詢以提出任何商討事項列入會議議程。主席已委派公司秘書負責擬定每次董事會會議之議程。

首席執行官對本集團之業務方向及管理營運決策負有執行責任。首席執行官連同其他執行董事及管理隊伍負責執行董事會採納之政策，並就本集團整體營運向董事會負上全責。

薪酬委員會

本公司已於2005年6月30日成立薪酬委員會，由2名執行董事及3名獨立非執行董事組成。

薪酬委員會之主要職責包括就本公司執行董事及高級管理人員之薪酬政策及架構向董事會作出建議，並參照董事會不時通過之企業目標，檢討全體執行董事及高級管理人員之特定薪酬待遇。詳細的薪酬委員會職權範圍已於2012年3月登載至本公司網頁。

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The Remuneration Committee meets regularly to review human resource issues, including group-wide remuneration policies and long-term incentive scheme (share option scheme). The emoluments of Directors are based on the working experience, skill, knowledge and involvement in the Company's affairs of each Director and are determined by referencing to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

薪酬委員會定期舉行會議以檢討人力資源事宜，包括整個集團之薪酬政策及長期獎勵計劃（購股權計劃）。董事酬金乃根據個別董事之工作經驗、技能、知識水平及對公司事務之投入程度，並參與公司業務與盈利狀況、同業水平及市場環境而釐定。

The remuneration committee adopted the model of making recommendations to the Board on the remuneration packages of individual executive directors and senior management.

薪酬委員會採納向董事會建議個別執行董事及高級管理人員的薪酬待遇之模式。

Details of the remuneration of the Directors and the 5 highest paid individuals are set out in Note 16 to the consolidated financial statements.

本公司董事之薪酬及5位最高薪酬人士之詳情載於綜合財務報表附註16。

During the year, the Remuneration Committee held 1 meeting. The attendance of each member at the committee meeting is set out as follows:

於本年度，薪酬委員會召開1次會議。成員出席會議之情況如下：

		Attendance 出席次數
Executive Directors		
執行董事		
He Zuyuan (appointed on 18 August 2011)*	何祖元 (於2011年8月18日獲委任)*	0/0
Li Zhengguang (appointed on 18 August 2011)	李正光 (於2011年8月18日獲委任)	0/0
Xu Xiaofan (resigned on 18 August 2011)	徐小凡 (於2011年8月18日辭任)	1/1
Guo Lin (resigned on 18 August 2011)	郭琳 (於2011年8月18日辭任)	1/1
Independent Non-executive Directors		
獨立非執行董事		
Ling Bing (appointed on 18 August 2011)	凌兵 (於2011年8月18日獲委任)	0/0
Qiu Xianhong (<i>chairman of Remuneration Committee</i>) (appointed on 18 August 2011 and re-designated as chairman of Remuneration Committee on 15 March 2012)	邱先洪 (<i>薪酬委員會主席</i>) (於2011年8月18日獲委任及於2012年3月15日獲調任為薪酬委員會主席)	0/0
Huang Jinsong (appointed on 18 August 2011)	黃勁松 (於2011年8月18日獲委任)	0/0
Lui Tin Nang (resigned on 18 August 2011)	呂天能 (於2011年8月18日辭任)	1/1
Lee Kwong Yiu (resigned on 18 August 2011)**	李廣耀 (於2011年8月18日辭任)**	1/1
Chong Cha Hwa (resigned on 18 August 2011)	張家華 (於2011年8月18日辭任)	1/1

* Mr. He Zuyuan was appointed as the chairman of the Remuneration Committee on 18 August 2011 and ceased to be the chairman of the Remuneration Committee with effect from 15 March 2012, but remains as a member.

* 何祖元先生於2011年8月18日獲委任為薪酬委員會主席及於2012年3月15日起不再擔任薪酬委員會主席，但仍保留其成員職務

** Mr. Lee Kwong Yiu has resigned as chairman and member of the Remuneration Committee, with effect from 18 August 2011.

** 李廣耀先生於2011年8月18日辭任薪酬委員會主席及成員職務

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AUDIT COMMITTEE

The Company established its Audit Committee on 26 January 2002 with reference to “A Guide for the Formation of an Audit Committee” issued by the Hong Kong Institute of Certified Public Accountants (formerly known as Hong Kong Society of Accountants). The Audit Committee currently comprises 1 NED and 2 INEDs. The Company Secretary and the accountant shall attend all Audit Committee meetings to advise on corporate governance, statutory compliance, accounting and financial matters when necessary.

The principal responsibilities of the Audit Committee include reviewing and supervising the Group’s financial reporting system and internal control procedures, and providing an accurate, fair and complete financial statement for the Company. The Audit Committee also reviews the Group’s financial information and the relationship with the auditors of the Company.

The quarterly results and accounts, interim report and condensed consolidated financial statements, and annual report and consolidated financial statements of the Group in 2011 have been reviewed by the Audit Committee.

During the year, the Audit Committee held 4 meetings. The attendance of each member at the committee meetings is set out as follows:

審核委員會

本公司參照香港會計師公會刊發之「成立審核委員會指引」，已於2002年1月26日成立審核委員會。現由1名非執行董事及2名獨立非執行董事組成。公司秘書及會計師均出席各審核委員會會議，於有需要時就企業管治、條例監管、會計及財務等事宜向董事會提供意見。

審核委員會之主要職責包括審查及監察本公司之財政匯報程序及內部運作監控、審閱本集團之財務資料及審查本公司與核數師的關係，以負責檢討公司之財務報告是否準確、公平及完整。

本集團2011年之季度業績及賬目、中期報告及簡明綜合財務報表，和年度報告及綜合財務報表，經已由審核委員會審閱。

於本年度，審核委員會召開4次會議。成員出席會議之情況如下：

		Attendance 出席次數
Independent Non-executive Directors	獨立非執行董事	
Qiu Xianhong (<i>chairman of Audit Committee</i>) (appointed on 18 August 2011)	邱先洪 (審核委員會主席) (於2011年8月18日獲委任)	0/1
Wei Qiyang (appointed on 18 August 2011)	魏其岩 (於2011年8月18日獲委任)	1/1
Ling Bing (appointed on 18 August 2011)	凌兵 (於2011年8月18日獲委任)	1/1
Lui Tin Nang (<i>ex-chairman of Audit Committee</i>) (resigned on 18 August 2011)	呂天能 (前審核委員會主席) (於2011年8月18日辭任)	3/3
Lee Kwong Yiu (resigned on 18 August 2011)	李廣耀 (於2011年8月18日辭任)	3/3
Chong Cha Hwa (resigned on 18 August 2011)	張家華 (於2011年8月18日辭任)	3/3

Corporate Governance Policy

The Company’s corporate governance policy follows the principles and practices stated in Appendix 14 of the Listing Rules (Code on Corporate Governance Practices).

企業管治政策

本公司之企業管治政策遵循上市規則附錄14之原則及常規(企業管治常規守則)。

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SHAREHOLDERS AND SHAREHOLDERS' MEETING

In order to ensure that all shareholders of the Company enjoy equal status and effectively exercise their own rights, the Company convenes shareholders' general meetings every year in accordance with the Articles of Association. During the year, five shareholders' general meetings were held, including the annual general meeting held on 3 June 2011 and four extraordinary general meetings held on 8 June 2011, 8 September 2011, 21 November 2011 and 28 November 2011 respectively. The attendance of each director at the general meetings is set out as follows:

股東和股東大會

為保障本公司所有股東享有平等地位並有效地行使自身的權利，本公司根據公司章程細則的規定每年召開股東大會。於本年度，本公司共召開5次股東大會，其中包括於2011年6月3日舉行之股東周年大會和4次分別於2011年6月8日、2011年9月8日、2011年11月21日及2011年11月28日舉行之股東特別大會。董事出席股東大會情況如下：

Executive Directors

He Zuyuan (*Chief Executive Officer*)
(appointed on 18 August 2011)
Li Zhengguang (appointed on 18 August 2011)
Zheng Xiaowei (appointed on 18 August 2011 as non-executive Director and re-designated as executive Director on 15 March 2012)
Xu Xiaofan (resigned on 18 August 2011)
Liu James Jin (resigned on 18 August 2011)
Guo Lin (resigned on 18 August 2011)
Huang Zemin (resigned on 18 August 2011)
Li Ke (resigned on 18 August 2011)

執行董事

何祖元 (*首席執行官*)
(於2011年8月18日獲委任) 0/3
李正光 (於2011年8月18日獲委任) 3/3
鄭曉衛 (於2011年8月18日獲委任為非執行董事及於2012年3月15日獲調任為執行董事) 0/3
徐小凡 (於2011年8月18日辭任) 2/2
劉津 (於2011年8月18日辭任) 1/2
郭琳 (於2011年8月18日辭任) 2/2
黃澤民 (於2011年8月18日辭任) 1/2
李可 (於2011年8月18日辭任) 0/2

Non-Executive Directors

Yu Zhiping (*Chairman*)
(appointed on 18 August 2011)
Wei Qiyan (appointed on 18 August 2011)
Chen Zhiyu (re-designated from an executive Director to a non-executive Director on 18 August 2011)

非執行董事

余志平 (*主席*)
(於2011年8月18日獲委任) 0/3
魏其岩 (於2011年8月18日獲委任) 0/3
陳志宇 (於2011年8月18日由執行董事調任為非執行董事) 3/5

Independent Non-executive Directors

Ling Bing (appointed on 18 August 2011)
Qiu Xianhong (appointed on 18 August 2011)
Huang Jinsong (appointed on 18 August 2011)
Lui Tin Nang (resigned on 18 August 2011)
Lee Kwong Yiu (resigned on 18 August 2011)
Chong Cha Hwa (resigned on 18 August 2011)

獨立非執行董事

凌兵 (於2011年8月18日獲委任) 0/3
邱先洪 (於2011年8月18日獲委任) 0/3
黃勁松 (於2011年8月18日獲委任) 0/3
呂天能 (於2011年8月18日辭任) 2/2
李廣耀 (於2011年8月18日辭任) 2/2
張家華 (於2011年8月18日辭任) 1/2

Corporate Governance Report 企業管治報告

SHAREHOLDERS' RIGHT

(a) Requisition to convene an extraordinary general meeting

With reference to Article 64 of the Articles of Association, extraordinary general meetings can be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Directors or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Directors for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Directors fail to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Directors shall be reimbursed to the requisitionist(s) by the Company.

(b) Procedure for shareholders to nominate directors

Article 113 of the Articles provides that "No person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that the period for lodgement of such notice(s) shall commence no earlier than the date after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting."

股東權利

(a) 要求召開股東特別大會

參照組織章程細則第64條，股東特別大會可在一名或以上於遞交申請當日持有有權於本公司股東大會投票的本公司繳足股本不少於十分一的股東要求下召開。有關要求須以書面向董事會或秘書提出，述明要求董事會召開股東特別大會以處理要求內訂明的任何事項。有關大會須於遞交有關要求後兩個月內舉行。倘於遞交要求後二十一(21)日內，董事會未有召集該大會，則遞交要求人士可自行以同樣方式召集大會，而遞交要求人士因董事會未有召集大會而合理產生的所有開支應由本公司向要求人作出償付。

(b) 股東提名董事之程序

章程細則第113條規定「除由董事推薦參與選舉外，辭任董事以外之任何人士均無資格於任何股東大會上獲選出任董事之職，除非一份表明其擬推薦該人出任董事職務的書面通知以及一份由該人所簽署的表示同意接受推薦的書面通知已提交本公司總部或註冊辦事處，但作出通知的最短期限至少為七(7)日，且提交通知的期限不得早於股東大會通告所訂定的寄發日期開始，亦不得遲於該大會召開前七(7)日結束。」

Corporate Governance Report 企業管治報告

Accordingly, if a shareholder wishes to nominate a person to stand for election as a Director, the following documents must be validly served on the Secretary or the Board, namely:

1. his/her notice of intention to propose a resolution at the general meeting;
2. a notice executed by the nominated candidate of the candidate's willingness to be appointed together with:
 - (a) that candidate's information as required to be disclosed under Rule 13.51(2) of the Listing Rules;
 - (b) a declaration made by the nominated candidate in respect of the information required to be disclosed pursuant to Rule 13.51(2)(h) to (w) of the Listing Rules, or an appropriate negative statement to that effect where there is no information to be disclosed pursuant to any of such requirements nor there are any other matters relating to that nominated candidate's standing for election as a Director that should be brought to shareholders' attention; and
 - (c) the candidate's written consent to the publication of his/her personal data.

In order to ensure shareholders have sufficient time to receive and consider the information of the nominated candidate(s), shareholders are urged to submit their proposals as early as practicably and shall not be later than 10 business days prior to the date appointed for such meeting, so that an announcement can be issued on a timely manner and a supplemental circular containing information of the candidate(s) proposed by the shareholders can be despatched to shareholders as soon as practicable.

因此，倘一名股東意欲提名一名人士參選董事，以下文件應及時送達秘書或董事會處，即：

1. 其於股東大會上提呈決議案之意願書；
2. 被提名候選人表達其同意被委任之通知及下列文件：
 - (a) 根據上市規則第13.51(2)條規定須予披露的候選人資料；
 - (b) 被提名候選人所作之有關根據上市規則第13.51(2)(h)至(w)條規定須予披露之資料之聲明，或適當之否定聲明，即概無任何資料根據任何規定須予披露，亦無任何其他與參選董事之被提名候選人有關之事項須提請股東注意；及
 - (c) 候選人同意公佈其個人資料之書面同意書。

為確保股東有充足時間接收及考慮獲提名候選人的資料，本公司督促股東儘早（不遲於股東大會舉行日期前十個營業日）提交其提議，以便可以及時刊發公告，且包含股東所提名候選人資料之補充通函能夠儘快寄發予股東。

Corporate Governance Report 企業管治報告

(c) Procedure for shareholders to add a resolution in the annual general meeting

If shareholders would like to make a request to include a resolution in the annual general meeting, they are requested to follow the requirements and procedures as set out in Section 115A of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong).

(d) Procedures and contact details for making enquiries

Shareholders are invited to visit the Company's website for getting the latest information of the Company. If shareholders have any specific enquiries, they can:

1. deliver their verbal enquires to the Board members, chairman of Board committees or their delegates, appropriate management executives or auditors who attend the Company's annual general meeting; or
2. make enquiries to the Company through the following means:

Hotline telephone number: 熱線電話: (852) 2570 5886

By fax: 傳真: (852) 2806 2861

By post: 郵遞: Unit 7, 31st Floor, Tower 1, Lippo Centre,
89 Queensway, Hong Kong
香港金鐘道89號力寶中心1座31樓7室

Attention: 致: Ms. Gloria Cheung
張顯翹小姐

(c) 股東於股東週年大會上增添決議案之程序

倘若股東有意要求在股東週年大會上加入決議案，彼等須遵守公司條例（香港法例第32章）第115A條之規定及程序。

(d) 查詢之程序及聯絡詳情

本公司歡迎股東瀏覽本公司之網站，以取得本公司之最新資料。倘若股東有任何特定查詢，彼等可：

1. 向出席本公司週年大會之董事會成員、董事委員會主席或其受委人、合適的管理人員或核數師提出口頭查詢；或
2. 透過以下途徑向本公司查詢：

Corporate Governance Report 企業管治報告

INTERNAL CONTROL

The Board is responsible for establishing, maintaining and operating an effective system of internal control. The internal control system of the Group comprises a well-established organisational structure and comprehensive policies and standards.

Our internal control system covers major operational function of the Group. Our system is designed to (i) safeguard the Group's assets against loss and misappropriation; (ii) maintain proper accounting records for producing reliable financial information; and (iii) provide reasonable, but not absolute, assurance against material fraud and errors.

The Group's internal audit function plays an important role in the Group's internal control framework. It provides objective assurance to the Board that a sound internal control system is maintained and operated in compliance with the established processes and standards through regular and comprehensive audits on major operational functions. All internal audit reports will be submitted to the Audit Committee for review. Significant issues in the management letters from external auditors will be brought to the attention of the Audit Committee to ensure that prompt remedial action is taken. All recommendations will be properly followed up to ensure they are implemented within a reasonable period of time. Pursuant to a risk-based methodology, the Internal Audit Department plans its internal audit schedules annually with audit resources being focused on higher risk areas. The Internal Audit Plan is submitted to the Audit Committee for review and approval. To preserve the audit independence, the Head of Internal Audit Department can report directly to the Audit Committee.

In respect of the year ended 31 December 2011, the Board had reviewed the effectiveness of internal control system including the supervision of the financial, operational and compliance affairs, as well as risk management. No significant deficiencies which might affect shareholders were identified.

內部監控

董事會負責設立、維持及執行一個有效的內部監控系統。本集團的內部監控系統包括一個完善的組織架構和全面的政策及準則。

本集團之內部監控系統涵蓋主要營運部門，以(i)保障本集團資產免受損失或被盜用；(ii)妥善保存會計紀錄以提供可靠的財務資料；(iii)就重大欺詐及錯誤合理地作出防範，惟不能確保其絕對不會發生。

內部審核為本集團內部監控架構重要的一環，為董事會提供客觀保證，透過對主要營運部門的定期全面審查以確保完善的內部監控系統得以維持及依循既定的程序和標準。所有內部審核報告均會提交審核委員會審閱。外聘核數師致管理層函件內的重要事項均呈審核委員會審閱，確保能及時採取補救行動，並跟進所有建議，確保能在合理時間內執行。內部審核部每年根據風險為本之原則，將審核資源重點擺放於較高風險之範疇上，去制訂其內部審核時間表。審核計劃會提交審核委員會批核。為確保審核之獨立性，內部審核部主管可直接向審核委員會報告。

截至2011年12月31日止之年度內，董事會已審閱內部監控系統（包括財務、運作及合規監管和風險管理功能）的有效性，並無發現可能影響股東之重大缺失。

Corporate Governance Report 企業管治報告

CONFIRMATION OF THE DIRECTORS AND AUDITORS

The Directors are responsible for supervising the preparation of annual accounts in order to give a true and fair view of the financial position, operating results and cash flow of the Group during the year. For the purpose of the preparation of the financial statements of the reporting period, the Directors have selected appropriate accounting policies, adopted applicable accounting principles, made judgments and assessments that are prudent and reasonable and ensured the financial statements were prepared on a going concern basis. The Directors have confirmed that the Group's financial statements were prepared in accordance with the requirements of laws and applicable accounting principles.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the ability of the Company to operate as a going concern. The statement of auditors about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report.

EXTERNAL AUDITORS

It is important to the Group that the independence of its external auditors is maintained. Therefore, all the contracts for substantial non-audit work to be awarded to the external auditors must be approved by the Audit Committee and the Board. The scope of work should be limited to those with efficiencies of scale and added value, with no adverse effect on actual or perceived independence of the audit work itself.

Messrs. SHINEWING (HK) CPA Limited, the auditor of the Company received approximately HK\$1.5 million for audit services and approximately HK\$1.6 million for non-audit services, such as agreed-upon procedures services and interim review service during the year ended 31 December 2011.

董事及核數師之確認

董事負責監督年度賬目編製以真實公允的反映本集團年內的財務狀況、經營業績與現金流量。編製報告期間報表時，董事已選用合適的會計政策，採用合適的會計準則，作出審慎合理的判斷及評估，以及確保賬目以持續經營基準編製。董事確認，本集團財務報表之編製乃符合法定要求及適用會計準則。

據董事所知，並不存在可能導致質疑本公司持續經營能力的任何重大不明朗因素。核數師就其對財務報表之申報責任所作聲明載於獨立核數師報告。

外聘核數師

外界核數師的獨立性對本集團而言十分重要。因此，在向外聘核數師批授所有重大非核數工作合約時，必須取得審核委員會及董事會批准。所提供之服務只限於具規模效益及屬於增值服務性質，且對核數工作的實際或觀感方面之獨立性絕無負面影響。

於截至2011年12月31日止年度，本公司核數師信永中和（香港）會計師事務所有限公司收取之費用包括核數費用約1.5百萬港元及非核數服務之費用（包括中期審閱及約定審查業務服務）約1.6百萬港元。

Corporate Governance Report 企業管治報告

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company established different communication channels with its shareholders and investors. The annual general meeting of the Company (“AGM”) is the principal occasion at which the Chairman and Directors may interact directly with the shareholders to provide a forum for shareholders to raise comments and exchange views with the Board. All shareholders can receive corporate information by printed copies of corporate communication.

Corporate communication (“Corporate Communication”) refers to any document issued or to be issued by the Company for the information or action of holders of any of the Company’s securities as defined in Listing Rule 1.01, including but not limited to, the directors’ report and annual accounts together with a copy of the auditor’s report, the interim report, a notice of meeting, a circular and a proxy form.

If any shareholder does not receive the Company’s Corporate Communication, the shareholder shall contact the Company’s registrar, Union Registrars Limited at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong. The relevant Corporate Communication will be sent to you free of charge as soon as practicable after receiving your notification of non-receipt of Corporate Communications.

Apart from the above, updated and key information of the Group are also available on the website of the Company. During the year, enquiries from shareholders were handled by the executive Directors and the Company Secretary.

投資者關係及股東通訊

本公司與股東及投資者建立不同的通訊途徑。本公司之股東週年大會乃股東與主席及董事直接交流並對董事會發表建議的主要場合。全體股東可收取公司通訊之印刷本。

公司通訊（「公司通訊」）指本公司已經或將發行以供本公司任何證券（定義見上市規則第1.01條）持有人參考或採取行動的任何文件，包括但不限於董事會報告、隨附核數師報告副本的年度賬目、中期報告、會議通知、通函及代表委任表格。

倘若股東未能收取本公司之公司通訊，股東須聯絡本公司之註冊處聯合證券登記有限公司，地址為香港灣仔駱克道33號中央廣場福利商業中心18樓。相關公司通訊將於收到閣下未能收取公司通訊之通知後在可行情況下盡快免費送達閣下。

除此之外，本公司網頁載有本集團之最新及重要資訊。本年內，執行董事及公司秘書已經處理股東之查詢。

Corporate Governance Report 企業管治報告

All the shareholders have at least 20 clear business days formal notice of the AGM. In respect of each substantially separate issue at a general meeting, a separate resolution has been proposed by the chairman of that meeting. All resolutions tabled at the general meeting shall be voted by poll by shareholder. Shareholders, investors and the media can make enquiries to the Company through the following means:

本公司就股東週年大會給予全體股東最少20個工作天之正式通知。主席將建議有關個別重大的事項，以個別決議案分別處理。股東需以投票方式表決所有股東大會決議案。股東、投資者及媒體均可透過以下聯絡方法向本公司作出查詢：

Hotline telephone number:	熱線電話：	(852) 2570 5886
By fax:	傳真：	(852) 2806 2861
By post:	郵遞：	Unit 7, 31 st Floor, Tower 1, Lippo Centre, 89 Queensway, Hong Kong 香港金鐘道89號力寶中心1座31樓7室
Attention:	致：	Ms. Gloria Cheung 張顯翹小姐



Directors' Report 董事會報告

The Directors have pleasure in submitting their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2011.

LISTING OF SHARES

The Company's shares had been listed on The Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 7 February 2002. On 4 August 2003, the Company withdrew the listing of its shares on the GEM and on the same date, the Company's shares were listed on the main board of the Stock Exchange by way of introduction.

PRINCIPAL ACTIVITIES AND ANALYSIS OF OPERATIONS

The Company is an investment holding company and engaged in trading of natural uranium. Its subsidiaries are principally engaged in selling, distributing and manufacturing of pharmaceutical and food products and property investment. An analysis of the Group's performance for the year is set out in Note 8 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 73 of the annual report.

Since the Group intends to retain sufficient capital for the business expansion, the Board would not recommend the payment of a final dividend (2010: Nil).

董事會欣然提呈本公司之董事會報告連同本集團截至2011年12月31日止年度之經審核綜合財務報表。

股份上市

本公司股份於2002年2月7日於香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市。於2003年8月4日，本公司撤銷其股份在創業板上市地位，並於同日以介紹方式將股份在聯交所主板上市。

主要業務及業務分析

本公司為投資控股公司及從事天然鈾貿易，其附屬公司之主要業務為藥品及食品銷售、分銷及製造，以及物業投資。本集團本年度業務分析載於綜合財務報表附註8。

業績及股息分派

本集團本年度之業績載於年報第73頁之綜合收益表。

由於集團打算保留充足資金作業務發展，故董事會不建議派發末期股息（2010年：無）。

Directors' Report 董事會報告

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

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the five years ended 31 December 2011 is set out on page 2 of the annual report.

RESERVES

Movements in the reserves of the Group during the year are set out on pages 77 and 78 of the annual report.

INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, AND PREPAID LEASE PAYMENTS ON LAND USE RIGHT

Details of the movements in intangible assets, property, plant and equipment, investment properties, and prepaid lease payments on land use right of the Group are set out in Notes 17, 18, 19 and 20 to the consolidated financial statements respectively.

SUBSIDIARIES

Details of the principal subsidiaries of the Company are set out in Note 40 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in Note 30 to the consolidated financial statements.

CONVERTIBLE BONDS

During the year, the Company has issued convertible bonds with principal amount of HK\$600,000,000. The proceeds from convertible bonds may finance new business opportunities or investments of the Group. Details of this convertible bonds are set out in Note 31 to the consolidated financial statements.

截至2011年12月31日止年度並無派發或建議派發股息，而自結算日起亦無建議派發任何股息（2010年：無）。

財務摘要

本集團截至2011年12月31日止5個年度之業績和資產及負債之摘要載於年報第2頁。

儲備

本集團於本年度之儲備變動載於年報第77及78頁。

無形資產，物業、廠房及設備，投資物業及土地使用權預付租賃款項

本集團之無形資產，物業、廠房及設備，投資物業及土地使用權預付租賃款項變動詳情分別載於綜合財務報表附註17、18、19及20。

附屬公司

本公司主要附屬公司詳情載於綜合財務報表附註40。

股本

本公司股本變動詳情載於綜合財務報表附註30。

可換股債券

本公司年內發行本金額共600,000,000港元之可換股債券。發行可換股債券之款項可為本集團新業務機會或投資提供資金。本公司可換股債券之詳情載於綜合財務報表附註31。

Directors' Report 董事會報告

DIRECTORS

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

Executive directors

- Mr. He Zuyuan (*chief executive officer*)
(appointed on 18 August 2011)
- Mr. Li Zhengguang (appointed on 18 August 2011)
- Ms. Zheng Xiaowei (appointed as non-executive director on 18 August 2011 and re-designated as executive director on 15 March 2012)
- Mr. Xu Xiaofan (resigned on 18 August 2011)
- Mr. Liu James Jin (resigned on 18 August 2011)
- Ms. Guo Lin (resigned on 18 August 2011)
- Mr. Huang Zemin (resigned on 18 August 2011)
- Mr. Li Ke (resigned on 18 August 2011)

Non-executive directors

- Mr. Yu Zhiping (*Chairman*)
(appointed on 18 August 2011)
- Mr. Wei Qiyang (appointed on 18 August 2011)
- Mr. Chen Zhiyu (re-designated from an executive director to a non-executive director on 18 August 2011)

Independent non-executive directors

- Mr. Ling Bing (appointed on 18 August 2011)
- Mr. Qiu Xianhong (appointed on 18 August 2011)
- Mr. Huang Jinsong (appointed on 18 August 2011)
- Mr. Lui Tin Nang (resigned on 18 August 2011)
- Mr. Lee Kwong Yiu (resigned on 18 August 2011)
- Mr. Chong Cha Hwa (resigned on 18 August 2011)

In accordance with article 108 of the Articles of Association of the Company, Mr. Chen Zhiyu will retire from office by rotation at the forthcoming annual general meeting of the Company and, being eligible, offer himself for re-election.

In accordance with article 112 of the Articles of Association of the Company, the Directors appointed on 18 August 2011 shall hold office until the forthcoming annual general meeting of the Company and then be eligible for re-election at such meeting.

董事

本公司在本年度內及截至本報告日期之董事如下：

執行董事

- 何祖元先生 (*首席執行官*)
(於2011年8月18日獲委任)
- 李正光先生 (於2011年8月18日獲委任)
- 鄭曉衛女士 (於2011年8月18日獲委任為非執行董事及於2012年3月15日獲調任為執行董事)
- 徐小凡先生 (於2011年8月18日辭任)
- 劉津先生 (於2011年8月18日辭任)
- 郭琳女士 (於2011年8月18日辭任)
- 黃澤民先生 (於2011年8月18日辭任)
- 李可先生 (於2011年8月18日辭任)

非執行董事

- 余志平先生 (*主席*)
(於2011年8月18日獲委任)
- 魏其岩先生 (於2011年8月18日獲委任)
- 陳志宇先生 (於2011年8月18日由執行董事調任為非執行董事)

獨立非執行董事

- 凌兵先生 (於2011年8月18日獲委任)
- 邱先洪先生 (於2011年8月18日獲委任)
- 黃勁松先生 (於2011年8月18日獲委任)
- 呂天能先生 (於2011年8月18日辭任)
- 李廣耀先生 (於2011年8月18日辭任)
- 張家華先生 (於2011年8月18日辭任)

根據本公司組織章程細則第108條，陳志宇先生會於即將召開之股東週年大會輪值告退，惟彼等合資格並願意膺選連任。

根據本公司組織章程細則第112條，於2011年8月18日獲委任之董事任期直至本公司即將舉行之股東週年大會，並合資格隨後於該大會上膺選連任。

Directors' Report 董事會報告

DIRECTORS' SERVICE CONTRACTS

There is no service contract, which is not determinable by the Company within one year without payment of compensation (other than statutory compensation), in respect of those Directors who are due to retire and offer for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS' INTERESTS IN CONTRACTS

Except for the director's service contracts, no contracts of significance in relation to the Group's business to which the Company or its subsidiaries were 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.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out on pages 24 to 29 of the annual report.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2011 amounted to approximately HK\$637,557,000.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association and there was no restriction against such rights under the laws of the Cayman Islands.

董事之服務合約

於即將舉行之本公司股東週年大會上退任並膺選連任之該等董事概無與本公司訂立於一年內須作出賠款（法定補償除外）方可終止之服務合約。

董事於合約之權益

除董事之服務合約外，於年終時或年內任何時間，本公司或其附屬公司概不存在其為訂約一方的本公司任一董事於其中擁有（不論直接或間接）重大利益的重大合同。

董事及高級管理層人員簡介

董事及高級管理層人員簡介詳情載於年報第24至29頁。

可供分派儲備

於2011年12月31日，本公司之可供分派儲備為約637,557,000港元。

優先購買權

本公司組織章程細則並無優先購買權之條文，而開曼群島法例並無對該等權利實施限制。

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

None of the Company and its subsidiaries redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year 2011.

SHARE OPTIONS

The Company has adopted a share option scheme (the "2010 Share Option Scheme") in the annual general meeting of the Company held on 2 June 2010 and terminated the share option scheme approved by the shareholders of the Company on 23 July 2003 (the "2003 Share Option Scheme") at the same meeting.

The "2010 Share Option Scheme"

After adoption of the 2010 Share Option Scheme, no share option was granted. The following disclosure is a summary of the 2010 Share Option Scheme as required by Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

(1) *Purpose:*

The purpose of the 2010 Share Option Scheme is to enable the Company to grant options to Eligible Participants as incentives or rewards for their contribution to the Company and / or any of the Subsidiaries.

(2) *Participants:*

The Eligible Participants of the 2010 Share Option Scheme to whom option(s) may be granted by the Board shall include any employees, non-executive directors, directors, suppliers, customers, advisors, consultants, joint venture partners and any shareholders of any members of the Group or any invested entities or any holders of any securities issued by any members of the Group or any invested entities.

購買、出售或贖回本公司之上市股份

本公司及其附屬公司於2011年度內並無贖回任何股份，亦無購買或出售本公司任何股份。

購股權

本公司於2010年6月2日舉行之股東週年大會上採納一項購股權計劃（「2010年購股權計劃」），並於同一大會上終止本公司股東於2003年7月23日批准之購股權計劃（「2003年購股權計劃」）。

2010年購股權計劃

採納2010年購股權計劃後，並無授出任何購股權。以下披露為香港聯合交易所有限公司證券上市規則（「上市規則」）第17章規定之2010年購股權計劃概要：

(1) *目的：*

2010年購股權計劃之目的為使本公司可向合資格參與者授出購股權，作為鼓勵及獎賞彼等對本公司及／或任何附屬公司作出貢獻。

(2) *參與者：*

可獲董事會授予購股權之2010年購股權計劃合資格參與者包括本集團任何成員公司或任何被投資實體之僱員、非執行董事、董事、供應商、客戶、顧問、諮詢人、合營企業夥伴及任何股東以及本集團任何成員公司或任何被投資實體所發行任何證券之任何持有人。

Directors' Report 董事會報告

- (3) *Total number of shares available for issue under the 2010 Share Option Scheme and percentage of issued share capital at the date of approval of the share option scheme:*

The number of shares which can be issued is 155,105,699 shares representing approximately 10% of the issued share capital of the Company at the date of approval of the 2010 Share Option Scheme.

