

ANNUAL REPORT 2011 年報



CHIHO-TIANDE GROUP LIMITED
齊合天地集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 976





Contents

目錄

		Page/頁次
Corporate Information	公司資料	2
Chairman's Statement	主席報告	5
Management Discussion and Analysis	管理層討論與分析	8
Profile of Directors and Senior Management	董事及高級管理人員履歷	19
Directors' Report	董事會報告	25
Corporate Governance Report	企業管治報告	54
Independent Auditor's Report	獨立核數師報告	62
Consolidated Statement of Comprehensive Income	綜合全面收益表	64
Consolidated Statement of Financial Position	綜合財務狀況表	66
Consolidated Statement of Changes in Equity	綜合權益變動表	68
Consolidated Statement of Cash Flows	綜合現金流量表	71
Notes to the Consolidated Financial Statements	綜合財務報表附註	73
5-Year Financial Summary	五年財務摘要	164



Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Fang Ankong (*Chairman and Chief Executive Officer*)
Mr. Stephanus Maria van Ooijen (*Vice President*)
Mr. Gu Liyong (*Vice President*)

Non-Executive Director

Mr. Michael Charles Lion

Independent Non-Executive Directors

Dr. Loke Yu
Ms. Zhang Jingdong
Mr. Li Xikui

EXECUTIVE COMMITTEE

Mr. Fang Ankong (*Chairman*)
Mr. Stephanus Maria van Ooijen
Mr. Gu Liyong

AUDIT COMMITTEE

Dr. Loke Yu (*Chairman*)
Mr. Michael Charles Lion
Ms. Zhang Jingdong
Mr. Li Xikui

REMUNERATION COMMITTEE

Mr. Fang Ankong (*Chairman*)
Mr. Stephanus Maria van Ooijen
Dr. Loke Yu
Ms. Zhang Jingdong
Mr. Li Xikui

NOMINATION COMMITTEE

Mr. Fang Ankong (*Chairman*)
Mr. Stephanus Maria van Ooijen
Dr. Loke Yu
Ms. Zhang Jingdong
Mr. Li Xikui

AUTHORISED REPRESENTATIVES

Mr. Gu Liyong
Ms. Yu Miu Cheung

董事會

執行董事

方安空先生 (*主席兼行政總裁*)
Stephanus Maria van Ooijen 先生 (*副總裁*)
顧李勇先生 (*副總裁*)

非執行董事

Michael Charles Lion 先生

獨立非執行董事

陸海林博士
章敬東女士
李錫奎先生

執行委員會

方安空先生 (*主席*)
Stephanus Maria van Ooijen 先生
顧李勇先生

審核委員會

陸海林博士 (*主席*)
Michael Charles Lion 先生
章敬東女士
李錫奎先生

薪酬委員會

方安空先生 (*主席*)
Stephanus Maria van Ooijen 先生
陸海林博士
章敬東女士
李錫奎先生

提名委員會

方安空先生 (*主席*)
Stephanus Maria van Ooijen 先生
陸海林博士
章敬東女士
李錫奎先生

授權代表

顧李勇先生
余妙章女士



Corporate Information (continued)

公司資料(續)

QUALIFIED ACCOUNTANT AND CHIEF FINANCIAL OFFICER

Mr. Chow Wan Hoi Paul

COMPANY SECRETARY

Ms. Yu Miu Cheung

AUDITOR

Deloitte Touche Tohmatsu

LEGAL ADVISORS

Conyers Dill & Pearman (Cayman Islands)
Stephenson Harwood (Hong Kong)
Van den Boomen Advocaten B.V. (Dutch)
Zhong Lun Law Firm (PRC)

PRINCIPAL BANKERS

Agriculture Bank of China
Bank of China
DBS Bank (Hong Kong) Limited
Industrial and Commercial Bank of China
Shanghai Pudong Development Bank
Standard Chartered Bank (Hong Kong) Limited
Wing Hang Bank Limited
Zhejiang Tailong Commercial Bank

COMPLIANCE ADVISOR

CCB International Capital Limited

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

48 Wang Lok Street
Yuen Long Industrial Estate
Hong Kong

合資格會計師兼財務總監

周雲海先生

公司秘書

余妙章女士

核數師

德勤 • 關黃陳方會計師行

法律顧問

Conyers Dill & Pearman (開曼群島)
羅夏信律師事務所(香港)
Van den Boomen Advocaten B.V. (荷蘭)
中倫律師事務所(中國)

主要往來銀行

中國農業銀行
中國銀行
星展銀行(香港)有限公司
中國工商銀行
上海浦東發展銀行
渣打銀行(香港)有限公司
永亨銀行有限公司
浙江泰隆商業銀行

合規顧問

建銀國際金融有限公司

註冊辦事處

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

香港總公司及主要營業地點

香港
元朗工業邨
宏樂街48號



Corporate Information (continued)

公司資料(續)

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Taizhou Industrial Zone of Metal Recycling
Fengjiang, Luqiao, Taizhou
Zhejiang
The PRC
Post Code 318054

中國總公司及主要營業地點

中國
浙江省
台州市路橋區峰江鎮
台州金屬再生工業園區
郵編：318054

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份過戶登記分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓1712-1716室

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

開曼群島主要股份過戶登記處

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

WEBSITE

www.chiho-tiande.com

公司網站

www.chiho-tiande.com

STOCK CODE

Hong Kong Stock Exchange 976

股份代號

香港聯交所 976



Chairman's Statement

主席報告

On behalf of the board of directors (the "Board") of Chiho-Tiande Group Limited (齊合天地集團有限公司) (the "Company"), I present the annual results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2011.

The Group finished the 2011 financial year with a reduced net profit attributable to owners of the Company from HK\$352.8 million in the previous year to HK\$152.1 million. Despite the drop in net profit, the Group continued to experience strong demand in its processed products and as such a significant increase in sales was recorded in 2011.

The main reasons for the reduction in net profit were due to a significant drop in the global commodity prices in the last quarter of 2011 and "mark-to-market" basis for provision for inventories and revaluation for the financial instruments held by the Group. The drop in commodity prices had a negative impact on the gross margin of the Group especially in the last quarter of 2011 and also gave rise to an inventories provision based on the "mark-to-market" accounting principle and the need for a downward revaluation for the financial instruments held by the Group at the end of 2011. In addition, the drop in commodity price was also the main reason for the negative contribution from the Shanghai joint venture company.

In 2011, the Group continued its expansion plans by completing the acquisition of an industrial site at the Yuen Long Industrial Estate to increase its processing capability in Hong Kong and by executing an investment agreement with Yantai Committee to establish new processing facilities in the Development Zone in Yantai City, PRC. These two investments will enable the Group to diversify the variety of scrap materials handled and also to establish a wider coverage area in the PRC.

本人謹代表齊合天地集團有限公司(「本公司」)董事會(「董事會」)，欣然提呈本公司及其附屬公司(統稱為「本集團」)截至二零一一年十二月三十一日止年度的全年業績。

本集團於二零一一年財政年度錄得本公司擁有人應佔純利由先前年度的352,800,000港元跌至152,100,000港元。儘管純利下跌，本集團的加工產品需求持續強勁，因此於二零一一年錄得的銷售額大幅增加。

純利下跌的主要原因是因二零一一年最後一個季度的全球商品價格大幅下跌及按「市值計算」基準的存貨撥備以及本集團所持金融工具的重估所致。商品價格下跌對本集團的毛利率構成負面影響，尤其是於二零一一年最後一個季度，並導致按「市值計算」會計準則為基準的存貨撥備及於二零一一年年底需對本集團所持金融工具作出下調重估。此外，商品價格下跌亦為上海合資公司作出負數貢獻的主要原因。

於二零一一年，本集團繼續其拓展計劃，方式為完成收購元朗工業邨一幅工業用地以提高其於香港的加工能力及與烟台管委會訂立投資協議以於中國烟台市開發區建立新加工設施。該兩項投資將使得本集團可多元化其廢料處理種類並可在中國建立廣泛的覆蓋地區。



Chairman's Statement (continued)

主席報告(續)

In December 2011, the Company through its wholly owned subsidiary increased the equity interest in Chiho-Tiande (HK) Metals Recycling Co. Limited, the Company's joint venture company in Hong Kong, from 55% to 70% as we see great potential in the Hong Kong market and such joint venture will compliment the acquisition of the industrial site in Yuen Long for establishing a more diversified processing platform in Hong Kong.

In 2011, the Group continued to place strong emphasis on capturing and securing supply of raw materials from proven sources of scrap metal through its well established overseas procurement network.

During the financial year, we also disclosed two other potential joint-venture opportunities in Beijing and Tianjin. As an update, the Beijing joint-venture did not materialise at the end as we did not believe that the venture will be viable after having carried out a detailed internal feasibility study on the potential venture. In so far as the Tianjin joint venture is concerned, the collaboration with the counterparty was short-lived and was ultimately discontinued due to differences in major business ethics. Nevertheless, we are continuing to explore other possible opportunities in similar areas.

Going forward and with the encouragement from the PRC Government to increase importation of non-ferrous scrap metals to compensate for the shortages that the PRC is currently facing, we remain committed to further expanding our processing capability, and at the same time improving our profitability and return on equity. Our focus will cover the existing facilities including Taizhou, Ningbo, Shanghai, Hong Kong (together with the joint venture) and Yantai. We will continue to be on the lookout for any potential opportunity in the year ahead.

於二零一一年十二月，本公司透過其全資附屬公司將其於齊合天地(香港)再生金屬有限公司(本公司於香港的合資公司)的股權由55%增加至70%，因我們可見在香港市場的巨大潛力以及該合資企業將利用收購元朗一幅工業用地以在香港建立一個更多元化的加工平台。

於二零一一年，本集團繼續透過其完善的海外採購網絡，將重點投放於認可的廢金屬來源爭取及獲得原材料供應。

於財政年度內，我們亦披露於北京和天津的兩項其他潛在合資機會。根據最新資料，由於經對潛在合資進行詳盡的內部可行性研究後我們並不相信合資可行，故北京合資最終並未實現。到目前為止就天津合資而言，由於主要業務原則的差異，與對方的合作期短並最終終止。儘管如此，我們正繼續在類似地區開拓其他可能的機會。

展望未來，中國政府鼓勵增加進口有色金屬廢料以補償中國現時面臨之短缺，我們仍致力於進一步拓展我們的加工能力，並於同時提高我們的盈利能力及股本回報。我們將重點放在現有設施，包括台州、寧波、上海、香港(連同合資企業)及烟台。我們將繼續留意於未來年度的任何潛在機遇。



Chairman's Statement (continued)

主席報告(續)

In January 2012, Sims Metal Management Dragon Holdings Limited ("Sims"), a Hong Kong subsidiary of Sims Metal Management ("SMM") being the largest (by market capitalisation) metal recycler in the world and one of the Group's major suppliers, became the first strategic investor of the Company (details of such investment are set out in the Company's announcement dated 17 January 2012). Since Sims became a strategic investor of our Company, we have already started to reap the synergistic benefit of our tie-up with the gradual increase in our purchase volume with Sims and at the same time, we have also started selling scrap materials through Sims to its customers in the Asia region. The Board firmly believes that in view of SMM's global reach and customer network, advanced technologies and solutions in the metals and electronics recycling industry together with its strong global resources with approximately 260 facilities worldwide, the strategic collaboration with SMM will significantly add value and expertise which complements that of the Group, and will considerably enhance the Group's current position for future expansion. The Group further believes that having SMM as a significant minority shareholder of the Group is a strong recognition of the Group's competitiveness and achievements and will significantly enhance the overall reputation and strategic growth of the Group within the metal recycling industry.

Fang Ankong

Chairman

Hong Kong, 27 March 2012

於二零一二年一月，Sims Metal Management (「SMM」) (全球最大(按市場資本化)金屬回收商及本集團主要供應商之一)的香港附屬公司Sims Metal Management Dragon Holdings Limited (「Sims」)成為本公司首個戰略投資者(有關該投資詳情載於本公司日期為二零一二年一月十七日的公告中)。由於Sims成為本公司的戰略投資者，我們已開始獲利於與Sims合作而逐漸增加我們的購買量的協同利益，而於同時，我們亦開始透過Sims向其於亞洲地區的客戶銷售廢料。董事會深信，憑藉SMM之全球市場及客戶網絡、於金屬及電子回收行業之先進技術及解決方案以及其雄厚之全球資源(於全球約有260間回收工廠)，與SMM之策略協作將有助本集團顯著提升價值及專業地位，並將大幅增強本集團現有狀況以進行進一步之拓展。本集團亦認為令SMM成為本集團之主要少數股東，乃對本集團競爭力及成就之高度認許，並將顯著提高本集團於金屬回收行業之整體聲譽及策略發展。

方安空

主席

香港，二零一二年三月二十七日



Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW AND OUTLOOK

During the year ended 31 December 2011, our revenue exceeded HK\$9.8 billion (2010: HK\$5.9 billion), representing an increase of 65.5% from the previous year. With regard to the profitability, we recorded a reduced net profit attributable to owners of the Company of HK\$152.1 million (2010: HK\$352.8 million). Despite the drop in net profit, the Group continued to experience strong demand in its processed products and as such a significant increase in sales was recorded in 2011.

The main reasons for the reduction in net profit were due to a significant drop in the global commodity prices in the last quarter of 2011 and “mark-to-market” basis for provision for inventories and revaluation for the financial instruments held by the Group. The drop in commodity prices had a negative impact on the gross margin of the Group especially in the last quarter of 2011 and also gave rise to an inventories provision based on the “mark-to-market” accounting principle and the need for a downward revaluation for the financial instruments held by the Group at the end of 2011. In addition, the drop in commodity price was also the main reason for the negative contribution from the Shanghai joint venture company.

In 2011, the Group continued its expansion plans by completing the acquisition of an industrial site at the Yuen Long Industrial Estate to increase its processing capability in Hong Kong and by executing an investment agreement with Yantai Committee to establish new processing facilities in the Development Zone in Yantai City, PRC. These two investments will enable the Group to diversify the variety of scrap materials handled and also to establish a wider coverage area of the PRC.

The Group continued to experience strong demand in its processed products. During the year, we have sold over 843,400 tonnes of processed products from our three business segments. This represents an increase of 62.6% when compared with over 518,600 tonnes in the previous year.

業務回顧及展望

截至二零一一年十二月三十一日止年度，我們的收益超逾9,800,000,000港元（二零一零年：5,900,000,000港元），較先前年度上升65.5%。至於盈利能力方面，我們錄得本公司擁有人應佔純利減少至152,100,000港元（二零一零年：352,800,000港元）。儘管純利下跌，本集團的加工產品的需求持續強勁，因此於二零一一年的銷售額錄得大幅增加。

純利下跌的主要原因是二零一一年最後一個季度的全球商品價格大幅下跌及按「市值計算」基準的存貨撥備以及本集團所持金融工具的重估所致。商品價格下跌對本集團的毛利率構成負面影響，尤其是於二零一一年最後一個季度，並導致按「市值計算」會計準則為基準的存貨撥備及於二零一一年年底需對本集團所持金融工具作出下調重估。此外，商品價格下跌亦為上海合資公司作出負數貢獻的主要原因。

於二零一一年，本集團繼續其拓展計劃，方式為完成收購元朗工業邨一幅工業用地以提高其於香港的加工能力及與煙台管委會訂立投資協議以於中國煙台市開發區建立新加工設施。該兩項投資將使得本集團可多元化其廢料處理種類並可在中國建立廣泛的覆蓋地區。

本集團的加工產品需求持續強勁。於年內，我們旗下三個業務分部銷售逾843,400噸加工產品，較去年逾518,600噸增加62.6%。



Management Discussion and Analysis (continued)

管理層討論與分析(續)

BUSINESS REVIEW AND OUTLOOK (continued)

In the last quarter of 2011, there was a significant drop in global commodity prices. As a result, our gross profit margin was negatively impacted and was reduced from 9.6% in 2010 to 4.6% in 2011. We continued our usual practices of buying mixed metal scrap and selling its recycled products in accordance with our processing ability so as to mitigate the short-term impact of price volatility on our overall performance.

In 2011, the Group continued to place strong emphasis on capturing and securing supply of raw materials from proven sources of scrap metal through its well established overseas procurement network. In January 2012, Sims became the first strategic investor of the Company. Soon after Sims becoming a strategic investor of our Company, we have seen a gradual increase in our purchase volume with Sims and at the same time, we have started selling scrap materials through Sims to its customers in the Asia region. We expect the business volumes between our Group and Sims to increase further in the future.

Basic earnings per share amounted to HK\$0.15 (2010: HK\$0.41), representing a decrease of 63.4% when compared with the previous year.

Our Procurement Network

We are the largest importer of mixed metal scrap used for recycling, reuse and processing in terms of the total import volume as approved by the Ministry of Environmental Protection in the PRC. We import nearly all of our mixed metal scrap and have, over the years, developed a strong international procurement network which covers Europe, North America, Oceania and Asia. Our network of suppliers are mostly established and developed by us leveraging on our experience in the industry. With our good business practices, we have enjoyed good business relationship with our suppliers over the years.

Corporate and Business Development

With the acquisition of an industrial site at Yuen Long Industrial Estate and the establishment of new processing facilities in the Development Zone in Yantai City, PRC, we expect that the Group's processing and production capacity will be increased to over 1,295,000 tonnes.

業務回顧及展望(續)

於二零一一年最後一個季度，全球商品價格大幅下跌。因此，我們的毛利率受到消極影響，由二零一零年的9.6%跌至二零一一年的4.6%。我們繼續執行購買混合金屬廢料的慣例並根據我們的加工能力銷售其再生產品以便減輕其價格波動對我們整體表現的短期影響。

於二零一一年，本集團透過其完善的海外採購網絡，繼續地將重點投放於可靠的廢金屬來源以獲得及保證原材料供應。於二零一二年一月，Sims成為本公司的首個戰略投資者。於Sims成為本公司的戰略投資者後不久，我們看見我們與Sims的購買量逐漸增加，而於同時，而我們亦開始透過Sims向其在亞洲地區的客戶銷售廢料。我們預期本集團與Sims之間的業務量於未來將進一步增加。

每股基本盈利為0.15港元(二零一零年：0.41港元)，較先前年度下跌63.4%。

本集團的採購網絡

按中國環境保護部批准的進口總量計算，本集團為將混合廢金屬進口作回收、循環再用及加工用途之最大進口商。本集團的絕大部份混合廢金屬均是進口所得，且於多年來已建立強大的國際採購網絡，遍及歐洲、北美、大洋洲及亞洲。憑藉本身的行業經驗，本集團大部份供應商網絡乃自行建立及發展。本集團憑藉優良的營運手法，與供應商建立了多年良好的業務關係。

企業及業務發展

鑑於收購元朗工業邨一幅工業用地及在中國烟台市開發區建立新加工設施，我們預期本集團的處理及生產能力將增加至逾1,295,000噸。



Management Discussion and Analysis (continued)

管理層討論與分析(續)

BUSINESS REVIEW AND OUTLOOK (continued)

Social Responsibilities

Despite the changes in evaluation basis by the Zhejiang Environmental Protection Bureau (浙江省環境保護廳) in 2011, our Taizhou facilities still rank in the top 15% among the designated processing units for imported hardware and electrical appliance scrap, electric wire and cable scrap, as well as motor scrap in Zhejiang Province. Our production processes do not consume large volumes of electricity and water and therefore produce very small volumes of waste materials. We consider that we have adopted sufficient environmental protection measures and controls against air, water, solids and noise pollutions produced during the course of our production process.

We are committed to the extension of our social responsibilities when setting up facilities in major cities of the PRC to contribute to the successful development of an environmentally friendly recycling industry.

This commitment together with local and national environmental protection standards has now been extended to our Shanghai joint venture facilities and will apply to our new facilities in the Yantai City, PRC.

Prospects

With signs indicating that the world economy is stabilizing, and the support from the PRC Government to develop the recycling industry, we are confident that the metal recycling industry in the PRC will continue to grow and will become an important source and an integral part of the metal resource supply chain of the PRC in the future.

As metal recycling contributes significantly to the protection of the environment and to the preservation of valuable natural resources, including the use of energy, which are consumed in large quantities during primary metal production processes. On the basis of the above stated fundamental belief, we continue to increase our procurement volume in line with the rapidly increasing demand and our expansion strategy for scrap raw materials in the PRC.

業務回顧及展望(續)

社會責任

儘管於二零一一年浙江省環境保護廳的估值基準改變，我們的台州設施仍然名列浙江省進口廢五金電器、廢電線電纜及廢電機指定加工單位中的前15%。本集團的生產流程不會耗用大量水電，故產生的廢料極少。我們認為，其已採取足夠環境保護措施及監控，以減少生產工序產生的空氣、水、固體及噪音污染。

本集團於中國各主要城市興建設施時，均致力擴展我們的社會責任範圍，以推動環保再生行業的順利發展。

本承諾連同本地及國家環保標準現已延伸至我們的上海合資企業設施並將適用於我們於中國烟台市的新設施。

前景

鑒於有跡象顯示全球經濟正趨於穩定，加上中國政府支持回收行業的發展，我們相信中國金屬再生行業將會繼續增長，並於未來成為中國金屬資源供應鏈的重要來源及主要部分。

金屬再生對環境保護及保存珍貴天然資源，包括於原生金屬生產過程中大量使用的能源方面有著重大貢獻。基於上述的重要信念，我們繼續增加採購量以配合中國對廢舊原材料急速上升的需求及本集團的擴展策略。



Management Discussion and Analysis (continued)

管理層討論與分析(續)

BUSINESS REVIEW AND OUTLOOK (continued)

Prospects (continued)

With regard to business development, our focus will cover the existing facilities including Taizhou, Ningbo, Shanghai, Hong Kong (together with the joint venture) and Yantai. We will continue to be on the lookout for any potential opportunity in the year ahead.

During the year 2011, the Company entered into the Investment Agreement with Yantai Committee for the purpose of developing and operating an integrated processing facility for recycling, processing and sales of imported mixed metal scrap in the Development Zone in Yantai City, PRC. The total investment of the project is USD99,980,000. The Company has also, through an indirect wholly-owned subsidiary, completed the purchase of an industrial site located at Yuen Long Industrial Estate for a consideration of HK\$148 million. The Group intends to develop the industrial site into an integrated processing facility capable of processing mixed metal scrap and electric recycling.

The Group believes that in view of SMM's global reach and customer network, advanced technologies and solutions in the metals and electronics recycling industry together with its strong global resources with approximately 260 facilities worldwide, the strategic collaboration with SMM will significantly add value and expertise which complements that of the Group, and will considerably enhance the Group's current position for future expansion. The Group further believes that having SMM as a significant minority shareholder of the Group is a strong recognition of the Group's competitiveness and achievements and will significantly enhance the overall reputation and strategic growth of the Group within the metal recycling industry.

業務回顧及展望(續)

前景(續)

業務發展方面，我們將重點放在現有設施，包括台州、寧波、上海、香港(連同合資企業)及烟台。我們將繼續留意於未來年度的任何潛在機遇。

於二零一一年內，本公司與烟台管委會訂立投資協議，以於中國烟台市開發區開發及營運回收、加工及銷售進口混合廢金屬之綜合加工設施。該項目總投資為99,980,000美元。本公司亦透過一間間接全資附屬公司完成購買位於元朗工業邨一幅工業用地，代價為148,000,000港元。本集團擬將工業用地發展為一項能夠處理混合廢金屬以及電子產品回收的綜合處理設施。

本集團相信，憑藉SMM之全球市場及客戶網絡、於金屬及電子回收行業之先進技術及解決方案以及其雄厚之全球資源(於全球約有260間回收工廠)，與SMM之策略協作將有助本集團顯著提升價值及專業地位，並將大幅增強本集團現有狀況以進行進一步之拓展。本集團亦認為令SMM成為本集團之主要少數股東，乃對本集團競爭力及成就之高度認許，並將顯著提高本集團於金屬回收行業之整體聲譽及策略發展。

Management Discussion and Analysis (continued)

管理層討論與分析(續)

BUSINESS REVIEW AND OUTLOOK (continued)

Detailed Comparison of Profit and Loss Summary

		Year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Revenue	收益	9,815,522	5,931,589
Cost of sales	銷售成本	(9,362,935)	(5,361,645)
Gross profit	毛利	452,587	569,944
Gross profit margin	毛利率	4.6%	9.6%
Net profit attributable to owners of the Company	本公司擁有人應佔純利	152,087	352,798

Due to a significant drop in global commodity prices in the last quarter of 2011, the gross profit reduced from HK\$569.9 million in 2010 to HK\$452.6 million in 2011.

We continued to increase our purchase volumes to cater for processing needs through our well established overseas procurement network. During the year, we sold over 843,400 tonnes (2010: 518,600 tonnes) of our processed products within our three business segments, representing an increase of 62.6% over 2010.