- (4) *Maximum entitlement of each participant:*

The total number of shares issued and to be issued upon exercise of the Options granted under the 2010 Share Option Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding Options) to each Eligible Participant in any 12-month period must not exceed one percent (1%) of the then total issued share capital of the Company (the "Individual Limit").

- (5) *The periods within which the shares must be taken up under an option:*

An option shall be exercisable in whole or in part and in accordance with the terms of the 2010 Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on the day on which the offer for the grant of options is made but shall end in any event not later than ten (10) years commencing from the date the Board makes an offer of the grant of an option subject to the provisions for early termination thereof.

- (6) *The minimum period for which an option must be held before it can be exercised:*

Unless the Directors otherwise determine and state in the offer of the grant of options to an Eligible Participant, there is no minimum period for which an option granted under the 2010 Share Option Scheme must be held before it can be exercised.

- (3) *根據2010年購股權計劃可發行之股份總數及其所佔於購股權計劃批准日之已發行股本百分比：*

可發行之股份數目為155,105,699股，相等於本公司於2010年購股權計劃批准日之已發行股本約10%。

- (4) *各參與者可享有之最高配額：*

在任何12個月期間內每名合資格參與者根據2010年購股權計劃及本公司任何其他購股權計劃獲授之購股權（包括已行使、已註銷及尚未行使之購股權）予以行使時，已發行及將予發行之股份總數，不得超過本公司當時已發行股本總額之百分之一(1%)（「個別上限」）。

- (5) *行使購股權之時限：*

購股權可按照2010年購股權計劃之條款於董事決定並已知會各承授人之期間內任何時間全部或部分行使，該期間可自授出購股權要約提出當日開始，惟在任何情況下不得遲於董事會授予購股權建議當日起計十(10)年（惟可根據該計劃條款而提早終止）。

- (6) *行使購股權前規定之最短持有期：*

除董事另有決定並於向合資格參與者提出授予購股權要約時表明，否則根據2010年購股權計劃授出之購股權毋須先行持有一段最短期限始能行使。

Directors' Report 董事會報告

- (7) *The amount payable on application or acceptance of the option and the period within which payments of calls must or may be made or loans for such purpose must be paid:*

An offer of grant of an option may be accepted by an Eligible Participant within twenty-eight (28) days from the date of the offer of grant of the option. A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an option.

- (8) *The basis of determining the exercise price:*

Subject to the adjustment made in accordance with the terms of the 2010 Share Option Scheme, the exercise price in respect of any particular option shall be such price as determined by the Board in its absolute discretion at the time of making the offer of grant of an option (which shall be stated in the letter containing the offer of grant of an option) but in any case the exercise price must be at least the highest of (i) the closing price of shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a trading day; (ii) the average closing price of shares as stated in the Stock Exchange's daily quotations sheets for the five (5) business days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares.

- (9) *The remaining life:*

The 2010 Share Option Scheme will remain in force for a period of 10 years commencing on 2 June 2010.

The "2003 Share Option Scheme"

The share option scheme effective on 26 January 2002 was replaced by a new share option scheme adopted by the shareholders on 23 July 2003 (the "2003 Share Option Scheme").

The purpose of the 2003 Share Option Scheme is to grant share options to selected participants satisfying the criteria according to the 2003 Share Option Scheme as incentives or rewards for their contribution to the Group.

- (7) *申請認購或接納購股權時應付之金額，以及付款或通知付款或償還購股權貸款之期限：*

合資格參與者須於授出購股權要約提出當日起計二十八(28)日內接納獲授之購股權要約，而接納獲授購股權要約時須支付代價1.00港元。

- (8) *行使價之釐定基準：*

受限於按2010年購股權計劃條款作出之調整，任何特定購股權之行使價應為董事會於提出授出購股權要約之時全權酌情釐定之價格（其須於授出之購股權要約函件內訂明），惟在任何情況下行使價必須最少為下列三者中之最高者：(i)股份於授出購股權要約當日（須為交易日）之收市價（以聯交所每日報價表所載者為準）；(ii)股份於緊接授出購股權要約日期前五(5)個營業日之平均收市價（以聯交所每日報價表所載者為準）；及(iii)股份面值。

- (9) *尚餘有效期：*

2010年購股權計劃有效期為自2010年6月2日起10年。

2003年購股權計劃

於2002年1月26日生效之購股權計劃已由股東於2003年7月23日採納之新購股權計劃（「2003年購股權計劃」）取代。

2003年購股權計劃旨在向該等符合2003年購股權計劃各項條件下之經挑選參與者授予購股權，作為其對本集團作出貢獻之鼓勵或獎賞。

Directors' Report 董事會報告

The maximum number of securities to be issued upon the exercise of all outstanding options granted and yet to be exercised under the 2003 Share Option Scheme and any other share option scheme must not in aggregate exceed 30% of the relevant shares capital of the Company in issue from time to time.

The total number of shares which may be issued upon exercise of all options to be granted under the 2003 Share Option Scheme must not in aggregate exceed 127,746,216 shares representing 10% of the share in issue at the date of the 2003 Share Option Scheme. Subsequently, the general scheme limit was refreshed and approved at the annual general meeting on 31 May 2005, and the limit was re-set to 154,170,699 shares.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the 2003 Share Option Scheme to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being.

An option may be accepted by a participant within 21 days from the date of the offer of grant of the options. The subscription price for shares under the 2003 Share Option Scheme will be a price determined by the Directors but shall not be less than the highest of (i) the closing price of shares as stated in the Stock Exchange's daily quotation sheet for trades in one or more board lot of shares on the date of the offer of grant, or (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for trades in one or more board lot of shares for the five trading days immediately preceding the date of the offer of grant, and (iii) the nominal value of shares. A nominal consideration of HK\$1 is payable on acceptance of the grant of option.

An option may be exercised in accordance with the terms of the 2003 Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence from the date of acceptance of the offer but shall and in any event be not later than ten years from the date on which the offer is made subject to the provisions of early termination thereof.

因行使根據2003年購股權計劃或任何其他購股權計劃授出之所有尚未行使及有待行使購股權而將予發行之證券數目，最多合共不得超過本公司不時已發行有關股本之30%。

因行使根據2003年購股權計劃將予授出之所有購股權而可能發行之股份總數，合共不得超過127,746,216股股份，相當於2003年購股權計劃日期已發行股份10%。其後一般計劃上限已於2005年5月31日召開之股東週年大會上批准更新，該上限已重新設定為154,170,699股股份。

於任何12個月期間內，因行使根據2003年購股權計劃向任何參與者授出之購股權而已經及可能須予發行之股份總數，最多不得超過本公司當時已發行股本之1%。

參與者可於建議授出購股權之日起計21日內接納購股權。根據2003年購股權計劃，股份之認購價將由董事會釐定，惟不得少於以下三項之最高者：(i)授出購股權當日聯交所每日報價表所列股份（一手或以上股份）之收市價，或(ii)緊接授出購股權當日前五個交易日聯交所每日報價表所列股份（一手或以上股份）之平均收市價，及(iii)股份面值。於接納獲授之購股權時須繳付1港元象徵式代價。

購股權持有人可按照2003年購股權計劃之條款，於董事會釐定及通知各承授人之期間隨時行使購股權。該期間由接納購股權當日開始，及在任何情況下不遲於購股權授出當日起計十年屆滿，除非根據有關規定提早終止。

Directors' Report 董事會報告

The 2003 Share Option Scheme commenced on 23 July 2003 and ended on 2 June 2010.

First phase:

On 21 June 2002, the Directors granted options to subscribe for an aggregate of 30,000,000 shares of the Company, with an exercise price at HK\$0.39 per share. Those who were granted with the options can exercise their rights in multiple periods starting from 16 August 2002 to 6 February 2012 as below:

- From 16 August 2002 to 6 February 2012 – approximately 6,850,000 shares
- From 1 January 2003 to 6 February 2012 – approximately 8,280,000 shares
- From 1 January 2004 to 6 February 2012 – approximately 6,510,000 shares
- From 1 January 2005 to 6 February 2012 – approximately 8,360,000 shares

Among the grantees in this grant of share options, 108 of them are full-time employees of the Company and an aggregate of 21,100,000 options were granted to them; 29 of them are staff of major customers of the Company and an aggregate of 8,900,000 options are granted to them. During the year ended 31 December 2011, 230,000 share options granted were exercised, no option was forfeited or cancelled. As at 31 December 2011, 100,000 share options remained outstanding and exercisable.

Second phase:

On 28 February 2003, the Directors granted options to three directors of certain subsidiaries of the Group to subscribe for 19,800,000 shares of the Company, with an exercise price at HK\$0.24 per share. The grantees are entitled to exercise the subscription rights on or before 6 February 2012.

All of the options in this phase were fully exercised in 2004.

2003年購股權計劃於2003年7月23日生效，於2010年6月2日失效。

第一期計劃：

於2002年6月21日，董事會授出合共可認購本公司30,000,000股股份之購股權，行使價為每股0.39港元。獲授購股權之人士可於2002年8月16日至2012年2月6日期間按以下方式分期行使其權利：

- 2002年8月16日至2012年2月6日 – 約6,850,000股
- 2003年1月1日至2012年2月6日 – 約8,280,000股
- 2004年1月1日至2012年2月6日 – 約6,510,000股
- 2005年1月1日至2012年2月6日 – 約8,360,000股

是次獲授購股權人士當中108名為本集團全職僱員，合共獲授21,100,000份購股權；29名為本公司主要客戶的員工，合共獲授8,900,000份購股權。於截至2011年12月31日止年度內，獲授購股權之人士行使合共230,000份購股權，並沒有沒收或註銷購股權。於2011年12月31日，到期可以但尚未行使的購股權有100,000份。

第二期計劃：

於2003年2月28日，董事向本集團若干附屬公司3名董事授予合共可認購本公司19,800,000股股份之購股權，行使價為每股0.24港元。承授人有權於2012年2月6日或之前行使認購權。

此計劃中之購股權已於2004年內全獲行使。

Directors' Report 董事會報告

Third phase:

On 29 September 2003, the Directors granted options to subscribe for an aggregate of 30,000,000 shares of the Company, with an exercise price at HK\$0.51 per share. Those who were granted the options can exercise their rights in two periods starting from 2 January 2004 to 6 February 2012 as below:

From 2 January 2004 to 6 February 2012 –
approximately 8,990,000 shares
From 2 July 2004 to 6 February 2012 –
approximately 21,010,000 shares

As at the date of granting, among the grantees in this grant of share options, 14 of them are full-time employees of the Group and an aggregate of 16,595,000 options were granted to them; 5 of them are directors of certain subsidiaries of the Group and an aggregate of 12,405,000 options were granted to them; and one of them is a consultant of a wholly owned subsidiary and 1,000,000 options were granted. In year 2003, 1,500,000 options were waived by a grantee. During the year ended 31 December 2011, 13,000,000 share options granted were exercised, no option was forfeited or cancelled. As at 31 December 2011, 760,000 share options remained outstanding and exercisable.

Fourth phase:

On 12 September 2005, the Directors granted options to subscribe for an aggregate of 69,800,000 shares of the Company, with an exercise price at HK\$0.23 per share. Those who were granted the options can exercise their rights in two periods starting from 1 January 2006 to 6 February 2012 as below:

From 1 January 2006 to 6 February 2012 –
approximately 34,900,000 shares
From 1 January 2007 to 6 February 2012 –
approximately 34,900,000 shares

第三期計劃：

於2003年9月29日，董事授出合共可認購本公司30,000,000股股份之購股權，行使價為每股0.51港元。獲授購股權之人士可於2004年1月2日至2012年2月6日期間按以下方式分兩期行使其權利：

2004年1月2日至2012年2月6日 –
約8,990,000股
2004年7月2日至2012年2月6日 –
約21,010,000股

於授出當天，是次獲授購股權人士當中14名為本集團全職僱員，合共獲授16,595,000份購股權；5名為本集團若干附屬公司董事，合共獲授12,405,000份購股權；1名為一家全資附屬公司之顧問，獲授1,000,000份購股權。於2003年度內，一名承授人放棄1,500,000份購股權。於截至2011年12月31日止年度內，獲授購股權之人士行使合共13,000,000份購股權，並沒有沒收或註銷購股權。於2011年12月31日，到期可以但尚未行使的購股權有760,000份。

第四期計劃：

於2005年9月12日，董事授出合共可認購本公司69,800,000股股份之購股權，行使價為每股0.23港元。獲授購股權之人士可於2006年1月1日至2012年2月6日期間按以下方式分兩期行使其權利：

2006年1月1日至2012年2月6日 –
約34,900,000股
2007年1月1日至2012年2月6日 –
約34,900,000股

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As at the date of granting, among the grantees in this grant of share options, 12 of them are full-time employees of the Group and an aggregate of 11,000,000 options were granted to them; 3 of them are executive directors of the Company and an aggregate of 35,000,000 options were granted to them; 3 of them are independent non-executive directors of the Company and an aggregate of 4,500,000 options were granted to them; 2 of them are ex-executive directors of the Company in the past 12 months and an aggregate of 18,000,000 options were granted to them; and 2 of them are directors of certain subsidiaries of the Group and an aggregate of 1,300,000 options were granted to them.

During the year ended 31 December 2011, 32,800,000 share options granted were exercised, no option was forfeited or cancelled. All of the options in this phase were fully exercised during the year.

Fifth phase:

On 29 January 2008, the Directors granted options to subscribe for an aggregate of 67,500,000 shares of the Company, with an exercise price at HK\$0.28 per share. Those who were granted the options can exercise their rights in two periods starting from 1 October 2008 to 6 February 2012 as below:

From 1 October 2008 to 6 February 2012 –
approximately 20,250,000 shares
From 1 January 2009 to 6 February 2012 –
approximately 47,250,000 shares

As at the date of granting, among the grantees in this grant of share options, 6 of them are full-time employees of the Group and an aggregate of 16,000,000 options were granted to them; 4 of them are executive directors of the Company and an aggregate of 34,000,000 options were granted to them; 1 of them is independent non-executive director of the Company and 1,500,000 options were granted; 1 of them is a director of a subsidiary of the Company and 2,000,000 options were granted; 1 of them is a director of certain subsidiaries of the Company and 3,000,000 options were granted; and 3 of them are consultants of the Company and an aggregate of 11,000,000 options were granted to them. During the year ended 31 December 2011, 65,500,000 share options granted were exercised, no option was forfeited, or cancelled. All of the options in this phase were fully exercised during the year.

於授出當天，是次獲授購股權人士當中12名為本集團全職僱員，合共獲授11,000,000份購股權；3名為本公司執行董事，合共獲授35,000,000份購股權；3名為本公司獨立非執行董事，合共獲授4,500,000份購股權；2名為本公司過往12個月內在職之前執行董事，獲授18,000,000份購股權；2名為本集團若干附屬公司董事，合共獲授1,300,000份購股權。

於截至2011年12月31日止年度內，獲授購股權之人士行使合共32,800,000份購股權，並沒有沒收或註銷購股權。此計劃中之購股權已於年內全獲行使。

第五期計劃：

於2008年1月29日，董事授出合共可認購本公司67,500,000股股份之購股權，行使價為每股0.28港元。獲授購股權之人士可於2008年10月1日至2012年2月6日期間按以下方式分兩期行使其權利：

2008年10月1日至2012年2月6日 –
約20,250,000股
2009年1月1日至2012年2月6日 –
約47,250,000股

於授出當日，是次獲授購股權人士當中6名為本集團全職僱員，合共獲授16,000,000份購股權；4名為本公司執行董事，合共獲授34,000,000份購股權；1名為本公司獨立非執行董事，獲授1,500,000份購股權；1名為本公司一家附屬公司董事，獲授2,000,000份購股權；1名為本公司若干附屬公司之董事，獲授3,000,000份購股權；3名為本公司之顧問，合共獲授11,000,000份購股權。於截至2011年12月31日止年度內，獲授購股權之人士行使合共65,500,000份購股權，並沒有沒收和註銷。此計劃中之購股權已於年內全獲行使。

Directors' Report 董事會報告

Other share options

On 22 September 2003, the Group entered into an agreement to acquire the remaining 15% minority interest of the subsidiary, Vital Pharmaceuticals (Sichuan) Co Ltd. The remaining monetary consideration of the acquisition amounting to approximately HK\$28.3 million representing 60% of the total consideration will be settled at the sole option of the Company, either in cash or in new ordinary share of the Company. On or before the following dates, the Company may opt to pay cash or to issue new ordinary shares by serving a notice to the seller (the "Notice"):

- 22 March 2004: HK\$9,433,962;
- 22 September 2004: HK\$9,433,962; and
- 22 March 2005: HK\$9,433,962.

The number of shares is calculated at a price that is equal to the higher of the average 30 day closing price of the Company's shares on the Stock Exchange immediately prior to the date of the Notice and HK\$0.46 per share. The maximum number of shares to be issued if based on HK\$0.46 per share will be 61,525,839. A conditional approval has been obtained from the Stock Exchange for the listing of and permission to deal in the share options. All of the options in this phase were fully exercised in 2005.

Details of the movement of share options are set out in Note 34 to the consolidated financial statements.

RETIREMENT BENEFIT SCHEMES

Details of the retirement benefit schemes are set out in Notes 3 and 15 to the consolidated financial statements.

其他購股權

於2003年9月22日，本集團訂立協議以收購附屬公司四川維奧製藥有限公司剩餘15%少數股東權益。該收購之幣值代價餘額約28.3百萬港元（相當於代價總額的60%）將由本公司全權決定以現金或以本公司新普通股支付。本公司可於下列日期或之前，向賣方發出通知（「通知」），選擇支付現金或發行新普通股：

- 2004年3月22日：9,433,962港元；
- 2004年9月22日：9,433,962港元；及
- 2005年3月22日：9,433,962港元。

購股權股份數目乃按於緊接通知日期前30日本公司股份於聯交所之平均收市價或每股0.46港元之較高者計算。按每股0.46港元之基準計算，最多可發行61,525,839股股份。本公司已獲聯交所所有條件批准該購股權股份上市。此計劃中之購股權已於2005年內全獲行使。

購股權變動詳情載於綜合財務報表附註34。

退休福利計劃

退休福利計劃詳情載於綜合財務報表附註3及15。

CHANGE OF COMPANY NAME

In view of the expansion and diversification in the Company's scope of business, the Board considered that a change of company name would reflect the Company's corporate nature more accurately. Therefore, pursuant to a special resolution passed by the shareholders at the extraordinary general meeting held on 21 November 2011, the Company had changed its name from "Vital Group Holdings Limited 維奧集團控股有限公司" to "CGN Mining Company Limited" and adopted "中廣核礦業有限公司" as its new Chinese name for identification purposes only, with effect from 21 November 2011.

CHANGE OF STOCK SHORT NAME AND TRADING ARRANGEMENT

In connection with the change of company name, trading in the shares of the Company under the new English stock short name of "CGN MINING" and new Chinese stock short name "中廣核礦業" have taken effect from 3 January 2012. The stock code of the Company remains as "1164".

CHANGE OF COMPANY WEBSITE

The website of the Company has been changed from "www.vital-pharm.com" to "http://www.irasia.com/listco/hk/cgnmining/index.htm", with effect from 3 January 2012.

更改公司名稱

鑒於本公司業務範圍之擴張及多元化發展，董事會認為更改公司名稱將可更準確反映本公司之企業性質。因此，根據股東於2011年11月21日舉行之股東特別大會上所通過特別決議案，本公司已將其名稱由2011年11月21日起，自「Vital Group Holdings Limited 維奧集團控股有限公司」，更改為「CGN Mining Company Limited」，並採納「中廣核礦業有限公司」作為僅供識別用途的新中文名稱。

更改股份簡稱及交易安排

因應公司名稱之更改，本公司之股份以新英文股份簡稱「CGN MINING」及新中文股份簡稱「中廣核礦業」交易，自2012年1月3日起生效。本公司之股份代號仍然為「1164」。

更改公司網站

本公司之網站已由「www.vital-pharm.com」更改為「http://www.irasia.com/listco/hk/cgnmining/index.htm」，自2012年1月3日起生效。

Directors' Report 董事會報告

DISCLOSURE OF INTERESTS

(a) The Directors' and chief executive's interests and short position in the shares, underlying shares and debentures of the Company or any associated corporation

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

權益披露

(a) 董事及最高行政人員於本公司或任何相聯法團之股份、相關股份及債券中之權益及淡倉

於2011年12月31日，董事、本公司最高行政人員及彼等之聯繫人士於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視作擁有之權益及淡倉），或根據證券及期貨條例第352條規定須記錄於該條所指登記冊之權益及淡倉，或根據上市規則所載上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

Name of Director 董事姓名	Capacity 身份	Number of ordinary shares of HK\$0.01 each ("Share") (Note 1) 每股面值0.01港元 普通股股份（「股份」）數目 （附註1）	Percentage Shareholding in the same class of securities 所持該類別證券百分比
Mr. Chen Zhiyu 陳志宇先生	Beneficial owner 實益擁有人	26,666 (L)	0.0008%

Note:

1. The letter "L" stands for the Director's long position in the Shares.

附註：

1. 「L」代表董事在此等股份中所持之好倉。

Directors' Report 董事會報告

Directors' and chief executive's interests in underlying Shares and equity derivatives

As at 31 December 2011, the Directors (including Ex-Directors) and chief executive of the Company had the following personal interests in options to subscribe for shares of the Company granted under the share option scheme of the Company:

董事及最高行政人員於相關股份及股本衍生工具之權益

於2011年12月31日，本公司董事（包括前任董事）及最高行政人員於根據本公司購股權計劃所授出可認購本公司股份之購股權中擁有以下個人權益：

		Outstanding at 31 December 2010 於2010年 12月31日 尚未行使	Exercised during the year 2011 於2011年內 行使	Outstanding at 31 December 2011 於2011年 12月31日 尚未行使	Exercise price per share (HK\$) 每股行使價 (港元)
Ex-Directors²:					
前任董事²:					
Mr. Xu Xiaofan 徐小凡先生	12 September 2005 2005年9月12日	15,000,000	15,000,000	–	0.23
Mr. Liu James Jin 劉津先生	29 January 2008 2008年1月29日	8,500,000	8,500,000	–	0.28
Ms. Guo Lin 郭琳女士	29 September 2003 2003年9月29日	3,000,000	3,000,000	–	0.51
	29 January 2008 2008年1月29日	8,500,000	8,500,000	–	0.28
Mr. Chong Cha Hwa 張家華先生	29 January 2008 2008年1月29日	1,500,000	1,500,000	–	0.28

2 The Ex-Directors have resigned with effect from 18 August 2011.

2 前任董事已經辭任，自2011年8月18日起生效。

Save as disclosed above, none of the Directors and the chief executive of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

除上文所披露外，董事及本公司最高行政人員概無在本公司或其相聯法團（定義見證券及期貨條例）的股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益及淡倉（包括根據證券及期貨條例彼等被當作或視為擁有之權益及淡倉），或根據證券及期貨條例第352條須登記於該條所指登記冊之任何權益及淡倉，或根據上市規則所載標準守則須知會本公司及聯交所之任何權益及淡倉。

Directors' Report 董事會報告

(b) Substantial Shareholders' interest and short positions in the shares, underlying shares of the Company

As at 31 December 2011, according to the register of members kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons/entities, other than a Director or chief executive of the Company, had an interest or short position in the shares and underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote on all circumstances at general meetings of the Company:

(b) 主要股東於本公司股份及相關股份中之權益及淡倉

於2011年12月31日，按本公司根據證券及期貨條例第336條規定存置之股東登記冊，就董事在作出合理查詢後所知或確認，下列人士／實體（不包括董事或本公司主要行政人員）於本公司股份、相關股份及債券中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉；或直接或間接擁有任何附有權利可於任何情況下在本公司股東大會投票之任何類別股本面值10%或以上權益：

Name 股東名稱	Company/ Name of Group member 公司／集團 成員公司名稱	Capacity 身份	Number of shares (Note 3) 股份數目 (附註3)	Approximate percentage of shareholding 概約持股 百分比
Perfect Develop Holding Inc. (Note 4)	Corporate	Beneficial owner	522,526,940 (L)	15.68%
Perfect Develop Holding Inc. (附註4)	公司	實益擁有人		
China Uranium Development Company Limited	Corporate	Beneficial owner	1,670,000,000 (L)	50.11%
中國鈾業發展有限公司	公司	實益擁有人		
CGNPC Uranium Resources Co. Ltd. (Note 5)	Corporate	Interest in a controlled corporation	4,728,695,652 (L) (Note 6)	141.89%
中廣核鈾業發展有限公司 (附註5)	公司	受控法團權益	(附註6)	
China Guangdong Nuclear Power Holding Corporation, Ltd. (Note 7)	Corporate	Interest in a controlled corporation	4,728,695,652 (L)	141.89%
中國廣東核電集團有限公司 (附註7)	公司	受控法團權益		

Directors' Report 董事會報告

Notes:

3. The letter "L" denotes the person's/entity's long position in the shares.
4. The issued share capital of Perfect Develop Holding Inc. is beneficially owned as to 58.28% by Mr. Tao Lung, 30.67% by Mr. Huang Jianming and 11.05% by Mr. Liu James Jin. Mr. Tao Lung, Mr. Huang Jianming and Mr. Liu James Jin are founders of the Group, and former executive Directors of the Company. Pursuant to a share charge dated 1 April 2011 (the "Share Charge"), Perfect Develop Holding Inc. charged 450,000,000 Shares in favour of China Uranium Development.
5. CGNPC Uranium Resources Co. Ltd. ("CGNPC-URC") (presently known as "CGNPC Nuclear Fuel Co., Ltd") holds 100% of the issued share capital of China Uranium Development. Therefore, CGNPC-URC is deemed to be interested in 1,670,000,000 Shares by virtue of its shareholding of China Uranium Development.
6. The long position represents (i) the interests held by China Uranium Development as stated in Note 5 above, (ii) the interests in the 2,608,695,652 conversion shares which may be issued under the Convertible Bonds and (iii) 450,000,000 Shares under the Share Charge as stated in Note 4 above.
7. China Guangdong Nuclear Power Holding Corporation, Ltd. holds 100% of the equity interests of CGNPC-URC. Therefore, it is deemed to be interested in the interest held by CGNPC-URC.

Save as disclosed above, the Directors are not aware of any person as at 31 December 2011 who had an interest or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly, interested in 10% or more of the nominal value of any class of shares capital carrying rights to vote in all circumstances at general meetings of the Company.

附註：

3. 「L」代表該等人士／實體在此等股份中所持之好倉。
4. 陶龍先生、黃建明先生及劉津先生分別實益擁有Perfect Develop Holding Inc. 已發行股本58.28%、30.67%及11.05%。陶龍先生、黃建明先生及劉津先生為本集團創辦人兼本公司前執行董事。根據日期為2011年4月1日之股份抵押（「股份抵押」），Perfect Develop Holding Inc.向中國鈾業發展抵押450,000,000股股份。
5. 中廣核鈾業發展有限公司（「中廣核鈾業發展」）（現稱「中廣核燃料有限公司」）持有中國鈾業發展之已發行股本100%。因此，中廣核鈾業發展因持有中國鈾業發展之股權而被視為擁有1,670,000,000股股份之權益。
6. 好倉代表(i)上文附註5所載中國鈾業發展持有之權益，(ii)根據可換股債券可予發行之2,608,695,652股換股股份之權益及(iii)上文附註4所載股份抵押項下之450,000,000股股份。
7. 中國廣東核電集團有限公司持有中廣核鈾業發展100%股本權益，因而被視為擁有中廣核鈾業發展所持的權益。

除上文所披露外，於2011年12月31日，董事並不知悉有任何人士於本公司股份、相關股份及債券中擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露之權益或淡倉，或直接或間接擁有任何附有權利可於任何情況下在本公司股東大會投票之任何類別股本面值10%或以上權益。

Directors' Report 董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S RIGHT TO SUBSCRIBE FOR SHARES

Save as disclosed in the annual report, none of the Company's Directors and chief executive (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares, warrants or debentures (if applicable) of the Company and its associated corporations (within the meaning of the SFO) during the year.

CONTINUING CONNECTED TRANSACTION

Framework agreement entered into between CGNPC Uranium Resources Co., Ltd ("CGNPC-URC") (presently known as "CGNPC Nuclear Fuel Co., Ltd") and the Company (the "Framework Agreement")

On 21 October 2011, the Company and CGNPC-URC entered into the Framework Agreement in relation to the sale of Natural Uranium (as defined in the Framework Agreement) by the Group to CGNPC-URC during the Effective Period (as defined in the Framework Agreement). Pursuant to the Framework Agreement, the Group has agreed to sell and CGNPC-URC has agreed to purchase and purchase on behalf of certain End Users (as defined in the Framework Agreement) certain amount of Natural Uranium during the Effective Period. The framework Agreement took effect on 28 November 2011 ("Effective Date").

As at date of Framework Agreement, CGNPC-URC is the sole shareholder of China Uranium Development, the controlling shareholder of the Company, which holds approximately 50.11% equity interest in the Company. CGNPC-URC is therefore a connected person of the Company under the Listing Rules. The transaction contemplated under the Framework Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

董事及最高行政人員認購股份之權利

除本年報所披露外，於本年度任何時間內，本公司董事及最高行政人員（包括彼等之配偶及未滿18歲之子女）概無在本公司及其相聯法團（定義見證券及期貨條例）之股份、認股權證或債權證（如適用）中擁有任何權益，亦無獲授予或行使任何可認購股份、認股權證或債權證之權利。

持續關連交易

本公司與中廣核鈾業發展有限公司（「中廣核鈾業發展」）（現稱「中廣核燃料有限公司」）訂立框架協議（框架協議）

於2011年10月21日，本公司與中廣核鈾業發展就本集團於有效時期內向中廣核鈾業發展出售天然鈾（定義見框架協議）訂立框架協議，據此，本集團同意出售而中廣核鈾業發展同意於有效時期內購買及代表若干最終用戶（定義見框架協議）購買若干數量之天然鈾。框架協議於2011年11月28日起生效（生效日期）。

於訂立框架協議當日，中廣核鈾業發展為持有本公司約50.11%股本權益之本公司控股股東中國鈾業發展之唯一股東。因此，根據上市規則，中廣核鈾業發展屬本公司之關連人士。根據上市規則第14A章，框架協議項下擬進行的交易構成本公司之持續關連交易。

Directors' Report 董事會報告

Pursuant to the Framework Agreement, the transaction value cannot exceed the following Annual Cap Amounts (as defined in the Framework Agreement) in respect of the Continuing Connected Transaction for each of the three years ending 31 December 2013:

根據框架協議，該等交易之價值，於截至2013年12月31日止三個年度各年期間，不得超過以下有關持續關連交易各年之年度上限（定義見框架協議）。

From the Effective Date to 31 December 2011 由生效日期至2011年12月31日	For the year ending 31 December 2012 截至2012年12月31日止年度	For the year ending 31 December 2013 截至2013年12月31日止年度
HK\$522,600,000 522,600,000港元	HK\$2,246,400,000 2,246,400,000港元	HK\$3,463,200,000 3,463,200,000港元

Details of the Framework Agreement have been disclosed in the circular dated 11 November 2011.

交易詳情披露於日期為2011年11月11日之通函。

Pursuant to an ordinary resolution passed by the Independent Shareholders at the extraordinary general meeting held on 28 November 2011, the Framework Agreement, the transactions contemplated thereunder, and the proposed Annual Cap Amounts have been approved.

根據獨立股東於2011年11月28日舉行之股東特別大會上所通過之普通決議案，框架協議及其項下擬進行的交易以及建議年度上限金額已獲得通過。

The Group's principal business used to be selling, distributing and manufacturing of pharmaceutical and food products and property investment. The Group has repositioned itself as a platform for uranium resources investment and trading after the successful completion of China Uranium Development's subscription of 1,670,000,000 Shares and the Convertible Bonds on 18 August 2011.

本集團之主要業務過往為銷售、分銷及製造藥品及食品及物業投資。於2011年8月18日中國鈾業發展成功完成認購1,670,000,000股股份及可換股債券後，本集團重新定位為鈾資源投資和貿易平台。

Given that CGNPC-URC is one of the few enterprises in the PRC which own the licences to manage nuclear fuels and deal with the import and export of Natural Uranium, coupled with the facts that the Group, by entering into the Framework Agreement, will indirectly become natural uranium supplier of certain large and famous End Users (including Guangxi Fangchenggang Nuclear Power Company Limited and Yangjiang Nuclear Power Company Limited), the Board believes that the Continuing Connected Transaction is able to diversify the Group's business and broaden the Group's income sources as well as to assist in developing the Group's expertise and experience in the uranium industry and enhancing the Group's competitiveness in the future.

鑑於中廣核鈾業發展為中國持牌管理核燃料及處理天然鈾進出口的少數企業之一，加上本集團將透過訂立框架協議間接成為廣西防城港核電有限公司及陽江核電有限公司等若干大型著名最終用戶之天然鈾供應商，故董事會相信，持續關連交易能夠令本集團業務更多元化，並可拓寬其收入來源，以及協助發展本集團於鈾產業之專業知識及經驗，加強本集團日後之競爭力。

From the Effective Date to 31 December 2011, the Group did not conduct any transaction under the Framework Agreement.

於生效日期至2011年12月31日期間，本集團沒有就框架協議進行交易。

Directors' Report 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases

- the largest supplier 65%
- five largest suppliers combined 83%

Sales

- the largest customer 19%
- five largest customers combined 44%

None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

MANAGEMENT CONTRACTS

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2011, Mr. Chen Zhiyu ("Mr Chen"), a non-executive director of the Company, has approximately 52% shareholding in the Guangdong Suntop Pharmaceutical Co., Ltd. (the "Guangdong Suntop"). Mr. Chen had interest in businesses which compete or likely to compete, either directly or indirectly with the business of the Group. Guangdong Suntop principally engages in the sales of pharmaceutical products in the PRC. The major pharmaceutical products sold by the Guangdong Suntop are Houtou Jun TiQuWu KeLi (猴頭菌提取物顆粒), which is made for the treatment of chronic gastritis, and fungus related products Compound TianMa MiHuanTangTai Pian (複方天麻蜜環糖肽片), which is made for the treatment of high blood pressures and cerebral thrombosis etc. These products are different and easily distinguishable from the major products, i.e. calcium capsule, minerals, vitamins and liver protecting drug, of the Company. As there is a clear delineation between the products sold by the Company and by Guangdong Suntop, the Directors believe that there is no direct competition between the Guangdong Suntop and the Company.

主要客戶及供應商

本年度本集團主要供應商及客戶所佔購買及銷售之百分比如下：

購買

- 最大供應商65%
- 五大供應商合計83%

銷售

- 最大客戶19%
- 五大客戶合計44%

並無董事、其聯繫人士或任何按董事所知悉擁有本公司股本5%以上之股東於上述主要供應商或客戶擁有權益。

管理合約

本年度本公司概無就管理其整體或任何主要業務部分訂立或訂有任何合約。

董事於競爭業務之權益

於2011年12月31日，本公司之非執行董事陳志宇先生（「陳先生」）持有廣東信東醫藥有限公司（「廣東信東」）約52%股權，陳先生擁有直接或間接與本集團業務競爭或可能競爭的業務權益。廣東信東主要在中國從事藥品銷售業務，主要產品是猴頭菌提取物顆粒（用於慢性胃炎等病症）和真菌類產品複方天麻蜜環糖肽片（用於高血壓病和腦血栓等病症），與本公司所銷售的主要產品（即鈣膠囊、礦物質、維生素及保護肝臟的產品）截然不同。因本公司與廣東信東醫藥有限公司所銷售的產品有明顯區別，故董事相信廣東信東與本公司之間並無直接競爭。

Directors' Report 董事會報告

Save as disclosed above, none of the Directors, the controlling shareholders of the Company and their respective associates (as defined in the Listing Rules) had an interest in a business which causes or may cause any significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

DONATIONS

During the year, the Group has not made any charitable donations.

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 23 March 2012, the latest practicable date prior to the issue of this report, the Company believe that the number of securities of the Company which are in the hands of the public is above the relevant prescribed minimum percentage.

EVENT AFTER THE REPORTING PERIOD

Details of a significant event occurring after the reporting period are set out in Note 41 to the consolidated financial statements.

AUDITORS

The consolidated financial statements for the year ended 31 December 2011 have been audited by Messrs. SHINEWING (HK) CPA Limited who will retire and, being eligible, offer themselves for reappointment in the forthcoming Annual General Meeting.

There was no change in auditors in the past 3 years.

By Order of the Board

Yu Zhiping

Chairman

Hong Kong, 23 March 2012

除上文所披露外，董事或本公司控股股東及彼等各自之聯繫人士（定義見上市規則）概無在與本集團業務構成或可能構成任何重大競爭之業務中擁有任何權益，而任何該等人士與本集團亦無或可能出現其他利益衝突。

慈善捐贈

本年度期間，本集團並無慈善捐贈。

公眾持股量

於2012年3月23日，即在本年報刊發前之最後實際可行日期，根據本公司可以得悉而本公司董事亦知悉之公開資料，本公司相信公眾人士持有本公司證券之數量高於有關指定之最低百分比。

結算日後事項

本集團結算日後事項詳情載於綜合財務報表附註41。

核數師

2011年年度之綜合財務報表已經由信永中和（香港）會計師事務所有限公司審核。信永中和（香港）會計師事務所有限公司將任滿告退，惟合資格並願意於本屆股東大會上膺選連任。

過去3年內本公司沒有更換核數師。

承董事會命

主席

余志平

香港，2012年3月23日

Independent Auditor's Report 獨立核數師報告



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

信永中和(香港)
會計師事務所有限公司
香港銅鑼灣
希慎道33號利園43樓

TO THE MEMBERS OF CGN MINING COMPANY LIMITED

中廣核礦業有限公司

(formerly known as Vital Group Holdings Limited

維奧集團控股有限公司)

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of CGN Mining Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 73 to 191 which comprise the consolidated statement of financial position as at 31 December 2011, 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.

致中廣核礦業有限公司

全體股東

(前稱Vital Group Holdings Limited

維奧集團控股有限公司)

(於開曼群島註冊成立之有限公司)

我們已審核載於第73頁至第191頁之中廣核礦業有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)之綜合財務報表，該等綜合財務報表包括於2011年12月31日的綜合財務狀況表，及截至該日止年度的之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他說明資料。

董事對綜合財務報表之責任

貴公司董事之責任乃按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》之披露規定編製該等綜合財務報表，及真實而公平地呈列其內容以及進行董事認為必要之內部監控，確保綜合財務報表不存在由於欺詐或錯誤而引致之重大錯誤陳述。

Independent Auditor's Report 獨立核數師報告

Auditor's responsibility

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

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

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

核數師之責任

我們之責任乃依據我們之審核對該等綜合財務報表發表意見，並僅向閣下（作為一個整體）根據協定之委聘條款報告我們之意見。除此之外，本報告不作其他用途。我們概不就本報告內容對其他任何人士承擔任何責任或負債。我們根據香港會計師公會頒佈之香港審計準則進行審核。該等準則要求我們遵守道德規範，並計劃及執行審核工作，致使可就綜合財務報表是否存有任何重大錯誤陳述作出合理確定。

審核包括執执行程序以獲取與綜合財務報表所載金額及披露事項有關之審核憑證。所選用程序取決於核數師判斷，包括評估綜合財務報表是否存有重大錯誤陳述（不論是由於欺詐或錯誤而引起）的風險。在評估該等風險時，核數師將考慮公司有關編製及真實而公平地呈列綜合財務報表之內部監控，務求設計一套在有關環境下適當的審核程序，但目的並非為對公司內部監控之有效性發表意見。審核亦包括評估董事所採用會計政策是否適當及所作出會計估計是否合理，並評估綜合財務報表之整體呈列方式。

我們相信，我們獲得之審核憑證已充足及適當地為我們之審核意見提供基礎。

Independent Auditor's Report 獨立核數師報告

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2011 and of the Group's 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.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Wong Hon Kei, Anthony

Practising Certificate Number: P05591

Hong Kong
23 March 2012

意見

我們認為，該等綜合財務報表已按照香港財務報告準則真實而公平地反映貴集團於2011年12月31日之財務狀況及其截至該日止年度之虧損及現金流量，並已按香港《公司條例》之披露規定妥為編製。

信永中和（香港）會計師事務所有限公司

執業會計師

黃漢基

執業證書號碼：P05591

香港
2012年3月23日

Consolidated Income Statement 綜合收益表

For the year ended 31 December 2011 截至2011年12月31日止年度

		Notes 附註	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元 (Restated) (重列)
Turnover	營業額	8	372,726	328,120
Cost of sales	銷售成本		(264,758)	(104,098)
Gross profit	毛利		107,968	224,022
Other operating income	其他經營收入	8	31,752	16,230
Gain on disposal of subsidiaries	出售附屬公司收益	35	30,599	–
Selling and distribution expenses	銷售及分銷開支		(97,953)	(82,178)
Administrative expenses	行政開支		(93,193)	(72,861)
Termination benefits	終止利益	15	(54,728)	–
Impairment loss recognised in respect of property, plant and equipment	確認物業、廠房及設備減值虧損	18	(72,001)	(9,702)
Decrease in fair value of investment properties	投資物業公允值減少	19	(24,438)	–
Impairment loss recognised in respect of goodwill	確認商譽減值虧損	22	(52,355)	(22,569)
Finance costs	融資成本	10	(10,524)	(779)
(Loss) profit before taxation	除稅前(虧損)溢利		(234,873)	52,163
Income tax credit (expense)	所得稅抵免(支出)	11	3,417	(12,947)
(Loss) profit for the year	本年度(虧損)溢利	12	(231,456)	39,216
(Loss) profit for the year attributable to:	下列人士應佔本年度(虧損)溢利:			
Owners of the Company	本公司擁有人		(229,858)	36,610
Non-controlling interests	非控股權益		(1,598)	2,606
			(231,456)	39,216
(Loss) earnings per share	每股(虧損)盈利	14		
Basic	基本		HK(10.31) cents港仙	HK2.36 cents港仙
Diluted	攤薄		HK(10.31) cents港仙	HK2.36 cents港仙

Consolidated Statement of Comprehensive Income 綜合全面收益表

For the year ended 31 December 2011 截至2011年12月31日止年度

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
(Loss) profit for the year	本年度(虧損)溢利	(231,456)	39,216
Other comprehensive income (expense)	其他全面收益(開支)		
Exchange differences arising on translating foreign operations	換算海外業務產生之匯兌差異		
Gain arising during the year	本年度產生之收益	29,288	15,589
Reclassification adjustments for the cumulative gain included in profit or loss upon disposal/deregistration during the year	本年度於出售/取消登記時就計入損益之累計收益作出之重新分類調整	(21,649)	(1,922)
		7,639	13,667
Available-for-sale investments	可供出售投資		
Net gain arising during the year	本年度產生之收益淨額	–	333
Reclassification adjustments for the cumulative gain included in profit or loss upon disposal during the year	本年度於出售時就計入損益之累計收益作出之重新分類調整	–	(683)
		–	(350)
Gain arising on transfer of property, plant and equipment and prepaid lease payments to investment properties at fair value	物業、廠房及設備以及預付租賃款項轉撥至按公允值計量之投資物業所產生收益	–	5,723
Deferred tax liability arising on transfer of property, plant and equipment and prepaid lease payments to investment properties at fair value	物業、廠房及設備以及預付租賃款項轉撥至按公允值計量之投資物業收益所產生遞延稅項負債	–	(1,431)
		–	4,292
Other comprehensive income for the year, net of tax	本年度除稅後其他全面收益	7,639	17,609
Total comprehensive (expense) income for the year, net of tax	本年度除稅後全面(開支)收益總額	(223,817)	56,825
Total comprehensive (expense) income for the year attributable to:	下列人士應佔本年度全面(開支)收益總額:		
Owners of the Company	本公司擁有人	(222,426)	54,219
Non-controlling interests	非控股權益	(1,391)	2,606
		(223,817)	56,825

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2011 於2011年12月31日

			2011	2010
		Notes	2011年	2010年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Non-current assets	非流動資產			
Intangible assets	無形資產	17	322	3,028
Property, plant and equipment	物業、廠房及設備	18	63,007	174,139
Investment properties	投資物業	19	76,790	95,409
Prepaid lease payments on land use rights	土地使用權預付租賃款項	20	19,918	32,922
Deposit for acquisition of property, plant and equipment	收購物業、廠房及設備之訂金	21	—	4,063
Goodwill	商譽	22	—	52,355
			160,037	361,916
Current assets	流動資產			
Properties under development	發展中物業	23	—	240,561
Inventories	存貨	24	408,422	108,968
Trade and other receivables	應收賬款及其他應收款項	25	96,467	69,195
Prepaid lease payments on land use rights	土地使用權預付租賃款項	20	366	672
Income tax recoverable	可收回所得稅		16,207	8,091
Held-for-trading investment	持作買賣投資	26	—	2,173
Bank balances and cash	銀行結存及現金	27		
– pledged	– 已抵押		678	12,138
– unpledged	– 無抵押		1,262,857	68,146
			1,784,997	509,944
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	28	424,922	67,148
Value added tax payable	應付增值稅		4,187	3,591
Income tax payable	應付所得稅		—	7,746
Secured bank borrowings	有抵押銀行借貸	29	—	71,285
			429,109	149,770
Net current assets	流動資產淨值		1,355,888	360,174
Total assets less current liabilities	資產總值減流動負債		1,515,925	722,090

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2011 於2011年12月31日

			2011	2010
		Notes	2011年	2010年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Capital and reserves	資本及儲備			
Share capital	股本	30	33,326	15,511
Reserves	儲備		1,001,518	688,090
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,034,844	703,601
Non-controlling interests	非控股權益		2,023	3,414
Total equity	權益總額		1,036,867	707,015
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券	31	467,483	–
Other payables	其他應付款項	32	–	920
Deferred tax liabilities	遞延稅項負債	33	11,575	14,155
			479,058	15,075
			1,515,925	722,090

The consolidated financial statements on pages 73 to 191 were approved and authorised for issue by the board of directors on 23 March 2012 and are signed on its behalf by:

載於第73至191頁之綜合財務報表於2012年3月23日經董事會批准及授權刊發，並由下列董事代表簽署：

Yu Zhiping 余志平
Director 董事

He Zuyuan 何祖元
Director 董事

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

For the year ended 31 December 2011 截至2011年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Exchange translation reserve	Share options reserve	Reserve fund	Enterprise development fund	Other reserve	Retained earnings	Properties revaluation reserve	Total	Non-controlling interests	Total
		股本	股份溢價	匯兌儲備	購股權儲備	儲備基金	企業發展基金	其他儲備	保留盈利	儲備	總計	權益	總計
		HK\$'000	HK\$'000	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	千港元	千港元
		(Note) (附註)											
At 1 January 2010	於2010年1月1日	15,511	251,175	54,834	9,891	47,883	616	350	264,403	4,719	649,382	808	650,190
Profit for the year	本年度溢利	-	-	-	-	-	-	-	36,610	-	36,610	2,606	39,216
Other comprehensive income (expense) for the year	本年度其他全面收益(開支)	-	-	13,667	-	-	-	(350)	-	4,292	17,609	-	17,609
Total comprehensive income (expense) for the year	本年度全面收益(開支)總額	-	-	13,667	-	-	-	(350)	36,610	4,292	54,219	2,606	56,825
Appropriation to reserve fund	劃撥至儲備基金	-	-	-	-	6,490	-	-	(6,490)	-	-	-	-
At 31 December 2010	於2010年12月31日	15,511	251,175	68,501	9,891	54,373	616	-	294,523	9,011	703,601	3,414	707,015

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

For the year ended 31 December 2011 截至2011年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔											
		Equity component											
		Share capital	Share premium	convertible bonds	Exchange translation reserve	Share options	Enterprise Reserve Fund	development fund	Retained earnings	Properties revaluation reserve	Total	Non-controlling interests	Total
		股本	股份溢價	可換股債券權益部分	匯兌儲備	購股權儲備	儲備基金	企業發展基金	保留盈利	物業重估儲備	總計	非控股權益	總計
		HK\$'000	HK\$'000	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	千港元	千港元
		(Note) (附註)											
At 1 January 2011	於2011年1月1日	15,511	251,175	-	68,501	9,891	54,373	616	294,523	9,011	703,601	3,414	707,015
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(229,858)	-	(229,858)	(1,598)	(231,456)
Other comprehensive income for the year	本年度其他全面收益	-	-	-	7,432	-	-	-	-	-	7,432	207	7,639
Total comprehensive (expense) income for the year	本年度全面(開支)收益總額	-	-	-	7,432	-	-	-	(229,858)	-	(222,426)	(1,391)	(223,817)
Issue of shares (Note 30)	發行股份(附註30)	16,700	367,400	-	-	-	-	-	-	-	384,100	-	384,100
Transaction costs attributable to issue of shares	發行股份之交易成本	-	(1,861)	-	-	-	-	-	-	-	(1,861)	-	(1,861)
Exercise of share options	行使購股權	1,115	41,225	-	-	(9,737)	-	-	-	-	32,603	-	32,603
Recognition of equity component of convertible bonds	確認可換股債券股本部分	-	-	139,503	-	-	-	-	-	-	139,503	-	139,503
Transaction costs attributable to issue of convertible bonds	發行可換股債券之交易成本	-	-	(676)	-	-	-	-	-	-	(676)	-	(676)
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	(19,878)	(616)	20,494	-	-	-	-
At 31 December 2011	於2011年12月31日	33,326	657,939	138,827	75,933	154	34,495	-	85,159	9,011	1,034,844	2,023	1,036,867

Note: Subsidiaries in the People's Republic of China (the "PRC") have appropriated 10% of the profit to reserve fund. The reserve fund is required to be retained in the accounts of the subsidiaries for specific purposes.

附註：於中華人民共和國（「中國」）成立之附屬公司須將溢利之10%撥入儲備基金。儲備基金須保留於附屬公司之賬目內作特定用途。

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2011 截至2011年12月31日止年度

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
(Loss) profit before taxation	除稅前(虧損)溢利	(234,873)	52,163
Adjustments for:	調整:		
Amortisation of intangible assets	攤銷無形資產	333	1,335
Amortisation of prepaid lease payments on land use rights	攤銷土地使用權預付租賃款項	723	672
Decrease in fair value of investment properties	投資物業公允值減少	24,438	-
Decrease in fair value of held-for-trading investment	持作買賣投資之公允值減少	-	6
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9,458	14,367
Finance costs	融資成本	10,524	779
Loss on disposal of available-for-sale investments	出售可供出售投資之虧損	-	9
Net gain on deregistration of subsidiaries	附屬公司取消登記之收益淨額	-	(2,099)
Gain on disposal of subsidiaries	出售附屬公司之收益	(30,599)	-
Gain on disposal of held-for-trading investment	出售持作買賣投資之收益	(13)	-
Impairment loss recognised in respect of goodwill	確認商譽減值虧損	52,355	22,569
Impairment loss recognised in respect of property, plant and equipment	確認物業、廠房及設備減值虧損	72,001	9,702
Impairment loss recognised in respect of prepayments, deposits and other receivables	確認預付款項、訂金及其他應收款項減值虧損	-	1,724
Impairment loss recognised in respect of intangible assets	確認無形資產減值虧損	2,558	-
Impairment loss recognised in respect of trade receivables	確認應收賬款減值虧損	85	-
Bank interest income	銀行利息收入	(5,911)	(1,544)
Dividend income from held-for-trading investment	持作買賣投資之股息收入	-	(343)
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	(11,804)	8,064
Reversal of impairment loss recognised in respect of trade receivables	撥回應收賬款之已確認減值虧損	-	(152)
Reversal of impairment loss recognised in respect of prepayments, deposits and other receivables	撥回預付款項、訂金及其他應收款項之已確認減值虧損	-	(2,778)
Reversal of provision for compensation of redundant staff	撥回裁員補償撥備	-	(1,493)
Write-back of long outstanding payables	撥回長期未付之應付款項	(3,554)	(3,330)
Write-off of other receivables	撇銷其他應收款項	1,887	-
Write-down and write-off of inventories	撇減及撇銷存貨	20,765	161

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2011 截至2011年12月31日止年度

	Note 附註	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Operating cash flow before movements in working capital	營運資金變動前之經營現金流量	(91,627)	99,812
Increase in inventories	存貨增加	(325,032)	(33,393)
Increase in properties under development	發展中物業增加	(11,215)	(239,315)
Decrease in trade and other receivables	應收賬款及其他應收款項減少	2,906	2,491
Increase in trade and other payables	應付賬款及其他應付款項增加	370,828	10,622
Increase in tax recoverable	可收回稅項增加	(4,000)	–
Decrease in value-added tax recoverable	應收增值稅減少	–	5,728
Increase in value-added tax payable	應付增值稅增加	596	3,591
Cash used in operations	經營業務所用現金	(57,544)	(150,464)
The PRC Enterprise Income Tax paid	已付中國企業所得稅	(12,378)	(4,372)
NET CASH USED IN OPERATING ACTIVITIES	經營業務所用現金淨額	(69,922)	(154,836)
INVESTING ACTIVITIES	投資活動		
Net cash inflow from disposal of subsidiaries (net of bank balances and cash disposed of)	出售附屬公司現金流入淨額 (扣除出售之銀行結存及現金)	35 296,653	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	24,759	57
Decrease (increase) in pledged bank balances	已抵押銀行結存減少(增加)	12,161	(11,469)
Proceeds from disposal of held-for-trading investment	出售持作買賣投資之所得款項	2,186	–
Bank interest income	銀行利息收入	1,869	1,544
Purchase of property, plant and equipment	購買物業、廠房及設備	(8,948)	(3,994)
Proceeds from the disposal of available-for-sale investments	出售可供出售投資所得款項	–	1,972
Dividend received from held-for-trading investment	來自持作買賣投資之股息	–	343
Deposit paid for acquisition of property, plant and equipment	收購物業、廠房及設備已付訂金	–	(1,650)
Purchase of intangible assets	購買無形資產	–	(1,230)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	投資活動所得(所用)現金淨額	328,680	(14,427)

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2011 截至2011年12月31日止年度

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
Proceeds from issue of convertible bonds, net of issuing expenses	發行可換股債券所得款項，扣除發行開支	597,093	—
Proceeds from issue of shares, net of issuing expenses	發行股份所得款項，扣除發行開支	382,239	—
Proceeds from shares issued under share option scheme	根據購股權計劃發行股份所得款項	32,603	—
Repayment of bank borrowings	償還銀行借貸	(75,632)	(22,989)
Interest paid	已付利息	(3,466)	(2,025)
New bank borrowings raised	新增銀行借貸	—	94,274
Repayment of obligations under finance leases	償還融資租賃承擔	—	(446)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	932,837	68,814
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加(減少)淨額	1,191,595	(100,449)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	於年初之現金及現金等值項目	68,146	163,291
Effect of foreign exchange rate changes	匯率變動影響	3,116	5,304
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by unpledged bank balances and cash	於年終之現金及現金等值項目，即無抵押銀行結存及現金	1,262,857	68,146

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

1. GENERAL

CGN Mining Company Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liabilities. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its parent is 中國鈾業發展有限公司 (China Uranium Development Company Limited) (“China Uranium Development”), which was incorporated in Hong Kong. Its ultimate parent is 中國廣東核電集團有限公司 (China Guangdong Nuclear Power Holding Corporation), which was established in the PRC.

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

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”). Other than those subsidiaries established in the PRC whose functional currency is Renminbi (“RMB”), the functional currency of the Company and its subsidiaries is HK\$.

As the Company is listed in Hong Kong, the directors of the Company consider that it is appropriate to present the consolidated financial statements in HK\$.

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are selling, distributing and manufacturing of pharmaceutical and food products, property investment and trading of natural uranium.

Pursuant to a special resolution passed at the extraordinary general meeting held on 21 November 2011, the name of the Company was changed from “Vital Group Holdings Limited 維奧集團控股有限公司” to “CGN Mining Company Limited” and “中廣核礦業有限公司” was adopted as its Chinese name for identification purposes only. The “Certificate of Incorporation on Change of Name” has been issued by the Registrar of Companies in the Cayman Islands and the change of the Company’s name took effect on 21 November 2011.

1. 一般資料

中廣核礦業有限公司(「本公司」)為於開曼群島註冊成立之獲豁免有限公司，本公司股份於香港聯合交易所有限公司(「聯交所」)上市。其母公司中國鈾業發展有限公司(「中國鈾業發展」)於香港註冊成立。中國廣東核電集團有限公司為其最終擁有母公司，該公司於中國成立。

本公司之註冊辦事處及主要營業地點地址載於年報之「公司資料」一節。

綜合財務報表乃以港元呈列。除於中國成立之該等附屬公司之功能貨幣為人民幣外，本公司及其附屬公司之功能貨幣為港元。

由於本公司於香港上市，故本公司董事認為，綜合財務報表以港元呈列乃恰當做法。

本公司及其附屬公司(統稱「本集團」)之主要業務為藥品及食品銷售、分銷及製造、物業投資及天然鈾貿易。

根據於2011年11月21日舉行之股東特別大會通過之特別決議案，本公司名稱由「Vital Group Holdings Limited 維奧集團控股有限公司」更改為「CGN Mining Company Limited」，並採納「中廣核礦業有限公司」作為其中文名稱，僅供識別之用。開曼群島公司註冊處處長已發出「公司更改名稱註冊證書」，更改本公司名稱於2011年11月21日生效。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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 to standards and interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

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

The application of the above new and revised HKFRSs in the current year has had no material effect on the Group’s financial performance and positions for the current and prior year and / or on the disclosures set out in these consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已應用下列由香港會計師公會（「香港會計師公會」）頒佈之新訂及經修訂準則、準則之修訂及詮釋（「新訂及經修訂香港財務報告準則」）。

香港財務報告準則（修訂本）	於2010年頒佈之香港財務報告準則改進
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號披露比較資料的有限豁免
香港會計準則（「香港會計準則」）第24號（經修訂）	關連人士披露
香港會計準則第32號（修訂本）	供股分類
香港（國際財務報告詮釋委員會）– 詮釋（「詮釋」）第14號（修訂本）	最低資金規定之預付款項
香港（國際財務報告詮釋委員會）– 詮釋第19號	以股本工具抵銷金融負債

於本年度採納上述新訂及經修訂香港財務報告準則對本集團於本年度及以往年度之財務表現及狀況及／或此等綜合財務報表所載披露事項並無重大影響。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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

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

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

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

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並無提早應用下列已頒佈惟尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第1號 修訂本	嚴重高通胀及剔除首次採納者的固定日期 ¹
香港財務報告準則 第7號修訂本	披露 – 金融資產轉讓 ¹
	披露 – 金融資產和財務負債的互相抵銷 ²
	香港財務報告準則第9號的強制性生效日期及過渡性披露 ³
香港財務報告準則第9號	金融工具 ³
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	聯合安排 ²
香港財務報告準則 第12號	披露於其他實體的權益 ²
香港財務報告準則第13號	公平值計量 ²
香港會計準則第1號 修訂本	其他全面收益項目的列報 ⁵
香港會計準則第12號 修訂本	遞延稅項 – 收回相關資產 ⁴
香港會計準則第19號 (於2011年修訂)	僱員福利 ²
香港會計準則第27號 (於2011年修訂)	獨立財務報表 ²
香港會計準則第28號 (於2011年修訂)	投資聯營公司及合營企業 ²
香港會計準則第32號 修訂本	金融資產和金融負債的互相抵銷 ⁶
香港（國際財務報告詮釋委員會）– 詮釋第20號	露天礦場生產期的剝除成本 ²

- ¹ 於2011年7月1日或之後開始之年度期間生效。
- ² 於2013年1月1日或之後開始之年度期間生效。
- ³ 於2015年1月1日或之後開始之年度期間生效。
- ⁴ 於2012年1月1日或之後開始之年度期間生效。
- ⁵ 於2012年7月1日或之後開始之年度期間生效。
- ⁶ 於2014年1月1日或之後開始之年度期間生效。

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For the year ended 31 December 2011 截至2011年12月31日止年度

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

Amendments to HKFRS 7 Disclosures – Transfers of Financial Assets

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

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

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

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

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

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

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7號修訂本 – 金融資產轉讓

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

本公司董事預計，採納香港財務報告準則第7號之該等修訂會影響本集團就日後轉讓金融資產作出的披露。

香港會計準則第32號修訂本「金融資產和金融負債的互相抵銷」及香港財務報告準則第7號修訂本「披露 – 金融資產和金融負債的互相抵銷」

香港會計準則第32號修訂本闡明抵銷規定相關的現有應用事宜。具體而言，修訂本闡明「目前有合法可執行抵銷權」及「同時變現及結算」的涵義。

香港財務報告準則第7號修訂本規定實體應披露關於金融工具在可執行的淨值結算總協議或類似協議下的抵銷權及相關安排的資料（例如抵押品登入規定）。

關於抵銷披露的修訂對自2013年1月1日或以後開始的年度期間及這期間內的中期生效，該披露需要追溯比較期間的應用。對香港會計準則第32號的修改對自2014年1月1日或以後開始的年度期間生效，亦需要追溯比較期間的應用。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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

HKFRS 9 Financial Instruments

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

Key requirements of HKFRS 9 are described as follows:

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

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具

於2009年頒佈之香港財務報告準則第9號引入金融資產之分類及計量之新規定。於2010年頒佈之香港財務報告準則第9號加入金融負債之分類及計量及終止確認之規定。

香港財務報告準則第9號之主要規定載述如下：

- 香港財務報告準則第9號規定所有符合香港會計準則第39號金融工具：確認及計量範疇之已確認金融資產其後將按攤銷成本或公允值計量。具體而言，根據業務模式以收取合約現金流量為目的持有及合約現金流量純粹為支付本金及未償還本金之利息之債務投資，一般於其後會計期間結束時按攤銷成本計量。所有其他債務投資及股本投資乃按於其後會計期間結束時之公允值計量。此外，根據香港財務報告準則第9號，實體可能不可撤回地選擇在其他全面收益中呈列股本投資（並非持作買賣）之其後公平價值變動，並只在損益中確認股息收入。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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

HKFRS 9 Financial Instruments (Continued)

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

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

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

- 香港財務報告準則第9號有關金融負債分類及計量之最重大影響與金融負債信貸風險變動導致該負債（指定為按公允值計入溢利或虧損）公允值變動之呈列處理方法有關。特別是根據香港財務報告準則第9號，就指定為按公允值計入溢利或虧損之金融負債而言，該負債信貸風險變動導致之金融負債公允值變動金額於其他全面收入呈列，除非在其他全面收入確認負債之信貸風險變動影響會導致或擴大損益上之會計錯配。金融負債信貸風險導致之公允值變動其後不會重新分類至損益。過往，根據香港會計準則第39號，指定為按公允值計入損益之金融負債公允值變動全數金額於損益確認。

本公司董事預期，日後採納香港財務報告準則第9號可能對本集團金融資產及金融負債所呈報金額構成重大影響。然而，於完成詳細審閱前，就有關影響提供合理估計並不可行。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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

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

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

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

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

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）

綜合、聯合安排、聯營公司及披露的新訂及經修訂準則

於2011年6月，五項有關綜合、聯合安排、聯營公司及披露的準則獲頒佈，包括香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第27號（2011年經修訂）及香港會計準則第28號（2011年經修訂）。

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

香港財務報告準則第11號將取代香港會計準則第31號「合營企業權益」及香港（常設詮釋委員會）- 詮釋第13號「共同控制實體－合營方提供之非貨幣出資」。香港財務報告準則第11號處理兩方或多方共同控制之合營安排如何分類的問題。在香港財務報告準則第11號下，合營安排分為合營經營及合營企業，視乎合營安排下合營各方之權利及義務而定。相比之下，在香港會計準則第31號下，合營安排分為三類：共同控制實體、共同控制資產及共同控制經營。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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

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

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

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

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

The directors of the Company anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013. The application of these five standards may have significant impact on amounts reported in the consolidated financial statements. However, the directors of the Company have not yet performed a detailed analysis of the impact of the application of these standards and hence have not yet quantified the extent of the impact.