The management also believes that the metal recycling industry plays a vital role in the production and the supply of ferrous and nonferrous metals. It contributes significantly to the protection of the environment and to the preservation of valuable natural resources, including energy, which are consumed in large quantities during primary metal production processes. With this in mind and in accordance with our expansion strategy, we are aiming to procure 70,000 to 80,000 tonnes of metal scrap materials (21,000 – 24,000 tonnes of non-ferrous and 49,000 to 56,000 tonnes of ferrous) a month to cater for its processing needs. Such purchase volume is expected to increase as we continue to expand. The management is committed to achieving satisfactory returns to the Shareholders.

業務回顧及展望(續)

詳盡比較損益概要

由於二零一一年最後一個季度的全球商品價格下跌，毛利由二零一零年的569,900,000港元減少至二零一一年的452,600,000港元。

我們繼續增加我們的採購量以透過我們完善的海外採購網絡滿足加工需求。於年內，我們旗下三個業務分部銷售逾843,400噸加工產品(二零一零年：518,600噸)，較二零一零年增加62.6%。

管理層亦相信，金屬再生行業於黑色及有色金屬生產及供應方面擔當重要角色，對環境保護及保存珍貴天然資源有重大貢獻，包括保存原生金屬生產過程大量使用的能源。有鑑於此，並根據本公司的擴充策略，我們的目標是每月採購70,000至80,000噸廢金屬原料(21,000至24,000噸有色金屬及49,000至56,000噸黑色金屬)，以應付加工所需。預期上述採購量將會隨著本集團的不斷擴充而相應增加。管理層致力為股東爭取理想回報。



Management Discussion and Analysis (continued)

管理層討論與分析(續)

FINANCIAL REVIEW

Revenue

Revenue increased by HK\$3.9 billion, or 65.5%, from HK\$5.9 billion in 2010 to HK\$9.8 billion in the year. The increase was mainly contributed by an increase in sales volume as well as average selling prices for our recycled metal products and foundry products.

Cost of sales

Cost of sales increased by HK\$4.0 billion, or 74.6%, from HK\$5.4 billion (taking into account of inventory provision) in 2010 to HK\$9.4 billion in the year. The increase is in line with the increase in revenue and primarily due to an increase in sales volume and in the average purchase prices of raw materials.

Gross profit and gross profit margin

Our gross profit for the year was HK\$452.6 million as compared to a gross profit of HK\$569.9 million for 2010. We recorded a gross profit margin of 9.6% last year as compared to gross profit margin in the year of 4.6%.

The decrease in overall gross profit margin was mainly due to a significant drop in the global commodity prices in the last quarter of 2011 and corresponding inventory provision on a “mark-to market” basis.

Distribution and selling expenses

Distribution and selling expenses increased by approximately HK\$18.5 million, or 144.5%, from HK\$12.8 million in 2010 to HK\$31.3 million in the year due to increase in sales volume. The increase in distribution costs was mainly due to an increase in selling activities through its joint venture facilities in Shanghai and Hong Kong.

財務回顧

收益

收益增加3,900,000,000港元或65.5%，由二零一零年的5,900,000,000港元增至本年度的9,800,000,000港元，主要是由於再生金屬產品及鑄造產品的銷量及平均售價均告上升所致。

銷售成本

銷售成本增加4,000,000,000港元或74.6%，由二零一零年的5,400,000,000港元(計及存貨撥備)增至本年度的9,400,000,000港元。增幅與收益的增幅一致，主要是由於銷量增加及原材料平均採購價上升所致。

毛利及毛利率

年內毛利為452,600,000港元，而二零一零年的毛利則為569,900,000港元。去年，我們的毛利率為9.6%，而本年度則錄得毛利率4.6%。

總體毛利率減少主要由二零一一年最後一個季度的全球商品價格大幅下跌及按「市價計算」基準的相應存貨撥備導致。

分銷及銷售開支

由於銷量增加，本集團年內的分銷及銷售開支增加約18,500,000港元或144.5%，由二零一零年的12,800,000港元增至本年度的31,300,000港元。分銷成本增加主要因透過其於上海和香港合資設施增加銷售業務而產生。



Management Discussion and Analysis (continued)

管理層討論與分析(續)

FINANCIAL REVIEW (continued)

Administrative expenses

Administrative expenses increased by approximately HK\$73.7 million, or 105.8%, from HK\$69.7 million in 2010 to HK\$143.5 million in the year. This was mainly due to additional expenses for salaries and allowances and share-base payment incurred during the year.

Other income

Other income increased by approximately HK\$10.8 million, or 93.5%, from HK\$11.5 million in 2010 to HK\$22.3 million in the year. This was mainly due to increase in interest income during the year.

Other gains and losses

Other gains decreased by approximately HK\$53.0 million from HK\$55.0 million in 2010 to HK\$2.0 million in the year mainly due to downward revaluation of the financial instruments.

Other expenses

Other expenses decreased by HK\$24.8 million mainly due to one-off listing expenses incurred last year.

Finance costs

Finance costs increased by approximately HK\$50.7 million, or 107.6%, from HK\$47.1 million in 2010 to HK\$97.8 million in the year. This was mainly due to increase in interest expenses incurred from additional bank borrowings raised during the year.

Profit for the year and net profit margin

As a result of the factors mentioned above, the net profit for the year decreased by HK\$236.3 million, or 67.0% from HK\$352.6 million in 2010 to HK\$116.3 million in the year.

財務回顧(續)

行政開支

行政開支增加約73,700,000港元或105.8%，由二零一零年的69,700,000港元增至本年度的143,500,000港元，額外開支主要來自年內所產生的薪金及津貼及以股份為基礎的款項。

其他收入

其他收入增加約10,800,000港元或93.5%，由二零一零年的11,500,000港元增至本年度的22,300,000港元，主要是由於年內利息收入增加所致。

其他收益及虧損

其他收益減少約53,000,000港元，由二零一零年的55,000,000港元減至本年度的2,000,000港元，主要是由於金融工具下調重估所致。

其他開支

其他開支減少24,800,000港元，主要是由於去年產生的一次性上市開支所致。

財務成本

財務成本增加約50,700,000港元或107.6%，由二零一零年的47,100,000港元增至本年度的97,800,000港元，主要是由於年內新增的銀行借貸產生的利息開支增加所致。

年內溢利及純利率

基於上述因素，年內純利減少236,300,000港元或67.0%，由二零一零年的352,600,000港元減少至本年度的116,300,000港元。

Management Discussion and Analysis (continued)

管理層討論與分析(續)

FINANCIAL REVIEW (continued)

Key Financial Ratios

The following table sets forth certain of our financial ratios as of the date for the periods indicated:

Liquidity Ratios

		At 31 December 2011 二零一一年 十二月 三十一日	At 31 December 2010 二零一零年 十二月 三十一日
Current ratio	流動比率	1.47	1.75
Quick ratio	速動比率	0.47	0.54
Gearing ratio (%)	負債資產比率(%)	49.9	41.8

		Year ended 31 December 截至十二月三十一日止年度	
		2011 二零一一年	2010 二零一零年
Inventory turnover days	存貨周轉日數	108	118
Debtor's turnover days	應收賬周轉日數	8	6
Creditor's turnover days	應付賬周轉日數	9	7

Liquidity and Financial Resources and Capital Structure

Included in net current assets were cash and various bank deposits totalling HK\$590.9 million (2010: HK\$603.0 million). Total bank borrowings were HK\$2.7 billion (2010: HK\$1.5 billion), and these were mainly used to finance the purchases of mixed metal scrap from overseas. Such borrowings are mainly denominated in United States dollars and Renminbi.

The gearing ratio of the Group as at 31 December 2011 was 49.9% (2010: 41.8%). This was mainly due to net increase in bank borrowings during the year.

Debtor's turnover days and creditor's turnover days both increased from 6 days and 7 days for the year ended 31 December 2010 to 8 days and 9 days for the year ended 31 December 2011 respectively.

財務回顧(續)

關鍵財務比率

下表載列於所示期間日期本公司的若干財務比率：

流動資金比率

	At 31 December 2011 二零一一年 十二月 三十一日	At 31 December 2010 二零一零年 十二月 三十一日
Current ratio	1.47	1.75
Quick ratio	0.47	0.54
Gearing ratio (%)	49.9	41.8

	Year ended 31 December 截至十二月三十一日止年度	
	2011 二零一一年	2010 二零一零年
Inventory turnover days	108	118
Debtor's turnover days	8	6
Creditor's turnover days	9	7

流動資金及財務資源及資本架構

包括於流動資產淨值中的為現金及多項銀行存款共590,900,000港元(二零一零年: 603,000,000港元)。銀行借貸總額為2,700,000,000港元(二零一零年: 1,500,000,000港元)，主要用於為向海外採購混合廢金屬提供資金。該等借貸主要以美元及人民幣計值。

本集團於二零一一年十二月三十一日的負債資產比率為49.9%(二零一零年: 41.8%)，主要由於年內銀行借貸淨值增加。

應收賬周轉日數及應付賬周轉日數分別由截至二零一零年十二月三十一日止年度的6日及7日增加至截至二零一一年十二月三十一日止年度的8日及9日。



Management Discussion and Analysis (continued)

管理層討論與分析(續)

FINANCIAL REVIEW (continued)

Liquidity and Financial Resources and Capital Structure (continued)

Inventory turnover days decreased from 118 days for the year ended 31 December 2010 to 108 days for the year ended 31 December 2011.

Capital Commitments and Contingent Liabilities

As at 31 December 2011, we had pledged certain buildings, land use rights, trade receivables and bank deposits with an aggregate carrying value of approximately HK\$295.5 million (2010: approximately HK\$491.5 million) to secure bank borrowings.

As at 31 December 2011, we had capital commitments in respect of acquisition of property, plant and equipment but not provided for in the consolidated financial statements amounted to HK\$185.9 million (2010: HK\$10.4 million).

As at the date of this report, the Board is not aware of any material contingent liabilities.

Risk Management

Our Group in its ordinary course of business is exposed to market risk such as commodities price risk, foreign currencies risk, interest rate risk, credit risk and liquidity risk. Our risk management strategy aims to minimize the adverse effects of these risks on its financial performance.

With the establishment of the Pricing Committee, a new formal hedging policy took effect on 23 June 2010 which aimed to enhance the Group's risk management of commodity price fluctuations.

With regard to foreign currency risk management, we have placed more emphasis on increased United States dollars borrowings secured by Renminbi deposits in order to take advantage of the favourable exchange rate. We will continue using this hedging strategy so long as the exchange rate justifies it.

財務回顧(續)

流動資金及財務資源及資本架構(續)

存貨周轉日數由截至二零一零年十二月三十一日止年度的118日減少至截至二零一一年十二月三十一日止年度的108日。

資本承擔及或然負債

於二零一一年十二月三十一日，我們抵押賬面總值約295,500,000港元的若干樓宇、土地使用權、貿易應收款項及銀行存款(二零一零年：約491,500,000港元)，以為銀行借貸作擔保。

於二零一一年十二月三十一日，我們就有關收購物業、廠房及設備但並無於綜合財務報表計提的資本承擔為185,900,000港元(二零一零年：10,400,000港元)。

於本報告日期，就董事會所知，概無任何重大或然負債。

風險管理

在日常業務過程中，本集團面對的市場風險包括商品價格風險、外匯風險、利率風險、信貸風險及流動資金風險等。我們的風險管理策略旨在減低該等風險對本集團財務表現的不利影響。

成立定價委員會後，本集團新訂的正式對沖政策自二零一零年六月二十三日起生效，旨在提升本集團對商品價格波動的風險管理。

外幣風險管理方面，我們著重於以人民幣存款作抵押而增加美元借款，以利用有利的匯率。只要匯率合理，我們將繼續使用本對沖策略。

Management Discussion and Analysis (continued)

管理層討論與分析(續)

FINANCIAL REVIEW (continued)

Risk Management (continued)

With the current interest rates staying at relatively low levels, we have not entered into any interest rate hedging contracts or any other interest rate related derivative financial instrument. However, we continue to monitor its related interest rate exposure closely and will consider hedging significant interest rate exposure when the need arises.

As for credit risk, we continue to follow the trade practices of cash on collection from sales of all of its Metal Recycling Products in order to minimize the carrying amounts of the financial assets in our Group's financial statements. In addition, we will continue to monitor closely the trade debtors for the Foundry business to minimize potential impairment losses.

With the liquidity risk, we will continue maintaining a balance between continuity of funding and the flexibility through the use of bank borrowings.

Funds raised by the Company's initial public offering and use of proceeds

The Company was listed on the Stock Exchange in 2010 and proceeds, less listing expenses, amounted to approximately HK\$581.0 million, was raised by the public offering. During the years ended 31 December 2010 and 2011, the net proceeds were fully utilised as follows:

財務回顧(續)

風險管理(續)

由於現行利率處於相對較低水平，故我們並無訂立任何利率對沖合約或任何其他利率相關衍生金融工具。然而，我們將繼續密切監察其所面對的相關利率風險，有需要時會考慮對沖重大利率風險。

信貸風險方面，我們所有金屬再生產品的銷售交易一直奉行款到付貨的貿易慣例，旨在減低本集團財務報表中的金融資產賬面值。此外，我們亦將繼續密切監察鑄造業務的應收賬情況，以減低潛在減值虧損。

至於流動資金風險，我們將繼續透過利用銀行借貸，在持續獲取資金與保持靈活程度之間維持平衡。

本公司透過首次公開發售籌集資金及所得款項用途

本公司於二零一零年於聯交所上市，透過公開發售所得款項扣減上市開支後合共約581,000,000港元。於截至二零一零年及二零一一年十二月三十一日止年度內，已全部動用之所得款項淨額如下：

		HK\$ million 百萬港元
<i>For the year ended 31 December 2010</i>	<i>截至二零一零年十二月三十一日止年度</i>	
Purchase raw material	購買原材料	290.0
Enhancement of procurement network and capabilities through joint ventures, mergers or acquisition	透過合資企業、合併或收購增強採購網絡及能力	19.9
Expansion of production capacity	拓展產能	54.3
Repayment of shareholder's loan	償還股東貸款	50.0
General working capital	一般營運資金	51.0
<i>For the year ended 31 December 2011</i>	<i>截至二零一一年十二月三十一日止年度</i>	
Expansion of production capacity – acquisition of the industrial site at the Yuen Long Industrial Estate	拓展產能 – 購入於元朗工業邨的一幅工業用地	115.8
Total	合共	581



Management Discussion and Analysis (continued)

管理層討論與分析(續)

FINANCIAL REVIEW (continued)

Employees

As at 31 December 2011, we had a workforce of 703 employees. In addition, we engaged approximately 4,300 separation and selection workers through local contractors. We have not experienced any strikes, work stoppages or significant labor disputes which have affected its operations in the past. We have not experienced any significant difficulties in recruiting and retaining qualified staff. We continue to maintain good relationships with our employees.

The Remuneration Policy

We remunerate employees based on their performance, experience and prevailing industry practices so as to retain competent employees. In addition to benefits normally provided in line with industry practices, the Company also has a share option scheme in place for the purpose of providing incentives and rewards to the eligible persons including employees of Group companies for their contributions to the long term success of our Group.

During the financial year ended 31 December 2011, 31,495,000 share options were granted under the Post-IPO share option scheme.

財務回顧(續)

僱員

於二零一一年十二月三十一日，我們共有703名僱員。此外，我們透過當地工頭僱用約4,300名拆解及選料工人。我們過去並無經歷任何影響經營的罷工、停工或重大勞資糾紛。我們在招聘及挽留合資格僱員方面亦無遇到重大困難。我們與僱員一直維持良好的關係。

薪酬政策

我們根據僱員的表現、經驗及現有行業慣例釐定其薪酬，以挽留有能力的僱員。除按照行業慣例提供的一般福利外，本公司亦設有購股權計劃，目的是為包括本集團成員公司僱員在內的合資格人士提供激勵及獎勵，以答謝彼等對本集團長期取得成功所作出的貢獻。

於截至二零一一年十二月三十一日止財政年度期間，31,495,000份購股權已根據首次公開發售後購股權計劃授出。



Profile of Directors and Senior Management

董事及高級管理人員履歷

EXECUTIVE DIRECTORS

Mr. Fang Ankong (方安空), aged 46, is an Executive Director, Chairman and Chief Executive Officer of the Company and its subsidiaries (together the “Group”). Mr. Fang Ankong was appointed as an Executive Director on 15 May 2008. Mr. Fang serves as a Chairman of the Executive Committee, Remuneration Committee and Nomination Committee and member of the Pricing Committee and Monitoring Committee of the Company and he is also a Director of certain subsidiaries of the Group. Mr. Fang Ankong is also one of the founders of the Group. Mr. Fang Ankong founded the Group in 1999 and has over 17 years of experience in the business of metallurgy and metal scrap recycling. Mr. Fang Ankong is primarily responsible for setting corporate strategy and planning, and overall management of the Group. Prior to founding the Group, Mr. Fang Ankong has been engaged in the import and trading of metals scrap. From 1995, Mr. Fang Ankong was a shareholder of Tianan Resources, a company engaged in the importing of metal scrap into China and recycling of metal scrap, and also participated in the operation and management of Tianan Resources. Tianan Resources was deregistered in 2002.

Mr. Fang Ankong is the younger brother of Ms. Fang Aiping and elder brother of Mr. Fang Anlin, who are both Vice President of the Group. Mr. Fang Ankong is also the brother-in-law of Mr. Ding Guopei, the Senior Vice President of the Group. Mr. Fang Ankong is also the younger brother of the father-in-law of Mr. Zhu Zhonghui, the manager of the sales and marketing department of the Group.

Mr. Stephanus Maria van Ooijen, aged 49, is an Executive Director, Vice President and one of the founders of the Group. He was appointed as an Executive Director on 15 May 2008. He serves as a member of the Executive Committee, Nomination Committee and Remuneration Committee of the Company and he is also a Director of certain subsidiaries of the Group. Mr. van Ooijen is primarily in charge of corporate strategy and planning with focus on the Group’s import functions and has over 14 years of experience. Mr. van Ooijen obtained a diploma in 1985 from Hogere Agrarische Scholen van de Katholieke Nederlandse Boeren-en Tuindersbond 'S-Hertogenbosch (Higher Agricultural Schools of the Catholic Dutch Farmers and Gardeners Union of 'S-Hertogenbosch) in the Netherlands. Mr. van Ooijen is the sole shareholder and has been appointed as the director of SVO Company B.V. since 30 September 1993. He was also the director of Delco Participation B.V. from 2 November 2000 until 23 April 2008.

執行董事

方安空先生，46歲，執行董事、本公司及附屬公司(統稱「本集團」)主席兼行政總裁，於二零零八年五月十五日獲委任為執行董事。方先生為本公司執行委員會、薪酬委員會及提名委員會主席，並兼任定價委員會及監督委員會成員。彼亦為本集團若干附屬公司之董事，方先生為本集團創辦人之一。方安空先生於一九九九年創辦本集團，擁有逾十七年冶金及廢金屬再生業務經驗。方安空先生主要負責制訂本集團的企業策略及規劃與整體管理。彼於創辦本集團前曾從事廢金屬進口及貿易業務。方安空先生自一九九五年起為天安資源股東，亦參與天安資源的營運和管理。天安資源為從事於中國進口及回收利用廢金屬的公司，於二零零二年註銷。

方安空先生為本集團副總裁方愛萍女士的胞弟，亦為本集團副總裁方安林先生的兄長，以及本集團高級副總裁丁國培先生的內弟，亦為本集團銷售及市場推廣部經理朱忠輝先生的岳父的胞弟。

Stephanus Maria van Ooijen先生，49歲，執行董事、本集團副總裁及創辦人之一，於二零零八年五月十五日獲委任為執行董事。彼為本公司執行委員會、提名委員會及薪酬委員會成員。彼亦為本集團若干附屬公司之董事。van Ooijen先生主要負責本集團進口的企業策略及規劃，擁有逾十四年的經驗。van Ooijen先生於一九八五年在荷蘭Hogere Agrarische Scholen van de Katholieke Nederlandse Boeren-en Tuindersbond 'S-Hertogenbosch (Higher Agricultural Schools of the Catholic Dutch Farmers and Gardeners Union of 'S-Hertogenbosch)取得文憑。van Ooijen先生為SVO Company B.V.的唯一股東，並自一九九三年九月三十日起獲委任為SVO Company B.V.的董事，二零零零年十一月二日至二零零八年四月二十三日期間亦擔任Delco Participation B.V.的董事。



Profile of Directors and Senior Management (continued)

董事及高級管理人員履歷 (續)

Mr. Gu Liyong (顧李勇), aged 49, is an Executive Director and Vice President of the Group. He was appointed as an Executive Director on 28 August 2008. Mr. Gu serves as a member of the Executive Committee of the Company and he is also a Director of certain subsidiaries of the Group. He is primarily responsible for operational and financial activities and has over 26 years of experience in the industry. Mr. Gu graduated from Shanghai University of Technology (上海工業大學) in 1984 with a Bachelor's degree in Engineering and majoring in steel making from the Department of Metallurgy. He worked at China Resources Reclamation Corp., East China Co. (中國物資再生利用總公司華東公司), a company for recycling and trading ferrous metal (such as steel and iron) and non-ferrous metal (such as copper, aluminum, lead and tin) and plastic scrap in the East China region, for at least 10 years and started his career in the management and operation of domestic and international recycling business. He was a manager for the import and export department and an assistant to general manager in China Resources Reclamation Corp., East China Co., and was responsible for managing the procurement of metal scrap from overseas and reselling to their customers. Mr. Gu has extensive experience in the recycling of different resources, including metals and other scrap materials. Since he joined the Group in 1999, Mr. Gu has been responsible for the import and export businesses of the Group by utilising his professional knowledge in the recycling resources business.

NON-EXECUTIVE DIRECTOR

Mr. Michael Charles Lion, aged 62, is a Non-Executive Director. He was appointed as a Non-Executive Director on 17 January 2012. He serves as a member of the Audit Committee of the Company. He has a career of over 40 years in the international non-ferrous metals industry, including pioneering the development of China and other Asian markets as consumers of international non-ferrous scrap in the early 1970s. He has been working with SMM Asia, being a wholly-owned Hong Kong subsidiary of SMM, for 14 years and is the Chairman and a Director of SMM Asia. SMM Asia is engaged in the global international marketing and trading of SMM's owned and brokered non-ferrous scrap, nonferrous by-products and primary metals. From 1967 to 1986, he was a partner in Philipp and Lion Partnership; from 1986 to 1991, he was the Chairman and Chief Executive Officer of Philipp and Lion Group Ltd., and from 1997, he has been the President of Lion Consulting Inc.. As a founding member of the London Metals Exchange secondary aluminium sub-committee, he currently serves as chairman of the Bureau of International Recycling ("BIR") Membership committee

顧李勇先生，49歲，執行董事兼本集團副總裁。彼於二零零八年八月二十八日獲委任為執行董事。彼為本公司執行委員會成員及本集團若干附屬公司之董事。彼主要負責營運及融資業務等工作，擁有逾二十六年行業經驗。顧先生在一九八四年畢業於上海工業大學，取得冶金系工程學學士學位，主修煉鋼，其後在華東地區從事回收及買賣黑色金屬(如鋼鐵)及有色金屬(如銅、鋁、鉛及錫)與塑膠廢料的中國物資再生利用總公司華東公司工作最少十年，自此開展其國內及國際再生業務之管理及經營事業。顧先生曾先後於中國物資再生利用總公司華東公司出任進出口部經理及總經理助理，負責管理向海外採購廢金屬及轉售予客戶等事務。顧先生對於各種資源(包括各類金屬及其他廢料)的回收利用經驗豐富。顧先生在一九九九年加入本集團，運用其再生資源業務方面的專業知識，曾負責本集團的進出口業務的運作。

非執行董事

Michael Charles Lion先生，62歲，非執行董事，彼於二零一二年一月十七日獲委任為非執行董事。彼為本公司審核委員會成員。彼從事國際有色金屬業超過四十年，包括於一九七零年代初率先帶領發展中國及其他亞洲市場成為國際有色金屬廢料市場的用家。彼於SMM之香港全資附屬公司SMM Asia工作十四年，現為SMM Asia之主席兼董事。SMM Asia乃從事SMM自有及經紀的有色金屬廢料、有色金屬副產品及基本金屬之全球國際市場推廣及貿易。於一九六七年至一九八六年，彼為Philipp and Lion Partnership之合夥人；於一九八六年至一九九一年，彼擔任Philipp and Lion Group Ltd.之主席兼行政總裁，及自一九九七年起，彼擔任Lion Consulting Inc.之總裁。身為倫敦金屬交易所第二鋁合金小組委員會之始創會員，彼現時擔任Bureau of



Profile of Directors and Senior Management (continued)

董事及高級管理人員履歷(續)

and a member of its Advisory and Executive boards. He was the president of the former British Secondary Metals Association and the president of the Nonferrous Division of BIR. He is a frequent speaker and contributor of articles at global industry events such as Metal Bulletin, IWCC and CRU, Cessco gatherings, on the topics of nonferrous metals and hedging. He graduated from Haileybury and Imperial Service College in 1963, and has a certificate of Former Ring Dealing Member of London Metals Exchange.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Zhang Jingdong (章敬東), aged 66, is an Independent Non-Executive Director. She joined the Group on 23 June 2010. Ms. Zhang is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. She was the vice-secretary-general of Financial Trust Association of Zhejiang Province (浙江省金融信託業協會) before joining our Group and she served as chief and general manager and held various positions in various Chinese banking and corporate finance sectors including the People's Bank of China Heilongjiang Branch (中國人民銀行黑龍江省分行), Financial Intermediation Centre of Zhejiang Province (浙江省資金融通中心), and office of Hangzhou Financial Supervision of People's Bank of China Shanghai Branch (中國人民銀行上海分行杭州金融監管辦公室).