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）

綜合、聯合安排、聯營公司及披露的新訂及經修訂準則（續）

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

香港財務報告準則第12號為一項披露準則，適用於於附屬公司、聯合安排、聯營公司及／或未綜合結構實體擁有權益之實體。整體而言，香港財務報告準則第12號所載之披露規定較現行準則所規定者更為全面。

該等五項準則將於2013年1月1日或其後開始之年度期間生效，並容許提早採用，惟須所有該等五項準則須同時提早應用。

本公司董事預期，本集團將於2013年1月1日開始之年度期間之綜合財務報表中採納該等五項準則。應用該等五項準則可能對綜合財務報表所呈報的金額構成重大影響。然而，本公司董事尚未對應用該等準則的影響進行詳細分析，故未能量化有關影響的程度。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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

HKFRS 13 Fair Value Measurement

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

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

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

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第13號公允價值計量

香港財務報告準則第13號確立有關公允價值計量及披露公允價值計量資料之單一指引。該準則界定公平值，確立計量公允價值之框架及有關公允價值計量之披露規定。香港財務報告準則第13號之範圍寬廣；適用於其他財務報告準則規定或允許公允價值計量及披露公允價值計量資料之金融工具項目及非金融工具項目，惟特定情況除外。整體而言，香港財務報告準則第13號所載之披露規定較現行準則之規定更為全面。例如，現時僅規限香港財務報告準則第7號「金融工具：披露」所述金融工具之三個公平值等級之量化及定性披露資料將藉香港財務報告準則第13號加以擴展，以涵蓋其範圍內之所有資產及負債。

香港財務報告準則第13號對始於2013年1月1日或該日以後之年度期間生效，並可提前應用。

本公司董事預期，本集團之綜合財務報告將自始於2013年1月1日之年度期間採納財務申報準則第13號，而應用該新訂準則可能會影響綜合財務報告呈列之數額，且令其須披露更為全面之資料。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

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

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

Amendments to HKAS 12 Deferred Tax – Recovery of Underlying Assets

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

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1號修訂本其他全面收益項目的列報

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

香港會計準則第1號修訂本於本集團2012年7月1日或之後開始之年度期間生效。於日後會計期間應用該等修訂時，其他全面收益項目之呈列將作出相應修改。

香港會計準則第12號修訂本遞延稅項 – 收回相關資產

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

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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

Amendments to HKAS 12 Deferred Tax – Recovery of Underlying Assets (Continued)

The amendments to HKAS 12 are effective for annual periods beginning on or after 1 January 2012. The directors of the Company anticipate that the application of the amendments to HKAS 12 will not have material impact on the results and the financial position of the Group.

Other than disclosed 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.

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

The principal accounting policies are set out below.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港會計準則第12號修訂本遞延稅項 – 收回相關資產（續）

香港會計準則第12號修訂本於2012年1月1日或之後開始之年度期間生效。本公司董事預期，應用香港會計準則第12號修訂本不會對本集團之業績及財務狀況構成重大影響。

除上文所披露外，本公司董事預期應用其他新訂及經修訂準則、修訂或詮釋對本集團之業績及財務狀況並無構成重大影響。

3. 主要會計政策

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

誠如下列會計政策所闡釋，綜合財務報表乃按歷史成本基準編製，惟投資物業及若干金融工具則按公允值計算。歷史成本一般根據交換資產提供代價之公允值計算。

主要會計政策載列如下。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation

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

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

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

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

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

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance (effective from 1 January 2010 onwards).

3. 主要會計政策 (續)

綜合基準

綜合財務報表包括本公司及受本公司所控制實體（其附屬公司）之財務報表。控制指本公司有權監督一家實體之財務及經營政策，以從其經營活動中獲益。

於年內收購或出售附屬公司之業績均自收購生效日期起截至出售生效日期止（視適用情況而定）計入綜合收益表內。

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者貫徹一致。

所有集團內公司間交易、結餘、收入及開支均於綜合賬目時對銷。

於附屬公司之非控股權益與本文所述本集團權益獨立呈列。

全面收益總額分配至非控股權益

一家附屬公司之全面收益及開支總額歸屬於本公司擁有人及非控股權益，即使此情況導致非控股權益產生虧絀結餘（由2010年1月1日起生效）。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Changes in the Group's ownership interests in existing subsidiaries

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognised as a gain or loss in profit or loss attributable to the Group.

Goodwill

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

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

3. 主要會計政策 (續)

本集團於現有附屬公司之擁有權權益變動

倘本集團失去一間附屬公司之控制權，則其(i)於失去控制權當日取消按賬面值確認該附屬公司之資產(包括任何商譽)及負債，(ii)於失去控制權當日取消確認前附屬公司任何非控股權益(包括彼等應佔之其他全面收益之任何組成部分)之賬面值，及(iii)確認所收取代價之公允值及任何保留權益之公允值之總額，所產生之差額於損益內確認為本集團應佔之收益或虧損。

商譽

收購業務產生之商譽乃按成本減任何累計減值虧損列賬，並於綜合財務狀況表內獨立呈列。

就減值檢測而言，收購產生之商譽乃分配往本集團各有關賺取現金單位，或賺取現金單位之組別，而預期該等賺取現金單位可自合併之協同效應中受益。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill (Continued)

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

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

Investments in subsidiaries

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

Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately and with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below). Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

3. 主要會計政策 (續)

商譽 (續)

已獲分配商譽之賺取現金單位每年或於有跡象顯示該單位可能減值時進行減值檢測。當賺取現金單位之可收回款額少於該單位之賬面值，則分配減值虧損，以首先削減任何分配往該單位商譽之賬面值，其後減值虧損以單位各資產之賬面值為基準按比例分配往該單位之其他資產。商譽之任何減值虧損直接於綜合收益表之損益內確認。商譽之減值虧損不會於往後期間撥回。

於出售有關賺取現金單位時，釐定出售損益之款額時須算入商譽之應佔款額。

附屬公司投資

附屬公司投資於本公司財務狀況表按成本減任何已識別減值虧損列賬。

無形資產

獨立收購之無形資產

獨立收購及具有有限使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬(見下文關於有形及無形資產減值虧損之會計政策)。具有有限使用年期之無形資產之攤銷乃於彼等之估計使用年期按直線法攤銷。可使用年期及攤銷之估計方法乃於各報告期間結束時檢討，估計變動之影響按前瞻基準入賬。

研發開支

研發開支乃於產生期間確認為開支。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment

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

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

If an item of property, plant and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in properties revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained earnings.

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

3. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備包括租賃土地(分類為融資租賃)及持作生產或行政用途之土地及樓宇，乃按成本值減其後累計折舊及累計減值虧損(如有)列於綜合財務狀況表。

物業、廠房及設備項目之折舊按其估計可使用年期，以直線法撇銷其減除估計剩餘價值後之成本計算。可使用年期、剩餘價值及折舊之估計方法乃於各報告期間結束時檢討，估計變動之影響按前瞻基準入賬。

倘物業、廠房及設備項目因用途更改(即不再由業主自用)而成為投資物業，則該項目之賬面值與於轉讓日期之公允值間之差額在其他全面收益確認，並在物業重估儲備累計。其後出售或廢棄該資產時，有關重估儲備將直接轉撥至保留盈利。

物業、廠房及設備項目於出售時或當預期不會因持續使用資產產生未來經濟利益時終止確認。因物業、廠房及設備項目被出售或報廢而產生之任何盈虧乃按該項資產之出售所得款項與賬面值之差額計算，並於損益內確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment properties

Investment properties are properties held to earn rentals and / or for capital appreciation.

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

Financial instruments

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

3. 主要會計政策 (續)

投資物業

投資物業指持作賺取租金及／或資本增值之物業。

投資物業初步按成本計量，包括任何直接應佔開支。於初步確認後，投資物業按其公允值計量。投資物業公允值變動所產生盈虧，於產生期間計入損益。

金融工具

當某集團實體成為工具合同條文之訂約方時，金融資產及金融負債在綜合財務狀況表確認。金融資產及金融負債初步按公允值計量。收購或發行金融資產及金融負債（按公允值計入溢利或虧損之金融資產或金融負債除外）直接應佔之交易成本乃於初步確認時加入或扣除自金融資產或金融負債之公允值（視適用情況而定）。收購透過按公允值計入溢利或虧損之金融資產或金融負債直接應佔之交易成本即時於損益內確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets

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

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments.

3. 主要會計政策 (續)

金融工具 (續)

金融資產

本集團之金融資產歸入下列兩個類別之一，包括按公允值計入損益（「按公允值計入損益」）之金融資產以及貸款及應收款項。有關分類於初步確認時視乎金融資產之性質及目的而釐定。所有按常規買賣金融資產乃按交易日基準確認及終止確認。按常規買賣指買賣須於按市場規則或慣例設定之時限內交付之金融資產。

實際利率法

實際利率法乃計算金融資產攤銷成本及按有關期間攤分利息收入之方法。實際利率為按金融資產之預測可使用年期或（視適用情況而定）較短期間貼現估計未來現金收入（當中包括所有構成實際利率部分之已付或已收費用、交易成本及其他溢價或折讓）至初步確認時賬面淨值之確切比率。

就債務工具而言，利息收入按實際利率基準確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at fair value through profit or loss

Financial assets at FVTPL represent investments held for trading.

A financial asset is classified as held for trading if:

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

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the other operating income in the consolidated income statement. Fair value is determined in the manner described in Note 7.

Loans and receivables

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

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

按公允值計入損益之金融資產

按公允值計入損益之金融資產指持作買賣投資。

金融資產於下列情況歸類為持作買賣：

- 收購主要目的為在短期內出售；或
- 於初步確認時屬於本集團管理之已識別金融工具組合其中部分，且具有近期賺取短期利潤的實際模式；或
- 屬於衍生工具，惟並非指定及具有有效對沖作用之工具。

按公允值計入損益之金融資產按公允值計量，重新計量產生之公允值變動於產生期間直接於損益確認。於損益確認之收益或虧損淨額並不包括金融資產所賺取任何股息或利息，並列入綜合收益表內其他經營收入項下。公允值乃按附註7所述基準釐定。

貸款及應收款項

貸款及應收款項乃並非於活躍市場報價之固定或待定付款非衍生金融工具。於初步確認後，貸款及應收款項（包括應收賬款及其他應收款項以及銀行結存及現金）均按採用實際利率法計算之攤銷成本減任何已識別減值虧損入賬（見下文關於金融資產減值虧損之會計政策）。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss on financial assets

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

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

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

For certain categories of financial asset, such as trade and other receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period ranging from 90 to 180 days, observable changes in national or local economic conditions that correlate with default on receivables.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值虧損

按公允值計入損益之金融資產以外之金融資產於報告期間結束時評估減值跡象。倘有客觀證據證明金融資產於初步確認後出現一項或多項影響其估計未來現金流量之事宜，則金融資產被認為已減值。

就所有其他金融資產而言，客觀減值證據可包括：

- 發行人或交易方面對重大財政困難；或
- 利息或本金付款出現逾期或拖欠情況；或
- 借款人可能面臨破產或進行財務重組；或
- 因財政困難導致該金融資產失去活躍市場。

就應收賬款及其他應收款項等若干類別金融資產而言，個別評估時獲評為未有減值之資產將另行共同進行減值評估。有關應收款項組合減值之客觀證據可包括本集團過往收取款項之經驗、組合中已超過90日至180日信貸期之延誤付款數目增加，以及與拖欠應收款項相關之國家或本地經濟狀況顯著變動。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss on financial assets (Continued)

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

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

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

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值虧損 (續)

就按攤銷成本入賬之金融資產而言，減值虧損金額指資產賬面值與估計未來現金流量按金融資產之原有實際利率貼現之現值間之差額。

所有金融資產之賬面值均直接減去減值虧損，惟應收賬款及其他應收款項除外，其賬面金額乃透過撥備賬扣減。撥備賬之賬面值變動於損益確認。倘應收賬款或其他應收款項被評為無法收回，則有關款項與撥備賬對銷。其後收回過往撇銷之款項將計入損益。

就按攤銷成本計量之金融資產而言，倘往後期間減值虧損金額減少，而有關減少客觀上與確認減值虧損後發生之事件有關，則先前確認之減值虧損於損益撥回，惟該資產於減值撥回當日之賬面值不得超過倘並無確認減值而原應存在之攤銷成本。

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For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

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

Equity instruments

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and 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 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 financial liabilities

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

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具

金融負債及集團實體發行之股本工具乃根據合同安排之內容以及金融負債及股本工具之定義分類為金融負債或股本。

股本工具

股本工具乃任何證明本集團經扣減所有負債後之資產剩餘權益之合同。本集團發行之股本工具按收取所得款項(減直接發行成本後)確認。

實際利率法

實際利率法乃計算金融負債攤銷成本及按相關期間攤分利息開支之方法。實際利率為在金融負債之預計年期或(視適用情況而定)較短期間,使估計未來現金支出(包括所有構成實際利率組成部分之已付及已收費用及成本、交易費及其他溢價或折讓)準確貼現至初步確認之賬面淨值之該利率。

利息開支按實際利率基準確認。

其他金融負債

其他金融負債包括應付賬款及其他應付款項及有抵押銀行借貸,其後以實際利率法按攤銷成本計量。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Convertible bonds contain liability and equity components

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that 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 gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the bonds into equity, is included in equity (equity component of convertible bonds).

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

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

可換股債券包括負債及權益部分

本集團發行的可換股債券包括負債及轉換權部分，乃於初步確認時根據合同安排之內容以及金融負債及股本工具之定義各自分類為負債及股權項目。將以固定金額現金或另一項金融資產交換本公司本身固定數目的股本工具方式結清的轉換權乃分類為股本工具。

於初步確認時，負債部分的公允值乃按類似不可轉換債務的現行市場利率釐定。發行可換股債券的所得款項總額與撥往負債部分的公允值的差額（代表讓持有人將債券轉換為股本的轉換權）列入權益（可換股債券權益部分）。

於往後期間，可換股債券的負債部分乃以實際利率法按已攤銷成本列賬。權益部分（代表可將負債部分轉換為本公司普通股的選擇權）將保留於可換股債券權益部分，直至嵌入式轉換權獲行使為止（於此情況下，可換股債券權益部分的結餘將轉撥至股份溢價）。倘轉換權於到期日尚未獲行使，可換股債券權益部分的結餘將解除至保留盈利。轉換權獲轉換或到期時不會於損益中確認任何盈虧。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments *(Continued)*

Financial liabilities and equity instruments (Continued)

Convertible bonds contain liability and equity components *(Continued)*

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity components are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Equity instruments

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

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.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

可換股債券包括負債及權益部分 (續)

發行可換股債券的交易成本，按所得款項總額的分配比例撥往負債及權益部分。權益部分的交易成本會直接於股權中扣除。負債部分的交易成本計入負債部分的賬面值中，並以實際利率法於可換股債券期限內攤銷。

股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

終止確認

僅當從資產收取現金流量之權利屆滿時，或本集團轉讓其金融資產及於金融資產擁有權之絕大部分風險及回報轉移予另一實體時，本集團方終止確認該金融資產。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Derecognition (Continued)

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

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

Provisions

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

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.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

終止確認 (續)

於終止確認其全部金融資產時，資產賬面值與已收及應收代價及已於其他全面收入內確認及於股本累積之累計損益之總和之差額將確認為損益。

本集團僅當本公司之責任獲解除後、取消或到期時方終止確認金融負債。終止確認之金融負債賬面值與已付或應付代價之差額確認為損益。

撥備

當本集團因過往事件產生當前法律或推定責任，且本集團很可能須履行該項責任而責任金額能可靠計量時，即確認撥備。撥備乃按董事對於報告期間結束時履行該項責任所需代價之最佳估計計量，並計入有關責任之風險及不明朗因素。倘撥備採用估計履行現有責任之現金流計量，則其賬面值為該等現金流之現值（倘金錢之時間值影響重大）。

當結算撥備所需之部分或全部經濟利益預期可自第三方收回時，倘大致確定將可獲賠償及能夠可靠估算應收款項金額，則將應收款項確認為資產。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Properties under development

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

Cost is determined by apportionment of the total land and development costs including borrowing costs.

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

Inventories

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

Cash and cash equivalents

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

3. 主要會計政策 (續)

發展中物業

發展中物業乃按成本及可變現淨值兩者之較低者列賬。

成本乃按分配土地及發展成本(包括借貸成本)總額釐定。

可變現淨額乃按一般業務過程中之估計售價減估計完成成本及適用銷售開支釐定。

存貨

存貨乃按成本與可變現淨值之較低者列賬。成本按加權平均法釐定。可變現淨額指存貨之估計銷售價減達至完成之所有估計成本及銷售所需費用。

現金及現金等值項目

載於綜合財務狀況表內之銀行結存及現金包括銀行及手頭現金以及到期日為三個月或以下之短期存款。就綜合現金流量表而言，現金及現金等值項目包括上文界定之現金及短期存款。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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

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

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 主要會計政策 (續)

商譽以外有形及無形資產之減值虧損 (見上文有關商譽之會計政策)

本集團於報告期結束時評估其有形資產及無形資產之賬面值，以確定該等資產有否出現減值虧損跡象。倘出現任何跡象，則估計資產之可收回金額以釐定減值虧損程度 (如有)。

倘不大可能估計個別資產之可收回金額，則本集團估計資產所屬賺取現金單位之可收回金額。如可識別合理及一致之分配基準，則公司資產亦被分配至個別賺取現金單位，或於其他情況下彼等被分配至已識別合理及一致分配基準之賺取現金單位之最小組合。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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

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

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

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

Revenue recognition

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

3. 主要會計政策 (續)

商譽以外有形及無形資產之減值虧損 (見上文有關商譽之會計政策) (續)

可收回金額為公允值減去銷售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值，該貼現率能反映當前市場所評估之貨幣時間值及資產特定風險 (未來現金流量估計尚未就此作出調整)。

倘估計一項資產 (或賺取現金單位) 之可收回金額低於其賬面值，則該項資產 (或賺取現金單位) 之賬面值即減至其可收回金額。減值虧損即時於損益中確認。

於其後撥回減值虧損時，資產之賬面值將調高至其可收回金額之經修訂估計，惟經增加之賬面值不得高於在過往年度並無確認減值虧損下就該資產 (或賺取現金單位) 原應釐定之賬面值。撥回之減值虧損即時於損益中確認。

收益確認

收益乃按已收或應收代價之公允值及於日常業務中售出貨物之應收款項，扣除折扣及銷售相關稅項計算。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

3. 主要會計政策 (續)

收益確認 (續)

銷售貨品之收益乃於貨品交付及擁有權轉移時且當時下列所有條件獲達成後確認：

- 本集團已將擁有貨品之絕大部分風險及回報轉讓予買方；
- 本集團並無對售出貨品保留程度一般與擁有權相關的持續管理參與，亦無保留售出貨品的實際控制權；
- 收益金額能可靠地計量；
- 交易有關之經濟利益很可能流入本集團；及
- 交易產生或將予產生之成本能可靠地計量。

倘若經濟利益可能將流入本集團及收入金額能夠可靠計量，則將會確認金融資產利息收入。利息收入乃參照未償還本金及適用實際利率，按時間基準累計，有關利率乃按金融資產預計年期，將估計未來所收取現金實際貼現至該資產於初步確認之賬面淨值。

來自投資之股息收入乃於確定股東收取付款之權利時（情況必須是經濟利益很可能會流入本集團且收益金額可以可靠地計量）予以確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Equity settled share-based payment transactions

Share options granted to employees (on or before 7 November 2002, or granted after 7 November 2002 and vested before 1 January 2005)

The financial impact of share options granted is not recorded in the consolidated financial statements until such time as the options are exercised, and no charge is recognised in profit or loss in respect of the value of options granted. Upon the exercise of the share options, the resulting shares issued are recorded as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded as share premium. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

Share options granted to employees (after 7 November 2002 and vested on or after 1 January 2005)

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share options reserve).

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

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

3. 主要會計政策 (續)

股本結算之股份付款交易

向僱員授出購股權 (於2002年11月7日或之前，或於2002年11月7日後授出並於2005年1月1日前歸屬)

於購股權獲行使前不會在綜合財務報表記錄已授出購股權之財務影響，已授出購股權之價值亦不會於損益確認。於購股權獲行使時，本公司會將由此發行之股份按股份面值列作額外股本，並將每股行使價高於股份面值之差額列作股份溢價。在行使日期前已失效或註銷之購股權於未行使購股權登記冊中刪除。

向僱員授出購股權 (2002年11月7日後，並於2005年1月1日或之後歸屬)

參考購股權於授出日期之公允值釐定之所獲服務公允值，在購股權即時歸屬時於授出日期悉數確認為開支，並相應增加權益(購股權儲備)。

本集團於報告期間結束時修訂其對預期最終歸屬的購股權數目之估計。修訂原先估計產生之影響(如有)於損益確認，致使累計支出反映經修訂之估計，並於購股權儲備作相應調整。

購股權獲行使時，早前於購股權儲備確認之金額將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，則早前於購股權儲備確認之金額將繼續留存於購股權儲備。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Equity settled share-based payment transactions

(Continued)

Share options granted to other eligible participants

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

Taxation

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

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

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

3. 主要會計政策 (續)

股本結算之股份付款交易 (續)

其他合資格參與者獲授之購股權

為換取貨品或服務發行之購股權乃按所收取貨品或服務之公允值計算，除非有關公允值未能可靠計量則作別論，於此情況下，所收取貨品或服務將參考所授出購股權之公允值計算。當本集團取得貨品或當交易方提供服務時，所收取貨品或服務之公允值確認為開支，並相應增加權益（購股權儲備），惟倘貨品或服務合資格確認為資產則除外。

稅項

所得稅支出指應付即期稅項及遞延稅項之總和。

應付即期稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合收益表中所報溢利不同，原因為前者不包括在其他年度應課稅或可扣稅收入或開支，且不包括毋須課稅及不可扣稅之項目。本集團之即期稅項負債乃按報告期間結束前已頒佈或實際已頒佈之稅率計算。

遞延稅項乃就於綜合財務報表所示資產及負債之賬面值與計算應課稅溢利所用相應稅基間臨時差額確認。遞延稅項負債一般就所有應課稅臨時差額確認，而遞延稅項資產則於可能可動用應課稅溢利以抵銷可扣減臨時差額之情況下確認。若於一項交易中，因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不會影響應課稅溢利亦不會影響會計溢利之臨時差額，則不會確認該等資產及負債。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. When current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項負債乃按附屬公司投資產生之應課稅臨時差額確認，惟倘本集團可控制臨時差額撥回及臨時差額未必於可見將來撥回之情況則除外。有關該等投資及權益之可扣減臨時差額所產生遞延稅項資產，僅於具有足夠應課稅溢利可動用暫時差異之利益，且預期於可見將來撥回時確認。

遞延稅項資產及負債乃根據於報告期間結束時已頒佈或實際已頒佈之稅率（及稅法），按預期於清償負債或變現資產期間適用之稅率計算。

遞延稅項負債及資產之計量反映本集團預期於報告期間結束時收回或償還資產及負債賬面值產生之稅務後果。即期及遞延稅項於損益確認，惟倘即期及遞延稅項與於其他全面收入或直接於權益確認之項目有關，則即期及遞延稅項亦分別於其他全面收益或直接於權益確認。倘即期稅項或遞延稅項因對業務合併進行初步會計處理而產生，則稅務影響計入業務合併會計處理。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies

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

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

3. 主要會計政策 (續)

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣（外幣）進行之交易均按交易日期之適用匯率換算為各自之功能貨幣（即該實體經營所在主要經濟地區之貨幣）入賬。於報告期間結束時，以外幣列值之貨幣項目均按當日之適用匯率重新換算。按公允值以外幣列值之非貨幣項目乃按釐定公允值當日之適用匯率重新換算。按外幣歷史成本計量之非貨幣項目毋須重新換算。

來自結算貨幣項目及重新換算貨幣項目之匯兌差額乃於產生期間內於損益確認。來自重新換算按公允值列賬之貨幣項目之匯兌差額於有關期間計入損益，惟在其他全面收益直接確認損益之非貨幣項目之重新換算除外，在該情況下，匯兌差額亦直接於其他全面收益確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

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

On disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and retranslated at the rate of exchange prevailing at the end of the reporting date. Exchange differences arising are recognised in the exchange translation reserve.

Leasing

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

The Group as lessor

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

3. 主要會計政策 (續)

外幣 (續)

就呈列綜合財務報表而言，本集團海外業務之資產與負債乃採用於各報告期間結束時之匯率換算為本集團之呈報貨幣（即港元）。收支項目乃按年內之平均匯率進行換算所產生之匯兌差額（如有）乃於其他全面收益確認，並於權益以匯兌儲備累積（於適當時撥作非控股權益）。

於出售海外業務（即出售本集團於該海外業務之全部權益）時，本公司擁有人應佔業務於權益累計之所有匯兌差額重新分類至損益。

收購海外業務產生之商譽及所收購可識別資產之公允值調整，乃視作該海外業務之資產及負債，並按各報告期間結束時之適用匯率重新換算。所產生匯兌差額於匯兌儲備內確認。

租賃

當租約條款將擁有權之絕大部分風險及回報轉移予承租人時，租約分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

經營租賃之租金收入於相關租賃年內以直線法在損益確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing (Continued)

The Group as lessee

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

Leasehold land and building

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

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

Retirement benefit costs

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

3. 主要會計政策 (續)

租賃 (續)

本集團作為承租人

經營租賃付款以直線法，按租期確認為開支。

租賃土地及樓宇

當租賃包括土地及樓宇部分時，本集團按擁有各部分之大部分風險及回報是否已轉移至本集團之評估，將各部分獨立分類為融資租賃或經營租賃，除非兩項要素均為經營租賃，在該情況下整項租賃會分類為經營租賃。尤其是，最低租賃付款（包括任何一次性預付款）在租約期開始時，按租約之土地及樓宇部分之租賃權益相關公允值按比例分配於土地及樓宇部分。

倘租賃付款能可靠分配，列作經營租賃之租賃土地權益乃於綜合財務狀況表內列為「土地使用權預付租賃款項」，並按直線基準在租期內攤銷，惟已根據公允值模式分類及列作投資物業者則除外。當租賃付款不能在土地及樓宇部分之間可靠地分配時，整項租賃一般被分類為融資租賃，並作為物業、廠房及設備列賬。

退休福利成本

國家管理退休福利計劃及強制性公積金計劃之供款於僱員提供服務而有權享有供款時入賬列為開支。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Borrowing costs

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

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

Government grants

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 主要會計政策 (續)

借貸成本

直接來自收購、建造或生產合資格資產（為需用較長期間方可供擬定用途或出售之資產）之借貸成本計入該等資產之成本，直至資產大致可用於其擬定用途或出售時為止。

所有其他借貸成本均於產生期間在損益確認。

政府津貼

政府津貼是作為支出或已發生的虧損補償、或是以給予該集團即時的財務支援為目的而發放，無未來相關成本在應收期間內於損益中確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

4. 主要會計判斷及估計不明朗因素之主要來源

應用載列於附註3之本集團會計政策時，本公司董事須就未能於其他來源明確得悉之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及其他視為相關之因素作出。實際情況可能有別於該等估計。

估計及相關假設會按持續基準審閱。倘會計估計之修訂僅會對修訂估計之期間產生影響，則有關修訂會於該期間確認，而倘修訂影響當前及未來期間，則會於修訂及未來期間確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

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

Critical judgement in applying the entity's accounting policies

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

Legal title of land and buildings

As detailed in Notes 18, 19 and 23 respectively, certain of the Group's land and buildings as at 31 December 2010 had not been granted legal title from the relevant government authorities yet. Although the Group had not obtained the relevant legal titles, the land and buildings were recognised in the consolidated statement of financial position as at 31 December 2010 on the grounds that the Group will obtain the legal title in the near future with no major difficulties and is in substance controlling these land and buildings. At 31 December 2011, the Group has obtained all legal titles of the land and buildings.

Income taxes

In respect of the Hong Kong Profits Tax under inquiries by the Hong Kong Inland Revenue Department (the "IRD") as mentioned in Note 11, management judgment is required in assessing the likelihood of success in defending its position that the income derived is non-Hong Kong sourced and therefore, are not subject to Hong Kong Profits Tax and no provision for profits tax is required. The provision of income taxes is reviewed on an ongoing basis and the management had received an advice from a tax expert to assess the potential income taxes exposure. As at 31 December 2011, the aggregate amount of protective profits tax assessment issued by the IRD to the Group amounting to approximately HK\$27,640,000 (2010: HK\$18,890,000).

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

於實體會計政策中應用之主要判斷

除涉及估計之判斷以外(見下文)，以下為本公司董事於應用實體之會計政策時已作出且對綜合財務報表中確認之金額產生最大影響之重大判斷。

土地及樓宇之合法業權

誠如附註18、19及23所詳述於2010年12月31日，本集團若干土地及樓宇尚未獲有關政府當局發出任何合法業權。儘管本集團尚未取得相關合法業權，惟土地及樓宇已於2010年12月31日於綜合財務狀況表確認，理據是本集團於短期內取得合法業權並不會遇上任何重大困難，故本集團已實質上控制該等土地及樓宇。於2011年12月31日，本集團已取得土地及樓宇之所有合法業權。

所得稅

就附註11提述由香港稅務局(「稅局」)正查詢之香港利得稅而言，管理層需作出判斷以評估就其所指有關收入非源自香港之可能性，並因而毋須繳付香港利得稅及作出利得稅撥備。所得稅撥備乃按持續基準審閱，而管理層已接獲一名稅務專家之意見，以評估潛在支付所得稅之風險。稅局於2011年12月31日向本集團所發出之保障性利得稅評稅總額約為27,640,000港元(2010年：18,890,000港元)。

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For the year ended 31 December 2011 截至2011年12月31日止年度

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

Key sources of estimation uncertainty

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

Impairment loss recognised in respect of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2011, the carrying amount of goodwill was nil (net of accumulated impairment loss of approximately HK\$112,406,000) (2010: carrying amount of approximately HK\$52,355,000, net of accumulated impairment loss of approximately HK\$94,927,000). Details of impairment testing on goodwill are set out in Note 22.

Depreciation of property, plant and equipment

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

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源

以下為有關未來之主要假設及於報告期間結束時估計不明朗因素之其他主要來源，有關假設及不明朗因素構成須對下一財政年度資產及負債賬面值作出重大調整之重大風險。

確認商譽減值虧損

釐定商譽是否減值須對獲分配商譽之賺取現金單位之使用價值作出估計。計算使用價值時，本集團須估計預期來自賺取現金單位之未來現金流量及合適之貼現率，以計算現值。倘實際未來現金流量少於預期，則可能出現重大減值虧損。於2011年12月31日，商譽之賬面值約為零（已扣減約112,406,000港元之累計減值虧損）（2010年：賬面值約為52,355,000港元（已扣減約94,927,000港元之累計減值虧損））。有關商譽減值檢測之詳情載於附註22。

物業、廠房及設備折舊

經計及其估計剩餘價值，採用直線法按其估計可使用年期折舊。釐定可使用年期及剩餘價值涉及管理層之估計。本集團每年評估物業、廠房及設備之剩餘價值及可使用年期，倘預期與原先估計出現差異，有關差異可能影響該年度之折舊，而有關估計於日後期間將會出現變動。

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

Key sources of estimation uncertainty (Continued)

Impairment loss recognised in respect of trade receivables

The Group performs ongoing credit evaluations of its customers and adjusts credit limits based on payment history and the customer's current credit-worthiness, as determined by the review of their current credit information. The Group continuously monitors collections and payments from its customers and maintains a provision for estimated credit losses based upon its historical experience and any specific customer collection issues that it has been identified. Credit losses have historically been within the Group's expectations and the Group will continue to monitor the collections from customers and maintain an appropriate level of estimated credit losses. As at 31 December 2011, the carrying amount of trade receivables was approximately HK\$51,447,000 (net of accumulated impairment loss of approximately HK\$4,165,000) (2010: carrying amount of approximately HK\$42,560,000, net of accumulated impairment loss of approximately HK\$7,800,000).

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

確認應收賬款減值虧損

本集團根據客戶之過往收款記錄及現時信譽(藉審閱彼等現時之信貸資料決定)對客戶進行持續信貸評估及調整其信貸限額。本集團亦持續監控收回款項及客戶的付款狀況，並就過往經驗及已識別之任何具體客戶收款問題釐定之估計信貸虧損計提撥備。信貸虧損過往一直處於本集團之預計範圍內，而本集團將繼續監控自客戶收款之情況並維持合適水平之估計信貸虧損。於2011年12月31日，應收賬款之賬面值約為51,447,000港元(已扣減約4,165,000港元之累計減值虧損)(2010年：賬面值約為42,560,000港元(已扣減約7,800,000港元之累計減值虧損))。

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

Key sources of estimation uncertainty (Continued)

Impairment loss recognised in respect of other receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2011, the carrying amounts of payments for pharmaceutical projects and prepayments, deposits and other receivables were nil and approximately HK\$45,042,000 respectively (2010: the carrying amounts of payments for pharmaceutical projects and prepayments, deposits and other receivables were approximately HK\$138,000 and HK\$26,497,000 (net of accumulated impairment loss of approximately HK\$3,273,000) respectively).

Write-down of inventories

The directors of the Company review an aging analysis at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production. The management estimates the net realisable value for finished goods based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at end of each reporting period and makes allowance for obsolete items. As at 31 December 2011, the carrying amount of inventories was approximately HK\$408,422,000 (net of accumulated impairment loss of approximately HK\$14,349,000) (2010: carrying amount of approximately HK\$108,968,000, net of accumulated impairment loss of approximately HK\$4,955,000).

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

確認其他應收賬款減值虧損

倘客觀證據顯示出現減值虧損，本集團會考慮未來現金流量之估計。減值虧損之款額乃根據資產賬面值與估計未來現金流量（不包括未產生之日後信貸虧損）現值之差額，以金融資產之原實際利率（即初次確認時計算之實際利率）貼現計量。倘實際未來現金流量少於預期，則可能出現重大減值虧損。於2011年12月31日，藥品項目款項以及預付款項、按金及其他應收款項之賬面值分別約為零及45,042,000港元（2010年：藥品項目款項以及預付款項、按金及其他應收款項之賬面值分別約為138,000港元及26,497,000港元（已扣減約3,273,000港元之累計減值虧損））。

存貨撇減

公司董事於各報告期結束時審閱賬齡分析，並對已識別為不再適合用於生產之過時及滯銷存貨計提撥備。管理層主要根據最近期之發票價格及目前市況估計製成品之可變現淨值。本集團於各報告期結束時對每種產品進行盤點，並對過時貨品作出備抵。於2011年12月31日，存貨賬面值約為408,422,000港元（已扣減約14,349,000港元之累計減值虧損）（2010年：賬面值約為108,968,000港元（已扣減約4,955,000港元之累計減值虧損））。

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

Key sources of estimation uncertainty (Continued)

Estimated net realisable value of properties under development

In determining whether allowances should be made to the Group's properties under development, the directors of the Company takes into consideration the current market environment and the estimated market value (i.e. estimated selling price less estimated costs to sell) less estimated costs to completion of the properties. An allowance is made if the estimated market value is less than the carrying amount. If the actual net realisable value on properties under development is less than expected as a result of change in market condition and / or significant variation in the budgeted development cost, material provision for impairment losses may result. As at 31 December 2011, the carrying amount of properties under development was nil (2010: HK\$240,561,000). During the years ended 31 December 2011 and 2010, no allowance has been made.

Impairment of property, plant and equipment

The impairment loss for property, plant and equipment are recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy. The recoverable amounts of property, plant and equipment are the greater of the fair value less cost to sell and value-in-use. In determining the recoverable amounts, use of estimates such as the future revenue and discount rates is required. As at 31 December 2011, the carrying amount of property, plant and equipment was approximately HK\$63,007,000 (net of accumulated impairment loss of approximately HK\$53,965,000) (2010: carrying amount of approximately HK\$174,139,000, net of accumulated impairment loss of approximately HK\$39,903,000).

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

發展中物業之估計可變現淨值

於釐定本集團之發展中物業是否需要撥備時，本公司董事考慮目前市況及此等物業之估計市值（即估計售價減估計銷售成本）減估計完成此等物業之成本。倘物業之估計市值低於其賬面值，則須作出撥備。倘由於市況變化，發展中物業之實際可變現價值若低於預期及／或預算發展成本有重大變動，則可能須就減值虧損作出重大撥備。於2011年12月31日，發展中物業之賬面值為零（2010年：240,561,000港元）。於截至2011年及2010年12月31日止年度，概無作出任何撥備。

物業、廠房及設備減值

物業、廠房及設備之減值虧損乃根據本集團之會計政策就賬面值超出其可收回款額之數額確認。物業、廠房及設備之可收回數額，乃公允值減銷售成本及使用價值之較高者。在釐定可收回數額時須使用未來收益及貼現率等多項估計。於2011年12月31日，物業、廠房及設備之賬面值約為63,007,000港元（已扣減約53,965,000港元之累計減值虧損）（2010年：賬面值約為174,139,000港元（已扣減約39,903,000港元之累計減值虧損））。

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For the year ended 31 December 2011 截至2011年12月31日止年度

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

Key sources of estimation uncertainty (Continued)

Fair value of investment properties

At the end of the reporting period, investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates of market conditions. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation have reflected the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties being recognised in profit or loss. The carrying amount of investment properties measured at fair value at 31 December 2011 was approximately HK\$76,790,000 (2010: HK\$95,409,000).

Provision for compensation

Management judgment is required in assessing the provisions made for compensation at the end of the reporting period, which is made based on an estimation of the anticipated claims against the Group, the merits of the claims against the Group and the existence of any obligation. The provision is reviewed on an ongoing basis and is revised where appropriate.

4. 主要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

投資物業之公允值

於報告期結束時，投資物業乃按獨立專業估值師進行之估值以公允值列賬。於釐定公允值時，估值師依據之估值方法涉及若干市況估計。於依賴估值報告時，本公司董事已行使其判斷力並信納於估值中使用之假設足以反映現時市況。該等假設之變動將引起於損益中確認之本集團投資物業公允值之變動。於2011年12月31日，按公允值計量之投資物業賬面值約為76,790,000港元（2010年：95,409,000港元）。

賠償撥備

於報告期結束時評估賠償撥備時，管理層須作出判斷，而撥備乃基於對預期索償之估計、對本集團成功申索以及是否存在承擔作出。撥備將持續作出檢討，並於適當時候修訂。

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5. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of net debt, which includes secured bank borrowings and convertible bonds disclosed in Notes 29 and 31 respectively, cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the associated risks, and take appropriate actions to adjust the Group's capital structure.

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Held-for-trading investments	持作買賣投資	—	2,173
Loans and receivables (including bank balances and cash)	貸款及應收款項 (包括銀行結存及現金)	1,356,598	125,202
Financial liabilities	金融負債		
At amortised cost	按攤銷成本	892,236	117,346

5. 資本風險管理

本集團管理其資本，以確保本集團旗下實體能夠持續經營業務，並透過更完善平衡債務及權益，以為股東帶來最大回報。本集團整體策略與去年維持不變。

本集團之資本結構包括分別於附註29及31披露之有抵押銀行借貸及可換股債券、現金及現金等值項目以及本公司擁有人應佔權益，當中包括已發行股本及儲備。本公司董事定期檢討資本結構。作為檢討其中一環，本公司董事考慮資本成本及相關風險，並就此採取適當行動調整本集團資本結構。

6. 金融工具

金融工具類別

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For the year ended 31 December 2011 截至2011年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by the Group in currencies other than the entities' functional currencies. In addition, certain portion of bank balances and cash and trade payables are denominated in currencies other than the functional currency of the entity to which they relate.

The following table shows the Group's exposure at the end of the reporting period to currency risk arising from transactions or recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

		United States Dollars ("USD")'000 千美元 (「美元」)		RMB'000 人民幣千元	
		2011 2011年	2010 2010年	2011 2011年	2010 2010年
Assets	資產	552	1,346	—	—
Liabilities	負債	50,385	584	1,510	3,982

7. 財務風險管理目標及政策

本集團之主要金融工具包括持作買賣投資、應收賬款及其他應收款項、銀行結存及現金、應付賬款及其他應付款項，可換股債券以及有抵押銀行借貸。此等金融工具之詳情於相關附註披露。與此等金融工具有關之風險包括市場風險（貨幣風險、利率風險及其他價格風險）、信貸風險及流動資金風險。下文載列如何減低該等風險之政策。管理層管理及監控該等風險，以確保及時有效地採取適當措施。

貨幣風險

本集團面對交易貨幣風險。有關風險源自本集團以該等實體的功能貨幣以外之貨幣進行銷售或採購。此外，若干部分銀行結存及現金及應付賬款乃以實體之相關功能貨幣以外之貨幣結算。

下表顯示本集團於報告期間結束時因交易或已確認資產或負債以與實體相關功能貨幣以外之貨幣結算產生之風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk (Continued)

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

Sensitivity analysis

The Group is mainly exposed to the currency risk of RMB and USD.

The following table details the Group's sensitivity to a 5% (2010: 5%) increase and decrease in HK\$ against the relevant foreign currencies. 5% (2010: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2010: 5%) change in foreign currency rates. A positive number below indicates a decrease in post-tax loss (2010: increase in post-tax profit), where HK\$ strengthens 5% (2010: 5%) against the relevant currency. For a 5% (2010: 5%) weakening of HK\$ against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be negative.

		USD 美元		RMB 人民幣	
		2011	2010	2011	2010
		2011年	2010年	2011年	2010年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Profit or loss	溢利或虧損	14,576	(297)	69	229

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

7. 財務風險管理目標及政策 (續)

貨幣風險 (續)

本集團現時並無外幣對沖政策。然而，管理層監察外匯風險，並於有需要時考慮對沖重大外幣風險。

敏感度分析

本集團主要面對人民幣及美元貨幣風險。

下表詳列本集團對港元兌有關外幣升值及貶值5% (2010年：5%) 之敏感度。5% (2010年：5%) 乃向主要管理人員就外匯風險作內部報告時採用之敏感度，代表管理層就外匯匯率可能產生之合理變動所作評估。敏感度分析僅包括尚未結算之外幣計值貨幣項目及於報告期間結束時就外幣匯率之5% (2010年：5%) 變動作出之換算調整。下文之正數顯示倘港元兌有關貨幣升值5% (2010年：5%) 所導致除稅後虧損之跌幅 (2010年：除稅後溢利之增幅)。倘港元兌有關貨幣貶值5% (2010年：5%)，將會對溢利構成相反之等額影響，下文之結餘將為負數。

管理層認為，由於年結日之風險並無反映年內風險，故敏感度分析並不代表固有外匯風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

As at 31 December 2011, the Group is exposed to cash flow interest rate risk in relation to its variable-rate bank balances and is also exposed to fair value interest rate risk in relation to fixed-rate bank deposits. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

As at 31 December 2010, the Group is exposed to cash flow interest rate risk in relation to its variable-rate bank balances and bank borrowings and is also exposed to fair value interest rate risk in relation to fixed-rate bank deposits and bank borrowings.

Sensitivity analysis

The Group's exposure to interest rate risk in relation to variable-rate bank balances and fixed-rate bank deposits is minimal due to short-term maturities.

The sensitivity analyses below had been determined based on the exposure to interest rates for non-derivative instruments. The analysis was prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2010: 50 basis point) increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2010 would decrease / increase by approximately HK\$86,000 and nil for the post-tax loss for the year ended 31 December 2011. This was mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

7. 財務風險管理目標及政策 (續)

利率風險

於2011年12月31日，本集團就其浮息銀行結餘面對現金流量利率風險，並就定息銀行存款面對公允價值利率風險。本集團目前並無利率對沖政策。然而，管理層會監控利率風險，並於預期將出現重大利率風險時考慮採取其他所需行動。

於2010年12月31日，本集團就其浮息銀行結餘及銀行借貸面對現金流量利率風險，並就定息銀行存款及銀行借貸面對公允價值利率風險。

敏感度分析

由於有關結餘均於短期內到期，故本集團就浮息銀行結餘及定息銀行存款所面對利率風險甚微。

下文之敏感度分析乃按非衍生工具利率風險釐定。有關分析乃假設於報告期間結束時尚未行使之金融工具於全年尚未行使而編製。50個基點（2010年：50個基點）增減乃向主要管理人員就利率風險作內部報告時採用，代表管理層就利率可能產生之合理變動所作評估。

倘利率上升／下降50個基點，而所有其他變數維持不變，本集團於截至2010年12月31日止年度之除稅後溢利應減少／增加約86,000港元，而於截至2011年12月31日止年度除稅後虧損為零。此乃主要歸因於本集團面對有關其浮息銀行借貸之利率風險。

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For the year ended 31 December 2011 截至2011年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Other price risk

The Group is not exposed to equity price risk through its investment in listed equity securities as at 31 December 2010. The Group's exposure to other price risk is minimal.

Credit risk

As at 31 December 2011, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective 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 trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

As at 31 December 2011, the Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 100% (2010: 100%) of the total trade receivables. However, trade receivables consist of a large number of customers and spread across diverse industries. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

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

7. 財務風險管理目標及政策 (續)

其他價格風險

於2010年12月31日，本集團因其於上市股本證券之投資並無面對股本價格風險。本集團面對之其他價格風險甚微。

信貸風險

於2011年12月31日，因交易方未能履行責任而令本集團蒙受財務虧損之最高信貸風險乃來自綜合財務狀況表所載列相關已確認金融資產之賬面值。

為將信貸風險減至最低，本集團管理層已委派一支團隊，負責釐定信貸額、審批信貸及其他監察程序，確保跟進收回逾期債項之情況。此外，本集團會於各報告期結束時檢討各個別應收賬款之可收回金額，確保就不可收回金額作出足夠減值虧損。

於2011年12月31日，本集團按地域位置劃分之信貸風險主要集中於中國，佔應收賬款總額100% (2010年：100%)。然而，應收賬款包括大量客戶，並散佈於多個行業。就此，本公司董事認為本集團之信貸風險已大大減低。

流動資金之信貸風險有限，原因為交易方均屬國際信貸評級機構評為信譽良好之銀行。

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For the year ended 31 December 2011 截至2011年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

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

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

Liquidity risk tables

		Weighted average interest rate 加權平均利率 %	Carrying amount at 31 December 於12月31日之賬面值 HK\$'000 千港元	Less than 1 year 1年內 HK\$'000 千港元	1-5 years 1-5年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金流量總額 HK\$'000 千港元
2011	2011年					
Non-derivative financial liabilities	非衍生金融負債					
Trade and other payables	應付賬款及其他應付款項	N/A 不適用	424,753	424,753	–	424,753
Convertible bonds	可換股債券	5.43%	467,483	–	600,000	600,000
			892,236	424,753	600,000	1,024,753
2010	2010年					
Non-derivative financial liabilities	非衍生金融負債					
Trade and other payables	應付賬款及其他應付款項	N/A 不適用	46,061	45,141	920	46,061
Bank borrowings	銀行借貸	5.78%	71,285	74,231	–	74,231
			117,346	119,372	920	120,292

As at 31 December 2010, the amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

7. 財務風險管理目標及政策 (續)

流動資金風險

於管理流動資金風險時，本集團監督及將現金及現金等值項目維持於管理層認為充足之水平，以撥付本集團之營運及減低現金流量波動之影響。管理層監控銀行借貸之使用情況。

下表詳列本集團按照協定還款條款之非衍生金融負債餘下合約到期日。下表乃按照於本集團須償還之最早日期金融負債之未貼現現金流量編製，包括利率及本金現金流量。如利息流量按浮息計算，未貼現數額乃以報告期間結束時之利率曲線得出。

流動資金風險列表

於2010年12月31日，倘浮動利率與於報告期間結束時釐定之利率估計不同，則上述非衍生金融負債之浮息工具金額亦會相應變動。

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For the year ended 31 December 2011 截至2011年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Fair value

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

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- the fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Except for other payables as disclosed in Note 32, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values due to their immediate or short-term maturities.

7. 財務風險管理目標及政策 (續)

公允值

金融資產及金融負債公允值乃按以下各項釐定：

- 根據標準條款及條件訂立並於活躍流通市場買賣之金融資產及金融負債公允值乃分別參考所報市場買入價及沽盤價釐定；及
- 其他金融資產及金融負債之公允值乃根據公認定價模式以貼現現金流量分析且採用觀察可得現行市場交易價格及同類工具之交易商報價釐定。

除附註32披露之其他應付款項外，本公司董事認為，按攤銷成本在綜合財務報表列賬之金融資產及金融負債之賬面值與其公允值相若，此乃由於其即時或於短期內到期。

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For the year ended 31 December 2011 截至2011年12月31日止年度

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Fair value (Continued)

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments as at 31 December 2010 that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

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

7. 財務風險管理目標及政策 (續)

公允值 (續)

於綜合財務狀況表確認之公允值計量

下表提供2010年12月31日初步以公允值確認後計量之金融工具分析，其按觀察可得公允值程度分為一至三級。

- 一級公允值計量自相同資產或負債於活躍市場所報未經調整價格得出。
- 二級公允值計量，自資產或負債直接（即價格）或間接（自價格衍生）觀察可得輸入數據得出，一級所包括報價除外。
- 三級公允值計量乃並非根據觀察可得市場數據（無法觀察輸入數據）之資產或負債輸入數據之估值方法得出。

	2010 2010年		
	Level 1 一級	Level 2 二級	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元

Financial assets at FVTPL

按公允值計入損益之金融資產

Held-for-trading investment	持作買賣投資	-	2,173	2,173
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Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

8. TURNOVER AND OTHER OPERATING INCOME

Turnover represents amount received and receivable from sales of pharmaceutical and food products net of returns, discounts allowed, sales related taxes and gross rental income during the year. Revenues recognised during the year are as follows:

8. 營業額及其他經營收入

營業額指年內扣除退貨、允許折扣及相關銷售稅後來自銷售藥品及食品之已收及應收款項及租金收入總額。於本年度確認之收益如下：

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Turnover	營業額		
Sales of goods	銷售貨品	367,243	323,954
Gross rental income (Note a)	租金收入總額 (附註a)	5,483	4,166
		372,726	328,120
Other operating income	其他經營收入		
Bank interest income	銀行利息收入	5,911	1,544
Dividend income from held-for-trading investment	持作買賣投資之股息收入	—	343
Exchange gain	匯兌收益	10,059	4,491
Net gain on deregistration of subsidiaries	附屬公司取消登記之收益淨額	—	2,099
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	11,804	—
Gain on disposal of held-for-trading investment	出售持作買賣投資之收益	13	—
Government grant (Note b)	政府津貼 (附註b)	411	—
Reversal of impairment losses recognised in respect of trade receivables	撥回應收賬款之已確認減值虧損	—	152
Reversal of provision for compensation of redundant staff	撥回裁員補償撥備	—	1,493
Reversal of impairment losses recognised in respect of prepayments, deposits and other receivables	撥回預付款項、按金及其他應收款項之已確認減值虧損	—	2,778
Write-back of long outstanding payables	撥回長期未付之應付款項	3,554	3,330
		31,752	16,230
Total revenues	總收益	404,478	344,350

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For the year ended 31 December 2011 截至2011年12月31日止年度

8. TURNOVER AND OTHER OPERATING INCOME (Continued)

Notes:

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

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Gross rental income	租金收入總額	5,483	4,166
Less: Outgoings (included in cost of sales)	減：相關開支（計入銷售成本）	(931)	(700)
Net rental income	租金收入淨額	4,552	3,466

- (b) For the year ended 31 December 2011, the amount represented an one-off government grant for the Group's contribution to the environmental improvement in Sichuan Province, the PRC, in prior years.

9. SEGMENT INFORMATION

During the year ended 31 December 2010, the Group was principally engaged in the selling, distributing and manufacturing of pharmaceutical and food products and property investment.

During the year ended 31 December 2011, a new segment of uranium trading was introduced after the Company entered into a framework agreement on 21 October 2011 with 中廣核鈾業發展有限公司 (CGNPC Uranium Resources Co., Ltd) ("CGNPC-URC") (presently known as 中廣核燃料有限公司 (CGNPC Nuclear Fuel Co., Ltd.), a company established in the PRC with limited liability and the sole shareholder of China Uranium Development), in relation to the sale of natural uranium by the Group to CGNPC-URC. The Group's reportable and operating segments, based on the information reported to the chief operating decision maker, the Chief Executive Officer, for the purposes of resource allocation and performance assessment are as follows:

- a) pharmaceutical and food segment engages in the selling, distributing and manufacturing of pharmaceutical and food products;
- b) property investment segment engages in leasing, developing and selling of office premises and residential properties; and
- c) uranium trading segment engages in trading of natural uranium resources.

No operating segments have been aggregated to form the above reportable segments.

8. 營業額及其他經營收入 (續)

附註：

- (a) 本集團之租金收入淨額分析如下：

- (b) 於截至2011年12月31日止年度，有關金額指以往年度本集團於中國四川省環境改善而作出貢獻之一次性政府補貼。

9. 分部資料

於截至2010年12月31日止年度，本集團主要從事銷售、分銷及製造藥品及食品以及物業投資。

於截至2011年12月31日止年度，本公司與中廣核鈾業發展有限公司（「中廣核鈾業發展」）（現稱「中廣核燃料有限公司」）（乃一間於中國成立之有限責任公司，為中國鈾業發展之唯一股東）。於2011年10月21日訂立有關本集團向中廣核鈾業發展銷售天然鈾之框架協議後，引入鈾貿易新分部。本集團根據就資源分配及表現評估向主要營運決策者即首席執行官報告資料劃分之可報告及經營分部如下：

- a) 藥品及食品分部指銷售、分銷及製造藥品及食品；
- b) 物業投資分部指租賃、發展及出售辦公室及住宅物業；及
- c) 鈾貿易分部指天然鈾資源貿易。

本集團並無將經營分部整合以組成上述可報告分部。

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For the year ended 31 December 2011 截至2011年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Segment revenues and results

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

For the year ended 31 December 2011

		Pharmaceutical and food 藥品及食品 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Uranium trading 鈾貿易 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Turnover	營業額	367,243	5,483	–	372,726
Segment loss	分部虧損	(215,869)	(25,339)	(480)	(241,688)
Other income and gains	其他收入及收益				50,135
Central administration costs	中央行政成本				(32,796)
Finance costs	融資成本				(10,524)
Loss before taxation	除稅前虧損				(234,873)

For the year ended 31 December 2010

		Pharmaceutical and food 藥品及食品 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Uranium trading 鈾貿易 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Turnover	營業額	323,954	4,166	–	328,120
Segment profit	分部溢利	54,164	2,813	–	56,977
Other income and gains	其他收入及收益				8,477
Central administration costs	中央行政成本				(12,512)
Finance costs	融資成本				(779)
Profit before taxation	除稅前溢利				52,163

9. 分部資料 (續)

分部收益及業績

下表呈列本集團可報告及經營分部之收益及業績分析：

截至2011年12月31日止年度

截至2010年12月31日止年度

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For the year ended 31 December 2011 截至2011年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment (loss) / profit represents the (loss from) / profit earned by each segment without allocation of central administration costs, directors' salaries, other income and gains and finance costs. This is the measure reported to the Chief Executive Officer for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segments:

Segment assets

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Pharmaceutical and food	藥品及食品	191,323	435,762
Property investment	物業投資	81,205	345,394
Uranium trading	鈾貿易	391,593	—
		664,121	781,156
Unallocated corporate assets	未分配公司資產	1,280,913	90,704
Total assets	資產總值	1,945,034	871,860

9. 分部資料 (續)

分部收益及業績 (續)

經營分部之會計政策與附註3所載述本集團之會計政策相同。分部(虧損)/溢利指各分部所(產生虧損)/賺取溢利，並未分配中央行政成本、董事薪酬、其他收入及收益及融資成本。此乃就分配資源及表現評估向首席執行官報告之計量。

分部資產及負債

下表呈列本集團經營分部之資產及負債分析：

分部資產

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For the year ended 31 December 2011 截至2011年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

Segment liabilities

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Pharmaceutical and food	藥品及食品	34,786	66,153
Property investment	物業投資	573	216
Uranium trading	鈾貿易	391,593	–
		426,952	66,369
Unallocated corporate liabilities	未分配公司負債	481,215	98,476
Total liabilities	負債總額	908,167	164,845

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

- All assets are allocated to operating segments other than held-for-trading investment, income tax recoverable, bank balances and cash and other assets for corporate use including property, plant and equipment and other receivables.
- All liabilities are allocated to operating segments other than income tax payable, secured bank borrowings, deferred tax liabilities, convertible bonds and certain other payables.

9. 分部資料 (續)

分部資產及負債 (續)

分部負債

就監察分部業績及分部間之資源分配而言：

- 除持作買賣投資、可收回所得稅、銀行結存及現金以及作公司用途之其他資產，包括物業、廠房及設備以及其他應收款項外，所有資產均分配至經營分部。
- 除應付所得稅、有抵押銀行借貸、遞延稅項負債、可換股債券以及若干其他應付款項外，所有負債均分配至經營分部。

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For the year ended 31 December 2011 截至2011年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Other segment information

2011

9. 分部資料 (續)

其他分部資料

2011年

	Pharmaceutical and food 藥品及食品 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Uranium trading 鈾貿易 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measure of segment profit or loss or segment assets:	計算分部損益或分部資產時已計入款項：				
Addition to property, plant and equipment	8,102	–	–	730	8,832
Impairment loss recognised in respect of goodwill	52,355	–	–	–	52,355
Depreciation and amortisation	10,227	249	–	38	10,514
Decrease in fair value of investment property	–	24,438	–	–	24,438
Gain on disposal of property, plant and equipment	(11,804)	–	–	–	(11,804)
Impairment loss recognised in respect of property, plant and equipment	72,001	–	–	–	72,001
Impairment loss recognised in respect of trade receivables	85	–	–	–	85
Write-down of inventories	14,808	–	–	–	14,808
Write-off of inventories	5,957	–	–	–	5,957
Write-off of other receivables	1,887	–	–	–	1,887
Write-back of long outstanding payables	(3,554)	–	–	–	(3,554)
Impairment loss recognised in respect of intangible assets	2,558	–	–	–	2,558
Research and development costs	1,820	–	–	–	1,820
Operating lease rental on land and buildings	1,290	–	–	127	1,417
Amounts regularly provided to the Chief Executive Officer but not included in the measure of segment profit or loss or segment assets:	定期向首席執行官提供資料但並不包括於分部損益或分部資產計量之款項：				
Interest expense	–	–	–	10,524	10,524
Income tax credit	–	–	–	(3,417)	(3,417)
Bank interest income	–	–	–	(5,911)	(5,911)
Gain on disposal of held-for-trading investment	–	–	–	(13)	(13)
Gain on disposal of subsidiaries	–	–	–	(30,599)	(30,599)

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For the year ended 31 December 2011 截至2011年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

2010

9. 分部資料 (續)

其他分部資料 (續)

2010年

	Pharmaceutical and food 藥品及食品 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Uranium trading 鈾貿易 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measure of segment profit or loss or segment assets:	計算分部損益或分部資產時已計入款項：				
Addition to property, plant and equipment	添置物業、廠房及設備	3,042	605	-	3,647
Addition to intangible assets	添置無形資產	1,230	-	-	1,230
Impairment loss recognised in respect of goodwill	確認商譽減值虧損	22,569	-	-	22,569
Depreciation and amortisation	折舊及攤銷	16,368	-	6	16,374
Impairment loss recognised in respect of property, plant and equipment	確認物業、廠房及設備減值虧損	9,702	-	-	9,702
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	8,064	-	-	8,064
Write-down of inventories	撇減存貨	41	-	-	41
Write-off of inventories	撇銷存貨	120	-	-	120
Impairment loss recognised in respect of prepayments, deposits and other receivables	確認預付款項、訂金及其他應收款項減值虧損	1,724	-	-	1,724
Research and development costs	研發成本	381	-	-	381
Reversal of impairment losses recognised in respect of trade receivables	撥回應收賬款之已確認減值虧損	(152)	-	-	(152)
Reversal of provision for compensation of redundant staff	撥回裁員補償撥備	(1,493)	-	-	(1,493)
Reversal of impairment losses recognised in respect of prepayments, deposits and other receivables	撥回預付款項、訂金及其他應收款項之已確認減值虧損	(2,778)	-	-	(2,778)
Operating lease rental on land and buildings	土地及樓宇之經營租賃租金	1,654	-	-	1,654
Write-back of long outstanding payables	撥回長期未償還應付款項	(3,330)	-	-	(3,330)
Amounts regularly provided to the Chief Executive Officer but not included in the measure of segment profit or loss or segment assets:	定期向首席執行官提供資料但並不包括於分部損益或分部資產計量之款項：				
Decrease in fair value of held-for-trading investment	持作買賣投資公允值減少	-	-	6	6
Loss on disposal of available-for-sale investment	出售可供出售投資之虧損	-	-	9	9
Interest expenses	利息開支	-	-	779	779
Income tax expenses	所得稅開支	-	-	12,947	12,947
Bank interest income	銀行利息收入	-	-	(1,544)	(1,544)
Dividend income from held-for-trading investments	持作買賣投資之股息收入	-	-	(343)	(343)
Net gain on deregistration of subsidiaries	附屬公司取消登記之收益淨額	-	-	(2,099)	(2,099)

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For the year ended 31 December 2011 截至2011年12月31日止年度

9. SEGMENT INFORMATION (Continued)

Geographical information

No geographical information is presented as the Group's business is principally carried out in the PRC and the Group's revenue from external customers and non-current assets are in the PRC. No geographical information for other country is of a significant size to be reported separately.

Information about major customers

Revenues from customer of the corresponding years contributing over 10% of the total sales of the Group are as follows:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Customer A ¹	客戶甲 ¹	72,101	112,643

¹ Revenue from pharmaceutical and food segment

9. 分部資料 (續)

地域資料

由於本集團業務主要在中國進行以及本集團來自外部客戶之收益及非流動資產均來自中國，故並無呈列地域資料。其他國家的業務規模有限，不足以按地域分類個別呈列地域資料。

有關主要客戶之資料

以下來自客戶之收入佔本集團於相應年度內銷售總額超過10%：

¹ 來自藥品及食品分部之收入

10. FINANCE COSTS

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Interest expenses on:	下列各項之利息開支：		
- bank borrowings and overdrafts wholly repayable within five years	- 須於五年內悉數償還之銀行借貸及透支	3,305	1,246
- obligations under finance leases	- 融資租賃承擔	-	6
- imputed interest charged on convertible bonds (Note 31)	- 可換股債券之估算利息開支(附註31)	9,217	-
- discounted bills of exchange without recourse	- 無追索權之貼現匯票	161	773
Total borrowing costs	借貸成本總額	12,683	2,025
Less: amounts capitalised into properties under development	減：於發展中物業項目資本化之款項	(2,159)	(1,246)
		10,524	779

Borrowing costs capitalised during the year arose on the general borrowing pool and were calculated by applying a capitalisation rate of 6.73% (2010: 5.82%) per annum to expenditure on properties under development.

年內來自一般借貸之借貸成本已資本化，並按資本化年率6.73% (2010年：5.82%) 計入發展中物業開支。

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For the year ended 31 December 2011 截至2011年12月31日止年度

11. INCOME TAX (CREDIT) EXPENSE

11. 所得稅（抵免）支出

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
PRC Enterprise Income Tax	中國企業所得稅		
– current year	– 本年度	–	15,920
– overprovision in prior years	– 過往年度超額撥備	–	(2,739)
		–	13,181
Deferred tax (Note 33)	遞延稅項（附註33）	(3,417)	(234)
		(3,417)	12,947

Hong Kong Profits Tax has not been provided for in the consolidated financial statements as the Group's income neither arises in, nor is derived from Hong Kong.

The Hong Kong Profits Tax amounting to HK\$7,791,000 of a subsidiary of the Company in respect of the years of assessment 2000/01 to 2002/03 are under inquiries by the IRD. The Group lodged an objection against the assessments and the IRD had held over the payment of the profits tax and the equal amount of tax reserve certificates was purchased and recorded as income tax recoverable as at 31 December 2011 and 2010.

During the year ended 31 December 2010, the IRD further issued protective profits tax assessments of approximately HK\$5,250,000 to that subsidiary relating to the year of assessment 2003/04, that is, for the financial year ended 31 December 2003. The Group again lodged objections with the IRD against the protective assessments and the IRD agreed to hold over the tax claim unconditionally.