Ms. Zhang holds a master's degree in Economic Management (經濟管理) from the Academy of Social Sciences of Hei Longjiang (黑龍江省社會科學院).

Dr. Loke Yu alias Loke Hoi Lam (陸海林), aged 62, is an Independent Non-Executive Director. He was appointed as an Independent Non-Executive Director on 23 June 2010. Dr. Loke serves as a Chairman of the Audit Committee and member of Remuneration Committee and Nomination Committee of the Company. Dr. Loke has over 36 years of experience in accounting and auditing for private and public companies, financial consultancy and corporate management. He holds a Master of Business Administration degree from Universiti Teknologi Malaysia and a Doctor of Business Administration degree from University of South Australia. He is a Fellow of The Institute of Chartered Accountants in England and Wales; Hong Kong Institute of Certified Public Accountants; and The Hong Kong Institute of Directors. He is also an Associate member of The Hong Kong Institute of Chartered Secretaries.

International Recycling(「BIR」)之會籍委員會主席，且為其顧問及執行委員會成員。彼曾擔任British Secondary Metals Association及BIR之有色金屬分部之總裁。彼經常於國際有色金屬業界活動及刊物如Metal Bulletin、IWCC及CRU、Cessco等聚會就有色金屬及對沖之議題發表演說及撰寫文章。彼於一九六三年畢業於Haileybury and Imperial Service College，及持有倫敦金屬交易所之Former Ring Dealing Member證書。

獨立非執行董事

章敬東女士，66歲，獨立非執行董事。於二零一零年六月二十三日加入本集團。章女士亦為本公司審核委員會、薪酬委員會及提名委員會成員。章女士加入本集團前擔任浙江省金融信託業協會副秘書長，且曾從事中國的多家銀行及企業財務行業，包括中國人民銀行黑龍江省分行、浙江省資金融通中心及中國人民銀行上海分行杭州金融監管辦公室等處長及總經理等多個職位。

章女士持有黑龍江省社會科學院經濟管理碩士學位。

陸海林博士，62歲，獨立非執行董事。彼於二零一零年六月二十三日獲委任為獨立非執行董事。陸博士為本公司審核委員會主席、薪酬委員會及提名委員會成員。陸博士於私人及上市公司之會計及審計工作、財務顧問及企業管理等方面擁有逾三十六年經驗，取得馬來西亞科技大學工商管理碩士學位和南澳大學工商管理博士學位。彼為英國英格蘭與威爾斯特許會計師學會、香港會計師公會及香港董事學會之資深會員，亦是香港特許秘書學會會員。



Profile of Directors and Senior Management (continued)

董事及高級管理人員履歷 (續)

He is currently the company secretary of Minth Group Limited and serves as an independent non-executive director of Vodone Limited, Matrix Holdings Limited, Bio-Dynamic Group Limited, China Fire Safety Enterprise Group Limited, Winfair Investment Company Limited, SCUD Group Limited and Zhong An Real Estate Limited, companies listed on the Stock Exchange.

Mr. Li Xikui (李錫奎), aged 67, is an Independent Non-Executive Director. He joined the Group on 23 June 2010. Mr. Li serves as a member of Audit Committee, Remuneration Committee and Nomination Committee of the Company. Mr. Li obtained a Bachelor's degree majoring in foreign trade (對外貿易專業) from Dongbei University of Finance and Economics (東北財經大學) (formally known as Liaoning Finance and Economics College (遼寧財經學院)) in August 1970 and a master diploma in finance from Research Institute for Fiscal Science of Ministry of Finance (財政部財政科學研究所) in July 1982.

Mr. Li became the Researcher (研究員) of China Construction Bank (中國建設銀行) in 1993. He has been receiving a special allowance granted by the State Council (國務院) since 1992.

Mr. Li was appointed as the vice president of the head office (總行副行長) of China Construction Bank (中國建設銀行) in 1985 and 1988; the vice president (副總裁) of China Galaxy Securities Company (中國銀河證券公司). Since February 2006, he has been the chairman of the board (董事長) of Galaxy Asset Management Co., Ltd (銀河基金管理公司).

SENIOR MANAGEMENT

Mr. Chow Wan Hoi Paul (周雲海), aged 56, is the Qualified Accountant and Chief Financial Officer of the Group. He joined the Group in June 2009 as chief financial officer with responsibility for overall financial matters of the Group. Mr. Chow has significant experience in accounting and finance. He is an associate of both the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants in Australia. He is also a member of the Hong Kong Institute of Certified Public Accountants. Mr. Chow was formerly a non-executive director of Asia Distribution Solutions Limited, a company that was previously trading on AIM, a market operated by the London Stock Exchange plc. (LSE: LSE). Mr. Chow currently serves as an independent non-executive director of Associated International Hotels Limited (Stock code: 0105), Tian Teck Land Limited (Stock code: 0266) and China Ground Source Energy Limited (Stock code: 8128), companies listed on the Stock Exchange.

彼現為敏實集團有限公司之公司秘書，亦為多家於聯交所上市之公司，包括第一視頻集團有限公司、美力時集團有限公司、生物動力集團有限公司、中國消防企業集團有限公司、永發置業有限公司、飛毛腿集團有限公司及眾安房產有限公司之獨立非執行董事。

李錫奎先生，67歲，獨立非執行董事。於二零一零年六月二十三日加入本集團。李先生為本公司審核委員會、薪酬委員會及提名委員會成員。李先生於一九七零年八月自東北財經大學(前稱為遼寧財經學院)獲得對外貿易專業學士學位，於一九八二年七月獲得財政部財政科學研究所財政碩士文憑。

李先生於一九九三年成為中國建設銀行研究員。彼自一九九二年起獲國務院授出的特別津貼。

李先生於一九八五年及一九八八年獲委任為中國建設銀行總行副行長；擔任中國銀河證券公司副總裁。自二零零六年二月起，彼擔任銀河基金管理公司董事長。

高級管理人員

周雲海先生，56歲，本集團合資格會計師及財務總監。彼於二零零九年六月加入本集團，擔任財務總監，負責本集團整體財務事務。周先生擁有豐富的會計及財務經驗，為英格蘭和威爾斯特許會計師公會及澳洲特許會計師公會會員，亦為香港會計師公會會員。周先生曾任Asia Distribution Solutions Limited(股份曾於由倫敦證券交易所運作的創業板買賣)的非執行董事，現時分別於聯交所上市的公司凱聯國際酒店有限公司(股份代號：0105)、天德地產有限公司(股份代號：0266)及中國地能有限公司(股份代號：8128)擔任獨立非執行董事。



Profile of Directors and Senior Management (continued)

董事及高級管理人員履歷(續)

Mr. Ding Guopei (丁國培), aged 49, is the Senior Vice President of the Group, the General Manager and Director of Taizhou Chiho-Tiande Metals Company Limited and the General Manager of Taizhou Chiho-Tiande Foundry Company Limited. Mr. Ding has over 13 years of experience in the industry and joined the Group in December 1999. Prior to joining the Group, he was a trader principally engaged in the metal recycling industry. Mr. Ding obtained a diploma majoring in International Economics and Trade from the Faculty of Business from Ningbo University in 2002.

Mr. Ding successively worked as Vice-Chairman of China Nonferrous Metals Industry Association Recycling Metal Branch in November 2004, Chairman of Association of Resources Comprehensive Utilization of Taizhou City in June 2005, and executive director of China Entry-Exit Inspection and Quarantine Association in April 2006. He has been chosen as a member of the third session Standing Committee of Lu Qiao District People's Congress in December 2006, the second session outstanding builders of Taizhou City of the socialism with Chinese characteristic in February 2007, and was awarded the Top 10 Contribution to the China Metal Recycling Industry Award in October 2007. He was also been the Vice-Chairman of the Zhejiang Association of Solid Waste Recycle and Disposal in May 2008. He has been chosen as NPC deputies of Taizhou in January 2011. Mr. Ding held the post of Vice-Chairman of Zhejiang Provincial Environment Monitoring Association in August 2011 and he has been chosen as the representative of Fourth People's Congress of Lu Qiao District in March 2012. Mr. Ding is the brother-in-law of Mr. Fang Ankong and Mr. Fang Anlin, and the husband of Ms. Fang Aiping.

Ms. Fang Aiping (方愛萍), aged 49, is the Vice President of the Group, and the Financial Vice-General Manager of Taizhou Chiho-Tiande Metals Company Limited and Taizhou Chiho-Tiande Foundry Company Limited. She is primarily responsible for the subsidiary's overall financial planning, financial reporting and budgeting as well as implementing our Group's business strategies. Ms. Fang Aiping joined our Group since December 1999. Ms. Fang Aiping has more than 12 years of experience in financial management. Ms. Fang Aiping is the sister of Mr. Fang Ankong and Mr. Fang Anlin. She is the wife of Mr. Ding Guopei.

Mr. Fang Anlin (方安林), aged 43, is the Vice President of the Group, and the Vice-General Manager of Taizhou Chiho-Tiande Metals Company Limited and Taizhou Chiho-Tiande Foundry Company Limited. He is also a Director of certain subsidiaries of the Group. He is primarily responsible for the production of the subsidiary. Mr. Fang Anlin joined the Group in December 1999 and has over 17 years of experience in the business of mixed metal scrap. Since Mr. Fang Anlin joined the Group, Mr. Fang Anlin has been responsible for overseeing the production of recycled metal products. Mr. Fang Anlin is the brother of Mr. Fang Ankong and Ms. Fang Aiping. Mr. Fang Anlin is also the brother-in-law of Mr. Ding Guopei.

丁國培先生，49歲，本集團高級副總裁兼台州齊合天地金屬有限公司總經理及董事兼台州齊合天地鑄造有限公司總經理。丁先生擁有逾十三年行業經驗，於一九九九年十二月加入本集團。加入本集團前，彼為主要從事再生金屬業的商人。丁先生於二零零二年取得寧波大學商學院國際經濟與貿易專業大專班文憑。

丁先生先後於二零零四年十一月擔任中國有色金屬協會再生金屬分會副會長，二零零五年六月擔任台州市資源綜合利用協會會長，二零零六年四月擔任中國出入境檢驗檢疫協會常務理事，二零零六年十二月獲選為路橋區第三屆人大常委會委員，二零零七年二月獲評為第二屆台州市優秀中國特色社會主義事業建設者，二零零七年十月獲評為中國再生金屬產業十大傑出貢獻人物，二零零八年五月擔任浙江省固體廢物利用處置行業協會副會長，二零一一年一月獲選為台州市市人大代表，二零一一年八月擔任浙江省環境監測協會副會長，二零一二年三月獲選為路橋區第四屆人民代表。丁先生為方安空先生及方安林先生的內兄，以及方愛萍女士的丈夫。

方愛萍女士，49歲，本集團副總裁兼台州齊合天地金屬有限公司及台州齊合天地鑄造有限公司財務副總經理，主要負責該附屬公司整體財務計劃、財務報告、預算及執行本集團下達的業務策略。方愛萍女士於一九九九年十二月加入本集團，擁有逾十二年財務管理經驗。方愛萍女士為方安空先生及方安林先生的胞姐，以及丁國培先生的妻子。

方安林先生，43歲，本集團副總裁兼台州齊合天地金屬有限公司及台州齊合天地鑄造有限公司副總經理，亦為本集團若干附屬公司之董事。彼主要負責該附屬公司的生產工作。方安林先生於一九九九年十二月加入本集團，擁有逾十七年混合廢金屬業務經驗。方安林先生自加入本集團起，一直負責監督再生金屬產品的生產。方安林先生為方安空先生及方愛萍女士的胞弟，以及丁國培先生的內弟。



Profile of Directors and Senior Management (continued)

董事及高級管理人員履歷 (續)

Mr. Cai Haifeng (蔡海峰), aged 41, is the Vice President of the Group and the General Manager of Chiho-Tiande (Ningbo) Metals Recycling Company Limited, a subsidiary of the Group. Mr. Cai graduated from Zhejiang Polytechnic University (浙江工業大學) with a Bachelor's degree in Fine Chemical Engineering in 1993. Prior to joining the Group, Mr. Cai worked for Zhejiang Dong Da Ji Tuan Company (浙江東大集團公司), a company whose business involves the import and export agency business, as an assistant manager in the business development department responsible for metal scrap import business. He joined the Group in May 2000.

Mr. Gan Jun (甘軍), aged 42, is the assistant to the Chief Executive Officer and Finance Manager of the Group. Mr. Gan joined our Group in September 2007 and he is also a Director of certain subsidiaries of the Group. He holds a diploma of Accountancy in Southwestern University of Finance and Economics (西南財經大學). Prior to joining the Group, Mr. Gan worked as the financial manager and the assistant to the general manager in Guangdong Gentle Technology Company Limited (廣東正道科技有限公司), an information technology application provider (信息技術應用服務商), for more than a year. Mr. Gan has extensive experience in the accounting and finance field, and he is also a certified public accountant and registered tax adviser in China.

Mr. Xu Jialiang (許加良), aged 48, is the manager of the procurement department of the Group and is primarily responsible for procuring raw material supply of the Group. Mr. Xu joined the Group in December 1999 and was responsible for the procurement of mixed metal scrap. Mr. Xu has over 11 years of experience in mixed metal scrap procurement.

Mr. Zhu Zhonghui (朱忠輝), aged 33, is the manager of the sales and marketing department of the Group and is primarily responsible for the sales management of the Group. Mr. Zhu joined the Group in December 1999 and was responsible for the selling of recycled metal products. Mr. Zhu is the son-in-law of the elder brother of Mr. Fang Ankong.

Mr. Xu Jun (徐駿), aged 34, is the Head of Investor Relations of the Group and he joined the Group in September 2010 as Vice Head of Investor Relations, and promoted to Head of Investor Relations in December 2010. Mr. Xu is graduated from Shanghai Jiaotong University (上海交通大學) with a Bachelor's degree in Dynamic & Energy Engineering in 2000. In 2003, he is graduated from New York Institute of Technology with a Master degree in Business Administration. Prior to joining the Group, Mr. Xu has worked for Alcatel Shanghai Bell Limited (上海貝爾阿爾卡特有限公司) as the Sales & Bid Director of overseas market; the Head of Investment Banking of Great China for Hongjing Bangxun Information (Shanghai) Limited (宏景邦詢資訊(上海)有限公司) and the Executive Director for Shanghai Jingshun Equity Investment Limited (上海景順股權投資有限公司).

蔡海峰先生，41歲，本集團副總裁及附屬公司齊合天地(寧波)再生金屬有限公司總經理。蔡先生於一九九三年畢業於浙江工業大學，獲得精細化工工程學士學位。加入本集團前，蔡先生曾就職於經營進出口代理業務的浙江東大集團公司，擔任業務發展部經理助理，負責廢金屬進口業務。彼於二零零零年五月加入本集團。

甘軍先生，42歲，本集團行政總裁助理及財務經理。甘先生於二零零七年九月加入本集團，亦為本集團若干附屬公司之董事。彼持有西南財經大學會計文憑，加入本集團前曾任職信息技術應用服務商廣東正道科技有限公司的財務經理及總經理助理逾一年，擁有豐富的會計及財務經驗，亦為中國的註冊會計師及註冊稅務顧問。

許加良先生，48歲，本集團採購部經理，主要負責本集團原料採購。許先生於一九九九年十二月加入本集團，負責採購混合廢金屬，擁有逾十一年混合廢金屬採購經驗。

朱忠輝先生，33歲，本集團銷售及市場推廣部經理，主要負責本集團銷售管理。朱先生於一九九九年十二月加入本集團，負責銷售再生金屬產品。朱先生為方安空先生兄長的女婿。

徐駿先生，34歲，本集團投資關係總監。彼於二零一零年九月加入本集團，擔任投資關係副總監，並於二零一零年十二月升任投資關係總監。徐先生於二零零零年畢業於上海交通大學，獲得動力與能源工程學士學位，於二零零三年畢業於紐約理工學院，獲得工商管理碩士學位。加入本集團前，徐先生曾就職於上海貝爾阿爾卡特有限公司，擔任海外市場銷售投標總監；宏景邦詢資訊(上海)有限公司，擔任中國區投資銀行業務主管以及擔任上海景順股權投資有限公司之執行董事。



Directors' Report

董事會報告

The Directors present the audited consolidated financial statements of the Group for the year ended 31 December 2011.

PRINCIPAL BUSINESSES

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 41 to the consolidated financial statements.

RESULTS

The results of the Company for the year ended 31 December 2011 are set out in the consolidated statement of comprehensive income of the Group on page 64.

FINAL DIVIDENDS

The Board of Directors proposed the payment of a final dividend for the year ended 31 December 2011 of HK3.7 cents per ordinary share, subject to approval by the shareholders at the forthcoming annual general meeting.

PROPERTY, PLANT AND EQUIPMENT

Details of the movement in property, plant and equipment during the year are set out in note 17 to the consolidated financial statements of the Group.

BORROWINGS

Details of the borrowings are set out in note 28 to the consolidated financial statements of the Group.

SHARE CAPITAL

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

董事提呈本集團截至二零一一年十二月三十一日止年度的經審核綜合財務報表。

主要業務

本公司為一間投資控股公司。其附屬公司的主要業務載於綜合財務報表附註41。

業績

本公司截至二零一一年十二月三十一日止年度業績載於第64頁的本集團綜合全面收益表。

末期股息

董事會建議派發截至二零一一年十二月三十一日止年度末期股息每股普通股3.7港仙，並須待股東於應屆股東週年大會上通過。

物業、廠房及設備

年內物業、廠房及設備的變動詳情載於本集團綜合財務報表附註17。

借貸

借貸詳情載於本集團綜合財務報表附註28。

股本

本公司股本變動詳情載於本集團綜合財務報表附註30。

Directors' Report (continued)

董事會報告(續)

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

During the financial year ended 31 December 2011, the Company repurchased 20,000,000 ordinary shares on The Stock Exchange of Hong Kong Limited at an aggregate consideration of HK\$83,945,621. The repurchases were effected by the Directors for the enhancement of shareholders' value. Details of the repurchases are as follows:

Month of the repurchases 購回月份		Total number of the ordinary shares repurchased 購回普通股總數	Highest price paid per share 所付每股最高價	Lowest price paid per share 所付每股最低價	Aggregate consideration 總代價
			HK\$ 港元	HK\$ 港元	HK\$ 港元
August 2011	二零一一年八月	2,780,000	4.50	4.08	11,640,375
September 2011	二零一一年九月	9,934,000	4.55	3.84	42,475,825
October 2011	二零一一年十月	7,286,000	4.30	3.69	29,829,421
		20,000,000			83,945,621

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association, or the law of Cayman Islands being the jurisdiction in which the Company is incorporated under which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholder.

RESERVES

Details of the movement in reserves of the Group during the year are set out in the consolidated statement of changes in equity.

As at 31 December 2011, the distribution reserve of the Company amounted to approximately HK\$1,102,011,000.

購買、出售或贖回本公司股份

截止二零一一年十二月三十一日止財政年度內，本公司在香港聯合交易所有限公司購回20,000,000股普通股，總代價為83,945,621港元。董事購回股份旨在提升股東價值。購回詳情如下：

除上文披露者外，年內本公司及其附屬公司均無購買、出售或贖回任何本公司上市證券。

優先購買權

本公司組織章程細則或開曼群島(即本公司註冊成立所在司法權區)法律並無有關優先購買權的任何條文，規限本公司須向現有股東按持股比例配售新股。

儲備

年內本集團儲備變動詳情載於綜合權益變動表。

於二零一一年十二月三十一日，本公司的可分派儲備約為1,102,011,000港元。



Directors' Report (continued)

董事會報告(續)

DONATIONS

The donations made by the Group during the year amounted to approximately HK\$120,530 (2010: approximately HK\$126,430).

MAJOR CUSTOMERS AND SUPPLIERS

In 2011, the Group's largest supplier accounted for 11.5% (2010: 9.4%) of the total purchases. The five largest suppliers comprised 40.8% (2010: 43.2%) of the total purchases.

In 2011, the Group's largest customer accounted for 5.5% (2010: 8.3%) of the total revenue. The five largest customers comprised 20.1% (2010: 18.5%) of the total revenue.

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

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business were entered into or subsisted during the year.

捐贈

本集團於年內捐贈約120,530港元(二零一零年：約126,430港元)。

主要客戶及供應商

於二零一一年，本集團的最大供應商佔總採購額11.5%(二零一零年：9.4%)。五大供應商佔總採購額40.8%(二零一零年：43.2%)。

於二零一一年，本集團的最大客戶佔總收益5.5%(二零一零年：8.3%)。五大客戶佔總收益20.1%(二零一零年：18.5%)。

年內任何時間，各董事、彼等的聯繫人或就董事所知擁有本公司超過5%股本的本公司股東概無於任何本集團最大供應商或客戶中擁有任何權益。

管理合約

除僱用合約外，年內概無訂立或存續有關本公司業務整體或任何重要部分的管理及行政合約。



Directors' Report (continued)

董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS DURING THE YEAR ENDED 31 DECEMBER 2011

Certain related party transactions as disclosed in note 35 to the consolidated financial statements which are also connected transactions or continuing connected transactions pursuant to Listing Rules:

- (a) As disclosed in the announcement of the Company dated 21 December 2011, Chiho-Tiande Investments Limited (“**Chiho-Tiande Investments**”), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company, entered into a share sale and purchase agreement (the “**SPA**”) with ISA Co., Limited (“**ISA**”) on 21 December 2011 pursuant to which ISA agreed to dispose of its 15% equity interests in Chiho-Tiande (HK) Metals Recycling Co. Limited (the “**Hong Kong JV**”) to Chiho-Tiande Investments at a consideration of HK\$4,779,009. On the same date, ISA also entered into a share sale and purchase agreement with Capitol Ocean Limited (“**Capitol Ocean**”) to dispose of its remaining 30% equity interests in the Hong Kong JV to Capitol Ocean at a consideration of HK\$9,558,018. Prior to the disposals, the Hong Kong JV was owned as to 55% by the Company through Chiho-Tiande Investments and as to 45% by ISA, and ISA was hence a connected person of the Company. The transactions contemplated under the SPA constitute connected transactions under the Listing Rules. Upon completion of the disposals, the Hong Kong JV became a 70%-owned subsidiary of the Company in which Capitol Ocean holds 30% equity interests.
- (b) As disclosed in the announcement of the Company dated 21 March 2012, during the period between 1 January 2011 and 31 December 2011, the Group purchased certain scrap metals from De Leeuw Metalen B.V., a company incorporated in the Netherlands and majority-owned by one of the sons of Mr. Herman Maurits de Leeuw (“**Mr. de Leeuw**”), in the ordinary and usual course of business of the Group for an aggregate amount of approximately HK\$13.3 million (the “**Purchases**”). Mr. de Leeuw is a controlling shareholder of the Company and pursuant to Rule 14A.11(4)(b)(ii) of the Listing Rules, De Leeuw Metalen B.V. is an associate of Mr. de Leeuw and hence a connected person of the Company. The Purchases therefore constitute continuing connected transactions for the Company.

截至二零一一年十二月三十一日止 年度內的關連交易及持續關連交易

若干關連方交易載於綜合財務報表附註35，根據上市規則，該等交易亦為關連交易或持續關連交易：

- (a) 如本公司於二零一一年十二月二十一日刊發的公告所披露，齊合天地投資有限公司(「**齊合投資**」)，(一間於香港註冊成立之有限公司及本公司之間接全資附屬公司)與ISA Co., Limited (「**ISA**」)於二零一一年十二月二十一日訂立股份買賣協議(「**股份買賣協議**」)，據此，ISA同意向齊合投資出售其於齊合天地(香港)再生金屬有限公司(「**香港合資企業**」)的15%股權，代價為4,779,009港元。同日，ISA亦與京洋有限公司(「**京洋**」)訂立股份買賣協議，向京洋出售其於香港合資企業餘下30%股權，代價為9,558,018港元。於出售前，香港合資企業乃由本公司透過齊合投資擁有55%權益，並由ISA擁有45%權益，因此，ISA為本公司的關連人士。股份買賣協議項下擬進行交易構成本公司於上市規則項下之一項關連交易。於出售完成後，香港合資企業將由本公司擁有70%權益以及由京洋擁有30%權益。
- (b) 如本公司於二零一二年三月二十一日刊發的公告所披露，於二零一一年一月一日至二零一一年十二月三十一日期間，本集團在一般及正常業務過程中從De Leeuw Metalen B.V.，一間於荷蘭註冊成立之公司，由Herman Maurits de Leeuw先生(「**de Leeuw先生**」)之其中一個兒子擁有大部分權益)採購若干廢金屬，總額約為13,300,000港元(「**採購**」)。de Leeuw先生為本公司的控權股東，根據上市規則第14A.11(4)(b)(ii)條，De Leeuw Metalen B.V.為de Leeuw先生之聯繫人，故成為本公司之關連人士。因此採購構成本公司之持續關連交易。



Directors' Report (continued)

董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS DURING THE YEAR ENDED 31 DECEMBER 2011 (continued)

In accordance with the requirements under Rule 14A.47(1) and (2) of the Listing Rules, the Company should have notified the Stock Exchange of, and published an announcement on, the continuing connected transactions when the applicable percentage ratios first exceeded 0.1% in February 2011. Owing to administrative oversight, the Company has not duly complied with these requirements at the time.

The Company has notified the Stock Exchange of the non-compliance with the notification and announcement requirements under Chapter 14A of the Listing Rules, and has included the details of these continuing connected transactions in this annual report of the Company in accordance with the reporting requirement under Rule 14A.45 of the Listing Rules.

The Independent Non-Executive Directors confirmed that the continuing connection transactions stated above had been entered into by the Group in the ordinary course of its business, on normal commercial terms, and in accordance with the terms of the agreement governing such transactions that were fair and reasonable and in the interests of the shareholders of the Company as a whole. The auditor of the Company was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his modified letter containing his findings and conclusions, which are extracted as below, in respect of the continuing connected transactions disclosed by the Group in pages 28 to 33 of this annual report in accordance with Main Board Listing Rule 14A.38. A copy of the auditor's letter has been provided by the Company to the Stock Exchange of Hong Kong Limited.

"The Company did not establish the maximum aggregate annual value in respect of the purchases of scrap metals from De Leeuw Metalen B.V. for the year ended 31 December 2011, and accordingly we have not performed the procedures described in the Main Board Listing Rules 14A.38(4) with respect to such purchases. Our conclusion is not qualified in respect of this matter."

截至二零一一年十二月三十一日止年度內的關連交易及持續關連交易(續)

根據上市規則第 14.47(1) 及 (2) 條的規定，本公司本應通知聯交所並於適用百分比率於二零一一年二月首次超過 0.1% 時刊發公佈。由於行政疏忽，本公司於當時並未遵守該等規定。

本公司已知會聯交所並為根據上市規則第 14A 章遵守通知及公告規定，並已根據上市規則第 14A.45 條的申報規定在本公司年報中包括該等持續關連交易之詳情。

獨立非執行董事確認上述持續關連交易乃本集團於日常及一般業務過程中訂立，並基於正常商業條款及根據協議條款該等交易乃屬公平合理並符合本公司股東之整體利益。本公司已委聘核數師已按照香港會計師公會頒佈之香港核證委聘準則第 3000 號「歷史財務資料審核或審閱以外之核證委聘」並參照實務說明第 740 號「香港上市規則規定的持續關連交易的核數師函件」，報告本集團的持續關連交易。核數師已刊發其包括其結果及結論的修改函件，內容有關本集團根據主板上市規則第 14A.38 條於本年度報告第 28 至 33 頁披露的持續關連交易（見下文摘錄）。本公司已向香港聯合交易所有限公司提供核數師函件副本。

「本公司並無就於截至二零一一年十二月三十一日止年度向 De Leeuw Metalen B.V. 購買廢金屬設立最高年度值，因此我們並無就該等購買執行主板上市規則第 14A.38(4) 條所述之程序。我們對該事項並無保留意見。」



Directors' Report (continued)

董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS SUBSEQUENT TO THE REPORTING PERIOD

Set out below are the connected transactions and the continuing connected transactions entered into by the Company after the year ended 31 December 2011 which are subject to the reporting requirements under Rule 14A.45 of the Listing Rules to be disclosed in the annual report of the Company for the year ended 31 December 2011:

- (a) On 16 January 2012, the Company entered into the master supply agreement (the "Sims Master Supply Agreement") with Sims Metal Management Asia Limited ("Sims Asia", together with its subsidiary, the "Sims Asia Group") to document their existing business relationships relating to the purchases by the Group of certain products from the relevant member(s) of the Sims Asia Group. The term of the Sims Master Supply Agreement will expire on 31 December 2012 and pursuant to the Sims Master Supply Agreement, the total value of the products to be supplied by the Sims Asia Group to the Group during the term shall not exceed US\$400 million (approximately HK\$3,120 million) and the transactions shall be on normal commercial terms, at arm's length consistent with prior practice between the parties.

Sims Asia is the intermediate holding company of Sims Metal Management Dragon Holdings Limited ("Sims"), which in turn acquired 16% of the issued share capital of the Company on 17 January 2012. Therefore, Sims Asia became a substantial shareholder and hence a connected person of the Company after 17 January 2012. The transactions contemplated under the Sims Master Supply Agreement became continuing connected transactions for the Company.

報告期後關連交易及持續關連交易

下文載列本公司截至二零一一年十二月三十一日止年度後訂立的關連交易及持續關連交易，根據上市規則第14A.45條申報規定，須於本公司截至二零一一年十二月三十一日止年度的年度報告中披露。

- (a) 於二零一二年一月十六日，本公司與 Sims Metal Management Asia Limited (「Sims Asia」，連同其附屬公司統稱為「Sims Asia 集團」) 訂立主供應協議(「Sims主供應協議」)，以就本集團向Sims Asia 集團相關成員公司購買若干產品之現有業務關係文件化。Sims主供應協議將於二零一二年十二月三十一日到期，根據Sims主供應協議，Sims Asia 集團於協議期內提供予本集團之產品總值不得超過400,000,000美元(約3,120,000,000港元)，且買賣擬定產品將按與訂約方之前過往慣例一致之正常商業條款公平進行。

Sims Asia為Sims Metal Management Dragon Holdings Limited (「Sims」) 的中間控股公司，而Sims於二零一二年一月十七日收購本公司已發行股本的16%。因此，二零一二年一月十七日後，Sims Asia成為本公司主要股東並因而為關連人士。Sims主供應協議項下擬進行交易成為本公司持續關連交易。



Directors' Report (continued)

董事會報告 (續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS SUBSEQUENT TO THE REPORTING PERIOD (continued)

- (b) In conjunction with the sale of an aggregate of 166,696,754 shares (“Shares”) of HK\$0.01 each in the share capital of the Company by HWH Holdings Limited (“HWH”) and Delco Participation B.V. (“Delco”) to Sims on 17 January 2012, the Company entered into the conditional subscription agreement (the “Subscription Agreement”) with HWH, Delco and Sims pursuant to which the Company agreed to issue to Delco, HWH and Sims three-year 4% coupon convertible bonds in the aggregate principal amount of HK\$815,800,000 which entitle the holder(s) thereof to subscribe for an aggregate of 135,966,667 Shares at the initial conversion price of HK\$6.00 per Shares, with detachable warrants in registered form to subscribe for an aggregate of 12,638,441 Shares in an aggregate principal amount of HK\$75,830,646 at the initial exercise price of HK\$6.00 per Share. HWH, Delco and Sims are each a substantial shareholder of the Company and hence a connected person of the Company and therefore the transactions contemplated under the Subscription Agreement constitute connected transactions for the Company. Completion of the Subscription Agreement took place on 1 March 2012.
- (c) On 16 February 2012, the Company entered into the master purchase agreement (the “First Master Purchase Agreement”) with Sims Asia pursuant to which the relevant member(s) of the Sims Asia Group may purchase from the relevant member(s) of the Group certain products which comprise, among others, copper scrap at prevailing market prices during the term between 1 February 2012 and 31 May 2012. The aggregate value of the transactions contemplated under the First Master Purchase Agreement shall not exceed US\$28 million (approximately HK\$218.4 million) during such period. Sims Asia is the intermediate holding company of Sims which in turn holds 16% of the issued share capital of the Company. Therefore, Sims Asia is a substantial shareholder and hence a connected person of the Company. The transactions contemplated under the First Master Purchase Agreement therefore constitute continuing connected transactions for the Company.

報告期後關連交易及持續關連交易 (續)

- (b) HWH Holdings Limited (「HWH」) 及 Delco Participation B.V. (「Delco」) 將本公司股本中合共166,696,754股每股0.01港元的股份 (「股份」) 售予 Sims。連同該次銷售，於二零一二年一月十七日，本公司與HWH、Delco及Sims簽訂有條件認購協議 (「認購協議」)，據此，本公司同意向Delco、HWH及Sims發行本金總額為815,800,000港元之三年4%票息之可換股債券，並賦予持有人權利，以按初步轉換價每股6.00港元認購合共135,966,667股份，並附帶記名形式之可分拆認股權證，以按初步行使價每股6.00港元認購本金總額為75,830,646港元之合共12,638,441股股份。HWH、Delco及Sims各為本公司的主要股東，因此為本公司的關連人士，而認購協議項下擬進行交易亦因而構成本公司關連交易。認購協議於二零一二年三月一日完成。
- (c) 於二零一二年二月十六日，本公司與Sims Asia訂立首份主採購協議 (「首份主採購協議」)，據此，Sims Asia集團相關成員公司可按現行市價向本集團相關成員公司購買若干產品 (其中包括廢銅)，期限自二零一二年二月一日起，至二零一二年五月三十一日止。首份主採購協議項下交易於該期限內總值不得超逾28,000,000美元 (約218,400,000港元)。Sims Asia為Sims的中間控股公司，而Sims持有本公司已發行股本的16%。因此，Sims Asia為本公司主要股東並因而為關連人士。首份主採購協議項下擬進行交易因而成為本公司持續關連交易。

Directors' Report (continued)

董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS SUBSEQUENT TO THE REPORTING PERIOD (continued)

(d) On 21 March 2012, the Company entered into the master supply agreement (the “De Leeuw Master Supply Agreement”) with De Leeuw Metalen B.V. to document the existing trading arrangements between the Group and De Leeuw Metalen B.V. and its subsidiaries (together the “De Leeuw Group”). Pursuant to the De Leeuw Master Supply Agreement, the relevant member(s) of the Group may from time to time purchase certain scrap metals from the relevant member(s) of the De Leeuw Group at prevailing market prices during the term between 1 January 2012 and 31 December 2014. The aggregate annual values of the transactions contemplated under the De Leeuw Master Supply Agreement for each of the financial years of the Company during the term are capped at the following amounts:-

Relevant financial years of the Company 本公司相關財政年度
--

Caps 上限

1 January 2012 – 31 December 2012 二零一二年一月一日至二零一二年十二月三十一日

US\$2 million (approximately HK\$15.6 million) 2,000,000 美元 (約 15,600,000 港元)

1 January 2013 – 31 December 2013 二零一三年一月一日至二零一三年十二月三十一日

US\$3 million (approximately HK\$23.4 million) 3,000,000 美元 (約 23,400,000 港元)

1 January 2014 – 31 December 2014 二零一四年一月一日至二零一四年十二月三十一日

US\$3 million (approximately HK\$23.4 million) 3,000,000 美元 (約 23,400,000 港元)

報告期後關連交易及持續關連交易(續)

(d) 於二零一二年三月二十一日，本公司與 De Leeuw Metalen B.V. 訂立主供應協議（「De Leeuw 主供應協議」），以書面確認本集團與 De Leeuw Metalen B.V. 及其附屬公司（統稱「De Leeuw 集團」）間的現有貿易安排。根據 De Leeuw 主供應協議，本集團相關成員公司可按現行市價不時向 De Leeuw 集團相關成員公司購買若干廢金屬，期限自二零一二年一月一日起，至二零一四年十二月三十一日止。De Leeuw 主供應協議項下進行之交易於期內各財政年度之年度交易總值上限如下：

Directors' Report (continued)

董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS SUBSEQUENT TO THE REPORTING PERIOD (continued)

(e) On 28 March 2012, the Company entered into the second master purchase agreement (the "Second Master Purchase Agreement") with Sims Asia to renew the arrangements under the First Master Purchase Agreement after the expiry of the term of the First Master Purchase Agreement. The term of the Second Master Purchase Agreement is for a period of three years between 1 June 2012 and 31 May 2015. The aggregate annual values of the transactions contemplated under the Second Master Purchase Agreement for each of the relevant periods during the term are capped at the following amounts:-

Relevant periods 相關期間	Caps 上限
1 June 2012 – 31 December 2012 二零一二年六月一日至二零一二年十二月三十一日	US\$37 million (approximately HK\$288.6 million) 37,000,000 美元 (約 288,600,000 港元)
1 January 2013 – 31 December 2013 二零一三年一月一日至二零一三年十二月三十一日	US\$74 million (approximately HK\$577.2 million) 74,000,000 美元 (約 577,200,000 港元)
1 January 2014 – 31 December 2014 二零一四年一月一日至二零一四年十二月三十一日	US\$81 million (approximately HK\$631.8 million) 81,000,000 美元 (約 631,800,000 港元)
1 January 2015 – 31 May 2015 二零一五年一月一日至二零一五年五月三十一日	US\$45 million (approximately HK\$351 million) 45,000,000 美元 (約 351,000,000 港元)

The Company confirmed that it has complied with all the disclosure requirements in accordance with Chapter 14A of the Listing Rules for the transactions stated above.

報告期後關連交易及持續關連交易(續)

(e) 於二零一二年三月二十八日，本公司與 Sims Asia 訂立次份主採購協議（「次份主採購協議」），以於首份主採購協議到期後重續首份主採購協議項下安排。次份主採購協議的期限為三年，自二零一二年六月一日起至二零一五年五月三十一日止。期限內，於每個相關期間，次份主採購協議項下交易年度總值有以下上限：

本公司確認，上述交易已遵守上市規則第 14A 章的所有披露規定。

Directors' Report (continued)

董事會報告(續)

DIRECTORS

The Directors who held office during the year and up to the date of the Report are:

Executive Directors

Mr. Fang Ankong (*Chairman and Chief Executive Officer*)

Mr. Stephanus Maria van Ooijen (*Vice President*)

Mr. Gu Liyong (*Vice President*)

Non-Executive Directors

Mr. Ralph Sytze Ybema (resigned on 17 January 2012)

Mr. Michael Charles Lion (appointed on 17 January 2012)

Independent Non-Executive Directors

Dr. Loke Yu

Ms. Zhang Jingdong

Mr. Li Xikui

In accordance with the Articles of Association of the Company, Mr. Gu Liyong, Mr. Michael Charles Lion and Ms. Zhang Jingdong shall retire from office, and being eligible offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

The Company has entered into service contract with Mr. Fang Ankong, Mr. Stephanus Maria van Ooijen, Mr. Gu Liyong, Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Li Xikui on 24 June 2010 for a period of three years. On 17 January 2012, the Company entered into an appointment letter with Mr. Michael Charles Lion for a term commencing from 17 January 2012 up to the date of the forthcoming annual general meeting of the Company to be held on 24 May 2012. On 27 March 2012, the Company entered into another appointment letter with Mr. Michael Charles Lion for a term of 3 years commencing from the conclusion of the forthcoming annual general meeting of the Company, subject to Mr. Michael Charles Lion being re-elected as the Non-Executive Director of the Company at the annual general meeting. None of the Directors of the Company proposed for re-election at the forthcoming annual general meeting has any service contract with the Company and or any of its subsidiaries which is not determinable within one year without payment of compensation other than statutory compensation.

董事

年內及截至本報告日期本公司董事包括：

執行董事

方安空先生(主席兼行政總裁)

Stephanus Maria van Ooijen 先生(副總裁)

顧李勇先生(副總裁)

非執行董事

Ralph Sytze Ybema 先生(於二零一二年一月十七日辭任)

Michael Charles Lion 先生(於二零一二年一月十七日獲委任)

獨立非執行董事

陸海林博士

章敬東女士

李錫奎先生

根據本公司組織章程細則，顧李勇先生、Michael Charles Lion 先生及章敬東女士均須告退，惟彼等均合資格並願意於應屆股東週年大會膺選連任。

董事服務合約

於二零一零年六月二十四日，本公司與方安空先生、Stephanus Maria van Ooijen 先生、顧李勇先生、陸海林博士、章敬東女士及李錫奎先生訂立服務合約，為期三年。本公司於二零一二年一月十七日與 Michael Charles Lion 先生訂立委任函，委任期自二零一二年一月十七日起至本公司將於二零一二年五月二十四日舉行之應屆股東週年大會。本公司與 Michael Charles Lion 先生於二零一二年三月二十七日訂立另一份委任函，為期三年，其委任期將自本公司於應屆股東週年大會結束起生效，而 Michael Charles Lion 先生須於股東週年大會上獲重選為本公司非執行董事。擬於應屆股東週年大會膺選連任的本公司董事概無與本公司及／或其任何附屬公司訂有本公司或其任何附屬公司不可於一年內不付補償(法定補償除外)而終止的任何服務合約。

Directors' Report (continued)

董事會報告(續)

DIRECTORS' INTERESTS IN CONTRACTS

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

DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the financial year ended 31 December 2011, none of the Directors of the Company has interests in businesses which compete or are likely to compete either directly or indirectly, with the businesses of the Group.

COMPLIANCE WITH NON-COMPETITION UNDERTAKINGS BY THE CONTROLLING SHAREHOLDERS

The Company has entered into the Deed of Non-Competition Undertaking dated 24 June 2010 with the controlling shareholders of the Company namely, Mr. Fang Ankong, Mr. Stephanus Maria van Ooijen, Mr. Herman Maurits de Leeuw, SVO Company B.V., HWH Holdings Limited, Stichting Beheer Aandelen H.P.L. Metals and H.P.L. Metals B.V. have jointly and severally undertakes, not to compete with the Group.

In March 2012, the Company has received an annual declaration from each of the controlling shareholders of the Company, in respect of their respective compliance with the non-competition undertakings during the financial year ended 31 December 2011. The Independent Non-Executive Directors have reviewed the said undertakings and are of the view that each of the controlling shareholders of the Company and the Directors has complied with their respective non-competition undertakings during the financial year ended 31 December 2011.

SHARE OPTION SCHEME

The Company has two share option schemes namely, the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme which were adopted on 23 June 2010.

(a) Pre-IPO Share Option Scheme

The Company has adopted a Pre-IPO Share Option Scheme (the "Pre-IPO Share Option Scheme") on 23 June 2010 under which the Company has conditionally granted options to certain Directors, senior management and employees of the Group to purchase shares of the Company with an exercise price equal to the offer price as defined in the Prospectus.

董事於合約中的權益

董事並無於與本公司業務有重大關連而本公司、其任何附屬公司、其同系附屬公司或其控股公司為訂約方且於年底或年內任何時間仍然生效的合約中直接或間接擁有重大權益。

董事於競爭業務中的權益

於截至二零一一年十二月三十一日止財政年度，概無本公司董事於與本集團業務直接或間接競爭或可能構成競爭的業務中擁有權益。

控股股東遵守不競爭承諾

本公司於二零一零年六月二十四日與本公司控股股東方安空先生、Stephanus Maria van Ooijen先生、Herman Maurits de Leeuw先生、SVO Company B.V.、HWH Holdings Limited、Stichting Beheer Aandelen H.P.L. Metals及H.P.L. Metals B.V.訂立不競爭承諾契據，彼等共同及個別承諾不與本集團競爭。

於二零一二年三月，本公司接獲本公司各控股股東有關彼等各自於截至二零一一年十二月三十一日止財政年度，遵守不競爭承諾的年度聲明。獨立非執行董事已審閱上述承諾，認為本公司各控股股東及董事於截至二零一一年十二月三十一日止財政年度期間一直遵守彼等各自的不競爭承諾。

購股權計劃

本公司於二零一零年六月二十三日採納兩項購股權計劃，分別為首次公開發售前購股權計劃及首次公開發售後購股權計劃。

(a) 首次公開發售前購股權計劃

本公司已於二零一零年六月二十三日採納首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)，該計劃為於招股章程註明之認購價有條件地授出可認購本公司股份的購股權予本集團的若干董事、高級管理人員及僱員。

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

(a) Pre-IPO Share Option Scheme (continued)

The total number of shares in respect of which share options granted under the Pre-IPO Share Option Scheme as at 31 December 2011 was 12,140,000 which represented approximately 1.17% of the issued share capital of the Company as at 31 December 2011.

As at 31 December 2011, details of the share option granted under the Pre-IPO Share Option Scheme are as follows:

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股 行使價 (港元)	Exercisable period (dd/mm/yyyy) (Note 2) 行使期 (日/月/年) (附註2)	Number of	Number of	Number of	Number of	Approximate	
				shares subject to outstanding options as at 1 January 2011 於二零一一年 一月一日 未行使 購股權對應 股份數目					options granted during the year 年內授出 購股權數目
(i) Directors 董事									
Mr. Fang Ankong 方安空先生	23/06/2010 二零一零年 六月二十三日	2.43	12/07/2011 – 12/07/2012 二零一一年七月十二日至 二零一二年七月十二日	1,050,000	0	0	0	1,050,000	0.10078%
			13/07/2012 – 12/07/2013 二零一二年七月十三日至 二零一三年七月十二日	1,050,000	0	0	0	1,050,000	0.10078%
			13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	1,400,000	0	0	0	1,400,000	0.13438%
				3,500,000	0	0	0	3,500,000	0.33594%
Mr. Stephanus									
Maria van Ooijen Stephanus Maria van Ooijen 先生	23/06/2010 二零一零年 六月二十三日	2.43	12/07/2011 – 12/07/2012 二零一一年七月十二日至 二零一二年七月十二日	300,000	0	0	0	300,000	0.02879%
			13/07/2012 – 12/07/2013 二零一二年七月十三日至 二零一三年七月十二日	300,000	0	0	0	300,000	0.02879%
			13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	400,000	0	0	0	400,000	0.03839%
				1,000,000	0	0	0	1,000,000	0.09597%

購股權計劃(續)

(a) 首次公開發售前購股權計劃(續)

於二零一一年十二月三十一日，與根據首次公開發售前購股權計劃已授出的購股權有關的股份總數為12,140,000股，約相當於本公司於二零一一年十二月三十一日已發行股本之1.17%。

於二零一一年十二月三十一日，根據首次公開發售前購股權計劃所授出的購股權詳情如下：

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

(a) Pre-IPO Share Option Scheme (continued)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股 行使價 (港元)	Exercisable period (dd/mm/yyyy) (Note 2) 行使期 (日/月/年) (附註2)	Number of	Number of	Number of	Number of	Approximate	
				shares subject to outstanding options as at 1 January 2011 於二零一一年 一月一日 未行使 購股權對應 股份數目					options granted during the year 年內授出 購股權數目
Mr. Gu Lijong 顧李勇先生	23/06/2010 二零一零年 六月二十三日	2.43	12/07/2011 - 12/07/2012 二零一一年七月十二日至 二零一二年七月十二日	127,500	0	0	0	127,500	0.01224%
			13/07/2012 - 12/07/2013 二零一二年七月十三日至 二零一三年七月十二日	127,500	0	0	0	127,500	0.01224%
			13/07/2013 - 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	170,000	0	0	0	170,000	0.01632%
				425,000	0	0	0	425,000	0.04080%
(ii) Employees 僱員	23/06/2010 二零一零年 六月二十三日	2.43	12/07/2011 - 12/07/2012 二零一一年七月十二日至 二零一二年七月十二日	2,164,500	0	1,585,000	0	579,500	0.05562%
			13/07/2012 - 12/07/2013 二零一二年七月十三日至 二零一三年七月十二日	2,164,500	0	0	24,000	2,140,500	0.20545%
			13/07/2013 - 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	2,886,000	0	0	32,000	2,854,000	0.27393%
				7,215,000	0	1,585,000	56,000	5,574,000	0.53500%
Total 合計				12,140,000	0	1,585,000	56,000	10,499,000	1.00771%

購股權計劃(續)

(a) 首次公開發售前購股權計劃 (續)



Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

(a) Pre-IPO Share Option Scheme (continued)

Notes:

- (1) It was the date when the Company offered to the grantees the options under the Pre-IPO Share Option Scheme.
- (2) Each of the grantees to whom options have been conditionally granted under the Pre-IPO Share Option Scheme will be entitled to exercise:
 - (i) up to 30% of the total number of options granted at any time during the period commencing from the date of the first anniversary of the Listing Date to the date of the second anniversary of the Listing Date (both days inclusive);
 - (ii) up to 30% of the total number of options granted at any time during the period commencing from the date immediately following the date of the second anniversary of the Listing Date to the date of the third anniversary of the Listing Date (both days inclusive); and
 - (iii) up to 40% of the total number of options granted, at any time during the period commencing from the date immediately following the date of the third anniversary of the Listing Date to the date of the fourth anniversary of the Listing Date (both days inclusive).