由於本集團之收入並非在香港產生或源自香港之估計應課稅溢利，故並無於綜合財務報表內作出香港利得稅撥備。

稅局正查詢本公司一間附屬公司於2000/01及2002/03課稅年度之香港利得稅，涉及稅款7,791,000港元。本集團已對評估提出反對，獲稅局暫緩繳納利得稅，而本公司已購買同等款額之儲稅券，並記錄為於2011年及2010年12月31日之可收回所得稅。

於截至2010年12月31日止年度，稅局就2003/04課稅年度（即截至2003年12月31日止財政年度）向該附屬公司進一步發出保障性利得稅評稅約5,250,000港元。本集團再次向稅局提出反對保障性評稅，而稅局已同意無條件暫緩有關徵稅。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

11. INCOME TAX (CREDIT) EXPENSE (Continued)

During the year ended 31 December 2011, the IRD further issued protective profits tax assessment of approximately HK\$8,750,000 to that subsidiary relating to the year of assessment 2004/05, that is, for the financial year ended 31 December 2004. The Group again lodged objections with the IRD against the protective assessments and purchased a tax reserve certificate of approximately HK\$4,000,000 during the year ended 31 December 2011 as demanded by the IRD. The amount was recorded as income tax recoverable as at 31 December 2011.

The directors of the Company believe that that subsidiary has a reasonable likelihood of success in defending its position that the income derived is non-Hong Kong sourced and therefore, are not subject to Hong Kong Profits Tax. Accordingly, no provision for profits tax is required.

During the year ended 31 December 2009, the IRD issued protective profits tax assessments of approximately HK\$599,000 to another subsidiary of the Company relating to the year of assessment 2002/03, that is, for the financial year ended 31 December 2002. The Group lodged objections with the IRD against the protective assessments. The IRD agreed to hold over the tax claim subject to the purchasing of a tax reserve certificate of approximately HK\$300,000, the Group purchased the tax reserve certificate during the year ended 31 December 2009 as demanded by the IRD. The amount was recorded as income tax recoverable as at 31 December 2011 and 2010.

During the year ended 31 December 2010, the IRD further issued protective profits tax assessments of approximately HK\$5,250,000 to that subsidiary relating to the year of assessment 2003/04, that is, for the financial year ended 31 December 2003. The Group again lodged objections with the IRD against the protective assessments and the IRD agreed to hold over the tax claim unconditionally.

11. 所得稅(抵免)支出(續)

於截至2011年12月31日止年度，稅局進一步就2004/05課稅年度(即截至2004年12月31日止財政年度)向該附屬公司發出保障性利得稅評稅約8,750,000港元。本集團再次向稅局提出反對保障性評稅，以及應稅局要求，於截至2011年12月31日止年度購買儲稅券約4,000,000港元。有關款項已記錄為於2011年12月31日之可收回所得稅。

本公司董事相信，該附屬公司有合理理據支持申辯所得收入並非源自香港，故毋須繳納香港利得稅，因而毋須作出利得稅撥備。

於截至2009年12月31日止年度，稅局就2002/03課稅年度(即截至2002年12月31日止財政年度)向本公司另一間附屬公司發出保障性利得稅評稅約599,000港元。本集團向稅局提出反對保障性評稅。稅局同意待本集團購買價值約300,000港元儲稅券後，暫緩本集團繳付有關稅項，本集團應稅局要求，於截至2009年12月31日止年度購買有關儲稅券。有關款項已記錄為於2011年及2010年12月31日之可收回所得稅。

於截至2010年12月31日止年度，稅局就2003/04課稅年度(即截至2003年12月31日止財政年度)向該附屬公司進一步發出保障性利得稅評稅約5,250,000港元。本集團再次向稅局提出反對保障性評稅，而稅局已同意無條件暫緩有關徵稅。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

11. INCOME TAX (CREDIT) EXPENSE (Continued)

The directors of the Company believe that that subsidiary has a reasonable likelihood of success in defending its position that the income derived is non-Hong Kong sourced and therefore, are not subject to Hong Kong Profits Tax. Accordingly, no provision for profits tax is required.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

One of the PRC subsidiaries obtained approval from the relevant tax bureau and is qualified as a High and New Technology Enterprises which was subject to a tax rate of 15% for the year ended 31 December 2010.

Certain PRC subsidiaries were either in loss-making position for the current and the previous years or had sufficient tax losses brought forward from previous year to offset the estimated assessable income for the year and accordingly did not have any assessable income for the current and previous years.

The subsidiary operating in Macau is exempted from the income tax in Macau for the current and previous years.

Pursuant to the laws and regulations of the Cayman Islands and British Virgin Islands (the "BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI for the current and previous years.

No Australian income tax has been provided as the subsidiaries operating in Australia had no estimated assessable profits for the current and previous years.

11. 所得稅(抵免)支出(續)

本公司董事相信，該附屬公司有合理理據支持申辯所得收入並非源自香港，故毋須繳納香港利得稅，因而毋須作出利得稅撥備。

根據中國企業所得稅法(「企業所得稅法」)及其實施條例，中國附屬公司於兩個年度之稅率為25%。

其中一間中國附屬公司向相關稅務當局取得批准，並合資格作為高新技術企業於截至2010年12月31日止年度按稅率15%徵稅。

於本年度及過往年度，若干中國附屬公司處於虧損狀況，或結轉自去年之稅務虧損足以抵銷年內估計應課稅收入，因此於本年度及過往年度並無任何應課稅收入。

於本年度及過往年度，在澳門經營之附屬公司獲豁免澳門所得稅。

根據開曼群島及英屬處女群島(「BVI」)之法律及法規，本集團於本年度及過往年度毋須繳納開曼群島及BVI所得稅。

由於在澳洲經營之附屬公司於本年度及過往年度並無估計應課稅溢利，故並無就澳洲所得稅作出撥備。

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For the year ended 31 December 2011 截至2011年12月31日止年度

11. INCOME TAX (CREDIT) EXPENSE (Continued)

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

11. 所得稅（抵免）支出（續）

本年度所得稅（抵免）支出與綜合收益表所示除稅前（虧損）溢利對賬如下：

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
(Loss) profit before taxation	除稅前（虧損）溢利	(234,873)	52,163
Tax calculated at rates applicable to profits in the respective tax jurisdiction concerned	按有關稅務司法權區適用於溢利之稅率計算之稅項	(51,945)	13,998
Effect of tax exemption granted to a Macau subsidiary	一間澳門附屬公司獲豁免稅項之影響	452	(3,851)
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(8,632)	(708)
Tax effect of expenses not deductible for tax purpose	不可扣稅支出之稅務影響	16,025	6,208
Utilisation of previously unrecognised tax losses and deductible temporary difference	動用先前未確認之稅務虧損及可扣減臨時差額	(576)	(8,205)
Tax effect of tax losses and deductible temporary difference not recognised	未確認稅務虧損及可扣減臨時差額之稅務影響	41,259	8,244
Overprovision in prior years	過往年度超額撥備	-	(2,739)
Income tax (credit) expense for the year	本年度所得稅（抵免）支出	(3,417)	12,947

Details of deferred taxation are set out in Note 33.

遞延稅項詳情載於附註33。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

12. (LOSS) PROFIT FOR THE YEAR

12. 本年度(虧損)溢利

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(重列)
(Loss) profit for the year has been arrived at after charging:	本年度(虧損)溢利已扣除下列各項:		
Amortisation of intangible assets	攤銷無形資產	333	1,335
Amortisation of prepaid lease payments on land use rights	攤銷土地使用權預付租賃款項	723	672
Auditors' remuneration	核數師酬金	1,498	1,264
Cost of inventories sold	存貨銷售成本	243,062	103,237
Decrease in fair value of held-for-trading investment	持作買賣投資公允值減少	-	6
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9,458	14,367
Impairment loss recognised in respect of trade receivables (Note 25) (included in administrative expenses)	確認應收賬款減值虧損(附註25)(計入行政開支)	85	-
Impairment loss recognised in respect of prepayments, deposits and other receivables (Note 25) (included in administrative expenses)	確認預付款項、訂金及其他應收款項減值虧損(附註25)(計入行政開支)	-	1,724
Impairment loss recognised in respect of intangible assets (included in administrative expenses)	確認無形資產減值虧損(計入行政開支)	2,558	-
Loss on disposal of available-for-sale investments	出售可供出售投資之虧損	-	9
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	8,064
Operating lease rental on land and buildings	土地及樓宇之經營租賃租金	1,417	1,654
Research and development costs	研發成本	1,820	381
Staff costs (including directors' emoluments) (Note 15)	員工成本(包括董事酬金)(附註15)	120,124	69,844
Write-off of inventories (included in cost of sales)	撇銷存貨(計入銷售成本)	5,957	120
Write-down of inventories (included in cost of sales)	撇減存貨(計入銷售成本)	14,808	41
Write-off of other receivables (included in administrative expenses)	撇銷其他應收款項(計入行政開支)	1,887	-

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

13. DIVIDENDS

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

14. (LOSS) EARNINGS PER SHARE

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

13. 股息

截至2011年12月31日止年度並無派發或建議派發股息，而自報告期間結算日以來亦無建議派發任何股息（2010年：無）。

14. 每股（虧損）盈利

本公司擁有人應佔每股基本及攤薄（虧損）盈利乃按下列數據計算：

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
(Loss) earnings	(虧損) 盈利		
(Loss) profit for the year attributable to the owners of the Company for the purposes of basic and diluted (loss) earnings per share	計算每股基本及攤薄（虧損）盈利之本公司擁有人應佔本年度（虧損）溢利	(229,858)	36,610
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	計算每股基本（虧損）盈利之普通股加權平均數	2,229,036,061	1,551,056,993
Effect of dilutive ordinary shares in respect of share options	有關購股權之普通股攤薄影響	—	193,633
Weighted average number of ordinary shares for the purpose of diluted (loss) earnings per share	計算每股攤薄（虧損）盈利之普通股加權平均數	2,229,036,061	1,551,250,626

For the year ended 31 December 2011, diluted loss per share was same as the basic loss per share, as the effect of the conversion of the Company's share options and convertible bonds was anti-dilutive for the year ended 31 December 2011.

由於本公司之購股權及可換股債券換股對截至2011年12月31日止年度具有反攤薄影響，故截至2011年12月31日止年度之每股攤薄虧損與每股基本虧損相同。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

15. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

15. 員工成本（包括董事酬金）

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, allowances, other benefits and bonus	薪金、津貼、其他福利及花紅	60,931	62,851
Retirement benefit schemes contribution	退休福利計劃供款	4,465	6,993
Termination benefits (Note)	終止利益（附註）	54,728	—
		120,124	69,844

Note: Due to the expiry of food hygiene license for "Osteoform Compound Calcium Amino Acid Chelate Food Capsules" ("Osteoform") and an integration of production line, the Group had laid off excessive staff and incurred termination benefits of approximately HK\$44,228,000 during the year ended 31 December 2011. In addition, the Group had paid to the ex-directors for early resignation of approximately HK\$10,500,000 during the year ended 31 December 2011.

附註：由於「樂力複合氨基酸螯合鈣膠囊食品」（「樂力」）之食品衛生許可證已到期及整合生產線，本集團已解雇剩餘員工，並於截至2011年12月31日止年度產生終止利益約44,228,000港元。此外，本集團於截至2011年12月31日止年度已支付約10,500,000港元予前任董事作為提早離職之補償。

The subsidiaries in Hong Kong and Australia operate defined contribution schemes which are available to qualified employees. The assets of the schemes are held separately from those of the subsidiaries in independently administered funds. Monthly contributions made by the subsidiaries are calculated based on certain percentages of the applicable payroll costs or fixed sums as stipulated under the relevant requirements, as appropriate.

香港及澳洲附屬公司為合資格僱員推行定額供款計劃。該等計劃之資產與附屬公司之資產於獨立管理基金內分開持有。附屬公司之每月供款乃按照有關規定所訂明以適用薪酬成本之若干百分比或固定款額（視適用情況而定）計算。

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Company in this country participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

根據中國有關當局之規例，本公司之中國附屬公司參與各項政府退休福利計劃（「該等計劃」），據此，該等附屬公司須向該等計劃作出供款，以撥付合資格僱員之退休福利。向該等計劃作出之供款乃按照中國規例所訂明適用薪酬成本之特定百分比計算。中國有關當局負責向退休僱員支付應付之全數退休福利。本集團就該等計劃之責任僅為根據該等計劃持續作出所需供款。

The retirement benefit schemes contribution represent gross contributions by the Group to the Schemes operated by the relevant authorities of the PRC and the defined contribution schemes operated in Hong Kong and Australia.

退休福利計劃供款即本集團向由中國有關當局運作之該等計劃以及於香港及澳洲運作之定額供款計劃作出之供款總額。

Details of the Company's share options granted to the employees of the Group are set out in Note 34.

本公司向本集團員工授出購股權之詳情載於附註34。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

16. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the seventeen (2010: nine) directors were as follows:

For the year ended 31 December 2011

16. 董事及高級管理人員之酬金

(a) 董事酬金

已付或應付十七名(2010年：九名)董事之酬金如下：

截至2011年12月31日止年度

		Other emoluments 其他酬金					
		Fees	Salaries, allowances and other benefits	Payments for early resignation	Discretionary bonus	Retirement benefit contribution	Total
		袍金	薪金、津貼及其他福利	提早離職之薪資	酌情花紅	退休福利計劃供款	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
<i>Executive directors:</i> 執行董事：							
Liu James Jin ¹	劉津 ¹	-	264	1,500	-	8	1,772
Xu Xiaofan ¹	徐小凡 ¹	-	264	1,500	-	-	1,764
Huang Zemin ¹	黃澤民 ¹	-	264	1,500	-	-	1,764
Li Ke ¹	李可 ¹	-	264	1,500	-	-	1,764
Chen Zhiyu ²	陳志宇 ²	-	270	-	-	-	270
Guo Lin ¹	郭琳 ¹	-	264	1,500	-	8	1,772
He Zuyuan ³	何祖元 ³	-	352	-	-	-	352
Li Zhengguang ³	李正光 ³	-	297	-	-	-	297
<i>Non-executive directors:</i> 非執行董事：							
Zheng Xiaowei ^{3,4}	鄭曉衛 ^{3,4}	56	-	-	-	-	56
Yu Zhiping ³	余志平 ³	74	-	-	-	-	74
Wei Qiyang ³	魏其岩 ³	56	-	-	-	-	56
Chen Zhiyu ²	陳志宇 ²	50	132	-	-	-	182
<i>Independent non-executive directors:</i> 獨立非執行董事：							
Lee Kwong Yiu ¹	李廣耀 ¹	80	-	1,100	-	-	1,180
Lui Tin Nang ¹	呂天能 ¹	80	-	1,100	-	-	1,180
Chong Cha Hwa ¹	張家華 ¹	80	-	800	-	-	880
Ling Bing ³	凌兵 ³	44	-	-	-	-	44
Qiu Xianhong ³	邱先洪 ³	44	-	-	-	-	44
Huang Jinsong ³	黃勁松 ³	44	-	-	-	-	44
		608	2,371	10,500	-	16	13,495

¹ Resigned on 18 August 2011

² Redesignated from executive director to non-executive director on 18 August 2011

³ Appointed on 18 August 2011

⁴ Redesignated from non-executive director to executive director on 15 March 2012

¹ 於2011年8月18日辭任

² 於2011年8月18日由執行董事調任為非執行董事

³ 於2011年8月18日獲委任

⁴ 於2012年3月15日由非執行董事調任為執行董事

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

16. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

For the year ended 31 December 2010

	Other emoluments 其他酬金					Total 總計
	Fees 袍金	Salaries, allowances and other benefits 薪金、津貼及其他福利	Discretionary bonus 酌情花紅	Retirement benefit schemes contribution 退休福利計劃供款		
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<i>Executive directors:</i>	<i>執行董事：</i>					
Liu James Jin	劉津	–	396	500	12	908
Xu Xiaofan	徐小凡	–	396	500	–	896
Guo Lin	郭琳	–	396	500	12	908
Chen Zhiyu	陳志宇	–	396	500	–	896
Huang Zemin	黃澤民	–	396	500	–	896
Li Ke	李可	–	396	500	–	896
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>					
Lee Kwong Yiu	李廣耀	120	–	–	–	120
Lui Tin Nang	呂天能	120	–	–	–	120
Chong Cha Hwa	張家華	120	–	–	–	120
		360	2,376	3,000	24	5,760

Discretionary bonus for the year ended 31 December 2010 was determined with reference to the Group's operating results, individual performance and comparable market statistics.

截至2010年12月31日止年度之酌情花紅乃經參考本集團之經營業績、個人表現及可資比較市場數據而定。

(b) Senior management's emoluments

Of the five individuals with the highest emoluments in the Group, all (2010: all) were directors of the Company whose emoluments are set out in the above.

(b) 高級管理人員之薪酬

本集團最高薪酬之五名人士，全部均為本公司董事（2010年：全部），彼等之酬金已載於上文。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

16. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

- (c) No emoluments have been paid by the Group to all directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group during the years ended 31 December 2010 and 2011. During the year ended 31 December 2011, the Group paid approximately HK\$10,500,000 (2010: nil) as compensation for early resignation to the directors of the Company. No directors of the Company waived or agreed to waive any emoluments during the years ended 31 December 2010 and 2011.

16. 董事及高級管理人員之酬金 (續)

- (c) 於截至2011年及2010年12月31日止年度，本集團並無向本公司任何董事或五名最高薪酬人士支付酬金，作為吸引加入或於加入本集團時之獎勵。於截至2011年12月31日止年度，本集團已向本公司董事支付約10,500,000港元（2010年：零）作為提早離職之賠償。於截至2010年及2011年12月31日止年度，概無本公司董事放棄或同意放棄任何酬金。

17. INTANGIBLE ASSETS

17. 無形資產

		Technical know-how 專業技術知識 HK\$'000 千港元
COST		
At 1 January 2010	於2010年1月1日	16,119
Exchange realignment	匯兌調整	540
Addition	添置	1,230
At 31 December 2010	於2010年12月31日	17,889
Exchange realignment	匯兌調整	1,062
Derecognised on disposal of subsidiaries	出售附屬公司時終止確認	(16,051)
At 31 December 2011	於2011年12月31日	2,900
ACCUMULATED AMORTISATION AND IMPAIRMENT		
At 1 January 2010	於2010年1月1日	13,089
Exchange realignment	匯兌調整	437
Provided for the year	本年度撥備	1,335
At 31 December 2010	於2010年12月31日	14,861
Exchange realignment	匯兌調整	877
Provided for the year	本年度撥備	333
Impairment loss recognised in the year	年內確認之減值虧損	2,558
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	(16,051)
At 31 December 2011	於2011年12月31日	2,578
CARRYING VALUES		
At 31 December 2011	賬面值 於2011年12月31日	322
At 31 December 2010	於2010年12月31日	3,028

Technical know-how has finite useful lives and are amortised on a straight-line basis over five years.

專業技術知識具有有限可使用年期，按五年期以直線法攤銷。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

17. INTANGIBLE ASSETS (Continued)

During the year ended 31 December 2011, the directors of the Company conducted a review of the Group's intangible assets and determined that several intangible assets were impaired due to cessation of production of certain pharmaceutical and food products. Accordingly, impairment loss of approximately HK\$2,558,000 (2010: nil) has been recognised in respect of intangible assets.

17. 無形資產 (續)

於截至2011年12月31日止年度，本公司董事審閱本集團之無形資產，認為因若干藥品及食品產品停產而導致多項無形資產減值。因此，已就無形資產確認減值虧損約2,558,000港元（2010年：零）。

18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Land and buildings	Leasehold improve- ments	Plant and machinery	Motor vehicles	Furniture, fixtures and office equipment	Total
		土地及樓宇	租賃物業 裝修	廠房及機器	汽車	傢俬、裝置 及辦公設備	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
COST	成本						
At 1 January 2010	於2010年1月1日	97,989	7,788	202,186	19,097	12,954	340,014
Exchange realignment	匯兌調整	1,675	48	5,799	593	399	8,514
Additions	添置	666	123	1,131	250	1,477	3,647
Disposals	出售	(545)	-	(8,852)	(5,652)	(3,296)	(18,345)
Transfer to investment properties	轉撥至投資物業	(5,988)	-	-	-	-	(5,988)
At 31 December 2010	於2010年12月31日	93,797	7,959	200,264	14,288	11,534	327,842
Exchange realignment	匯兌調整	3,725	95	11,990	755	580	17,145
Additions	添置	4,530	1,724	412	1,563	603	8,832
Disposals	出售	(14,111)	(4,770)	(9,601)	(3,391)	(875)	(32,748)
Derecognised on disposal of subsidiaries	出售附屬公司 時終止確認	(26,886)	-	(122,677)	(1,281)	(2,454)	(153,298)
At 31 December 2011	於2011年12月31日	61,055	5,008	80,388	11,934	9,388	167,773

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

18. 物業、廠房及設備 (續)

		Land and buildings	Leasehold improve- ments	Plant and machinery	Motor vehicles	Furniture, and office equipment	Total
		土地及樓宇	租賃物業 裝修	廠房及機器	汽車	傢俬、裝置 及辦公設備	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
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值						
At 1 January 2010	於2010年1月1日	11,622	6,648	93,624	15,175	9,930	136,999
Exchange realignment	匯兌調整	189	30	2,380	472	261	3,332
Provided for the year	本年度撥備	3,280	492	6,724	2,386	1,485	14,367
Impairment losses recognised	已確認減值虧損	-	-	9,702	-	-	9,702
Eliminated on disposals	出售時對銷	(74)	-	(2,108)	(5,040)	(3,002)	(10,224)
Transfer to investment properties	轉撥至投資物業	(473)	-	-	-	-	(473)
At 31 December 2010	於2010年12月31日	14,544	7,170	110,322	12,993	8,674	153,703
Exchange realignment	匯兌調整	415	61	6,096	700	383	7,655
Provided for the year	本年度撥備	3,931	524	3,501	535	967	9,458
Impairment losses recognised	已確認減值虧損	30,886	-	40,325	35	755	72,001
Eliminated on disposals	出售時對銷	(2,650)	(4,770)	(9,334)	(2,449)	(590)	(19,793)
Eliminated on disposal of subsidiaries	出售附屬公司時 對銷	(14,645)	-	(100,081)	(1,186)	(2,346)	(118,258)
At 31 December 2011	於2011年12月31日	32,481	2,985	50,829	10,628	7,843	104,766
CARRYING VALUES	賬面值						
At 31 December 2011	於2011年12月31日	28,574	2,023	29,559	1,306	1,545	63,007
At 31 December 2010	於2010年12月31日	79,253	789	89,942	1,295	2,860	174,139

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The carrying values of properties shown above comprise:

18. 物業、廠房及設備 (續)

上述物業之賬面值包括：

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Land in Hong Kong:	於香港之土地：		
Long lease	長期租賃	12,007	12,357
Medium-term lease	中期租賃	—	11,415
Land outside Hong Kong:	於香港境外之土地：		
Medium-term lease	中期租賃	16,648	55,481
		28,655	79,253

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

上述物業、廠房及設備項目乃根據直線法按以下年率計算折舊：

Leasehold land and buildings	Over the shorter of the term of the lease or 40 years	租賃土地及樓宇	按租賃年期或40年，以較短者為準
Leasehold improvements	20% or over lease term, whichever is shorter	租賃物業裝修	20%或按租賃年期，以較短者為準
Plant and machinery	2.5% to 20%	廠房及機器	2.5%至20%
Motor vehicles	20%	汽車	20%
Furniture, fixtures and office equipment	10% to 27%	傢俬、裝置及辦公設備	10%至27%

Notes:

附註：

- (a) At 31 December 2011, the carrying values of the Group's property, plant and equipment pledged as security for the banking facilities granted to the Group amounted to approximately HK\$1,656,000 (2010: HK\$62,457,000).

- (a) 於2011年12月31日，已就本集團獲授之銀行融資抵押本集團物業、廠房及設備合共約1,656,000港元(2010年：62,457,000港元)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Notes: (Continued)

- (b) During the year ended 31 December 2010, impairment losses of approximately HK\$9,702,000 were recognised in respect of plant and machinery, due to the possibilities of non-renewal of import drug license of Osteoform.

During the year ended 31 December 2011, the directors of the Company conducted a review of the Group's manufacturing assets and determined that a number of property, plant and equipment were impaired, due to the expiry of food hygiene license for Osteoform and an integration of production line which resulted in the idleness of certain property, plant and equipment. Accordingly, impairment losses of approximately HK\$30,886,000, HK\$40,325,000 and HK\$790,000 respectively have been recognised in respect of land and buildings, plant and machinery and other assets, which are used in the pharmaceutical and food segment. The directors of the Company assessed the recoverable amounts based on the fair values less costs to sell, determined by reference to the market prices for similar assets.

- (c) At 31 December 2010, included in property, plant and equipment are land and buildings with carrying amount of approximately HK\$27,949,000 which were located in the PRC and the Group was in the process of obtaining the building certificates. During the year ended 31 December 2011, building certificates have all been obtained.

18. 物業、廠房及設備 (續)

附註：(續)

- (b) 於截至2010年12月31日止年度，由於可能不獲重續樂力之進口藥品註冊證，本公司已就廠房及機器確認減值虧損約9,702,000港元。

於截至2011年12月31日止年度，本公司董事審閱本集團之製造資產，認為基於樂力食品衛生許可證到期及由於整合生產線而導致若干物業、廠房及設備閒置，因而多項物業、廠房及設備已減值。因此，已就用於藥品及食品分部之土地及樓宇、廠房及機器以及其他資產分別確認減值虧損約30,886,000港元、40,325,000港元及790,000港元。本公司董事基於公允值減去銷售成本以評估可收回金額，乃參照同類資產的市場價。

- (c) 於2010年12月31日，計入物業、廠房及設備之項目為賬面值約27,949,000港元之土地及樓宇，該等土地及樓宇位於中國，本集團正辦理手續領取相關房地產證書。於截至2011年12月31日止年度，均已獲得房產證書。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

19. INVESTMENT PROPERTIES

19. 投資物業

		HK\$'000 千港元
FAIR VALUE	公允值	
At 1 January 2010	於2010年1月1日	74,384
Transfer from land and buildings (Note 18) (Note e)	轉撥自土地及樓宇 (附註18)(附註e)	5,515
Transfer from prepaid lease payments on land use rights (Note e)	轉撥自土地使用權之 預付租賃款項(附註e)	6,607
Net increase in fair value recognised in properties revaluation reserve (Note e)	物業重估儲備之已確認公允值 增加淨額(附註e)	5,723
Exchange realignment	匯兌調整	3,180
At 31 December 2010	於2010年12月31日	95,409
Decrease in fair value recognised in profit or loss	已於損益確認之公允值減少	(24,438)
Exchange realignment	匯兌調整	5,819
At 31 December 2011	於2011年12月31日	76,790

Notes:

附註：

- | | |
|---|--|
| <p>(a) The carrying value of investment properties shown above are situated in the PRC and held under medium-term lease.</p> | <p>(a) 上述賬面值之投資物業乃位於中國，根據中期租賃持有。</p> |
| <p>(b) All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.</p> | <p>(b) 本集團所有根據經營租賃持有以賺取租金或作資本增值用途之物業權益均以公允值模式計量，並分類及入賬列作投資物業。</p> |
| <p>(c) The fair value of the Group's investment properties at 31 December 2010 have been arrived at on the basis of a valuation carried out on that date by 四川建科中聯資產評估事務所有限公司(“建科中聯”) and 四川建科房地產評估事務所有限公司(“四川建科”), independent qualified professional valuers not connected with the Group. 建科中聯 and 四川建科 have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions.</p> | <p>(c) 本集團投資物業於2010年12月31日之公允值乃根據與本集團並無關連之獨立合資格專業估值師四川建科中聯資產評估事務所有限公司(「建科中聯」)及四川建科房地產評估事務所有限公司(「四川建科」)於該日進行的估值為基準計算得出。建科中聯及四川建科具備適當資格及於有關地區評估類似物業之近期經驗。該估值乃參考相同地點及狀況之類似物業之市場成交價釐定。</p> |

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

19. INVESTMENT PROPERTIES (Continued)

Notes: (Continued)

- (d) Due to lack of market evidence of transaction prices for similar properties in the same locations and conditions, all investment properties of the Group have been revalued as at 31 December 2011 on an open market value basis assuming sale with existing tenancies by using the income approach by capitalising the net rental income receivable from the existing tenancies and the reversionary rental income potentials. The valuations were carried out by an independent qualified professional valuer not connected with the Group, Avista Valuation Advisory Limited ("Avista"), who has among its staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.
- (e) During the year ended 31 December 2010, the Group transferred an office building previously classified as property, plant and equipment and prepaid lease payment on land use rights with carrying amounts of approximately HK\$5,515,000 and HK\$6,607,000 respectively to investment properties. The fair value of the investment properties on the date of transfer was amounted to approximately HK\$17,845,000 which were valued by 四川建科. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions.
- (f) At 31 December 2011, the fair value of the Group's investment properties pledged as security for the banking facilities granted to the Group amounted to approximately HK\$68,585,000 (2010: HK\$78,396,000).
- (g) At 31 December 2010, investment properties with fair value of approximately HK\$17,014,000 were located in the PRC and the Group was in the process of obtaining the building certificate. During the year ended 31 December 2011, building certificates have all been obtained.

19. 投資物業 (續)

附註：(續)

- (d) 由於缺少相同地點及狀況之類似物業市場成交價，本集團全部投資物業(假設帶現有租約銷售)已於2011年12月31日透過資本化應收現有租約租金淨收入及轉回潛在租金收入，以收入法按公平市值基準重估。該估值由與本集團無關連之獨立合資格專業估值師艾華迪評估諮詢有限公司(「艾華迪」)進行。艾華迪部分員工為香港測量師學會會員，擁有近期所估值物業所在地點及其類別之估值經驗。
- (e) 於截至2010年12月31日止年度，本集團將賬面值分別約為5,515,000港元及6,607,000港元過往分類為物業、廠房及設備之辦公室樓宇及土地使用權之預付租賃款項轉撥至投資物業。投資物業於轉撥當日由四川建科估值之公允值約為17,845,000港元。該估值乃參考相同地點及狀況之類似物業之市場成交價釐定。
- (f) 於2011年12月31日，已就本集團獲授之銀行融資抵押本集團投資物業合共約68,585,000港元(2010年：78,396,000港元)。
- (g) 於2010年12月31日，公允值約17,014,000港元之投資物業乃位於中國，本集團正辦理手續領取相關房地產證書。於截至2011年12月31日止年度，均已獲得房產證書。

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For the year ended 31 December 2011 截至2011年12月31日止年度

20. PREPAID LEASE PAYMENTS ON LAND USE RIGHTS

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Analysed for reporting purposes as:	就申報目的分析為：		
Current assets	流動資產	366	672
Non-current assets	非流動資產	19,918	32,922
		20,284	33,594

The prepaid lease payments consist of cost of land use rights in respect of land located in the PRC held under medium term lease.

At 31 December 2011, the carrying value of the Group's prepaid lease payments on land use rights amounted to approximately HK\$1,457,000 (2010: HK\$15,875,000) was pledged as security for the banking facilities granted to the Group.

21. DEPOSIT FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

Balance at 31 December 2010 of approximately HK\$4,063,000 (equivalent to approximately RMB3,535,000) represented deposits paid for the acquisition of staff quarters in the PRC. During the year ended 31 December 2011, amount of approximately HK\$2,359,000 (equivalent to approximately RMB1,935,000) has been transferred to property, plant and equipment and HK\$1,951,000 (equivalent to approximately RMB1,600,000) was derecognised on disposal of subsidiaries.