購股權計劃(續)

(a) 首次公開發售前購股權計劃(續)

附註：

- (1) 此為本公司根據首次公開發售前購股權計劃向承授人授出購股權的日期。
- (2) 根據首次公開發售前購股權計劃獲得有條件授予購股權的各承授人，可以：
 - (i) 自上市日期獲授有關購股權後一週年之日起至第二週年當日止(包括首尾兩天在內)，隨時行使所獲購股權認購相關股份總數不超過30%；
 - (ii) 自上市日期獲授有關購股權後第二週年之日翌日起至第三週年當日止(包括首尾兩天在內)，隨時行使所獲購股權認購相關股份總數不超過30%；及
 - (iii) 自上市日期獲授有關購股權後第三週年之日翌日起至第四週年當日止(包括首尾兩天在內)，隨時行使所獲購股權認購相關股份總數不超過40%。



Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

(b) Post-IPO Share Option Scheme

The Company adopted the Post-IPO Share Option Scheme (the "Post-IPO Share Option Scheme") on 23 June 2010, which was approved by the shareholders' written resolutions, is valid and effective for a period of 10 years. It is a share incentive scheme and is established to recognize and acknowledge the contribution that the eligible participants have or may have made to the Group. Pursuant to the Post-IPO Share Option Scheme, the Board may, at its discretion, offer to grant an option to any Director, employee, advisor, consultant, distributor, contractor, supplier, customer, agent, business partner, joint venture business partner, promoter, service provider of any member of the Group.

The total number of shares in respect of which share options may be granted under the Post-IPO Share Option Scheme is not permitted to exceed 100,000,000 shares, representing 9.60% of the total number of shares of the Company as at 31 December 2011.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Post-IPO Share Option Scheme to eligible participants in any 12 months period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the approval of shareholders in a general meeting.

The subscription price of a Share in respect of any particular option granted under the Post-IPO Share Option Scheme shall not be less than the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant; or (iii) the nominal value of a Share.

購股權計劃(續)

(b) 首次公開發售後購股權計劃

本公司於二零一零年六月二十三日採納首次公開發售後購股權計劃(「首次公開發售後購股權計劃」)，該計劃經股東書面決議案批准，有效期為10年。該購股權計劃是一項股份獎勵計劃，旨在肯定及認可合資格參與人士曾經或可能對本集團作出的貢獻。根據首次公開發售後購股權計劃，董事會可酌情向本集團任何成員公司的任何董事、僱員、顧問、專家顧問、批發商、承包商、供應商、客戶、代理、業務夥伴、合營企業合作夥伴、創辦人、服務供應商授出購股權。

與根據首次公開發售後購股權計劃可授出的購股權有關的股份總數不得超過100,000,000股，相當於本公司於二零一一年十二月三十一日的股份總數的9.60%。

截至授出日期止十二個月內因行使有關合資格參與人士根據首次公開發售後購股權計劃所獲授購股權而發行及可發行的股份總數不得超過授出日期已發行股份的1%。額外授出超過該1%上限的購股權須經股東於股東大會批准。

根據首次公開發售後購股權計劃所授出的任何個別購股權的相關股份認購價，不得少於下列三者之最高者：(i)在授出日期股份於聯交所每日報價表所報收市價；(ii)股份在緊接授出日期前五個交易日於聯交所每日報價表所報收市價的平均價；或(iii)股份面值。

Directors' Report (continued)

董事會報告 (續)

SHARE OPTION SCHEME (continued)

(b) Post-IPO Share Option Scheme (continued)

As at 31 December 2011, details of the share option granted under the Post-IPO Share Option Scheme are as follows:

購股權計劃 (續)

(b) 首次公開發售後購股權計劃 (續)

於二零一一年十二月三十一日，根據首次公開發售後購股權計劃所授出的購股權詳情如下：

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) (Note 2) 每股 行使價 (港元) (附註2)	Exercisable period (dd/mm/yyyy) (Note 3) 行使期 (日/月/年) (附註3)	Number of	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of	Approximate percentage of total number of shareholdings 佔全部股權的 概約百分比
				shares subject to outstanding options as at 1 January 2011 於二零一一年 一月一日 未行使 購股權對應 股份數目				shares subject to outstanding options as at 31 December 2011 於二零一一年 十二月三十一日 未行使 購股權對應 股份數目	
(i) Directors 董事									
Mr. Fang Ankong (Note 4) 方安空先生(附註4)	03/05/2011 二零一一年 五月三日	6.388	03/05/2012 – 03/05/2013 二零一二年五月三日至 二零一三年五月三日	0	4,950,000	0	0	4,950,000	0.47511%
			04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	0	4,950,000	0	0	4,950,000	0.47511%
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日	0	6,600,000	0	0	6,600,000	0.63349%
				0	16,500,000	0	0	16,500,000	1.58371%
Mr. Stephanus Maria van Ooijen (Note 4) Stephanus Maria van Ooijen 先生(附註4)	03/05/2011 二零一一年 五月三日	6.388	03/05/2012 – 03/05/2013 二零一二年五月三日至 二零一三年五月三日	0	300,000	0	0	300,000	0.02879%
			04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	0	300,000	0	0	300,000	0.02879%
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日	0	400,000	0	0	400,000	0.03839%
				0	1,000,000	0	0	1,000,000	0.09597%

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

(b) Post-IPO Share Option Scheme (continued)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) (Note 2) 每股 行使價 (港元) (附註2)	Exercisable period (dd/mm/yyyy) (Note 3) 行使期 (日/月/年) (附註3)	Number of shares subject to outstanding options as at 1 January 2011 於二零一一年 一月一日 未行使 購股權對應 股份數目	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of shares subject to outstanding options as at	Approximate percentage of total number of shareholdings 佔全部股權的 概約百分比
								31 December 2011 於二零一一年 十二月三十一日 未行使 購股權對應 股份數目	
Mr. Gu Lijong 顧李勇先生	03/05/2011 二零一一年 五月三日	6.388	03/05/2012 – 03/05/2013 二零一二年五月三日至 二零一三年五月三日	0	262,500	0	0	262,500	0.02520%
			04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	0	262,500	0	0	262,500	0.02520%
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日	0	350,000	0	0	350,000	0.03359%
				0	875,000	0	0	875,000	0.08399%
Mr. Ralph Sytze Ybema (resigned on 17 January 2012) Ralph Sytze Ybema 先生 (於二零一二年 一月十七日辭任)	03/05/2011 二零一一年 五月三日	6.388	03/05/2012 – 03/05/2013 二零一二年五月三日至 二零一三年五月三日	0	45,000	0	0	45,000	0.00432%
			04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	0	45,000	0	0	45,000	0.00432%
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日	0	60,000	0	0	60,000	0.00576%
				0	150,000	0	0	150,000	0.01440%

購股權計劃(續)

(b) 首次公開發售後購股權計劃 (續)

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

(b) Post-IPO Share Option Scheme (continued)

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) (Note 2) 每股 行使價 (港元) (附註2)	Exercisable period (dd/mm/yyyy) (Note 3) 行使期 (日/月/年) (附註3)	Number of	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of	Approximate percentage of total number of shareholdings 佔全部股權的 概約百分比
				shares subject to outstanding options as at 1 January 2011 於二零一一年 一月一日 未行使 購股權對應 股份數目				shares subject to outstanding options as at 31 December 2011 於二零一一年 十二月三十一日 未行使 購股權對應 股份數目	
Dr. Loke Yu 陸海林博士	03/05/2011 二零一一年 五月三日	6.388	03/05/2012 – 03/05/2013 二零一二年五月三日至 二零一三年五月三日	0	45,000	0	0	45,000	0.00432%
			04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	0	45,000	0	0	45,000	0.00432%
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日	0	60,000	0	0	60,000	0.00576%
				0	150,000	0	0	150,000	0.01440%
Ms. Zhang Jingdong 章敬東女士	03/05/2011 二零一一年 五月三日	6.388	03/05/2012 – 03/05/2013 二零一二年五月三日至 二零一三年五月三日	0	45,000	0	0	45,000	0.00432%
			04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	0	45,000	0	0	45,000	0.00432%
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日	0	60,000	0	0	60,000	0.00576%
				0	150,000	0	0	150,000	0.01440%

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

(b) Post-IPO Share Option Scheme (continued)

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) (Note 2) 每股 行使價 (港元) (附註2)	Exercisable period (dd/mm/yyyy) (Note 3) 行使期 (日/月/年) (附註3)	Number of	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of	Approximate percentage of total number of shareholdings 佔全部股權的 概約百分比
				shares subject to outstanding options as at 1 January 2011 於二零一一年 一月一日 未行使 購股權對應 股份數目				shares subject to outstanding options as at 31 December 2011 於二零一一年 十二月三十一日 未行使 購股權對應 股份數目	
Mr. Li Xikui 李錫奎先生	03/05/2011 二零一一年 五月三日	6.388	03/05/2012 – 03/05/2013 二零一二年五月三日至 二零一三年五月三日	0	45,000	0	0	45,000	0.00432%
			04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	0	45,000	0	0	45,000	0.00432%
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日	0	60,000	0	0	60,000	0.00576%
				0	150,000	0	0	150,000	0.01440%
Total 合計				0	18,975,000	0	0	18,975,000	1.82127%

Directors' Report (continued)

董事會報告 (續)

SHARE OPTION SCHEME (continued)

(b) Post-IPO Share Option Scheme (continued)

購股權計劃 (續)

(b) 首次公開發售後購股權計劃 (續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股 行使價 (港元)	Exercisable period (dd/mm/yyyy) (Note 3) 行使期 (日/月/年) (附註3)	Number of	Number of	Number of	Number of	Number of	Approximate
				shares subject to outstanding options as at 1 January 2011 於二零一一年 一月一日 未行使 購股權對應 股份數目				options granted during the year 年內授出 購股權數目	
(ii) Employees 僱員	22/09/2010 二零一零年 九月二十二日	3.38	22/09/2011 – 22/09/2012 二零一一年九月二十二日至 二零一二年九月二十二日	1,131,000	0	60,500	15,000	1,055,500	0.10131%
			23/09/2012 – 22/09/2013 二零一二年九月二十三日至 二零一三年九月二十二日	1,131,000	0	0	15,000	1,116,000	0.10712%
			23/09/2013 – 22/09/2014 二零一三年九月二十三日至 二零一四年九月二十二日	1,508,000	0	0	20,000	1,488,000	0.14282%
				3,770,000	0	60,500	50,000	3,659,500	0.35125%
	03/05/2011 二零一一年 五月三日	6.388 (Note 2) (附註2)	03/05/2012 – 03/05/2013 二零一二年五月三日至 二零一三年五月三日	0	3,756,000	0	183,000	3,573,000	0.34295%
			04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	0	3,756,000	0	183,000	3,573,000	0.34295%
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日	0	5,008,000	0	244,000	4,764,000	0.45726%
				0	12,520,000	0	610,000	11,910,000	1.14316%
Total 合計				3,770,000	12,520,000	60,500	660,000	15,569,500	1.49441%

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

(b) Post-IPO Share Option Scheme (continued)

Notes:

- (1) It was the date when the Company offered to the grantees the options under the Post-IPO Share Option Scheme.
- (2) The closing price of the shares immediately before the date on which the options were granted during the year was HK\$5.97.
- (3) Each of the grantees to whom options have been conditionally granted under the Post-IPO Share Option Scheme will be entitled to exercise:
 - (i) up to 30% of the total number of options granted at any time during the period commencing from the first anniversary of the Date of Grant to the date of the second anniversary of the Date of Grant (both days inclusive);
 - (ii) up to 30% of the total number of options granted at any time during the period commencing from the date immediately following the second anniversary of the Date of Grant to the date of the third anniversary of the Date of Grant (both days inclusive); and
 - (iii) up to 40% of the total number of options granted, at any time during the period commencing from the date immediately following the third anniversary of the Date of Grant to the date of the fourth anniversary of the Date of Grant (both days inclusive).
- (4) The 16,500,000 share options and 1,000,000 share options were granted to each of Mr. Fang and Mr. van Ooijen on 3 May 2011 subject to the vesting condition that the net profit of the Group for the financial year of the Company ended 31 December 2011 is equal to or exceeds 130% of the net profit of the Group for the financial year ended 31 December 2010. As the aforesaid condition has not been met and therefore the share options granted to Mr. Fang and Mr. van Ooijen in 2011 have not been duly vested and are not exercisable. Notwithstanding this, these share options should be taken into account for the purpose of determining whether the limits under Rule 17.04(1) of the Listing Rules are exceeded.

Saved as disclosed as above, no options were granted, cancelled or lapsed as at 31 December 2011. The consideration paid by each grantee for each grant of option is HK\$1.00.

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

附註：

- (1) 此為本公司根據首次公開發售後購股權計劃向承授人授出購股權的日期。
- (2) 年內股份於緊接購股權獲授日期前的收市價為5.97港元。
- (3) 根據首次公開發售後購股權計劃獲得有條件授予購股權的各承授人，可以：
 - (i) 自上市日期獲授有關購股權後一週年之日起至第二週年當日止(包括首尾兩天在內)，隨時行使所獲購股權認購相關股份總數不超過30%；
 - (ii) 自上市日期獲授有關購股權後第二週年之日翌日起至第三週年當日止(包括首尾兩天在內)，隨時行使所獲購股權認購相關股份總數不超過30%；及
 - (iii) 自上市日期獲授有關購股權後第三週年之日翌日起至第四週年當日止(包括首尾兩天在內)，隨時行使所獲購股權認購相關股份總數不超過40%。
- (4) 於二零一一年五月三日向方先生及van Ooijen先生分別授予16,500,000股購股權及1,000,000股購股權，受限於本公司截至二零一一年十二月三十一日止本公司財政年度本集團純利相等於或超過本集團截至二零一零年十二月三十一日止財政年度純利的130%的歸屬條件。由於上述條件並未達成，因此，授予方先生及van Ooijen先生的購股權並未正式歸屬及不可行使。儘管如此，釐定有否超逾上市規則第17.04(1)條時，仍應計及該等購股權。

除上文所披露者外，於二零一一年十二月三十一日並無購股權授出、註銷或失效。各承授人每次接納購股權時所付代價為1.00港元。

Directors' Report (continued)

董事會報告(續)

DISCLOSURE OF INTERESTS

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation

As at 31 December 2011, the Directors and chief executives of the Company and their associates had the following interests in the shares and underlying shares of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, or were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO:

權益披露

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於二零一一年十二月三十一日，本公司董事及主要行政人員及彼等的聯繫人於本公司及其相聯法團(定義見《證券及期貨條例》(「證券及期貨條例」)第XV部份)的股份及相關股份須根據證券及期貨條例第XV部份第7及8條(包括根據證券及期貨條例有關條文當作或視為權益及淡倉)或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)；或須根據證券及期貨條例第352條寄存於本公司股東名冊的權益：

Name of Director 董事姓名	Capacity/Nature of Interest 身份/權益性質	Number of issued shares 已發行股份數目	Number of underlying shares (in respect of share options) 相關股份 (有關購股權) 數目	Approximate percentage of total number of shareholdings 佔全部股權的 概約百分比
Mr. Fang Ankong 方安空先生	Interest in controlled corporation 於受控制法團之權益	425,016,000 (Note 1) (附註1)	-	40.79%
	Beneficial owner 實益擁有人	8,626,000	20,000,000 (Note 2) (附註2)	2.75%
Mr. Stephanus Maria van Ooijen Stephanus Maria van Ooijen 先生	Interest in controlled corporation 於受控制法團之權益	405,000,000 (Note 3) (附註3)	-	38.87%
	Beneficial owner 實益擁有人	-	2,000,000 (Note 4) (附註4)	0.19%

Directors' Report (continued)

董事會報告(續)

DISCLOSURE OF INTERESTS (continued)

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation (continued)

權益披露(續)

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉(續)

Name of Director 董事姓名	Capacity/Nature of Interest 身份/權益性質	Number of issued shares 已發行股份數目	Number of underlying shares (in respect of share options) 相關股份 (有關購股權) 數目	Approximate percentage of total number of shareholdings 佔全部股權的 概約百分比
Mr. Gu Liyong 顧李勇先生	Beneficial owner 實益擁有人	-	1,300,000 (Note 5) (附註5)	0.12%
Mr. Ralph Sytze Ybema (resigned on 17 January 2012) Ralph Sytze Ybema 先生 (於二零一二年一月 十七日辭任)	Beneficial owner 實益擁有人	-	150,000 (Note 6) (附註6)	0.01%
Dr. Loke Yu 陸海林博士	Beneficial owner 實益擁有人	-	150,000 (Note 7) (附註7)	0.01%
Ms. Zhang Jingdong 章敬東女士	Beneficial owner 實益擁有人	-	150,000 (Note 8) (附註8)	0.01%
Mr. Li Xikui 李錫奎先生	Beneficial owner 實益擁有人	-	150,000 (Note 9) (附註9)	0.01%

Directors' Report (continued)

董事會報告 (續)

DISCLOSURE OF INTERESTS (continued)

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation (continued)

Notes:

1. 365,016,000 shares are directly held by HWH Holdings Limited ("HWH") which is wholly owned by Mr. Fang Ankong ("Mr. Fang"). Green Elite Limited ("Green Elite") holds 60,000,000 shares in the Company and is equally owned by HWH and Delco Participation B.V. ("Delco"). Therefore, Mr. Fang is deemed to have interest of 425,016,000 shares in the Company.
2. Mr. Fang was granted options under the Pre-IPO Share Option Scheme to subscribe for 3,500,000 shares of the Company and options under the Post-IPO Share Option Scheme to subscribe for 16,500,000 shares of the Company. However, as of the Latest Practicable Date, the vesting condition attached to the options granted under the Post-IPO Share Option Scheme has not been met and the options have not been duly vested and are not exercisable.
3. 345,000,000 shares are directly held by Delco. Green Elite holds 60,000,000 shares in the Company and is equally owned by HWH and Delco. Delco is equally owned by SVO Company B.V. ("SVO") (which is wholly owned by Mr. Stephanus Maria van Ooijen ("Mr. van Ooijen")) and H.P.L. Metals B.V. ("HPL") (which is wholly owned by Stichting Beheer Aandelen H.P.L. Metals, a foundation for the sole benefit of Mr. Herman Maurits de Leeuw). Therefore, Mr. van Ooijen is deemed to have interest of 405,000,000 shares in the Company.
4. Mr. van Ooijen was granted options under the Pre-IPO Share Option Scheme to subscribe for 1,000,000 shares of the Company and options under the Post-IPO Share Option Scheme to subscribe for 1,000,000 shares of the Company. However, as of the Latest Practicable Date, the vesting condition attached to the options granted under the Post-IPO Share Option Scheme has not been met and the options have not been duly vested and are not exercisable.
5. Mr. Gu Liyong was granted option under the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme to subscribe for 1,300,000 shares of the Company.

權益披露 (續)

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉 (續)

附註：

1. 365,016,000 股股份由方安空先生 (「方先生」) 全資擁有之 HWH Holdings Limited (「HWH」) 直接持有。Green Elite Limited (「Green Elite」) 持有本公司 60,000,000 股股份，而 Green Elite 由 HWH 及 Delco Participation B.V. (「Delco」) 平均擁有。因此方先生被視為擁有本公司 425,016,000 股股份之權益。
2. 方先生根據首次公開發售前購股權計劃獲授予購股權認購本公司 3,500,000 股股份，以及根據首次公開發售後購股權計劃獲授予購股權認購本公司 16,500,000 股股份。然而，於最後可行日期，根據首次公開發售後購股權計劃授予購股權的歸屬條件並未達成，購股權並未正式歸屬及不可行使。
3. 345,000,000 股股份由 Delco 直接持有。Green Elite 持有本公司 60,000,000 股股份，而 Green Elite 由 HWH 及 Delco 平均擁有。Delco 由 Stephanus Maria van Ooijen 先生 (「van Ooijen 先生」) 全資擁有之 SVO Company B.V. (「SVO」) 及 Stichting Beheer Aandelen H.P.L. Metals 全資擁有之 H.P.L. Metals B.V. (「HPL」) (由 Herman Maurits de Leeuw 先生獨資擁有的基金) 平均擁有。因此 van Ooijen 先生被視為擁有本公司 405,000,000 股股份之權益。
4. van Ooijen 先生根據首次公開發售前購股權計劃獲授予購股權認購本公司 1,000,000 股股份，以及根據首次公開發售後購股權計劃獲授予購股權認購本公司 1,000,000 股股份。然而，於最後可行日期，根據首次公開發售後購股權計劃授予購股權的歸屬條件並未達成，購股權並未正式歸屬及不可行使。
5. 顧李勇先生根據首次公開發售前購股權計劃及首次公開發售後購股權計劃獲授予購股權認購本公司 1,300,000 股股份。

Directors' Report (continued)

董事會報告(續)

DISCLOSURE OF INTERESTS (continued)

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation (continued)

Notes: (continued)

6. Mr. Ralph Sytze Ybema was granted option under the Post-IPO Share Option Scheme to subscribe for 150,000 shares of the Company.
7. Dr. Loke Yu was granted option under the Post-IPO Share Option Scheme to subscribe for 150,000 shares of the Company.
8. Ms. Zhang Jingdong was granted option under the Post-IPO Share Option Scheme to subscribe for 150,000 shares of the Company.
9. Mr. Li Xikui was granted option under the Post-IPO Share Option Scheme to subscribe for 150,000 shares of the Company.

Saved as disclosed above, as at 31 December 2011, none of the Directors and chief executives of the Company or any of their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation.

Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation

As at 31 December 2011, other than the Directors and chief executives of the Company had interests in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, the following persons had interests or short positions in the shares or underlying shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO or otherwise notified to the Company and the Stock Exchange:

權益披露(續)

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉(續)

附註：(續)

6. Ralph Sytze Ybema 先生根據首次公開發售後購股權計劃獲授予購股權認購本公司 150,000 股股份。
7. 陸海林博士根據首次公開發售後購股權計劃獲授予購股權認購本公司 150,000 股股份。
8. 章敬東女士根據首次公開發售後購股權計劃獲授予購股權認購本公司 150,000 股股份。
9. 李錫奎先生根據首次公開發售後購股權計劃獲授予購股權認購本公司 150,000 股股份。

除上文所披露外，於二零一一年十二月三十一日，本公司董事及主要行政人員或彼等的聯繫人概無在本公司或任何相聯法團的股份、相關股份或債券中擁有權益或淡倉。

主要股東於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於二零一一年十二月三十一日，除根據證券及期貨條例第 336 條須存置的登記冊中所記錄的本公司董事及主要行政人員的股份及相關股份外，以下人士於本公司股份或相關股份中擁有根據證券及期貨條例第 XV 部第 2 及 3 部分或於證券及期貨條例第 336 條所存置的登記冊中記錄，或已知會本公司及聯交所之權益或淡倉：

Directors' Report (continued)

董事會報告(續)

DISCLOSURE OF INTERESTS (continued)

Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation (continued)

權益披露(續)

主要股東於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉(續)

Name 名稱	Capacity/Nature of Interest 身份/權益性質	Number of shares of the Company held 所持本公司 股份數目	Approximate percentage of shareholdings 概約持股 百分比
HWH Holdings Limited (Note 1) (附註1)	Beneficial owner, interest in controlled corporation 實益擁有人，於受控制法團之權益	425,016,000 (L)	40.79%
Delco Participation B.V. (Note 2) (附註2)	Beneficial owner, interest in controlled corporation 實益擁有人，於受控制法團之權益	405,000,000 (L)	38.87%
Herman Maurits de Leeuw (Note 2) (附註2)	Interest in controlled corporation 於受控制法團之權益	405,000,000 (L)	38.87%
H.P.L. Metals B.V. (Note 2) (附註2)	Interest in controlled corporation 於受控制法團之權益	405,000,000 (L)	38.87%
Stichting Beheer Aandelen H.P.L. Metals (Note 2) (附註2)	Interest in controlled corporation 於受控制法團之權益	405,000,000 (L)	38.87%
SVO Company B.V. (Note 2) (附註2)	Interest in controlled corporation 於受控制法團之權益	405,000,000 (L)	38.87%
Green Elite Limited (Note 3) (附註3)	Beneficial owner 實益擁有人	60,000,000 (L)	5.76%

The Letter "L" denotes a long position.

[L] 字母代表長倉。

Directors' Report (continued)

董事會報告(續)

DISCLOSURE OF INTERESTS (continued)

Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation (continued)

Notes:

1. 365,016,000 shares are directly held by HWH Holdings Limited ("HWH") which is wholly owned by Mr. Fang Ankong ("Mr. Fang"). Green Elite Limited ("Green Elite") holds 60,000,000 shares in the Company and is equally owned by HWH and Delco Participation B.V. ("Delco").
2. 345,000,000 shares are directly held by Delco. Green Elite holds 60,000,000 shares in the Company and is equally owned by HWH and Delco. Delco is equally owned by SVO Company B.V. ("SVO") (which is wholly owned by Mr. Stephanus Maria van Ooijen ("Mr. van Ooijen")) and H.P.L. Metals B.V. ("HPL") (which is wholly owned by Stichting Beheer Aandelen H.P.L. Metals, a foundation for the sole benefit of Mr. Herman Maurits de Leeuw). Therefore, Delco, Mr. Herman Maurits de Leeuw, HPL, Stichting Beheer Aandelen H.P.L. Metals and SVO are deemed to have interest of 405,000,000 shares in the Company.
3. 60,000,000 shares are directly held by Green Elite and Green Elite is equally owned by HWH and Delco.

Save as disclosed above, the Directors and chief executives of the Company are not aware that there is any party other than the substantial shareholders who, as at 31 December 2011, had an interest or short position in the shares or underlying shares of the Company, which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

權益披露(續)

主要股東於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉(續)

附註：

1. 365,016,000股股份由方安空先生(「方先生」)全資擁有之HWH Holdings Limited(「HWH」)直接持有。Green Elite Limited(「Green Elite」)持有本公司60,000,000股股份，而Green Elite由HWH及Delco Participation B.V.(「Delco」)平均擁有。
2. 345,000,000股股份由Delco直接持有。Green Elite持有本公司60,000,000股股份，而Green Elite由HWH及Delco平均擁有。Delco由Stephanus Maria van Ooijen先生(「van Ooijen先生」)全資擁有之SVO Company B.V.(「SVO」)及Stichting Beheer Aandelen H.P.L. Metals全資擁有之H.P.L. Metals B.V.(「HPL」)(由Herman Maurits de Leeuw先生獨資擁有的基金)平均擁有。因此，Delco、Herman Maurits de Leeuw先生、HPL、Stichting Beheer Aandelen H.P.L. Metals及SVO被視為擁有本公司405,000,000股股份之權益。
3. Green Elite由HWH及Delco平均擁有，而Green Elite直接持有60,000,000股股份。

除上文所披露外，於二零一一年十二月三十一日，本公司董事及主要行政人員並不知悉任何人士(主要股東除外)於本公司股份及相關股份中擁有證券及期貨條例第336條所存置的登記冊中記錄之權益或淡倉。



Directors' Report (continued)

董事會報告(續)

MATERIAL CONTRACTS

There were no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company or the controlling shareholder 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.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the senior management of the Group based on their performance, experience, and prevailing industry practices so as to retain competent employees.

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

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme are set out in note 34 to the consolidated financial statements.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report contained in this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and with the knowledge of the Directors, the Company has maintained sufficient public float throughout the financial year ended 31 December 2011.

EVENT AFTER THE REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in note 38 to the consolidated financial statements.

AUDITORS

Morison Heng resigned as one of the joint auditors of the Group on 27 September 2010 and Deloitte Touche Tohmatsu remains as the sole auditor of the Group.

重大合約

於本年度結束時或年內任何時間，並無任何存續的重大合約，其立約一方為本公司或其任何附屬公司，且本公司董事或控股股東於當中直接或間接擁有重大權益。

薪酬政策

本集團的高級管理層根據本集團僱員的表現、經驗及現有行業慣例設立薪酬政策以挽留有能力僱員。

薪酬委員會經考慮本公司的經營業績、個人表現及可資比較市場數據釐定董事的薪酬。

本公司已採納購股權計劃作為激勵董事及合資格僱員，計劃詳情載於綜合財務報表附註 34。

企業管治

本公司採用的主要企業管治常規載於本年報企業管治報告。

足夠公眾持股量

基於本公司所獲公開資料及就董事所知，截至二零一一年十二月三十一日止財政年度全年，本公司一直維持足夠公眾持股量。

報告期後事項

於報告期後發生的重大事件，其詳情載於綜合財務報表附註 38。

核數師

華利信會計師事務所於二零一零年九月二十七日辭任本集團的聯席核數師之一，而德勤•關黃陳方會計師行繼續擔任本集團唯一核數師。



Directors' Report (continued)

董事會報告(續)

The consolidated financial statements for the year ended 31 December 2011 have been audited by Deloitte Touche Tohmatsu. A resolution for the re-appointment of Deloitte Touche Tohmatsu as the Company's auditor is to be proposed at the forthcoming annual general meeting.

截至二零一一年十二月三十一日止年度的綜合財務報表由德勤•關黃陳方會計師行審核。本公司將於應屆股東週年大會提呈續聘德勤•關黃陳方會計師行為本公司核數師的決議案。

For and on behalf of the Board

Chiho-Tiande Group Limited
Fang Ankong
Chairman

Hong Kong, 27 March, 2012

代表董事會

齊合天地集團有限公司
主席
方安空

香港，二零一二年三月二十七日



Corporate Governance Report

企業管治報告

INTRODUCTION

The Company recognizes the importance of corporate transparency and accountability. The Company is committed in achieving a high standard of corporate governance and leading the Group to attain better results and improve our image with effective corporate governance procedures.

Throughout the year ended 31 December 2011, the Company has adopted, applied and complied with the code provisions as set out in the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) except on the deviations set out in the paragraph headed “Chairman and Chief Executive Officer” below.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the chairman and chief executive officer of the Company have not been segregated as required by the provision A.2.1 of the Code.

Mr. Fang Ankong is the Chairman and Chief Executive Officer of the Company. With extensive experience in the mixed metal scrap recycling business, Mr. Fang is responsible for the Group’s overall strategic planning and the management of our business. The Board of Directors (the “Directors”) of the Company (the “Board”) considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the business prospects and management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprise experienced and high caliber individuals. The Board currently comprises three Executive Directors (including Mr. Fang), one Non-Executive Director and three Independent Non-Executive Directors and therefore has a fairly strong independence element in its composition.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as the guidelines for the Directors’ dealings in the securities of the Company. Upon specific enquiries of all the Directors, each of them confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2011 (the “Relevant Period”) in relation to their securities dealings, if any.

The Model Code has extended to be applicable to senior management and relevant employees who likely possesses the non-public price-sensitive information of the Company.

緒言

本公司深知公司透明度及問責制度相當重要，致力達致高水平的企業管治，並通過有效的企業管治程序引領本集團創造佳績及提升公司形象。

截至二零一一年十二月三十一日止年度全年，本公司自上市以來一直採用、應用及遵守聯交所證券上市規則（「上市規則」）附錄十四的企業管治常規守則（「守則」）所載守則條文，惟下文「主席及行政總裁」一段所載偏離者除外。

主席及行政總裁

本公司主席及行政總裁的職責並無根據守則條文A.2.1所要求予以區分。

方安空先生同時擔任本公司主席兼行政總裁。憑藉於混合廢金屬回收行業的豐富經驗，方先生負責本集團整體策略性規劃及業務管理。本公司董事（「董事」）會（「董事會」）認為由同一人出任主席兼本公司行政總裁對本集團的業務前景及管理有利。由具豐富經驗及卓越能力人士組成的高級管理人員及董事會的運作可確保權力得以平衡。董事會目前由三名執行董事（包括方先生）、一名非執行董事及三名獨立非執行董事組成，其組成具有充分的獨立成份。

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事買賣本公司證券的指引。經向全體董事作出具體查詢後，各董事確認，截至二零一一年十二月三十一日止年度全年（「有關期間」），彼等進行的證券買賣（如有）已遵守標準守則所列明的規定準則。

標準守則已擴展至適用於高級管理人員及有可能擁有本公司未經公佈而屬股價敏感資料之有關僱員。



Corporate Governance Report (continued)

企業管治報告(續)

THE BOARD

The Board is responsible for the leadership and control of the Company and overseeing the Group's business, strategic decisions and performances and comprises seven Directors, including three Executive Directors namely Mr. Fang Ankong, Mr. Stephanus Maria van Ooijen and Mr. Gu Liyong, one Non-Executive Director namely Mr. Michael Charles Lion (appointed on 17 January 2012 in replacement of Mr. Ralph Sytze Ybema who resigned on 17 January 2012) and three Independent Non-Executive Directors namely Ms. Zhang Jingdong, Dr. Loke Yu and Mr. Li Xikui. The management is delegated with the authority and responsibility by the Board for the day-to-day operation and management of the Group under the Board's instruction. In addition, the Board has also established various Board committees and has delegated various responsibilities to the Board committees including the Executive Committee (the "Executive Committee"), the Audit Committee (the "Audit Committee"), the Remuneration Committee (the "Remuneration Committee"), the Nomination Committee (the "Nomination Committee"), the Pricing Committee (the "Pricing Committee") and the Monitoring Committee (the "Monitoring Committee") (together, the "Board Committees"). All the Board Committees perform their distinct roles in accordance with their respective terms of reference and further details of these committees are set out hereunder. The Directors' and senior management's remuneration and the Group's annual results for the year ended 31 December 2011 were approved in the board meetings of the Company.

To the best knowledge of the Company, there is no financial, business, family or other material relationships among members of the Board.

The Non-Executive Director is appointed for a term of 3 years.

All of the Independent Non-Executive Directors are appointed for a term of three years. None of them holds any other offices in the Company or any of its subsidiaries or is interested in any shares of the Company. The Company has received from each of the Independent Non-Executive Directors a confirmation of his independence in accordance with Rule 3.13 of the Listing Rules. The Company considers that all of the Independent Non-Executive Directors are independent.

The Board reviews its own structure, size and composition regularly to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Company.

董事會

董事會負責領導及監控本公司，並監管本集團的業務、策略方針及表現。董事會由七名董事組成，包括三名執行董事方安空先生、Stephanus Maria van Ooijen 先生及顧李勇先生、一名非執行董事 Michael Charles Lion 先生(於二零一二年一月十七日委任，接替於二零一二年一月十七日辭任的 Ralph Sytze Ybema 先生)及三名獨立非執行董事章敬東女士、陸海林博士及李錫奎先生。董事會已向管理層授出權力及責任，根據董事會的指示進行本集團的日常營運及管理事宜。此外，董事會亦已成立多個董事委員會，並將各項職責分派予各董事委員會，包括執行委員會(「執行委員會」)、審核委員會(「審核委員會」)、薪酬委員會(「薪酬委員會」)、提名委員會(「提名委員會」)、定價委員會(「定價委員會」)及監督委員會(「監督委員會」)(統稱「董事委員會」)。全部董事委員會均會按其各自的職權範圍履行其特定的職務，而有關該等委員會的進一步詳情載於下文。董事及高級管理人員的薪酬以及本集團截至二零一一年十二月三十一日止年度的全年業績已於本公司董事會會議通過。

就本公司所深知，董事會成員之間概無財務、業務、家族或其他重大關係。

所有非執行董事的任期為期3年。

所有獨立非執行董事的任期為期三年。彼等概無擔任本公司或其任何附屬公司的任何其他職務，亦無於本公司任何股份中持有權益。本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的獨立性確認書。本公司認為全體獨立非執行董事均為獨立人士。

董事會定期檢討其架構、規模及組成，確保董事會具備適合本公司業務所需的專業知識、技能及經驗。

Corporate Governance Report (continued)

企業管治報告(續)

THE BOARD (continued)

The Board has convened six meetings during the financial year ended 31 December 2011 with the attendance of each Director as follows:

董事會(續)

截至二零一一年十二月三十一日止財政年度，董事會共召開六次會議，各董事出席如下：

Name of Directors 董事姓名		No. Meetings attended/ No. of Meetings held 出席會議數目／舉行會議數目	Attendance Rate 出席率
Executive Directors 執行董事			
Fang Ankong (Chairman)	方安空(主席)	6/6	100%
Stephanus Maria van Ooijen	Stephanus Maria van Ooijen	6/6	100%
Gu Liyong	顧李勇	6/6	100%
Non-Executive Director 非執行董事			
Ralph Sytze Ybema (resigned on 17 January 2012)	Ralph Sytze Ybema (於二零一二年一月十七日辭任)	6/6	100%
Independent Non-Executive Directors 獨立非執行董事			
Loke Yu	陸海林	6/6	100%
Li Xikui	李錫奎	6/6	100%
Zhang Jingdong	章敬東	6/6	100%

EXECUTIVE COMMITTEE

The Board has established the Executive Committee with terms of reference, which is responsible for the management and administration of the business of the Company and any matters which are within the ordinary course of the Company's business under the control and supervision of the Board and in accordance with the provisions of the Terms of Reference of Chiho-Tiande Group Limited.

The Executive Committee consists of Mr. Fang Ankong, Mr. Stephanus Maria van Ooijen and Mr. Gu Liyong, the Executive Directors of the Company, and is chaired by Mr. Fang Ankong.

執行委員會

董事會已成立執行委員會，並訂明書面職權範圍。執行委員會負責本公司的管理及行政事務，以及本公司日常業務過程中的任何事宜，受董事會控制及監管，按齊合天地集團有限公司職權範圍所規定行事。

執行委員會由本公司執行董事方安空先生、Stephanus Maria van Ooijen 先生及顧李勇先生組成，當中方安空先生為主席。

Corporate Governance Report (continued)

企業管治報告(續)

AUDIT COMMITTEE

The Audit Committee was established in June 2010 with written terms of reference in compliance with the Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Audit Committee include reviewing and supervising the financial reporting process and internal control procedures of the Group and nominating and monitoring external auditors. The Audit Committee consists of three Independent Non-Executive Directors, Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Li Xikui and is chaired by Dr. Loke Yu. In compliance with Rule 3.21 of the Listing Rules, the chairman of the Audit Committee possesses the appropriate professional and accounting qualifications.

The Audit Committee has convened two meetings during the financial year ended 31 December 2011 with the attendance of each member as follows:

Name of Committee members	No. of Meetings attended/ No. of Meetings held	Attendance Rate	
委員會成員姓名	出席會議數目／舉行會議數目	出席率	
Loke Yu (Chairman)	陸海林(主席)	2/2	100%
Li Xikui	李錫奎	2/2	100%
Zhang Jingdong	章敬東	2/2	100%

The first meeting was held on 10 March 2011 to review the audited annual results for the year ended 31 December 2010 of the Company. The second meeting was held to review the results for the six months ended 30 June 2011 of the Company on 17 August 2011.

REMUNERATION COMMITTEE

The Remuneration Committee was established in June 2010 with written terms of reference in compliance with the Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Remuneration Committee include making recommendations to the Board on the remuneration of the Directors and senior management and determining on behalf of the Board specific remuneration packages and conditions of employment for the Directors and senior management and evaluating and making recommendations on employee benefit arrangements. The Remuneration Committee consists of Mr. Fang Ankong and Mr. Stephanus Maria van Ooijen, Executive Directors, and Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Li Xikui, Independent Non-Executive Directors and is chaired by Mr. Fang Ankong.

審核委員會

本公司已遵照上市規則附錄十四所載守則於二零一零年六月成立審核委員會，並訂明書面職權範圍。審核委員會的主要職責包括檢討及監督本集團的財務報告程序及內部監控程序，以及提名及監察外聘核數師。審核委員會包括三名獨立非執行董事，即陸海林博士、章敬東女士及李錫奎先生。陸海林博士為審核委員會主席。為符合上市規則第3.21條規定，審核委員會主席具備適當專業及會計資格。

截至二零一一年十二月三十一日止財政年度，審核委員會共召開兩次會議，各成員出席如下：

第一次會議於二零一一年三月十日舉行，旨在審閱本公司截至二零一零年十二月三十一日止年度的經審計業績。第二次會議旨在於二零一一年八月十七日審閱本公司截至二零一一年六月三十日止六個月的業績。

薪酬委員會

本公司已遵照上市規則附錄十四所載守則於二零一零年六月成立薪酬委員會，並訂明書面職權範圍。薪酬委員會的主要職責包括就董事及高級管理人員的薪酬向董事會提出建議，並代表董事會釐定董事及高級管理人員的具體薪酬組合及聘用條件，以及評估員工福利安排及就此提出建議。薪酬委員會包括執行董事方安空先生及Stephanus Maria van Ooijen先生以及獨立非執行董事陸海林博士、章敬東女士及李錫奎先生。方安空先生為薪酬委員會主席。

Corporate Governance Report (continued)

企業管治報告(續)

REMUNERATION COMMITTEE (continued)

The Remuneration Committee has convened three meetings during the financial year ended 31 December 2011 with the attendance of each member as follows:

Name of Committee members 委員會成員姓名		No. of Meetings attended/ No. of Meetings held 出席會議數目／舉行會議數目	Attendance Rate 出席率
Executive Directors 執行董事			
Fang Ankong (Chairman)	方安空(主席)	3/3	100%
Stephanus Maria van Ooijen	Stephanus Maria van Ooijen	3/3	100%
Independent Non-Executive Directors 獨立非執行董事			
Loke Yu	陸海林	3/3	100%
Li Xikui	李錫奎	3/3	100%
Zhang Jingdong	章敬東	3/3	100%

The grant of share options to the Directors and senior management on 3 May 2011, the Directors' and senior managements' remuneration of the Group for the year ended 31 December 2011 were approved by the Remuneration Committee in the meetings.

NOMINATION COMMITTEE

The Company established the Nomination Committee in June 2010 with written terms of reference in compliance with the Code as set out in Appendix 14 to the Listing Rules.

The duties of the Committee include:

1. to formulate nomination policy for consideration of the Board and implement the nomination policy laid down by the Board;
2. to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
3. to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;

薪酬委員會(續)

截至二零一一年十二月三十一日止財政年度，薪酬委員會共召開三次會議，各成員出席如下：

薪酬委員於會議中通過於二零一一年五月三日向董事及高級管理人員授出購股權，以及通過本集團董事及高級管理人員截至二零一一年十二月三十一日止年度的薪酬預算。

提名委員會

本公司已遵照上市規則附錄十四所載守則於二零一零年六月成立提名委員會，並訂明書面職權範圍。

本委員會的職責包括：

1. 制定提名政策供董事會考慮，實施董事會規定的提名政策；
2. 至少每年檢討董事會的架構、人數和組成(包括技能、知識和經驗方面)，並就任何為配合公司策略而擬對董事會作出的變動提出建議；
3. 找出合適資格的人士成為董事會成員，為董事會提名董事給予建議；

Corporate Governance Report (continued)

企業管治報告(續)

NOMINATION COMMITTEE (continued)

4. to assess the independence of independent non-executive directors, having regard to the requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
5. to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive; and
6. to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board.

The Nomination Committee comprises Mr. Fang Ankong and Mr. Stephanus Maria van Ooijen, Executive Directors, and Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Li Xikui, Independent Non-Executive Directors and is chaired by Mr. Stephanus Maria van Ooijen.

Throughout the year ended 31 December 2011, no Nomination Committee meeting was held.

PRICING COMMITTEE

The Company established the Pricing Committee in June 2010 to review and determine the offer and selling prices of the Group's physical stock as well as the Group's hedging positions requirements on a daily basis; to enhance the risk management of commodity price fluctuations and to ensure an effective risk monitoring system. The Pricing Committee comprises Mr. Fang Ankong, Mr. Xu Jialiang, Mr. Zhu Zhonghui, Mr. Gan Jun, Ms. Chan Tung Tung and Mr. Chow Wan Hoi Paul.

Throughout the year ended 31 December 2011, the Pricing Committee held twelve regular meetings in which all members of the committee attended, to review the monthly report of the previous month and make recommendation to the Directors of the Company's pricing and hedging policies.

MONITORING COMMITTEE

The Company established the Monitoring Committee in June 2010 to closely monitor the use of net proceeds of the Global Offering are applied over the timeline specified and to ensure the purchase of raw materials is for production usage and not for speculative purposes. The Monitoring Committee comprises Mr. Fang Ankong, Mr. Gu Liyong, Ms. Chan Tung Tung and Mr. Chow Wan Hoi Paul.

提名委員會(續)

4. 依照香港聯合交易所有限公司證券上市規則的要求，評估獨立非執行董事的獨立性；
5. 就董事(特別是主席和行政總裁)的委任或重新委任和繼任計劃向董事會提供建議；及
6. 採取一切措施確保本委員會履行了董事會賦予的權力和職能。

提名委員會包括執行董事方安空先生及 Stephanus Maria van Ooijen 先生以及獨立非執行董事陸海林博士、章敬東女士及李錫奎先生。Stephanus Maria van Ooijen 先生為提名委員會主席。

截至二零一一年十二月三十一日止年度全年，並無召開提名委員會會議。

定價委員會

本公司已於二零一零年六月成立定價委員會，負責審閱及釐定本集團每日之現貨買入及賣出價，以及每日對沖形勢的要求，以提高對商品價格波動的風險管理，並確保風險監察系統的效能。定價委員會包括方安空先生、許加良先生、朱忠輝先生、甘軍先生、陳彤彤女士及周雲海先生。

截至二零一一年十二月三十一日止年度全年，定價委員會舉行十二次會議，以審閱過去一個月的每月報告，並就本公司的定價及對沖政策向董事提出建議。全體委員會成員均已出席會議。

監督委員會

本公司已於二零一零年六月成立監督委員會，負責嚴密監控全球發售所得款項淨額於指定時間內應用，亦確保用作採購原材料以作生產之應用而非投機買賣。監督委員會包括方安空先生、顧李勇先生、陳彤彤女士及周雲海先生。

Corporate Governance Report (continued)

企業管治報告(續)

MONITORING COMMITTEE (continued)

Throughout the year ended 31 December 2011, the Monitoring Committee held two meetings in which all members of the committee attended.

AUDITORS' REMUNERATION

During the reporting period, the remunerations paid or payable to Deloitte Touche Tohmatsu in respect of its audit services and non-audit services are as follows:

		HK\$ 港元
Audit services	審核服務	2,100,000
Non-audit services	非審核服務	550,000

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibilities for preparing all information and representations contained in the financial statements of the Company for the year ended 31 December 2011 which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. The Directors consider that the financial statements have been prepared in conformity with all appropriate accounting standards and requirements and reflect amounts that are based on the best estimates and reasonable, informed and prudent judgment of the Board and the management. The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the financial statements of the Company on a going concern basis.

The statements of the auditors of the Group about their reporting responsibilities on the financial statements of the Group is set out in the section headed "Independent Auditor's Report" on page 62 of this report.

INTERNAL CONTROL

The Directors of the Company are responsible for the maintenance of an effective system of internal control. The Company leverages on the expertise offered by internal and external professionals to develop its internal control system which includes a well established corporate structure and an organization with clearly defined lines of responsibility and authority.

監督委員會(續)

截至二零一一年十二月三十一日止年度全年，監督委員會舉行兩次會議，全體委員會成員均已出席會議。

核數師酬金

於呈報期內，就審核服務及非審核服務已付或應付予德勤•關黃陳方會計師行的酬金如下：

問責及審核

董事承認彼等有責任編製本公司截至二零一一年十二月三十一日止年度的財務報表所載的一切資料及陳述，並真實公平地反映本集團的狀況以及期內的業績及現金流量。董事認為財務報表已遵照所有適用會計準則及規定編製，並反映根據董事會及管理層的最佳估計、合理知情及審慎的判斷所得的數額。就董事所知，並無有關任何事件或情況的重大不明朗因素可能對本公司持續經營的能力產生重大質疑。因此，董事已按照持續經營基準編製本公司的財務報表。

本集團核數師就其對本集團財務報表的呈報責任作出的聲明載於本報告第62頁的「獨立核數師報告」一節。

內部監控

本公司董事負責維持有效的內部監控系統。本公司憑藉公司內外的專業人員的專業知識發展內部監控系統，包括良好的公司架構及職責與權力的明確分立。



Corporate Governance Report (continued)

企業管治報告(續)

INTERNAL CONTROL (continued)

The Company has set up an Internal Control Department and an internal control review will be performed by the Internal Control Department annually. The internal control are reviewed and assessed on an on-going basis by the Executive Directors, and will be further reviewed and assessed at least once each year by the Audit Committee and the Board.

INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

The management of the Company believes that effective and proper investor relations play a vital role in creating shareholders' value, enhancing the corporate transparency as well as establishing market confidence. As such, the Company has adopted a stringent internal control system to ensure true, accurate, complete and timely disclosure of relevant information pursuant to requirements of relevant laws and regulations in order to ensure all shareholders have equal access to information. To strive for effective communication and transparency of the Company, the personnel in charge continued having frequent contacts with shareholders, potential investors and market participants, through various channels such as interview, presentation, internet, telephone and email.

In addition, we have during the year organized numerous site visits to our facilities with several fund managers and equity market analysts. Through these site visits, the visitors managed to have a better understanding of the Group's operations and the opportunity to know more about the Group's development strategy.

We will continue to establish communication opportunity in order to enhance investors' understanding of and confidence in the Company.

Information Disclosure

The Company discloses information in compliance with the securities regulations of the Stock Exchange, and publishes periodic reports and announcements to the public in accordance with relevant laws and regulations. Our primary focus is to ensure information disclosure is timely, fair, accurate, truthful and complete, thereby enabling shareholders, investors as well as the public, to make rational and informed decisions.

內部監控(續)

本公司已設立內部監控部門，進行年度內部監控檢討。執行董事持續檢討及評估內部監控，審核委員會及董事會更會每年至少進行一次檢討與評估。

投資者關係及與股東的溝通

本公司管理層深信，有效及正確的投資者關係對創造股東價值、提高企業透明度及建立市場信心尤為重要。因此，本公司已採納嚴謹的內部監控系統，確保根據相關法例及規例的規定而披露的相關資料乃真確、準確、完整及適時，從而確保所有股東均可獲取相同的資訊。為達致有效溝通及提高本公司透明度，負責人持續透過訪問、演講、互聯網、電話及電郵等不同渠道經常聯絡股東、潛在投資者及市場參與者。

此外，我們於年內為基金經理及股票市場分析員安排了數次到我們設施的實地考察。透過該等實地考察，到訪者能更好的了解本集團的運作並有機會了解本集團的發展戰略。

我們將繼續建立溝通機會以增強投資者對本公司的了解及信心。

資料披露

本公司根據聯交所證券規例披露資料，並根據有關法律法規向公眾人士刊發定期報告及公告。本集團致力確保適時披露資料，而有關資料為公正、準確、真實及完整，務求使股東、投資者及公眾人士能作出合理知情決定。



Independent Auditor's Report

獨立核數師報告

Deloitte.