20. 土地使用權預付租賃款項

預付租賃款項包括按中期租賃持有位於中國之土地之土地使用權成本。

於2011年12月31日，已就本集團獲授之銀行融資作出抵押之本集團土地使用權預付租賃款項之賬面值約為1,457,000港元（2010年：15,875,000港元）。

21. 收購物業、廠房及設備之訂金

於2010年12月31日之結餘約4,063,000港元（約相當於人民幣3,535,000元）指於中國收購員工宿舍支付之訂金。於截至2011年12月31日止年度，約2,359,000港元（約相當於人民幣1,935,000元）轉撥至物業、廠房及設備及出售附屬公司之終止確認為1,951,000港元（約相當於人民幣1,600,000元）。

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For the year ended 31 December 2011 截至2011年12月31日止年度

22. GOODWILL

The carrying amounts of goodwill at the end of the reporting period allocated to Vital Pharmaceutical (Sichuan) Company Limited (“Sichuan Vital”) and Sichuan Hengtai Pharmaceutical Company Limited (“Sichuan Hengtai”) and its subsidiary (“Hengtai Group”) are as follows:

22. 商譽

於報告期間結束時分配至四川維奧製藥有限公司(「四川維奧」)以及四川恒泰醫藥有限公司(「四川恒泰」)及其附屬公司(「恒泰集團」)之商譽賬面值如下：

		Sichuan Vital 四川維奧 HK\$'000 千港元	Hengtai Group 恒泰集團 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本			
At 1 January and 31 December 2010	於2010年1月1日及2010年12月31日	34,876	112,406	147,282
Derecognised on disposal of a subsidiary	出售一間附屬公司時終止確認	(34,876)	–	(34,876)
At 31 December 2011	於2011年12月31日	–	112,406	112,406
IMPAIRMENT	減值			
At 1 January 2010	於2010年1月1日	34,876	37,482	72,358
Impairment loss recognised in the year	年內已確認減值虧損	–	22,569	22,569
At 31 December 2010	於2010年12月31日	34,876	60,051	94,927
Eliminated on disposal of a subsidiary	出售一間附屬公司時對銷	(34,876)	–	(34,876)
Impairment loss recognised in the year	年內已確認減值虧損	–	52,355	52,355
At 31 December 2011	於2011年12月31日	–	112,406	112,406
CARRYING VALUES	賬面值			
At 31 December 2011	於2011年12月31日	–	–	–
At 31 December 2010	於2010年12月31日	–	52,355	52,355

Sichuan Vital

On 30 December 2011, the Group disposed of its entire equity interest in Sichuan Vital, at a cash consideration of HK\$52,300,000 (Note 35(d)). The goodwill which arose from the acquisition of Sichuan Vital amounting to HK\$34,876,000 was fully impaired in prior years due to the remote possibilities of the renewal of the import drug license for Osteoform as considered by the directors of the Company.

四川維奧

於2011年12月30日，本集團出售其持有四川維奧之全部權益，現金代價為52,300,000港元(附註35(d))。基於本公司董事認為樂力之進口藥品註冊證之重續可能性甚微，故此收購四川維奧所產生商譽34,876,000港元已於以往年度全數減值。

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22. GOODWILL (Continued)

Hengtai Group

During the year ended 31 December 2011, the management of the Group assessed the recoverable amount of Hengtai Group with reference to the valuation report of the Hengtai Group issued by Avista (2010: BMI Appraisals Limited, an independent qualified professional valuer not connected with the Group, who has among its staff members of the Hong Kong Institute of Surveyors), and determined that goodwill was fully impaired by approximately HK\$52,355,000 (2010: HK\$22,569,000). The impairment of the cash generating unit was mainly attributable to the expiry of the food hygiene license (食品衛生許可證) for Osteoform as set out in the announcement of the Company dated 4 August 2011. The expiry of the food hygiene license has led to cessation of production of Osteoform in the PRC.

The basis of calculating the recoverable amount and the principal underlying assumptions are summarised as below:

The recoverable amount of Hengtai Group has been determined on the basis of value-in-use calculations. That calculation uses cash flow projections based on financial budgets approved by management of the Group covering a five-year period, and discount rate of approximately 19% (2010: 19.51%). Cash flow beyond the five-year period has been extrapolated using a steady 3% growth rate (2010: 3%). This growth rate is based on the relevant market growth forecasts and does not exceed the average long-term growth rate for the relevant industry.

Other key assumptions for the value in use calculations relate to the estimation of cash inflow/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development. During the year, as the expiry of the food hygiene license resulted in cessation of production of Osteoform in the PRC, the budgeted sales for the value-in-use calculation prepared by the directors of the Company significantly decreased as compared to prior years. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of Hengtai Group to exceed the aggregate recoverable amount of Hengtai Group.

22. 商譽 (續)

恒泰集團

於截至2011年12月31日止年度，本集團管理層參考艾華迪(2010年：中和邦盟評估有限公司，一間與本集團並無關連之獨立合資格專業估值師，其部分員工為香港測量師學會會員)所發表恒泰集團估值報告，評估恒泰集團可收回金額，釐定商譽全數減值約52,355,000港元(2010年：22,569,000港元)。賺取現金單位減值主要乃由於本公司於2011年8月4日之公佈所載之樂力食品衛生許可證到期。食品衛生許可證到期導致樂力於中國停產。

可收回金額之計量基準及主要相關假設概述如下：

恒泰集團可收回金額乃按使用價值基準計算釐定。有關計算使用經本集團管理層批核之五年期財務預算作出之現金流量預測及貼現率約19% (2010年：19.51%) 計算。超過5年期之現金流量以3% (2010年：3%) 之穩定增長率推算。增長率乃按相關市場增長預測計算，且不超逾相關行業的平均長期增長率。

計算使用價值之其他主要假設與包括預算銷售及毛利之現金流入／流出之估計有關，有關估計乃按單位之過往表現及管理層對市場發展之預期作出。於本年度由於食品衛生許可證到期令樂力停止生產，由本公司董事編製用作計算使用價值之預算銷量較以往年度大幅降低。管理層相信任何有關假設的合理可能變動不會導致恒泰集團之賬面值總額超逾恒泰集團之可收回款項總額。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

23. PROPERTIES UNDER DEVELOPMENT

23. 發展中物業

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January	於1月1日	240,561	–
Exchange realignment	匯兌調整	14,634	–
Additions	添置	13,374	240,561
Derecognised on disposal of a subsidiary (Note 35(b))	出售一間附屬公司時終止確認 (附註35(b))	(268,569)	–
At 31 December	於12月31日	–	240,561
Represented by:	按下列各項呈列：		
Prepaid lease payments on land use rights	土地使用權之預付租賃款項	259,717	237,446
Construction costs and capitalised expenditure	建築成本及資本化支出	5,405	1,869
Finance costs capitalised	資本化融資成本	3,447	1,246
Derecognised on disposal of a subsidiary (Note 35(b))	出售一間附屬公司時終止確認 (附註35(b))	(268,569)	–
		–	240,561

The carrying amounts of the land use rights held for property development in the PRC are as follows:

就物業發展於中國持有之土地使用權之賬面值如下：

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Medium-term lease	中期租賃	–	23,745
Long-term lease	長期租賃	–	213,701
		–	237,446

According to the accounting policy of the Group, properties under development at 31 December 2010 was classified as current assets as the construction period of the relevant property development project was expected to be completed in the normal operating cycle even it was expected to be recovered after one year from the end of the reporting period.

由於預期有關物業發展項目之建築期將於一般營運週期內完成，故即使有關款項預期於報告期間結算日起計一年後始能收回，於2010年12月31日之發展中物業仍根據本集團之會計政策分類為流動資產。

At 31 December 2010, the Group was in the process of obtaining the land use right certificates. During the year ended 31 December 2011, properties under development have been derecognised on disposal of a subsidiary.

於2010年12月31日，本集團正申請土地使用權證。於截至2011年12月31日止年度，發展中物業已於出售一間附屬公司時終止確認。

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For the year ended 31 December 2011 截至2011年12月31日止年度

24. INVENTORIES

24. 存貨

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Raw materials	原材料		
– in transit	– 運送途中	–	18,157
– on hand	– 手頭	1,471	30,480
Work in progress	在製品	–	1,648
Finished goods	製成品		
– in transit	– 運送途中	391,593	–
– on hand	– 手頭	15,099	55,183
Packing materials	包裝物料	259	3,500
		408,422	108,968

25. TRADE AND OTHER RECEIVABLES

25. 應收賬款及其他應收款項

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Trade and bills receivables	應收賬款及應收票據	55,612	50,360
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	45,020	29,770
Payments for pharmaceutical projects (Note a)	藥品項目付款(附註a)	–	138
		100,632	80,268
Less: Impairment loss recognised in respect of trade receivables	減：應收賬款之已確認減值虧損	(4,165)	(7,800)
Impairment loss recognised for payments for pharmaceutical projects (Note b)	藥品項目付款之已確認減值虧損(附註b)	–	–
Impairment loss recognised in respect of prepayment, deposits and other receivables (Note c)	預付款項、訂金及其他應收款項之已確認減值虧損(附註c)	–	(3,273)
		96,467	69,195

The Group does not hold any collateral over these balances.

本集團並無就該結餘持有任何抵押品。

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For the year ended 31 December 2011 截至2011年12月31日止年度

25. TRADE AND OTHER RECEIVABLES

(Continued)

Notes:

(a) Amounts paid for the development of technology and pharmaceutical products are deferred prior to completion of the projects and included in payments for pharmaceutical projects. On completion, these amounts are transferred to development costs in accordance with the Group's accounting policy. During the year ended 31 December 2011, the payments for pharmaceutical projects have been derecognised on the disposal of subsidiaries.

(b) At the end of each reporting period, the directors of the Company reviewed the carrying values of the payments for pharmaceutical projects and considered that in light of the market conditions in the PRC, the Group had terminated certain projects which involved high risks and ceased on its own initiative the application of those projects of minimal benefit, therefore accumulated impairment loss of approximately HK\$20,509,000 had been recognised in prior years.

During the year ended 31 December 2010, the directors of the Company considered to write off the balances which are long outstanding and expected that the amounts were not recoverable.

The movements in impairment loss of payments for pharmaceutical projects were as follows:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January	於1月1日	—	20,509
Written off	撇銷	—	(20,509)
At 31 December	於12月31日	—	—

25. 應收賬款及其他應收款項

(續)

附註：

(a) 於有關項目完成前，就技術及藥品開發所付款項乃遞延處理，並計入就藥品項目支付之款項內。於完成時，該等款項按照本集團會計政策轉撥至開發成本。於截至2011年12月31日止年度，藥品項目付款已於出售附屬公司時終止確認。

(b) 於各報告期間末，本公司董事已審閱藥品項目付款之賬面值，認為鑑於中國市況，本集團已終止涉及高風險之項目，並主動停止效益不大的專案申請，因此已於往年確認累計減值虧損約20,509,000港元。

於截至2010年12月31日止年度，本公司董事考慮撇銷已逾期甚久且預期不可收回之款項結餘。

藥品項目款項減值虧損變動如下：

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For the year ended 31 December 2011 截至2011年12月31日止年度

25. TRADE AND OTHER RECEIVABLES

(Continued)

Notes: (Continued)

- (c) The movements in impairment loss of prepayments, deposits and other receivables were as follows:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January	於1月1日	3,273	4,275
Exchange realignment	匯兌調整	105	52
Recognised during the year	年內確認	—	1,724
Reversal during the year	年內撥回	—	(2,778)
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	(3,378)	—
At 31 December	於12月31日	—	3,273

At 31 December 2010, included in the impairment loss were individually impaired prepayments, deposits and other receivables with an aggregate balance of HK\$3,273,000 (2011: nil) which were due to long outstanding.

The Group normally grants to its customers credit periods ranging from 90 days to 180 days which are subject to periodic review by management.

The following is an aged analysis of the trade and bills receivables, based on the invoice date at the end of the reporting period, and net of impairment loss recognised:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Within 30 days	30天內	25,795	13,755
31-60 days	31至60天	17,112	18,381
61-90 days	61至90天	5,022	10,161
Over 90 days	超過90天	3,518	263
		51,447	42,560

25. 應收賬款及其他應收款項

(續)

附註：(續)

- (c) 預付款項、訂金及其他應收款項之減值虧損變動如下：

於2010年12月31日，減值虧損包括因長期未償還而個別減值之預付款項、訂金及其他應收款項合共3,273,000港元(2011年：零)。

本集團一般給予其客戶90天至180天之信貸期，而管理層會定期檢討信貸期。

於報告期間結算日，以發票日期為基準，扣除已確認減值虧損後之應收賬款及應收票據賬齡分析如下：

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For the year ended 31 December 2011 截至2011年12月31日止年度

25. TRADE AND OTHER RECEIVABLES

(Continued)

The movements in impairment loss of trade receivables were as follows:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January	於1月1日	7,800	12,387
Exchange realignment	匯兌調整	252	251
Recognised during the year	年內確認	85	–
Reversal during the year	年內撥回	–	(152)
Written off	撤銷	(3,656)	(4,686)
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	(316)	–
At 31 December	於12月31日	4,165	7,800

At 31 December 2011, included in the impairment loss of trade receivables are individually impaired trade receivables with an aggregate balance of approximately HK\$4,165,000 (2010: HK\$7,800,000) which are due to long outstanding.

At 31 December 2011 and 2010, all trade receivables were neither past due nor impaired and related to a wide range of customers for whom there was no recent history of default.

25. 應收賬款及其他應收款項

(續)

應收賬款減值虧損之變動如下：

於2011年12月31日，應收賬款之減值虧損已包括因長期未償還而個別減值之應收賬款合共約4,165,000港元（2010年：7,800,000港元）。

於2011年及2010年12月31日，所有應收賬款未逾期及未減值，並與眾多並無近期欠款記錄之客戶有關。

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26. HELD-FOR-TRADING INVESTMENT

26. 持作買賣投資

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Held-for-trading investment include:	持作買賣投資包括：		
Unlisted investment in guaranteed funds, at fair value	於保證基金之非上市投資，按公允值	-	2,173

27. BANK BALANCES AND CASH

27. 銀行結存及現金

At 31 December 2011, unpledged bank balances comprises of short-term bank deposits with original maturity of three months or less of approximately HK\$1,140,000,000 (2010: nil) and bank balance of approximately HK\$122,764,000 (2010: HK\$67,908,000). Short-term bank deposits carry fixed interest rates ranging from 1.85% to 2.45% (2010: nil) per annum and bank balances carry interest at average market rate of 0.42% (2010: 0.29%) per annum.

於2011年12月31日，無抵押銀行結存包括原定償還期為三個月內之短期銀行存款約1,140,000,000港元（2010年：零）及銀行結存為122,764,000港元（2010年：67,908,000港元）。短期銀行存款按固定年利率介乎1.85厘至2.45厘（2010年：零）計息，而銀行結存按平均市場利率0.42厘（2010年：0.29厘）計息。

Pledged bank deposits represent deposits pledged to banks to secure short-term banking facilities granted to the Group in respect of bills and letter of credit facilities and are therefore classified as current assets. The deposits carry fixed interest rate at 0.01% (2010: ranging from 0.01% to 1.98%) per annum. The pledged bank deposits will be released upon the settlement of bills and letter of credit facilities.

已抵押銀行結存指為本集團就票據及信用狀所獲授短期銀行融資已質押予銀行之存款，因此分類為流動資產。存款按固定年利率0.01厘（2010年：0.01厘至1.98厘）計息。已抵押銀行存款將於償付票據及信用狀後解除。

Bank balances and cash of the Group at 31 December 2011 included amounts of approximately HK\$83,348,000 (2010: HK\$62,576,000) denominated in RMB which is not freely convertible to other currencies.

本集團於2011年12月31日之銀行結存及現金包括以人民幣結算之款項約83,348,000港元（2010年：62,576,000港元），該筆款項不得自由兌換為其他貨幣。

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28. TRADE AND OTHER PAYABLES

28. 應付賬款及其他應付款項

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Trade and bills payables	應付賬款及應付票據	393,390	19,576
Accrued expenses and other payables	應計開支及其他應付款項	31,532	47,572
		424,922	67,148

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

於報告期間結算日，根據發票日期呈列之應付賬款及應付票據之賬齡分析如下：

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Within 30 days	30天內	391,821	16,448
31-60 days	31至60天	372	946
61-90 days	61至90天	4	1,797
Over 90 days	超過90天	1,193	385
		393,390	19,576

The average credit period on purchases of goods is 30 days (2010: 30 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

採購貨品之平均信貸期為30天(2010年：30天)。本集團已實施財務風險管理政策，以確保所有應付款項於信貸期內清償。

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28. TRADE AND OTHER PAYABLES (Continued)

Included in accrued expenses and other payables, there was provision for compensation claim following the voluntary recall of one of the Group's products "Depile Capsules" from the market after reports of possible damage to the liver by "Depile Capsules" were received. Details of the particulars were set out in an announcement dated 12 November 2008. The movement of the provision for compensation claim is set out below:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
At 1 January	於1月1日	1,447	2,500
Exchange realignment	匯兌調整	88	86
Settled in the year	年內支付	(292)	(1,139)
Derecognised on disposal of a subsidiary	出售一間附屬公司時終止確認	(1,243)	-
At 31 December	於12月31日	-	1,447

29. SECURED BANK BORROWINGS

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Secured bank borrowings	有抵押銀行借貸		
Fixed-rate borrowings	定息借貸	-	34,483
Floating-rate borrowings	浮息借貸	-	36,802
		-	71,285

At 31 December 2010, the fixed-rate borrowing carried interest rate at 5.58% per annum and the floating-rate borrowings carried interest rates ranging from 5.85% to 6.12% per annum. The secured bank borrowings were secured by certain assets of the Group as set out in Note 38. All secured bank borrowings have been fully repaid during the year.

28. 應付賬款及其他應付款項 (續)

應計開支及其他應付款項包括接獲集團其中一款產品「痔血膠囊」可能對肝臟造成損害之報告後，本集團自願從市場回收「痔血膠囊」所產生申索賠償撥備。有關詳情載於日期為2008年11月12日之公告。申索賠償撥備變動載列如下：

29. 有抵押銀行借貸

於2010年12月31日，定息借貸之年利率為5.58厘，浮息借貸之年利率則介乎5.85厘至6.12厘。有抵押銀行借貸以附註38所載本集團若干資產作抵押。所有有抵押銀行借貸須於一年內償還。

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29. SECURED BANK BORROWINGS (Continued)

The amounts of banking facilities not utilised at the end of each reporting period are set out as follows:

	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Facilities amount not utilised 未動用貸款額度	88,282	187,336

30. SHARE CAPITAL

	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary share of HK\$0.01 each 每股面值0.01港元之普通股		
Authorised: 法定:		
At 1 January 2010, 31 December 2010, 31 December 2011 於2010年1月1日、2010年12月31日及2011年12月31日	50,000,000,000	500,000
Issued and fully paid: 已發行及繳足:		
At 1 January and 31 December 2010 於2010年1月1日及2010年12月31日	1,551,056,993	15,511
Issue of subscription shares (Note a) 發行認購股份(附註a)	1,670,000,000	16,700
Exercise of share options (Note b) 行使購股權(附註b)	111,530,000	1,115
At 31 December 2011 於2011年12月31日	3,332,586,993	33,326

Notes:

- (a) On 18 August 2011, the Company issued and allotted an aggregate of 1,670,000,000 ordinary shares of HK\$0.01 each by way of subscription at a price of HK\$0.23 per share. The net proceeds of approximately HK\$382,239,000 after deducting related expenses of approximately HK\$1,861,000 were used as additional working capital of the Group.
- (b) During the year ended 31 December 2011, 1,115,000 (2010: nil) new shares of HK\$0.01 each in the Company were issued at prices ranging from HK\$0.23 to HK\$0.51 (2010: nil) per share upon exercise of 111,530,000 (2010: nil) share options.

All new shares issued during the year ended 31 December 2011 rank pari passu in all respects with other shares in issue.

29. 有抵押銀行借貸(續)

於各報告期間結束時之未動用銀行貸款額度載列如下:

30. 股本

附註:

- (a) 於2011年8月18日，本公司按每股0.23港元之價格透過認購發行及配發每股面值0.01港元之普通股合共1,670,000,000股。扣除相關開支約1,861,000港元後，所得款項淨額約382,239,000港元用作本集團額外營運資金。
- (b) 於2011年12月31日止年度，1,115,000股(2010年：零)本公司面值0.01港元新股於行使111,530,000份(2010年：零)購股權時按價格介乎每股0.23港元至0.51港元(2010年：零)發行。

截至2011年12月31日止年度發行之全部新股將在各方面與已發行其他股份享有同等權益。

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31. CONVERTIBLE BONDS

On 18 August 2011, the Company issued zero coupon convertible bonds (the “CB”) in principal amount of HK\$600,000,000 to China Uranium Development. The CB is denominated in HK\$. The CB entitles the holder to convert the CB in full or in part (in an amount of HK\$1,000 and integral multiples thereof) into the ordinary shares of the Company at any time on or after the date of issue of the CB up to seven days prior to the maturity date on 17 August 2016 at an initial conversion price of HK\$0.23 per share, subject to adjustments. If the CB has not been converted, it would be redeemed on 17 August 2016 at its principal amount.

The CB contains two components, liability and equity elements. The equity element is presented in equity heading “equity component of convertible bonds”. The fair value of the liability component was calculated as the present value of the stream of future cash flows. The effective interest rate of the liability component is 5.43% per annum. The movement of the liability component of the CB during the year is set out below:

31. 可換股債券

本公司於2011年8月18日向中國鈾業發展發行本金額為600,000,000港元之零息可換股債券（「可換股債券」）。可換股債券以港元計值。可換股債券持有者有權於發行可換股債券之日期或之後直至到期日（2016年8月17日）前七日之任何時間將可換股債券悉數或部分（金額為1,000港元及其完整倍數）按初步轉換價每股0.23港元（可予調整）轉換為本公司普通股股份。倘未能轉換可換股債券，則將於2016年8月17日以其本金額贖回。

可換股債券包括兩部分：負債及權益部分。權益部分於「可換股債券權益部分」項下之權益內呈列。負債部分公允值以未來現金流量之現值計算。負債部分之實際利率為年利率5.43%。下表載列年內可換股債券負債部分之變動：

		HK\$'000 千港元
Fair value at date of issue	於發行日期之公允值	460,497
Transaction costs capitalised	資本化交易成本	(2,231)
Imputed interest charged (Note 10)	估算利息開支（附註10）	9,217
At 31 December 2011	於2011年12月31日	467,483

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32. OTHER PAYABLES

Other payables represent the compensation payable to former distributors for early termination of distribution contracts after the Group acquired a subsidiary in 2008 which took up the role as a distributor for its products.

32. 其他應付款項

其他應付款項指本集團於2008年收購擔任其產品分銷商之附屬公司後就提早終止分銷合約應付前分銷商之賠償。

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Analysed for reporting purposes as:	就申報目的分析為：		
Current liabilities (included in trade and other payables)	流動負債（計入應付賬款及其他應付款項）	976	1,494
Non-current liabilities	非流動負債	—	920
		976	2,414

The fair value of other payables equals its carrying amount, as the impact of discounting is not significant. The balance would be fully settled in the year ending 31 December 2012.

由於貼現之影響並不重大，故其他應付款項之公允值與其賬面值相同。餘額將於截至2012年12月31日止年度悉數償付。

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33. DEFERRED TAXATION

The followings are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior year:

33. 遞延稅項

以下為於本年度及過往年度確認之主要遞延稅項負債及資產以及有關變動：

		Accumulated tax depreciation	Change in fair value of land and buildings and investment properties 土地及樓宇 以及投資物業	Change in fair value of properties upon transfer to investment properties 物業轉撥至 投資物業時之	Tax losses	Total
		累計稅項折舊	公允值變動	公允值變動	稅項虧損	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2010	於2010年1月1日	5,315	5,867	1,573	(60)	12,695
Charge to profit or loss	於損益扣除	(132)	(40)	-	(62)	(234)
Charge to other comprehensive income	於其他全面收入扣除	-	-	1,431	-	1,431
Exchange realignment	匯兌調整	11	202	50	-	263
At 31 December 2010	於2010年12月31日	5,194	6,029	3,054	(122)	14,155
Charge to profit or loss	於損益扣除	332	(3,710)	-	(39)	(3,417)
Exchange realignment	匯兌調整	278	367	192	-	837
At 31 December 2011	於2011年12月31日	5,804	2,686	3,246	(161)	11,575

At the end of the reporting period, the Group has unused tax losses of approximately HK\$86,989,000 (2010: HK\$97,504,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$976,000 (2010: HK\$739,000) of such losses. No deferred tax asset has been recognised in respect of the remaining tax losses of approximately HK\$86,013,000 (2010: HK\$96,765,000) due to the unpredictability of future profit streams. At 31 December 2011, approximately HK\$28,380,000 (2010: HK\$31,638,000) included in the above unused tax losses will expire after five years from the year of assessment to which they relate to. Other losses may be carried forward indefinitely.

於報告期間結算日，本集團可供抵銷未來溢利之未動用稅項虧損約為86,989,000港元（2010年：97,504,000港元）。已就該等約976,000港元（2010年：739,000港元）之虧損確認遞延稅項資產。由於未能預測未來溢利來源，故並無就其餘額約86,013,000港元（2010年：96,765,000港元）之稅項虧損確認遞延稅項資產。於2011年12月31日，上述未動用稅項虧損中約28,380,000港元（2010年：31,638,000港元）將於與其相關之評稅年度起計五年內屆滿。其他虧損可無限期結轉。

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33. DEFERRED TAXATION (Continued)

At the end of the reporting period, the Group has deductible temporary differences of approximately HK\$94,844,000 (2010: HK\$60,370,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible differences can be utilised.

Under the EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$3,309,000 (2010: HK\$13,448,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

34. SHARE OPTION SCHEME

A share option scheme was adopted on 26 January 2002 ("2002 Share Option Scheme"). The 2002 Share Option Scheme was replaced by a share option scheme adopted by the shareholders on 23 July 2003 ("2003 Share Option Scheme").

Pursuant to an ordinary resolution passed at the annual general meeting held on 2 June 2010, a new share option scheme ("2010 Share Option Scheme") was adopted and the 2003 Share Option Scheme was terminated. Any share options granted pursuant to the 2003 Share Option Scheme prior to the termination will remain exercisable before the expiration date. Details of which have been set out in the Company's circular dated 27 April 2010.

33. 遞延稅項 (續)

於報告期間結算日，本集團有可扣減臨時差額約94,844,000港元（2010年：60,370,000港元）。由於不大可能有應課稅溢利可抵銷與可扣減差額，故並無就有關可扣減臨時差額確認遞延稅項資產。

根據企業所得稅法，自2008年1月1日起，就中國附屬公司所賺取溢利宣派之股息須繳交預扣稅。由於本集團能控制撥回臨時差額之時間，且有關臨時差額不大可能於可見將來撥回，故並無於綜合財務報表就中國附屬公司累計溢利所產生臨時差額3,309,000港元（2010年：13,448,000港元）作出遞延稅項撥備。

34. 購股權計劃

本公司於2002年1月26日採納一項購股權計劃（「2002年購股權計劃」）。2002年購股權計劃已由股東於2003年7月23日採納之新購股權計劃（「2003年購股權計劃」）取代。

根據於2010年6月2日舉行之股東週年大會上通過一項普通決議案，本公司已採納一項新購股權計劃（「2010年購股權計劃」），而2003年購股權計劃已告終止。2003年購股權計劃終止前據此授出之任何購股權仍可於到期日前行使。有關詳情載於本公司日期2010年4月27日之通函。

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34. SHARE OPTION SCHEME (Continued)

The board of directors of the Company may, at their discretion, grant option to the eligible participant including any employees, any non-executive directors, directors, suppliers, customers, advisors, consultants, joint venture partners and any shareholders of any members of the Group or any invested entities or any holders of any securities issued by any members of the Group or any invested entities. The maximum number of shares of the Company which may be issued upon exercise of all options granted under its share option scheme or any other share option scheme adopted by the Company must not in aggregate exceed 30% of its issued share capital of the Company from time to time. The total number of shares which may be issued upon exercise of all options to be granted under the 2010 Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares in issue as at the date of passing the relevant resolution adopting the share option scheme unless it is approved by shareholders in a general meeting of the Company. The maximum number of shares issuable under the options to each eligible participant in any 12-month period is limited to 1% of the shares in issue unless it is approved by shareholder in a general meeting of the Company. Any grant of options under the share option scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). Any share options granted to a substantial shareholder or an independent non-executive director of the Company or to any of their respective associates, in excess of 0.1% of the shares in issue and with an aggregate value (based on the closing price of the shares at the date of grant) in excess of HK\$5 million, in any 12-month period, are subject to shareholders' approval in a general meeting of the Company.

34. 購股權計劃 (續)

本公司董事會可酌情向合資格參與者授出購股權，包括本集團任何成員公司或被投資實體之任何僱員、非執行董事、董事、供應商、客戶、顧問、諮詢人、合營夥伴及股東或本集團任何成員公司或被投資實體所發行證券之持有人。悉數行使根據本公司購股權計劃或本公司所採納任何其他購股權計劃所授出購股權而可能發行之本公司股份數目，合共最多不得超過本公司不時已發行股本之30%。悉數行使根據2010年購股權計劃及本集團任何其他購股權計劃所授出購股權而可能發行之股份總數，不得超過採納購股權計劃之有關決議案獲通過日期已發行股份之10%，除非股東於本公司股東大會批准則作別論。除非於本公司股東大會獲股東批准，否則每名合資格參與者於任何12個月根據購股權可獲發行之股份總數最多為已發行股份之1%。根據購股權計劃向本公司任何董事、行政總裁或主要股東或彼等各自之聯繫人士授出購股權必須獲獨立非執行董事（不包括同為購股權承授人之獨立非執行董事）之批准。倘於任何12個月期間向本公司之主要股東或獨立非執行董事或彼等各自之聯繫人士授出之購股權超過已發行股份之0.1%及總值超過5,000,000港元（根據股份於授出日期之收市價計算），則須於本公司股東大會獲股東批准。

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34. SHARE OPTION SCHEME (Continued)

At 31 December 2011, the number of shares of the Company in respect of which options had remained outstanding under the schemes was 860,000 (2010: 112,390,000) representing 0.03% (2010: 7.25%) of the shares of the Company in issue at that date.

During the years ended 31 December 2011 and 2010, no share options were granted or cancelled. 111,530,000 (2010: nil) options were exercised and nil (2010: 2,000,000) options were lapsed in current year.

First phase:

On 21 June 2002, options were granted to subscribe for an aggregate of 30,000,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2002 Share Option Scheme at HK\$0.39 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.37 per share. Those who were granted with the options can exercise their rights in multiple periods starting from 16 August 2002 to 6 February 2012 as follows:

From 16 August 2002 to 6 February 2012

– approximately 6,850,000 shares

From 1 January 2003 to 6 February 2012

– approximately 8,280,000 shares

From 1 January 2004 to 6 February 2012

– approximately 6,510,000 shares

From 1 January 2005 to 6 February 2012

– approximately 8,360,000 shares

34. 購股權計劃 (續)

於2011年12月31日，根據計劃尚未行使之購股權所涉及之本公司股份數目為860,000股（2010年：112,390,000股），相當於本公司於該日已發行股份之0.03%（2010年：7.25%）。

於截至2011年及2010年12月31日止年度，概無授出或註銷任何購股權。111,530,000份（2010年：零）購股權於本年度行使，無（2010年：2,000,000份）購股權已於本年度失效。

第一期計劃：

於2002年6月21日，本公司授出可認購合共30,000,000股本公司股份之購股權，行使價按2002年購股權計劃條文計算為每股0.39港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.37港元。獲授購股權之人士可自2002年8月16日起至2012年2月6日止期間按以下期間分批行使彼等之權利：

2002年8月16日至2012年2月6日

– 約6,850,000股

2003年1月1日至2012年2月6日

– 約8,280,000股

2004年1月1日至2012年2月6日

– 約6,510,000股

2005年1月1日至2012年2月6日

– 約8,360,000股

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For the year ended 31 December 2011 截至2011年12月31日止年度

34. SHARE OPTION SCHEME (Continued)

Second phase:

On 28 February 2003, options were granted to subscribe for an aggregate of 19,800,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2002 Share Option Scheme at HK\$0.24 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.21 per share. Those who were granted with the options can exercise their rights from 1 March 2003 to any time before expiry date on 6 February 2012.