德勤

TO THE MEMBERS OF CHIHO-TIANDE GROUP LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Chiho-Tiande Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 64 to 163, which comprise the consolidated statement of financial position as at 31 December 2011, and the 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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.

致：齊合天地集團有限公司股東
(於開曼群島註冊成立的有限公司)

我們已審核載於第64頁至第163頁的齊合天地集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，其中包括於二零一一年十二月三十一日的綜合財務狀況表及於該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表，以及重大會計政策概要連同其他解釋資料。

董事就綜合財務報表須負的責任

貴公司董事須遵照香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實公平的綜合財務報表，並對董事釐定就編製不存在由於欺詐或錯誤而導致的重大錯誤陳述的綜合財務報表而言屬必要的內部監控負責。

核數師的責任

我們的責任是根據我們的審核工作對該等綜合財務報表發表意見，並根據委聘的協定條款僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。我們是按照香港會計師公會頒佈的香港核數準則進行審核工作，這些準則要求我們須遵守相關道德規範，並計劃及執行審核，以合理確定該等綜合財務報表是否不存有任何重大錯誤陳述。



Independent Auditor's Report (continued)

獨立核數師報告(續)

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 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.

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 its profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
27 March 2012

審核涉及執程序以獲取有關綜合財務報表所載金額及披露事項的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與實體編製真實公平的綜合財務報表相關的內部監控，以設計適合不同情況的審核程序，但並非旨在對實體內部監控的有效性發表意見。審核亦包括評價董事所採用會計政策的合適性及所作會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證充足及適當地為我們的審核意見建立基礎。

意見

我們認為，按照香港財務報告準則編製的綜合財務報表已真實公平地反映 貴集團於二零一一年十二月三十一日的財務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例之披露規定妥善編製。

德勤•關黃陳方會計師行
執業會計師
香港
二零一二年三月二十七日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Revenue	收益	7	9,815,522	5,931,589
Cost of sales	銷售成本	8	(9,362,935)	(5,361,645)
Gross profit	毛利		452,587	569,944
Other income	其他收入	9	22,345	11,548
Other gains and losses	其他收益及虧損	10	2,051	55,001
Distribution and selling expenses	分銷及銷售開支		(31,303)	(12,805)
Administrative expenses	行政開支		(143,466)	(69,718)
Other expenses	其他開支		–	(24,849)
Finance costs	財務成本	11	(97,755)	(47,087)
Profit before tax	除稅前溢利		204,459	482,034
Income tax expense	所得稅開支	14	(88,208)	(129,478)
Profit for the year	年內溢利	12	116,251	352,556
Other comprehensive income	其他全面收入			
Exchange difference arising on translation to presentation currency	換算成呈報貨幣產生的匯兌差額		51,433	33,954
Fair value loss on available-for-sale financial assets	可供出售金融資產公平值虧損		(6,653)	–
Total comprehensive income for the year	年內全面收入總額		161,031	386,510
Profit for the year attributable to:	以下各方應佔年內溢利：			
Owners of the Company	本公司擁有人		152,087	352,798
Non-controlling interests	非控股權益		(35,836)	(242)
			116,251	352,556

Consolidated Statement of Comprehensive Income (continued)

綜合全面收益表(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Total comprehensive income for the year attributable to:	以下各方應佔 年內全面收入：			
Owners of the Company	本公司擁有人		195,930	386,455
Non-controlling interests	非控股權益		(34,899)	55
			161,031	386,510
			HK\$ 港元	HK\$ 港元
Earnings per share	每股盈利			
– basic	– 基本	16	0.15	0.41
– diluted	– 攤薄	16	0.15	0.41

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2011 於二零一一年十二月三十一日

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	319,967	203,735
Prepaid lease payments	預付租金	18	185,968	36,435
Available-for-sale investment	可供出售投資	19	19,060	–
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備所付按金		22,070	7,587
Deferred tax asset	遞延稅項資產	29	23,594	–
			570,659	247,757
Current assets	流動資產			
Inventories	存貨	20	3,219,271	2,303,425
Trade and other receivables	貿易及其他應收款項	22	813,397	411,647
Bills receivables	應收票據	23	33,676	14,629
Prepaid lease payments	預付租金	18	5,244	890
Derivative financial instruments	衍生金融工具	24	37,021	–
Tax recoverable	可退回稅項		44,330	–
Pledged bank deposits	已抵押銀行存款	25	127,004	351,684
Restricted bank deposits	受限制銀行存款	25	71,158	–
Bank balances and cash	銀行結餘及現金	25	392,762	251,335
			4,743,863	3,333,610
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	26	519,552	188,237
Bills payables	應付票據	27	–	149,150
Amount due to non-controlling interests	應付非控股權益款項	21	–	23,976
Derivative financial instruments	衍生金融工具	24	39,765	205
Tax payable	應付稅項		9,100	50,747
Bank borrowings	銀行借貸	28	2,651,697	1,496,672
			3,220,114	1,908,987
Net current assets	流動資產淨值		1,523,749	1,424,623
Total assets less current liabilities	資產總值減流動負債		2,094,408	1,672,380

Consolidated Statement of Financial Position (continued)

綜合財務狀況表(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Capital and reserves	股本及儲備			
Share capital	股本	30	10,419	10,000
Share premium and reserves	股份溢價及儲備		2,036,203	1,601,801
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,046,622	1,611,801
Non-controlling interests	非控股權益	21	17,398	34,880
Total equity	總權益		2,064,020	1,646,681
Non-current liability	非流動負債			
Deferred tax liabilities	遞延稅項負債	29	30,388	25,699
			2,094,408	1,672,380

The consolidated financial statements on pages 64 to 163 were approved and authorised for issue by the Board of Directors on 27 March 2012 and are signed on its behalf by:

載於第64頁至163頁的綜合財務報表於二零一二年三月二十七日獲董事會批准及授權公佈，並由下列董事代表簽署：

Mr. Fang Ankong
DIRECTOR

Mr. Gu Liyong
DIRECTOR

方安空先生
董事

顧李勇先生
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

Attributable to equity holders of the Company
本公司權益持有人應佔

		Share capital	Share premium	Capital redemption reserve	Share option reserve	Capital reserve	Statutory general reserve	Enterprise expansion fund	Investment revaluation reserve	Foreign currency translation reserve	Accumulated profits	Sub-total	Attributable to non-controlling interest	Total
		股本	股份溢價	資本贖回儲備	購股權儲備	資本儲備	法定一般儲備	企業發展基金	投資重估儲備	外幣匯兌儲備	累計溢利	小計	非控股權益應佔	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	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	千港元
					(note i)	(note i)	(note ii)	(note ii)						
At 1 January 2010	於二零一零年一月一日	-	-	-	-	6,552	32,136	32,136	-	42,620	304,654	418,098	-	418,098
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	352,798	352,798	(242)	352,556
Exchange difference arising on translation to presentation currency	換算成呈報貨幣產生的匯兌差額	-	-	-	-	-	-	-	-	33,657	-	33,657	297	33,954
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	-	-	-	-	33,657	352,798	386,455	55	386,510
Transfer of reserves	儲備轉換	-	-	-	-	-	35,487	35,487	-	-	(70,974)	-	-	-
Capitalisation of shareholders' loans	股東貸款資本化	-	-	-	-	223,708	-	-	-	-	-	223,708	-	223,708
Capitalisation issue	資本化發行	7,500	-	-	-	(7,500)	-	-	-	-	-	-	-	-
Issue of new shares (Note 30 (note ii))	發行新股 (附註30 (附註ii))	2,500	605,000	-	-	-	-	-	-	-	-	607,500	-	607,500
Cost of issue of new shares	發行新股的成本	-	(26,460)	-	-	-	-	-	-	-	-	(26,460)	-	(26,460)
Capital contribution from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	-	-	-	34,825	34,825
Recognition of equity-settled share-based payments	確認以股權結算及以股份為基礎付款	-	-	-	2,500	-	-	-	-	-	-	2,500	-	2,500
At 31 December 2010	於二零一零年十二月三十一日	10,000	578,540	-	2,500	222,760	67,623	67,623	-	76,277	586,478	1,611,801	34,880	1,646,681
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	152,087	152,087	(35,836)	116,251
Exchange difference arising on translation to presentation currency	換算成呈報貨幣產生的匯兌差額	-	-	-	-	-	-	-	-	50,496	-	50,496	937	51,433
Fair value loss on available-for-sales financial assets	可供出售金融資產公平值虧損	-	-	-	-	-	-	-	(6,653)	-	-	(6,653)	-	(6,653)
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	-	-	-	(6,653)	50,496	152,087	195,930	(34,899)	161,031

Consolidated Statement of Changes in Equity (continued)

綜合權益變動表(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔												
		Share capital	Share premium	Capital redemption reserve	Share option reserve	Statutory reserve	Enterprise expansion fund	Investment revaluation reserve	Foreign currency translation reserve	Accumulated profits	Sub-total	Attributable to non-controlling interest	Total	
		股本	股份溢價	資本贖回儲備	購股權儲備	資本儲備	儲備	基金	儲備	外幣匯兌儲備	累計溢利	小計	權益應佔	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	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	千港元
					(note i) (附註i)	(note ii) (附註ii)	(note ii) (附註ii)							
Transfer of reserves	儲備轉換	-	-	-	-	-	27,282	27,282	-	-	(54,564)	-	-	-
Cash dividend paid	已派股息	-	-	-	-	-	-	-	-	-	(88,449)	(88,449)	-	(88,449)
Scrip dividend recognised as distribution	以股代息確認作分派	(Note 30 (note iv))	(附註30(附註iv))	2	1,190	-	-	-	-	-	(1,192)	-	-	-
Issue of new shares	發行新股	(Note 30 (note iii))	(附註30(附註iii))	600	395,400	-	-	-	-	-	-	396,000	-	396,000
Transaction costs attributable to issue of new shares	發行新股應佔交易成本	-	(10,513)	-	-	-	-	-	-	-	-	(10,513)	-	(10,513)
Acquisition of additional interest in a subsidiary	收購一間附屬公司的額外權益	(Note 41 (note iii))	(附註41(附註iii))	-	-	-	-	-	-	-	171	171	(4,950)	(4,779)
Capital contribution from non-controlling interests	非控股權益注資	(Note 21)	(附註21)	-	-	-	-	-	-	-	-	-	22,367	22,367
Share options exercised	獲行使購股權	(Note 30 (note vi))	(附註30(附註vi))	17	4,040	(871)	-	-	-	-	871	4,057	-	4,057
Lapse of share options	購股權失效	-	-	-	(422)	-	-	-	-	-	422	-	-	-
Recognition of equity-settled share-based payments	確認以股權結算及以股份為基礎之付款	(Note 34)	(附註34)	-	-	21,571	-	-	-	-	-	21,571	-	21,571
Shares repurchased and cancelled	股份購回及註銷	(Note 30 (note vii))	(附註30(附註vii))	(200)	(83,746)	200	-	-	-	-	(200)	(83,946)	-	(83,946)
At 31 December 2011	於二零一一年十二月三十一日	10,419	884,911	200	22,778	222,760	94,905	94,905	(6,653)	126,773	595,624	2,046,622	17,398	2,064,020



Consolidated Statement of Changes in Equity (continued)

綜合權益變動表(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

notes:

- (i) The capital reserve at 1 January 2010 represents the difference between the nominal value of the aggregate share capital and share premium of the subsidiaries acquired by the Company upon a group reorganisation in 2008 and the nominal value of the Company's shares issued in exchange.

On 12 July 2010, the Company capitalised shareholders' loans of HK\$223,708,000 as capital reserve. On the same date, the Company issued and allotted an aggregate of 749,999,900 shares of HK\$0.01 each in the Company out of the capital reserve to its shareholders, credited as fully paid at par.

- (ii) Statutory general reserve and enterprise expansion fund represent the appropriation of 10% of profit after tax determined based on the relevant accounting rules and regulations of the People's Republic of China (the "PRC") as required by the Articles of Association of the Company's PRC subsidiaries. The appropriation may cease to apply if the balance of the statutory general reserve and enterprise expansion fund has reached 50% of the PRC subsidiaries' registered capital.

附註：

- (i) 二零一零年一月一日的資本儲備指本公司於二零零八年集團重組時所收購附屬公司股本及股份溢價總額之面值與本公司交換股權所發行股份之面值的差額。

於二零一零年七月十二日，本公司將股東貸款223,708,000港元資本化作為資本儲備。於同日，本公司從資本儲備中向其股東發行及配發總共749,999,900股每股0.01港元按面值賬列為繳足股份。

- (ii) 本公司中華人民共和國(「中國」)附屬公司的組織章程細則規定，須根據中國相關會計規則及法規釐定將除稅後溢利10%撥入法定一般儲備及企業發展基金。倘法定一般儲備及企業發展基金餘額達中國附屬公司註冊資本的50%，則可終止撥備。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

	NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit for the year	年內溢利	204,459	482,034
Adjustments for:	對下列各項之調整：		
Amortisation of prepaid lease payments	預付租金攤銷	909	867
Depreciation of property, plant and equipment	物業、廠房及設備折舊	24,250	12,103
Finance costs	財務成本	89,690	42,588
Recognition (reversal) of impairment loss on trade and other receivables	貿易及其他應收款項 虧損減值確認(撥回)	452	(560)
Impairment loss recognised on property, plant and equipment	物業、廠房及設備 已確認的減值虧損	1,099	-
Interest income	利息收入	(16,701)	(6,583)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	126	58
Net foreign exchange gains	匯兌收益淨額	(79,081)	(28,498)
Share-based payment expense	以股份為基礎付款之開支	21,571	2,500
Write down of inventories	存貨撇銷	97,557	-
Operating cash flows before movements in working capital	營運資金變動前 的經營現金流量	344,331	504,509
Increase in bills receivables	應收票據增加	(19,673)	(13,212)
Decrease (increase) in derivative financial instruments	衍生金融工具減少(增加)	2,548	(346)
Increase in inventories	存貨增加	(1,112,001)	(1,074,907)
Increase in trade and other receivables	貿易及其他應收款項增加	(419,823)	(212,754)
(Decrease) increase in amount due to non-controlling interest	應收非控股權益 款項(減少)增加	(23,976)	23,976
(Decrease) increase in bills payables	應付票據(減少)增加	(142,766)	30,700
Increase in trade and other payables	貿易及其他應付款項增加	329,718	40,996
Cash used in operations	經營所用現金	(1,041,642)	(701,038)
Interest paid	已付利息	(80,036)	(38,134)
Tax paid	已付稅項	(187,007)	(120,923)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用現金淨額	(1,308,685)	(860,095)

Consolidated Statement of Cash Flows (continued)

綜合現金流量表(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

	NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
INVESTING ACTIVITIES			
Acquisition of a subsidiary	37	-	3,982
Placement of pledged bank deposits		(382,943)	(202,140)
Withdrawal of pledged bank deposits		592,569	101,043
Deposit for property, plant and equipment		(14,808)	-
Placement of restricted bank deposits		(288,904)	-
Withdrawal of restricted bank deposits		217,746	5,745
Interest received		16,701	5,407
Payment for prepaid lease payments		(153,148)	-
Proceeds from sales of property, plant and equipment		491	437
Purchases of available-for-sale investments		(25,713)	-
Purchases of property, plant and equipment		(132,725)	(77,853)
Repayment from related parties		-	371
NET CASH USED IN INVESTING ACTIVITIES		(170,734)	(163,008)
FINANCING ACTIVITIES			
Dividend paid		(88,449)	-
Expense on issue of new shares		(10,513)	(26,460)
Capital contribution from non-controlling interests		22,367	34,825
Purchase of additional interests in subsidiaries		(4,779)	-
Issue of share capital		396,000	607,500
Net proceeds from issue of shares through exercise of share options		4,057	-
New bank borrowings raised		8,627,178	4,117,631
Repayment of bank borrowings		(7,243,197)	(3,425,196)
Repayment to related parties		-	(105,920)
Repurchases of shares		(83,946)	-
NET CASH FROM FINANCING ACTIVITIES		1,618,718	1,202,380
NET INCREASE IN CASH AND CASH EQUIVALENTS		139,299	179,277
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		251,335	69,428
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		2,128	2,630
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		392,762	251,335
represented by bank balances and cash		(指銀行結餘及現金)	

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

1. GENERAL

The Company is incorporated and registered as an exempted company in the Cayman Islands under the Companies Law of the Cayman Islands with limited liability. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 12 July 2010 ("the Listing"). The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its main place of business is located at Taizhou Industrial Zone of Metal Recycling Fengjiang, Luqiao, Taizhou, Zhejiang, the PRC.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in Note 41.

The functional currency of the Company and its subsidiaries is Renminbi ("RMB"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$") for the convenience of the shareholders as the Company is listed in Hong Kong.

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 HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related Party Disclosures
Amendments to HKAS 32	Classification of Rights Issues
Amendments to HK(IFRIC)-Int 14	Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments

The application of the new and revised HKFRSs had no material effect on the amounts reported in the consolidated financial statements and/or disclosures set out in the consolidated financial statements.

1. 一般資料

本公司根據開曼群島公司法於開曼群島註冊成立及註冊為獲豁免有限公司。本公司股份於二零一零年七月十二日於香港聯合交易所有限公司(「聯交所」)上市(「上市」)。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands及其主要營業地點位於中國浙江省台州市路橋區峰江鎮台州金屬再生工業園區。

本公司為投資控股公司。其附屬公司的主要業務載於附註41。

本公司及其附屬公司的功能貨幣為人民幣(「人民幣」)。由於本公司在香港上市，為方便股東，綜合財務報表以港元(「港元」)呈列。

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，本集團已應用以下由香港會計師公會(「香港會計師公會」)頒佈之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)	二零一零年頒佈之香港財務報告準則之改進
香港會計準則第24號(二零零九年修訂)	關連方披露
香港會計準則第32號(修訂本)	供股之分類
香港(國際財務報告詮釋委員會)－詮釋第14號(修訂本)	預付最低資金要求
香港(國際財務報告詮釋委員會)－詮釋第19號	以股本工具償還金融負債

採納新訂及經修訂香港財務報告準則並無對綜合財務報表呈報的金額及／或綜合財務報表所載的披露產生任何重大影響。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

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:

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)

本集團並未於此等財務報表內提早採用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

Amendments to HKFRS 7	Disclosures-Transfers of Financial Assets ¹	香港財務報告準則第7號(修訂本)	披露－轉讓金融資產 ¹
Amendments to HKFRS 7	Disclosures-Offsetting Financial Assets and Financial Liabilities ²	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消 ²
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ³	香港財務報告準則第9號及香港財務報告準則第7號(修訂本)	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
HKFRS 9	Financial Instruments ³	香港財務報告準則第9號	金融工具 ³
HKFRS 10	Consolidated Financial Statements ²	香港財務報告準則第10號	綜合財務報表 ²
HKFRS 11	Joint Arrangements ²	香港財務報告準則第11號	合營安排 ²
HKFRS 12	Disclosure of Interests in Other Entities ²	香港財務報告準則第12號	於其他實體之權益披露 ²
HKFRS 13	Fair Value Measurement ²	香港財務報告準則第13號	公平值計量 ²
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income ⁵	香港會計準則第1號(修訂本)	其他全面收益項目的呈報 ⁵
Amendments to HKAS 12	Deferred Tax-Recovery of Underlying Assets ⁴	香港會計準則第12號(修訂本)	遞延稅項－收回相關資產 ⁴
HKAS 19 (as revised in 2011)	Employee Benefits ²	香港會計準則第19號(二零一一年修訂)	僱員福利 ²
HKAS 27 (as revised in 2011)	Separate Financial Statements ²	香港會計準則第27號(二零一一年修訂)	單獨財務報表 ²
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ²	香港會計準則第28號(二零一一年修訂)	聯營和合營投資 ²
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ⁶	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消 ⁶
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine ²	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 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.

¹ 適用於二零一一年七月一日或以後開始的年度期間。

² 適用於二零一三年一月一日或以後開始的年度期間。

³ 適用於二零一五年一月一日或以後開始的年度期間。

⁴ 適用於二零一二年一月一日或以後開始的年度期間。

⁵ 適用於二零一二年七月一日或以後開始的年度期間。

⁶ 適用於二零一四年一月一日或以後開始的年度期間。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

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

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

- Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values 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 reporting 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.
- 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. 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 is presented 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(於二零零九年十一月頒佈)引進有關金融資產分類和計量的新要求。香港財務報告準則第9號金融工具(於二零一零年十一月修訂)加入有關金融負債分類和計量及終止確認的規定。

- 根據香港財務報告準則第9號，所有符合香港會計準則第39號金融工具：確認和計量範圍內的所有已確認金融資產其後按攤餘成本或公平值計量。特別是，目標為集合合約現金流量的業務模式中所持有及合約現金流量均為本金及尚未償還本金的利息付款的債務投資，一般按後續會計期末的攤餘成本計量。所有其他債務投資及權益性投資均按後續會計期末的公平值計量。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，並一般只在損益中確認股息收入。
- 就財務負債之分類及計量而言，香港財務報告準則9最重大影響乃有關財務負債信貸風險變動應佔該負債(指定為按公平值計入損益)公平值變動之呈列處理方法。尤其是，根據香港財務報告準則第9號，就指定為按公平值計入損益的金融負債而言，因金融負債信貸風險有變而導致其公平值變動的款額乃於其他全面收益呈列，除非於其他全面收益呈報該負債信貸風險變動的影響會產生或增加損益的會計錯配，則作別論。因金融負債之信貸風險而導致其公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益的金融負債的全部公平值變動款額均於損益中呈列。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

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

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

The directors anticipate that the adoption of HKFRS 9 will affect the measurement and classification of the Group’s available for sale investment but may not affect the Group’s other financial assets and financial liabilities.

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 of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

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

The principal accounting policies set out below.

Basis of consolidation

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

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

When 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.

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號於二零一三年一月一日或之後開始的年度期間生效，並可提早採用。

董事預期，採納香港財務報告準則第9號將對本集團可供出售金融資產的計量及分類造成影響，但可能不會對本集團其他金融資產或金融負債造成影響。

本公司董事預期應用其他新訂及經修訂香港準則、修改或詮釋對本集團之業績及財務狀況並無構成重大影響。

3. 重大會計政策

綜合財務報表按香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例規定的適用披露。

如下文會計政策所述，除若干金融工具以公平值計量外，綜合財務報表按歷史成本法編製。歷史成本一般按交換貨品之代價之公平值計算。

重大會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司所控制實體(其附屬公司)的財務報表。倘本公司有權管轄一家實體的財務及營運政策，以致從該實體的業務中獲利，即視為對該實體擁有控制權。

年內所收購或出售之附屬公司的業績，自收購生效日期起或截至出售生效日期止(如適用)計入綜合全面收益表。

如有需要，會對附屬公司的財務報表作出調整，使其會計政策與本集團其他成員公司所採用者一致。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

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).

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the proportionate share of net assets attributable to the non-controlling interests and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

3. 重大會計政策(續)

綜合基準(續)

集團內公司間的一切交易、結餘、收益及開支均於綜合賬目時對銷。

於附屬公司之非控股權益於本集團於附屬公司之權益分開呈列。

將全面收益總額分配至非控股權益

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，即使此舉會導致非控股權益產生虧絀結餘(於二零一零年一月一日之後生效)。

本集團於現有附屬公司的擁有權變動

倘本集團於附屬公司擁有權之變動並無導致本集團對附屬公司失去控制權，則作為股本交易入賬。本集團的權益及非控股權益的賬面值會予以調整以反映彼等於附屬公司的有關權益變動。非控股權益應佔資產淨額的份額與已付或已收代價之公平值的任何差額直接於權益中確認並歸屬於本公司之擁有人。

業務合併

業務收購乃採用收購法入帳。於業務合併轉撥的代價按公平值計量，而計算方式為本集團轉撥的資產、本集團對被收購方的前擁有人產生的負債及本集團於交換被收購方的控制權所發行的股權於收購日期的公平值總和。與收購事項有關的成本於產生時在損益賬中確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations (continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair values at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangement of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another Standard.