Third phase:

On 29 September 2003, options were granted to subscribe for an aggregate of 30,000,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2003 Share Option Scheme at HK\$0.51 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.50 per share. Those who were granted with the options can exercise their rights in two periods starting from 2 January 2004 to 6 February 2012 as follows:

From 2 January 2004 to 6 February 2012
– approximately 8,990,000 shares

From 2 July 2004 to 6 February 2012
– approximately 21,010,000 shares

34. 購股權計劃 (續)

第二期計劃：

於2003年2月28日，本公司授出可認購合共19,800,000股本公司股份之購股權，行使價按2002年購股權計劃條文計算為每股0.24港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.21港元。獲授購股權之人士可於2003年3月1日至2012年2月6日到期日止期間隨時行使彼等之權利。

第三期計劃：

於2003年9月29日，本公司授出可認購合共30,000,000股本公司股份之購股權，行使價按2003年購股權計劃條文計算為每股0.51港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.50港元。獲授購股權之人士可自2004年1月2日起 至2012年2月6日止期間按以下期間分批行使彼等之權利：

2004年1月2日至2012年2月6日
– 約8,990,000股

2004年7月2日至2012年2月6日
– 約21,010,000股

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34. SHARE OPTION SCHEME (Continued)

Forth phase:

On 12 September 2005, options were granted to subscribe for an aggregate of 69,800,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2003 Share Option Scheme at HK\$0.23 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.23 per share. Those who were granted with the options can exercise their rights in two periods starting from 1 January 2006 to 6 February 2012 as follows:

From 1 January 2006 to 6 February 2012
– approximately 34,900,000 shares

From 1 January 2007 to 6 February 2012
– approximately 34,900,000 shares

Fifth phase:

On 29 January 2008, options were granted to subscribe for an aggregate of 67,500,000 shares of the Company, with an exercise price calculated in accordance with the provisions of the 2003 Share Option Scheme at HK\$0.28 per share. The closing price of the Company on the day immediately preceding the offer of grant was HK\$0.28 per share. Those who were granted the options can exercise their rights in two periods starting from 1 October 2008 to 6 February 2012 as below:

From 1 October 2008 to 6 February 2012
– approximately 20,250,000 shares

From 1 January 2009 to 6 February 2012
– approximately 47,250,000 shares

34. 購股權計劃 (續)

第四期計劃：

於2005年9月12日，本公司授出可認購合共69,800,000股本公司股份之購股權，行使價按2003年購股權計劃條文計算為每股0.23港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.23港元。獲授購股權之人士可自2006年1月1日起 至2012年2月6日止期間按以下兩段期間分批行使其權利：

2006年1月1日至2012年2月6日
– 約34,900,000股

2007年1月1日至2012年2月6日
– 約34,900,000股

第五期計劃：

於2008年1月29日，本公司授出可認購合共67,500,000股本公司股份之購股權，行使價按2003年購股權計劃條文計算為每股0.28港元。本公司股份於緊接提呈授出日期前一日之收市價為每股0.28港元。獲授購股權之人士可自2008年10月1日起 至2012年2月6日止按以下兩段期間分批行使其權利：

2008年10月1日至2012年2月6日
– 約20,250,000股

2009年1月1日至2012年2月6日
– 約47,250,000股

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34. SHARE OPTION SCHEME (Continued)

Movements of the share options during both years are set out below:

34. 購股權計劃 (續)

購股權於兩個年度之變動載列如下：

	Date of grant	Outstanding at 1 January 2010 於2010年1月1日 尚未行使	Lapsed during the year 於年內失效	Outstanding at 31 December 2010 於2010年12月31日 尚未行使	Exercised during the year 於年內行使	Outstanding at 31 December 2011 於2011年12月31日 尚未行使	Exercise price per share 每股行使價 HK\$ 港元
Executive directors :	執行董事 :						
Mr. Xu Xiaofan ¹	徐小凡先生 ¹ 12 September 2005 2005年9月12日	15,000,000	-	15,000,000	(15,000,000)	-	0.23
Mr. Liu James Jin ¹	劉津先生 ¹ 29 January 2008 2008年1月29日	8,500,000	-	8,500,000	(8,500,000)	-	0.28
Ms. Guo Lin ¹	郭琳女士 ¹ 29 September 2003 2003年9月29日	3,000,000	-	3,000,000	(3,000,000)	-	0.51
	29 January 2008 2008年1月29日	8,500,000	-	8,500,000	(8,500,000)	-	0.28
Ex-directors :	前董事 :						
Mr. Tao Lung ²	陶龍先生 ² 12 September 2005 2005年9月12日	15,000,000	-	15,000,000	(15,000,000)	-	0.23
Mr. Huang Jianming ²	黃建明先生 ² 29 January 2008 2008年1月29日	8,500,000	-	8,500,000	(8,500,000)	-	0.28
Mr. Shen Songqing ²	沈松青先生 ² 29 January 2008 2008年1月29日	8,500,000	-	8,500,000	(8,500,000)	-	0.28
Independent non-executive director:	獨立非執行董事 :						
Mr. Chong Cha Hwa ¹	張家華先生 ¹ 29 January 2008 2008年1月29日	1,500,000	-	1,500,000	(1,500,000)	-	0.28
Employees	僱員						
	21 June 2002 2002年6月21日	330,000	-	330,000	(230,000)	100,000	0.39
	29 September 2003 2003年9月29日	10,260,000	-	10,260,000	(9,500,000)	760,000	0.51
	12 September 2005 2005年9月12日	2,800,000	-	2,800,000	(2,800,000)	-	0.23
	29 January 2008 2008年1月29日	21,000,000	(2,000,000)	19,000,000	(19,000,000)	-	0.28
Other eligible participants	其他合資格參與者						
	29 September 2003 2003年9月29日	500,000	-	500,000	(500,000)	-	0.51
	29 January 2008 2008年1月29日	11,000,000	-	11,000,000	(11,000,000)	-	0.28
		114,390,000	(2,000,000)	112,390,000	(111,530,000)	860,000	
Exercisable at the end of the reporting period	於報告期間結算日 可予行使			112,390,000		860,000	
Weighted average exercise price	加權平均行使價	HK\$0.29 0.29港元	HK\$0.28 0.28港元	HK\$0.29 0.29港元	HK\$0.29 0.29港元	HK\$0.50 0.50港元	

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34. SHARE OPTION SCHEME (Continued)

- ¹ The directors resigned with effect from 18 August 2011.
- ² The directors resigned with effect from 11 November 2009. The share options held by the resigned directors remained effective and exercisable until 6 February 2012.

In respect of share options exercised during the year, the weighted average share price at the dates of exercise is HK\$1.34.

35. DISPOSAL OF SUBSIDIARIES

- (a) On 15 April 2011, the Group entered into sale agreements to dispose of its 100% equity interest in a total of nine inactive subsidiaries, to independent third parties for total consideration of approximately HK\$206. Those disposed subsidiaries include Vital Biotech (Hong Kong) Limited, Medhealth International Limited, Ever Power Holdings Inc., Gainful Plan Limited, Beshabar Trading Limited (BVI), Maxsun International Limited, Farthinghoe Enterprise Limited, AMT Labs (Australia) Pty Limited and Vitapharm Research Pty Limited. The disposal was completed on 15 April 2011.

34. 購股權計劃 (續)

- ¹ 該等董事已辭任，自2011年8月18日起生效。
- ² 該等董事已辭任，自2009年11月11日起生效。已辭任董事所持購股權繼續有效及可予行使，直至2012年2月6日為止。

年內行使之購股權於行使日期之加權平均價為1.34港元。

35. 出售附屬公司

- (a) 於2011年4月15日，本集團訂立銷售協議，向獨立第三方出售其九間並無業務之附屬公司之全部股本權益，總代價約為206港元。該等已出售附屬公司包括維奧生物(香港)有限公司、Medhealth International Limited、Ever Power Holdings Inc.、Gainful Plan Limited、Beshabar Trading Limited (BVI)、美新國際有限公司、Farthinghoe Enterprise Limited、AMT Labs (Australia) Pty Limited及Vitapharm Research Pty Limited。該出售事項於2011年4月15日完成。

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35. DISPOSAL OF SUBSIDIARIES (Continued)

(a) (Continued)

The net assets of those disposed subsidiaries at their respective dates of disposal were as follows:

		HK\$'000 千港元
Bank balances and cash	現金及銀行存款	2
Cumulative exchange translation reserve released on disposal of subsidiaries	出售附屬公司釋放之累計匯兌儲備	(1,627)
Gain on disposal of subsidiaries	出售附屬公司之收益	1,625
Total cash consideration	總現金代價	–
Net cash inflow arising on disposal	出售產生之現金流入淨額	
Cash consideration received	所收取現金代價	–
Less: bank balances and cash disposed of	減：所出售銀行結餘及現金	(2)
		(2)

(b) On 29 July 2011, 成都維奧置業有限公司 (“成都置業”), a wholly-owned subsidiary of the Company, entered into an agreement with an independent third party, pursuant to which 成都置業 agreed to dispose of and the acquirer agreed to acquire the entire equity interest of and the shareholder's loan owing by 成都溫江維奧房地產開發有限公司 (“溫江房地產”) at an aggregate cash consideration of RMB230,609,000 (equivalent to approximately HK\$281,230,000). The disposal was completed on 16 September 2011.

35. 出售附屬公司 (續)

(a) (續)

該等已出售附屬公司於其各自出售日期之資產淨值如下：

(b) 於2011年7月29日，本公司之全資附屬公司成都維奧置業有限公司（「成都置業」）與獨立第三方訂立協議，據此，成都置業同意出售而收購方同意收購成都溫江維奧房地產開發有限公司（「溫江房地產」）擁有之全部股本權益及其應付股東貸款，總代價為人民幣230,609,000元（約相當於281,230,000港元）。該出售事項於2011年9月16日完成。

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35. DISPOSAL OF SUBSIDIARIES (Continued)

(b) (Continued)

The net assets of 溫江房地產 at the date of disposal were as follows:

35. 出售附屬公司 (續)

(b) (續)

溫江房地產於出售日期之資產淨值如下：

		HK\$'000 千港元
Property under development	發展中物業	268,569
Amount due to holding company	應付控股公司款項	(258,114)
Net assets disposed of	所出售資產淨值	10,455
Cumulative exchange translation reserve released on disposal of a subsidiary	出售一間附屬公司釋放之 累計匯兌儲備	(533)
Disposal of the total indebtedness owned by 溫江房地產 to the Group at the date of disposal	於出售日期出售溫江房地產之 總債項予本集團	258,114
Gain on disposal of a subsidiary	出售一間附屬公司之收益	13,194
Total cash consideration	總現金代價	281,230
Net cash inflow arising on disposal	出售產生之現金流入淨額	
Cash consideration received	所收取現金代價	281,230

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35. DISPOSAL OF SUBSIDIARIES (Continued)

- (c) On 25 July 2011, Sichuan Vital entered into an agreement with an independent third party, pursuant to which Sichuan Vital agreed to dispose of and the acquirer agreed to acquire the entire equity interest of 維奧(成都)製藥有限公司(“維奧成都製藥”) at cash consideration of RMB1,500,000 (equivalent to approximately HK\$1,829,000). The disposal was completed on 21 September 2011.

The net assets of 維奧成都製藥 at the date of disposal were as follows:

35. 出售附屬公司 (續)

- (c) 於2011年7月25日，四川維奧與獨立第三方訂立協議，據此，四川維奧同意出售而收購方同意收購本公司之全資附屬公司維奧(成都)製藥有限公司(「維奧成都製藥」)之全部股本權益，現金代價為人民幣1,500,000元(約相當於1,829,000港元)。該出售事項於2011年9月21日完成。

維奧成都製藥於出售日期之資產淨值如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	455
Other receivables	其他應收款項	182
Bank balance and cash	銀行結存及現金	314
Other payables	其他應付款項	(620)
Net assets disposed of	所出售資產淨值	331
Cumulative exchange translation reserve released on disposal of a subsidiary	出售一間附屬公司釋放之 累計匯兌儲備	(1,218)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	2,716
Total cash consideration	總現金代價	1,829
Net cash inflow arising on disposal	出售產生之現金流入淨額	
Cash consideration received	所收取現金代價	1,829
Less: bank balance and cash disposed of	減：所出售銀行結餘及現金	(314)
		1,515

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35. DISPOSAL OF SUBSIDIARIES (Continued)

- (d) On 16 August 2011, Yugofoil Holdings Limited (“Yugofoil”) a wholly-owned subsidiary of the Company, entered into an agreement with an independent third party, pursuant to which Yugofoil agreed to dispose of and the acquirer agreed to acquire the entire equity of Sichuan Vital at cash consideration of HK\$51,000,000. Further on 20 September 2011, Yugofoil and the acquirer entered into a supplementary agreement for an additional cash consideration of HK\$1,300,000. The disposal was completed on 30 December 2011.

The net assets of Sichuan Vital at the date of disposal were as follows:

35. 出售附屬公司 (續)

- (d) 於2011年8月16日，本公司之全資附屬公司裕高飛控股有限公司（「裕高飛」）與獨立第三方訂立協議，據此，裕高飛同意出售，而收購方同意收購四川維奧之全部股本權益，現金代價為51,000,000港元。另外於2011年9月20日，裕高飛與收購方訂立一份補充協議，額外現金代價為1,300,000港元。出售事項已於2011年12月30日完成。

四川維奧於出售日期之資產淨值如下：

		HK\$'000 千港元
Intangible assets	無形資產	—
Property, plant and equipment	物業、廠房及設備	34,585
Prepaid lease payment	預付租賃款項	14,166
Deposit for acquisition of property, plant and equipment	收購物業、廠房及設備之按金	1,951
Inventories	存貨	7,791
Trade and other receivables	應收賬款及其他應收款項	10,562
Bank balances and cash	銀行結存及現金	2,590
Other payables	其他應付款項	(14,138)
Net assets disposed of	所出售資產淨值	57,507
Cumulative exchange translation reserve released on disposal of a subsidiary	出售一間附屬公司釋放之累計匯兌儲備	(18,271)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	13,064
Total cash consideration	總現金代價	52,300
Satisfied by:	以下列各項支付：	
Cash received	已收取現金	16,500
Other receivable (Note)	其他應收款項 (附註)	35,800
		52,300
Net cash inflow arising on disposal	出售產生之現金流入淨額	
Cash consideration received	所收取現金代價	16,500
Less: bank balance and cash disposed of	減：所出售銀行結餘及現金	(2,590)
		13,910

Note: The remaining cash consideration of HK\$35,800,000 has been subsequently settled.

附註：其餘現金代價35,800,000港元其後已償付。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

36. RELATED PARTY TRANSACTIONS

During the year, the Group has the following significant related party transactions:

- (a) A tax indemnity dated 30 January 2002 were entered into by the then controlling shareholders of the Company, the Company and its subsidiaries, pursuant to which the then controlling shareholders provide indemnities on a joint and several basis in respect of, among other matters, taxation which might be payable by any member of the Group (other than those established or incorporated subsequent to the date of the tax indemnity) in respect of any income, profits or gains earned, accrued or received on or before 7 February 2002.

(b) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year was as follows:

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Short-term benefits	短期福利	4,414	8,922
Termination benefits	終止利益	10,500	–
Post-employment benefits	離職後福利	58	109
		14,972	9,031

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

36. 有關連人士交易

年內本集團已進行之重大有關連人士交易如下：

- (a) 根據本公司控股股東、本公司及其附屬公司所訂立日期為2002年1月30日之稅項彌償保證書，當時之控股股東以共同及個別基準就（其中包括）本集團任何成員公司（不包括於稅項彌償保證書日期後成立或註冊成立之成員公司）可能須支付有關2002年2月7日或之前已賺取、累計或收取之任何收入、溢利或收益之稅項提供彌償保證。

(b) 主要管理人員之補償

年內本公司董事及其他主要管理人員之酬金如下：

本公司董事及主要行政人員之酬金由薪酬委員會經考慮個別人士之表現及市場趨勢釐定。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

37. COMMITMENTS

At the end of the reporting period, the Group had the following commitments:

(a) Capital commitments for the acquisition of property, plant and equipment

	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Contracted but not provided for 已訂約但未撥備	—	940

(b) Commitments for the properties under development

	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Contracted but not provided for 已訂約但未撥備	—	230
Authorised but not contracted for 已授權但未訂約	—	759,439
	—	759,669

37. 承擔

於報告期間結算日，本集團有以下承擔：

(a) 收購物業、廠房及設備之資本承擔

(b) 發展中物業之承擔

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

37. COMMITMENTS (Continued)

(c) Commitments under operating leases

The Group as lessor

Property rental income earned during the year was approximately HK\$5,483,000 (2010: HK\$4,166,000). The investment properties are expected to generate rental yields of 7.14% (2010: 4.37%) on an ongoing basis. The investment properties held have committed tenants for the next one to four years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

37. 承擔 (續)

(c) 經營租賃承擔

本集團作為出租人

年內賺取之物業租金收入約為5,483,000港元(2010年: 4,166,000港元)。投資物業預期持續產生租金收益7.14%(2010年: 4.37%)。所持投資物業具有承租往後一至四年之租戶。

於報告期間結算日，本集團已與租戶就於下列時限到期之未來最低租賃付款訂立合約：

		2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
Within one year	一年內	6,511	3,236
In the second to fifth year inclusive	於第二年至第五年 (包括首尾兩年)	6,271	5,974
		12,782	9,210

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

37. COMMITMENTS (Continued)

(c) Commitments under operating leases (Continued)

The Group as lessee

The Group leases certain of its offices and staff quarters under operating lease arrangements. Leases for properties are negotiated for a term ranging from one to two years and rentals are fixed throughout the rental period.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Land and buildings	土地及樓宇		
Within one year	一年內	544	905
In the second to fifth year inclusive	於第二年至第五年 (包括首尾兩年)	590	562
		1,134	1,467

38. PLEDGE OF ASSETS

At the end of the reporting period, certain assets of the Group were pledged to secure banking facilities granted to the Group as follows:

		2011	2010
		2011年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
Property, plant and equipment	物業、廠房及設備	1,656	62,457
Investment properties	投資物業	68,585	78,396
Bank balances and cash	銀行結存及現金	678	12,138
Prepaid lease payments on land use rights	土地使用權預付租賃款項	1,457	15,875
		72,376	168,866

37. 承擔 (續)

(c) 經營租賃承擔 (續)

本集團作為承租人

本集團根據經營租賃安排租用若干辦公室及員工宿舍。租用物業之議定租賃年期介乎1年至2年，而租金在租賃期間固定不變。

於報告期間結算日，本集團根據不可撤銷經營租賃承擔於下列時限到期之未來最低租賃付款：

38. 資產抵押

於報告期間結算日，本集團已就所獲授銀行融資抵押若干資產，詳情如下：

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 39. 本公司財務狀況表

		Notes	2011 2011年 HK\$'000 千港元	2010 2010年 HK\$'000 千港元
		附注		
Non-current assets	非流動資產			
Plant and equipment	廠房及設備		705	13
Investments in subsidiaries	附屬公司投資	(a)	277,929	53,035
			278,634	53,048
Current assets	流動資產			
Inventories	存貨		391,593	–
Other receivables	其他應收款項		4,582	144
Amounts due from subsidiaries	應收附屬公司款項	(b)	–	381,016
Bank balances and cash	銀行結存及現金		1,144,788	4,811
			1,540,963	385,971
Current liabilities	流動負債			
Trade and other payables	應付賬款及 其他應付款項		393,750	5,290
Amounts due to subsidiaries	應付附屬公司款項	(b)	148,500	128,673
			542,250	133,963
Net current assets	流動資產淨值		998,713	252,008
Total assets less current liabilities	資產總值減流動負債		1,277,347	305,056
Capital and reserves	股本及儲備			
Share capital	股本		33,326	15,511
Other reserves	其他儲備		849,953	314,098
Accumulated losses	累計虧損		(73,415)	(24,553)
Total equity	權益總額		809,864	305,056
Non-current liability	非流動負債			
Convertible bonds	可換股債券		467,483	–
			1,277,347	305,056

Notes:

(a) During the year ended 31 December 2011, investments in subsidiaries have been increased by approximately HK\$224,894,000 by capitalising the same amount of amounts due from subsidiaries.

(b) Amounts due from / to subsidiaries

The amounts are unsecured, non-interest bearing and repayable on demand.

附註：

(a) 於截至2011年12月31日止年度，附屬公司投資透過資本化應收附屬公司款項之相同金額增加約224,894,000港元。

(b) 應付／收附屬公司款項

有關款項為無抵押、免息及須應要求償還。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

40. PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries held by the Company as at 31 December 2011 and 2010 are as follows:

40. 主要附屬公司

本公司於2011及2010年12月31日持有之主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Class of shares held 持有股份類別	Place of incorporation / establishment 註冊成立／成立之地點	Place of operations 業務地點	Particulars of issued share capital / paid up registered capital 已發行股本／繳足註冊股本詳情	Attributable equity interest of the Group 本集團應佔股權		Principal activities 主要業務
					2011 2011年	2010 2010年	
Direct subsidiaries: 直接附屬公司：							
[^] Ever Power Holding Inc.	Ordinary shares 普通股	BVI	BVI	2 ordinary shares of US\$1 each 2股普通股 每股面值1美元	—	100%	Investment holding 投資控股
[^] Gainful Plan Limited	Ordinary shares 普通股	BVI	BVI	2 ordinary shares of US\$1 each 2股普通股 每股面值1美元	—	100%	Investment holding 投資控股
[^] Vital BioTech (Hong Kong) Limited [^] 維奧生物(香港)有限公司	Ordinary shares 普通股	Hong Kong 香港	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股普通股 每股面值1港元	—	100%	Investment holding 投資控股
Yugofoil 裕高飛	Ordinary shares 普通股	BVI	Hong Kong 香港	50,000 (2010: 103) ordinary shares of US\$1 50,000股 (2010年：103股) 普通股每股面值1美元	100%	100%	Investment holding 投資控股
Indirect subsidiaries: 間接附屬公司：							
[^] Beshabar Trading Limited	Ordinary shares 普通股	BVI	BVI	1 ordinary share of US\$1 1股普通股 每股面值1美元	—	100%	Investment holding 投資控股
Beshabar (Macao Commercial Offshore) Limited	Ordinary shares 普通股	Macau 澳門	Macau 澳門	1 quota (share) of MOP100,000 each 1個配額(股)每個配額100,000澳門元	100%	100%	Trading 貿易
Beshabar Trading Limited	Ordinary shares 普通股	Hong Kong 香港	Hong Kong 香港	100 ordinary shares of HK\$1 each 100股普通股 每股面值1港元	100%	100%	Trading 貿易

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

40. PRINCIPAL SUBSIDIARIES (Continued)

40. 主要附屬公司 (續)

Name of subsidiary 附屬公司名稱	Class of shares held 持有股份類別	Place of incorporation / establishment 註冊成立 / 成立之地點	Place of operations 業務地點	Particulars of issued share capital / paid up registered capital 已發行股本 / 繳足註冊股本詳情	Attributable equity interest of the Group 本集團應佔股權		Principal activities 主要業務
					2011 2011年	2010 2010年	
Indirect subsidiaries: (Continued) 間接附屬公司 (續):							
[^] Maxsun International Limited [^] 美新國際有限公司	Ordinary shares 普通股	Hong Kong 香港	Hong Kong 香港	100 ordinary shares of HK\$1 each 100股普通股 每股面值1港元	-	100%	Investment holding 投資控股
Wuhan Weiao Pharmaceuticals Co., Ltd.	Contributed capital 繳入資本	PRC 中國	PRC 中國	RMB30,000,000 人民幣30,000,000元	95.70%	95.70%	Manufacturing and trading of pharmaceutical products 製造及買賣藥品
^{# ^} Sichuan Vital (Note d) ^{# ^} 四川維奧 (附註d)	Contributed capital 繳入資本	PRC 中國	PRC 中國	RMB65,000,000 人民幣65,000,000元	-	100%	Manufacturing and trading of pharmaceutical products 製造及買賣藥品
Wide Triumph Limited	Ordinary shares 普通股	Hong Kong 香港	Hong Kong 香港	100 ordinary shares of HK\$1 each 100股普通股 每股面值1港元	100%	100%	Management services 管理服務
Vital Pharmaceuticals Company Limited	Ordinary shares 普通股	Hong Kong 香港	Hong Kong 香港	100 ordinary shares of HK\$1 each 100股普通股 每股面值1港元	100%	100%	Manufacturing and trading of pharmaceutical products 製造及買賣藥品
^{# ^} 維奧成都製藥 (Note c) (附註c)	Contributed capital 繳入資本	PRC 中國	PRC 中國	RMB7,000,000 人民幣7,000,000元	-	100%	Manufacturing and trading of pharmaceutical products 製造及買賣藥品

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

40. PRINCIPAL SUBSIDIARIES (Continued)

40. 主要附屬公司 (續)

Name of subsidiary 附屬公司名稱	Class of shares held 持有股份類別	Place of incorporation / establishment 註冊成立 / 成立之地點	Place of operations 業務地點	Particulars of issued share capital / paid up registered capital 已發行股本 / 繳足註冊股本詳情	Attributable equity interest of the Group 本集團應佔股權		Principal activities 主要業務
					2011 2011年	2010 2010年	
Indirect subsidiaries:							
<i>(Continued)</i>							
間接附屬公司 (續):							
Sichuan Hengtai (Note e) 四川恒泰 (附註e)	Contributed capital 繳入資本	PRC 中國	PRC 中國	RMB4,300,000 人民幣4,300,000元	100%	100%	Selling and distributing of pharmaceutical products 銷售及分銷藥品
# 成都置業 (Notes c and e) (附註c及e)	Contributed capital 繳入資本	PRC 中國	PRC 中國	RMB18,000,000 人民幣18,000,000元	100%	100%	Property development and management 物業發展及管理
^ 溫江房地產	Contributed capital 繳入資本	PRC 中國	PRC 中國	RMB8,000,000 人民幣8,000,000元	-	100%	Property development and management 物業發展及管理
# 四川維奧實業有限公司 (「四川實業」) (Notes d and e) (附註d及e)	Contributed capital 繳入資本	PRC 中國	PRC 中國	RMB229,541,874 人民幣229,541,874元	100%	-	Pharmaceutical research and development and investment management 藥品研發及投資管理

Wholly-owned foreign enterprise

^ Disposed of during the year ended 31 December 2011

外商獨資企業

^ 於截至2011年12月31日止年度出售

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2011 截至2011年12月31日止年度

40. PRINCIPAL SUBSIDIARIES (Continued)

Notes:

- (a) The above table lists the subsidiaries of the Group, which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.
- (b) None of the subsidiaries had any debt securities outstanding as at the end of the reporting period or at any time during the reporting period.
- (c) During the year ended 31 December 2010, in accordance with relevant shareholder meeting resolution, spin-off agreements and regulations of modified articles of association, a wholly-owned subsidiary of the Company, 維奧成都製藥 is divided into the new 維奧成都製藥 and 成都置業. Registered and paid-up capital of the new 維奧成都製藥 is reduced from RMB25,000,000 to RMB7,000,000 and the registered capital of 成都置業 is RMB18,000,000. After the completion of spin-off, 成都置業 and 維奧成都製藥 are wholly-owned by Sichuan Vital.
- (d) During the year ended 31 December 2011, in accordance with relevant shareholder meeting resolution, spin-off agreements and regulations of modified articles of association, a wholly-owned subsidiary of the Company, Sichuan Vital, is divided into the new Sichuan Vital and 四川實業. Registered and paid up capital of the new Sichuan Vital is reduced from USD36,800,000 to RMB65,000,000 and the registered capital of 四川實業 is RMB229,542,000. After the completion of spin-off, 四川實業 is wholly-owned by Sichuan Vital. During the year ended 31 December 2011, the entire interest of Sichuan Vital has been disposed of.
- (e) At 31 December 2011, 成都置業 and Sichuan Hengtai are in the process of obtaining the approval of change in shareholding from Sichuan Vital to 四川實業 due to the spin-off of Sichuan Vital during the year ended 31 December 2011.

40. 主要附屬公司 (續)

附註：

- (a) 上表載列本公司董事認為主要影響本集團業績或資產之本集團附屬公司。董事認為列出其他附屬公司資料將令篇幅過於冗長。
- (b) 於報告期間期結束或報告期間內任何時間，概無附屬公司擁有任何未償還債務證券。
- (c) 於截至2010年12月31日止年度，根據相關股東大會決議案、分拆協議及經修訂組織章程細則之規例，維奧成都製藥已分拆為維奧成都製藥及成都置業。維奧成都製藥之註冊及繳入資本由人民幣25,000,000元減至人民幣7,000,000元，而成都置業之註冊資本則為人民幣18,000,000元。分拆安排完成後，成都置業及維奧成都製藥由四川維奧全資擁有。
- (d) 於截至2011年12月31日止年度，根據相關股東大會決議案、分拆協議及經修訂組織章程細則之規例，本公司一間全資附屬公司四川維奧已分拆為新的四川維奧及四川實業。四川維奧之註冊及繳入資本由36,800,000美元減至人民幣65,000,000元，而四川實業之註冊資本則為人民幣229,542,000元。分拆安排完成後，四川實業由四川維奧全資擁有。於截至2011年12月31日止年度，四川維奧之全部權益已出售。
- (e) 於2011年12月31日，由於截至2011年12月31日止年度之四川維奧分拆，成都置業及四川恒泰正申請辦理獲得股權由四川維奧更改為四川實業之批准。

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For the year ended 31 December 2011 截至2011年12月31日止年度

41. EVENTS AFTER THE REPORTING PERIOD

On 9 March 2012 and 23 March 2012, China Uranium Development entered into a memorandum of understanding and a subscription agreement with Silver Grant International Industries Limited (“Silver Grant”) respectively. Pursuant to the subscription agreement and upon completion of it, China Uranium Development shall issue and Silver Grant shall subscribe for an exchangeable bond in the principal amount of HK\$776,000,000. Subject to the right of redemption by China Uranium Development, Silver Grant shall have the exchange right to request China Uranium Development to transfer to it the ordinary shares of the Company held by China Uranium Development at an exchange price of HK\$1.41 (subject to adjustment). Details of the transaction are set out in the Company’s announcements dated 9 March 2012, 12 March 2012 and 23 March 2012.

42. COMPARATIVE FIGURES

Certain comparative figures had been reclassified to conform to current year’s presentation. The directors of the Company consider that the separation of impairment loss recognised in respect of property, plant and equipment of approximately HK\$9,702,000 from administrative expenses in the consolidated income statement for the year ended 31 December 2010 is more meaningful in view of the significant item to the Group. As the reclassification does not affect the consolidated statement of financial position, it is not necessary to disclose comparative information as at the start of the comparative period (i.e. 1 January 2010).

41. 報告期後事項

於2012年3月9日及2012年3月23日，中國鈾業發展與銀建國際實業有限公司（「銀建」）分別訂立諒解備忘錄及認購協議。根據認購協議及於認購協議交割後，中國鈾業發展須發行而銀建須認購本金額776,000,000港元的可交換債券。在中國鈾業發展的贖回權規限下，銀建擁有交換權可以1.41港元（可予調整）交換價要求中國鈾業發展轉讓其所持本公司普通股份予銀建。該交易之詳情載列於2012年3月9日、2012年3月12日及2012年3月23日發表之本公司公告。

42. 比較數字

若干比較數字已重新分類，以符合本年度之呈列方式。本公司董事認為，鑒於其對本集團而言為重大項目，故截至2010年12月31日止年度在綜合收益表中將確認物業、廠房及設備減值虧損約9,702,000港元與行政開支分立更具意義。由於重新分類並不影響綜合財務狀況表，故毋須披露於比較期開始時（即2010年1月1日）的比較資料。

Particulars of Major Properties as at 31 December 2011 於2011年12月31日之主要物業詳情

PROPERTIES HELD FOR INVESTMENT

持作投資之物業

Location	位置	Type of properties 物業種類	Lease term 租賃期限
Office Unit Nos. 15-16 on 1st Floor to 2nd Floor and Office Unit Nos. 1-12 on 4th Floor of an office building known as “科技財富中心”, No. 318 Tianfuda Road North Section, within Gaoxin District Technology Incubate Park (高新區科技孵化園內), Chengdu City, Sichuan Province, the PRC	中國 四川省 成都市 高新區科技孵化園內 天府大道北側318號 名為「科技財富中心」 之辦公室大樓 1樓至2樓之15-16號 辦公室單位以及4樓 1至12號 辦公室單位	Office premises 辦公室	Medium-term lease 中期租賃
No. 3, Keyuan South Road, High-Tech Industrial Development Zone, Chengdu City, Sichuan Province, the PRC	中國 四川省 成都市 高新區 科園南路3號	Office premises 辦公室	Medium-term lease 中期租賃