3. 重大會計政策(續)

業務合併(續)

於收購日期，已收購的可識別資產及所承擔的負債按彼等於收購日期的公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關的負債或資產分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量；
- 與被收購方的以股份支付安排或本集團訂立以取代被收購方以股份支付安排有關的負債或股本工具於收購日期根據香港財務報告準則第2號*以股份支付*計量(見下文會計政策)；及
- 根據香港財務報告準則第5號*持作出售的非流動資產*及已終止經營業務劃分為持作出售的資產(或出售組合)根據該準則計量。

屬現時擁有權益且於清盤時讓持有人有權按比例分佔實體資產淨值的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類別之非控股權益乃按其公平值或(如適用)另一項準則規定的基準計量。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

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

Revenue from sale of goods is recognised when 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. 重大會計政策(續)

收益確認

收益按已收或應收代價之公平值計量，指日常業務過程所售貨品的應收款項，並扣除折扣與銷售相關稅。

貨品銷售收益於下列條件全部達成時確認：

- 本集團已將貨品所有權之絕大部分風險及回報轉移予買方；
- 本集團並無參與一般與已售貨品所有權有關的持續管理，亦無保留有關已售貨品的實際控制權；
- 收益金額可以可靠地計量；
- 與交易相關之經濟利益有可能會流入本集團；及
- 交易已產生或將產生之成本可以可靠地計量。

當經濟利益有可能會流入本集團及收益金額可以可靠地計量時，金融資產之利息收入將獲確認。利息收入參照未償還本金額及按適用實際利率以時間基準累計。適用實際利率指於金融資產預計可使用年內估計日後現金收入準確折現至有關資產於初始確認時賬面淨值之利率。

投資之股息收入，於股東收取股息之權利確立時確認，惟經濟利益極有可能歸本集團所有及當收益能可靠地計算時方被確認。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment including land (classified as finance leases) and buildings held for use in the production or supply of goods or services, or for administrative purposes other than properties under construction, 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, other than properties under construction, less their residual value 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.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on 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. 重大會計政策(續)

物業、廠房及設備

物業、廠房及設備(包括持作生產或提供貨品或服務或作行政用途的土地(列為金融租賃)及樓宇,但不包括在建物業)以成本減其後累計折舊及累計減值虧損於綜合財務狀況表中列賬。

折舊乃按物業、廠房及設備項目(在建物業除外)的估計可使用年期以直線法撇銷成本減其剩餘價值。估計可使用年期、剩餘價值及折舊法於各呈報期結算日檢討,而任何估計變動的影響按預期基準入賬。

用於生產、供應或行政用途的在建物業乃按成本減任何已確認減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化的借貸成本。該等物業已完成及用作擬定用途時,將會劃分至物業、廠房及設備的適當類別。該等資產乃按其他物業資產之相同基準,於該等資產可用於其擬定用途時開始計算折舊。

於出售物業、廠房及設備項目或預期繼續使用有關資產不會產生未來經濟利益時,終止確認物業、廠房及設備項目。出售或報廢物業、廠房及設備而產生的任何損益按出售所得款項淨額與賬面值之間的差額釐定,並於損益中確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible 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.

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 a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a 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 (or a cash-generating unit) 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 a cash generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

3. 重大會計政策(續)

有形資產之減值虧損

於呈報期結算日，本集團對其有形資產的賬面值進行審閱，以確定該等資產是否出現減值虧損的跡象。倘出現任何該等跡象，將對資產的可收回金額進行估計以釐定減值虧損(倘有)。倘不能估計單一資產的可回收金額，則集團可估計資產所屬的現金產生單位的可回收金額。於可識別合理及一貫分配的基準下，企業資產亦被分配到個別現金產生單位，否則會被分到可合理地及按一貫分配基準識別的最小現金產生單位中。

可收回金額為公平值減銷售成本及使用價值的較高者。評估使用價值時，估計未來現金流量乃使用稅前貼現率折現至其貼現值，該貼現率反應現行市場對資金時間值的評估以及估計未來現金流量未經調整的資產的獨有風險。

倘估計某項資產的可收回金額(或現金產生單位)低於其賬面值，該項資產(或現金產生單位)的賬面值須減低至可收回金額。減值虧損將即時於損益賬中確認。

倘減值虧損隨後減少，該資產(或現金產生單位)的賬面值將增加至其經修訂估計可收回金額，惟增加的賬面值不得超過以往年度資產(或現金產生單位)確認為並無減值虧損時所釐定的賬面值。減值虧損的減少會即時於損益賬中確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefits of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

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" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. 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.

3. 重大會計政策(續)

租賃

當租賃條款將所有權之絕大部份風險及回報轉讓予承租人時，有關租賃將列為融資租賃。所有其他租賃則一概列作經營租賃。

本集團作為出租人

來自經營租賃之租金收入乃按相關租賃年期以直線法於損益表確認。

本集團作為承租人

經營租賃款項於相關租賃期間按直線法確認為開支。激勵措施的總利益於租期內按直線法確認為租金開支的減少。

租賃土地及樓宇

凡租賃包括土地及樓宇部分，本集團須評估各部份擁有權所承擔之絕大部份風險及回報是否已轉移本集團作為獨立評估其分類屬於融資或經營租賃的依據，除非在兩個部分均為經營租賃的明確情況下，整個租賃被歸類為經營租賃。具體而言，最低租賃款項(包括任何一次性預付款)被分配到的土地及樓宇部分的比例，以其租賃在開始時土地租賃權益和樓宇租賃權益的比例分配。

倘能可靠地分配租賃款項，則被列作經營租賃的租賃土地的權益將作為「預付租賃款項」於綜合財務狀況表列賬及按租賃年期以直線法攤銷。在租賃款項不能在土地及樓宇之間作可靠分配之情況下，全數租賃款項均被納入作為物業、廠房及設備之融資租賃。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

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 recognised 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 each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. 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.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of Group's entities are translated into the presentation currency of the Group (i.e. HK\$) using the exchange rates prevailing at the end of the reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve (attributed to non-controlling interests as appropriate).

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. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

3. 重大會計政策(續)

外幣

編製個別集團實體的財務報表時，以非該實體功能貨幣(外幣)進行的交易按交易日期當時的匯率以各自的功能貨幣(即該實體經營所在的主要經濟環境的貨幣)列賬。於各呈報期結算日，以外幣計值的貨幣項目均按結算日當日的匯率重新換算。以外幣計值按歷史成本計量的非貨幣項目則毋須重新換算。

因結算及換算貨幣項目而產生的匯兌差額均於產生期間在損益確認。

就呈列綜合財務報表而言，本集團公司的資產及負債按各呈報期結算日的匯率換算成本集團的呈列貨幣(即港元)，而收支則按年內平均匯率換算，惟匯率於年內大幅波動則除外，在該情況下，將使用交易當日的匯率換算。所產生匯兌差額(如有)確認為其他全面收入並於外幣換算儲備(如適合，非控股權益應佔)項下累計股權。

借貸成本

收購、興建或生產符合條件資產(即須經過一段長時間才可達致其擬定用途或可供出售之資產)之直接借貸成本須作為該等資產成本之一部份，直至該等資產大體上達致其擬定用途或可供出售時。倘符合條件資產之特定貸款於支付其支出前暫作投資之用，其投資收入須用作減低已資本化的借貸成本。

所有其他借貸成本乃於產生之期間在損益賬確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable 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.

Retirement benefit costs

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme ("MPF Scheme") are recognised as an expense when employees have rendered service entitling them to the contributions.

Taxation

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

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

Deferred tax is recognised on 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 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. 重大會計政策(續)

政府補助

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

給予本集團即時財務資助而應收的政府補助(不計進一步相關成本)在應收期間於損益內確認。

退休福利成本

向國家管理的退休福利計劃及強制性公積金計劃(「強積金計劃」)作出之供款於僱員提供服務而有權獲得有關供款時列為開支。

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項乃根據年內的應課稅溢利計算。由於應課稅溢利不包括須於其他年內應課稅的收入或可扣稅開支項目，亦不包括毋須課稅或不可扣稅項目，故應課稅溢利與綜合全面收益表內列賬的溢利不同。本集團的即期稅項負債乃採用於呈報期結算日已實施或實際已實施的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利時採用的相應稅基之間的暫時差額確認。所有應課稅暫時差額一般確認為遞延稅項負債。倘可能出現應課稅溢利可用作抵銷可扣減暫時差額，則所有可扣減暫時差額一般確認為遞延稅項資產。若因初步確認一項交易(業務合併除外)之其他資產與負債而產生並無影響應課稅溢利或會計溢利的暫時差額，則不會確認該等資產與負債。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

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 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.

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

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 rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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. 重大會計政策(續)

稅項(續)

遞延稅項負債按於附屬公司投資的相關應課稅暫時差額確認，惟本集團可控制有關暫時差額撥回且於可見將來應不會撥回有關差額則除外。該等投資相關可扣減暫時差額產生的遞延稅項資產僅在可能產生足夠應課稅溢利可用作抵銷可動用暫時差額利益並預期在可見將來撥回時確認。

於各呈報期結算日均會檢討遞延稅項資產的賬面值，並扣減至不可能再有足夠應課稅溢利可收回全部或部分資產為止。

遞延稅項資產及負債按償還負債或變現資產期間的預期適用稅率(根據各呈報期結算日已實施或實際已實施之稅率(及稅法))計算。

遞延稅項負債及資產之計算反映按照本集團所預期方式於各呈報期結算日收回或清償其資產及負債賬面值之稅務後果。

即期及遞延稅項在損益確認，但若涉及在其他全面收益或直接在股權中確認的項目，則遞延稅項分別在其他全面收益確認或直接在股權中確認。當即期稅項或遞延稅項於業務合併之初始計入階段產生，稅務影響包括在計入之業務合併之中。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 cost necessary to make the sales.

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.

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale financial assets. 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, other than those financial assets classified as at FVTPL, of which interest income is included in net gain or losses.

3. 重大會計政策(續)

存貨

存貨按成本與可變現淨值兩者的較低者入賬。成本按加權平均法計算。可變現淨值指存貨的估計售價減完成的所有估計成本及進行銷售所需的成本。

金融工具

當集團實體成為工具合約條文的訂約方時，於綜合財務狀況表確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。因收購或發行金融資產及金融負債(按公平值計入損益的金融資產或金融負債除外)而直接產生的交易成本於首次確認時於該項金融資產或金融負債的公平值中計入或扣除(如適用)。因收購按公平值計入損益的金融資產或金融負債而直接產生的交易成本會即時於損益中確認。

金融資產

本集團的金融資產分為按公平值計入損益的金融資產(「按公平值計入損益的金融資料」)，貸款及應收款項及可供出售金融資產三類。有關分類須視乎金融資產的性質及用途，並於初始確認時釐定。常規買賣的所有金融資產根據買賣日期確認及終止確認。常規買賣指須於規例或市場慣例形成的時間框架內交付資產而進行的金融資產買賣。

實際利率法

實際利率法為計算金融資產之攤銷成本以及按有關期間分配利息收入之方法。實際利率指將金融資產於整個預計可用年期或(倘適用)較短期間內的估計未來現金收入(包括構成實際利率一部分的所有已付或已收費用、交易成本及其他溢價或折讓)準確折算至首次確認之賬面淨值的利率。

債務工具的利息收入按實際利率基準確認，惟按公平值計入損益的金融資產則作別論，其利息收入包括於損益內。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at fair value through profit or loss

The Group's financial assets classified as financial assets at FVTPL are derivatives that are not designated and effective as hedging instruments.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the other gains and losses line item in the consolidated statement of comprehensive income.

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, bills receivables, pledged bank deposits, restricted bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss of financial assets below).

Available-for-sale financial assets

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

Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in the investment revaluation reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see accounting policy on impairment loss on financial assets below).

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益的金融資產

本集團金融資產中分類為按公平值計入損益的金融資產乃並非指定為而實際為對沖工具的衍生工具。

按公平值計入損益的金融資產乃按公平值列賬，重新計量產生的任何收益或虧損則於損益中確認。於損益中確認的收益或虧損淨額包括金融資產賺取的任何股息或利息，並計入綜合全面收益表的其他收益及虧損項目內。

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款的非衍生金融資產，而於活躍市場並無報價。於首次確認後，貸款及應收款項(包括貿易及其他應收款項、應收票據、已抵押銀行存款、受限制銀行存款及銀行結餘及現金)減任何已識別減值虧損後以實際利率法計算並按攤銷成本列賬(見下文有關金融資產的減值虧損的會計政策)。

可供出售金融資產

可供出售金融資產指並非指定或分類為透過損益按公平值計量的金融資產、貸款及應收款項。

可供出售金融資產於呈報期結算日按公平值計量之金融資產。公平值之變動確認為綜合收益及累計投資重估儲備，直至該金融資產被出售或被釐定為已減值，則先前於投資重估儲備中累積之累計收益或虧損於損益中確認(參閱下文金融資產減值虧損之會計政策)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

Financial assets, other than those FVTPL, are assessed for indicators of impairment at the end of each 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 investment have been affected.

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

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

- 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

Financial assets such as trade receivables 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 respective credit periods, observable changes in national or local economic conditions that correlate with default on receivables.

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

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值

於各呈報期結算日，按公平值計入損益表以外之金融資產被評定是否有減值跡象。當有客觀證據顯示金融資產之預期未來現金流量因於初步確認該金融資產後發生之一項或多項事件出現而受到影響時，該等金融資產即已被視作減值。

就可供出售之股本投資而言，該投資之公平值大幅或長期低於其成本時可被考慮為減值之客觀證據。

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或交易方出現重大財政困難；或
- 違反合約，如未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就金融資產(如貿易應收款項)而言，不會單獨作出減值之資產其後會一併評估減值。應收款項組合減值之客觀證據可包括本集團過往收款紀錄、組合拖欠付款超逾各自信貸期的次數增加，及與拖欠應收款項有關的國家或地方經濟狀況出現客觀變動。

就按攤銷成本列賬的金融資產而言，已確認之減值虧損金額為資產賬面值與按原實際利率折現之估計日後現金流量現值之差額。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

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.

Impairment losses on available-for-sale equity investments will not be reversed through profit or loss. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in the investment revaluation reserve.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

所有金融資產之減值虧損會直接於金融資產之賬面值中作出扣減，惟貿易應收款項除外，其賬面值會透過撥備賬作出扣減。撥備賬內賬面值變動會於損益確認。當貿易應收款項視為不可收回時，則於撥備賬內撇銷。其後撥回過往所撇銷的款項將計入撥備賬。

當可供出售之金融資產被認為已減值時，以往於其他全面收益中已確認之累計收益或虧損重分類至該期之損益中。

就按已攤銷成本值列賬之金融資產而言，如在其後之期間減值虧損金額減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該投資於減值被撥回當日之賬面值不得超過並無確認減值下之已攤銷成本。

就可供出售股本投資而言，以往於損益確認之減值虧損將不會撥回損益中。於確認減值虧損後之任何公平值增加於其他全面收益中確認並於投資重估儲備中累計。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

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 instrument

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

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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 than financial liabilities classified as at FVTPL, of which the interest expense is included in net gains or losses.

Financial liabilities at fair value through profit or loss

The Group's financial liabilities classified as FVTPL are derivatives that are not designated and effective as hedging instruments.

Financial liabilities at FVTPL are measured at fair value, with changes in fair value arising on remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any interest paid on the financial liabilities.

3. 重大會計政策(續)

金融工具(續)

金融負債及股權工具

集團實體發行之金融負債及股權工具乃根據合約安排之主旨與金融負債及股權工具之定義分類為金融負債或股權。

股權工具

股權工具乃證明本集團於扣減其所有負債後之資產中擁有剩餘權益之任何合約。本公司發行之股權工具按已收所得款項(扣除直接發行成本)確認。

本公司購回本身之股本工具於權益直接確認及扣除。購買、出售、發行或註銷本公司本身之股本工具概不會於損益確認收益或虧損。

實際利率法

實際利率法為計算金融負債攤銷成本及於相關期間分配利息收入之方法。實際利率為於初步確認時確切貼現金融負債預期使用期或於較短年期(倘適用)之估計未來現金收入(包括構成整體實際利率之所有已付或已收費用及基點、交易成本及其他溢價或折讓)至賬面淨值的利率。

利息開支按實際利率基準確認，惟按公平值計入損益的金融負債則作別論，其中利息開支包括於損益內。

按公平值計入損益的金融負債

分類為按公平值計入損益的金融負債的本集團金融負債乃並非指定為而實際為對沖工具之衍生工具。

按公平值計入損益表的金融資產乃按公平值列賬，而再計量後所產生之收益或虧損於損益表中確認。於損益表中確認之收益或虧損淨額則包括就金融負債所付的任何利息。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Other financial liabilities

Other financial liabilities (including trade and other payables, bills payables, amount due to non-controlling interests and bank borrowings) are subsequently measured at amortised cost, using the effective interest method.

Derivative financial instruments

The Group's derivative financial instruments include commodity futures, provisional pricing arrangements and foreign currency forwards contracts.

Contracts to buy or sell a non-financial item at a future date that can be settled net in cash are accounted for as derivatives unless they were entered into and continue to be held for the purpose of the receipt of the non-finance item in accordance with the entity's expected purchase, sale or usage requirement.

Such derivative financial instruments are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derivatives of the Group do not qualify for hedge accounting thus they are deemed as financial assets held for trading or financial liabilities held for trading. Changes in fair values of such derivatives are recognised directly in profit or loss.

Embedded derivatives

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

3. 重大會計政策(續)

金融工具(續)

金融負債及股權工具(續)

其他金融負債

其他金融負債(包括貿易及其他應付款項、應付票據、應付非控股權益款項及銀行借貸)隨後以攤銷成本使用實際利率法計量。

衍生金融工具

本集團的衍生金融工具包括商品期貨、臨時定價安排及外匯遠期合約。

於日後買賣的可以淨現金結算的非金融項目的合約計作衍生工具，除非該等合約訂立及繼續持有的目的乃為根據實體的預期購買、銷售或使用安排收取非金融項目。

相關衍生金融工具於衍生合約訂立日期以公平值初步確認，並隨後於報告期末重新計入其公平值。除非該衍生工具被指定為及有效成為對沖工具，因此導致的收益或虧損立即於損益中確認，在此情況下，確認損益的時間視乎對沖關係的性質。

本集團的衍生工具並不適合作對沖會計，因此視為持作買賣的金融資產或持作買賣的金融負債。該等衍生工具公平值變動直接於損益表確認。

嵌入式衍生工具

當嵌入式衍生工具之風險及特質與主合約之經濟風險及特質並無密切關係，及主合約並非按公平值計量及公平值變動於損益確認時，非衍生主合約內含之衍生工具乃被視作獨立衍生工具。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

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. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

Share-based payment transactions

Share options granted by the Company to employees of the Group in an equity-settled share-based payment arrangement

For grants of share options that are conditional upon satisfying specified vesting conditions, the fair value of services received is determined by reference to the fair value of share options granted at the grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share option reserve).

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

3. 重大會計政策(續)

金融工具(續)

終止確認

僅當資產現金流量的合約權利到期時，或將其金融資產或該資產擁有權的絕大部分風險及回報轉移至另一實體時，本集團方會終止確認金融資產。倘本集團並未轉移亦未保留擁有權的絕大部分風險及回報，並繼續控制已轉移資產，則本集團會確認其於資產的保留權益及可能需要支付的相關負債款項。倘本集團仍保留已轉移金融資產擁有權的絕大部分風險及回報，本集團將繼續確認該金融資產並確認已收所得款項的有抵押借貸。

全面終止確認金融資產時，資產賬面值與已收及應收代價之差額以及於其他全面收益確認及於股權中累積之累計損益將於損益確認。

當且僅當本集團的責任解除、取消或屆滿時，本集團方會終止確認金融負債。終止確認的金融負債之賬面值與已付及應付代價之差額於損益確認。

以股份為基礎付款之交易

本公司以股本結算及以股份為基礎付款之安排授予本集團僱員之購股權

就須待達成特定歸屬條件後授出的購股權而言，參照授出當日已授出購股權之公平值而釐定已收取服務之公平值，於歸屬期間按直線法支銷，而權益(購股權儲備)則相應增加。

於呈報期結算日，本集團對預期最終將歸屬之購股權數目估計作出修訂。修訂原有估計之影響(如有)於損益確認，因此該等累計開支反映經修訂估計，而購股權儲備亦作相應調整。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment transactions (continued)

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

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of 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.

Write down on inventories

Management of the Group reviews the inventories listing on a category-by-category basis at the end of reporting period, and assesses whether the cost of the finished products will exceed their net realisable value. Management estimates the net realisable value for such inventories based primarily on the latest resale value and quoted prices on applicable commodity exchanges. If the market price of inventories are to decline, additional write down may be required. The Group's inventories are stated at lower of costs and net realisable values in the consolidated statement of financial position at the end of reporting period.

Estimated impairment of property, plant and equipment

When there is indication that an item of the property, plant and equipment has suffered an impairment loss, management of the Group takes into consideration of the estimation of its recoverable amount. The recoverable amounts calculation requires the Company to estimate higher of fair value less costs to sell and value in use expected to arise from the property, plant and equipment 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.

3. 重大會計政策(續)

以股份為基礎付款之交易(續)

於行使購股權時，先前已在購股權儲備中確認之金額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於到期日尚未獲行使，則先前已在購股權儲備中確認之金額將轉撥至累計盈利。

4. 估計不確定因素的主要來源

以下為有關日後的主要假設及於呈報期結算日很可能會引致下個財政期間資產及負債賬面值大幅調整的其他估計不確定因素的主要來源。

存貨撇減

本集團管理層於呈報期結算日按類別檢討存貨，並估計製成品的成本會否超逾可變現淨值。管理層主要按最新轉售價值及相關商品交易所報價估計有關存貨的可變現淨值。倘存貨市價下跌，則或須作出額外撇減。本集團於呈報期結算日的所有存貨均按成本及淨現值(以較低者為準)於綜合財務狀況表列賬。

物業、廠房及設備的減值估計

倘有跡象顯示物業、廠房及設備項目已出現減值虧損，本集團管理層會考慮估計物業、廠房及設備的可回收金額。計算可回收金額要求本公司估計較高的公平值減出售成本及對預期物業、廠房及設備所產生之使用價值及適當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。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

5. CAPITAL 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 stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remained unchanged from prior years.

The capital structure of the Group consists of debt, which includes bank borrowings disclosed in Note 28, net of cash and cash equivalents and equity attributable to owners of the Company, comprising capital, various reserves and accumulated profits.

The directors of the Company review the capital structure periodically. The directors of the Company also balance the overall capital structure through the payment of dividends, new share issues and share repurchases as well as the issue of new debt or the redemption of existing debt. No changes were made in the objectives, policies or processes during the year ended 31 December 2011.

5. 資本風險管理

本集團管理資本旨在保障本集團屬下實體可持續經營，並透過維持債務與股權的最佳平衡而為股東提供最大回報。本集團的整體策略與過往年度相同。

本集團的資本架構包括債務(包括附註28所披露的銀行借貸，扣除現金及現金等值項目)及本公司擁有人應佔權益(包括資本及多項儲備及累計溢利)。

本公司董事定期審閱資本架構。本公司董事亦透過支付股息、發行新股、股份購回及發行新債券或贖回現有債券平衡本集團整體資本架構。截至二零一一年十二月三十一日止年度，有關目標、政策或程序並無變動。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS

6a. Categories of financial instruments

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Financial assets	金融資產		
Derivative financial instruments	衍生金融工具	37,021	—
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等值項目)	935,298	741,635
Available-for-sale investments	持作出售投資	19,060	—
Financial liabilities	金融負債		
Derivative financial instruments	衍生金融工具	39,765	205
Amortised cost	攤銷成本	3,131,250	1,819,588

6b. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bills receivables, derivative financial asset, pledged bank deposits, restricted bank deposits, bank balances and cash, available-for-sale investment, trade and other payables, bills payables, amount due to non-controlling interests, derivative financial liability and bank borrowings. Details of the financial instruments are disclosed in the 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.

Market risk

(i) Currency risk

The Group has foreign currency sales, purchases, amounts due from non-controlling interests, trade and other receivables, bills receivables, derivative financial asset, pledged bank deposits, restricted bank deposits, bank balances and cash, available-for-sale investment, trade and other payables, bills payables, derivative financial liability and bank borrowings, which expose the Group to market risk arising from changes in foreign exchange rates. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors its foreign currency risk exposure and considers any foreign currency forward contracts should the need arise.

6. 金融工具

6a. 金融工具的種類

6b. 金融風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、應收票據、衍生金融資產、已抵押銀行存款、受限制銀行存款、銀行結餘及現金、持作出售投資、貿易及其他應付款項、應付票據、應付非控股權益款項、衍生金融負債及銀行借貸。該等金融工具詳情於相關附註披露。有關該等金融工具的風險包括市場風險(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。為減輕該等風險而制訂的政策載於下文。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。

市場風險

(i) 貨幣風險

本集團因有外幣買賣、應收非控股權益款項、貿易及其他應收款項、應收票據、衍生金融資產、已抵押銀行存款、受限制銀行存款、銀行結餘及現金、持作出售投資、貿易及其他應付款項、應付票據、衍生金融負債及銀行借貸而面對外匯匯率變動帶來的市場風險。本集團現時並無外幣對沖政策。然而，管理層仍密切監控外幣風險，並會於需要時考慮任何外幣遠期合約。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

(i) Currency risk (continued)

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in HK\$, RMB, United States dollars ("USD") and Euro ("EUR") at the end of the reporting period are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Monetary assets	貨幣資產		
HK\$	港元	4,850	10,928
RMB	人民幣	183,193	29,343
USD	美元	93,660	32,146
EUR	歐元	1,205	43,087
Monetary liabilities	貨幣負債		
HK\$	港元	8,451	107,249
USD	美元	1,924,896	902,360
EUR	歐元	60,405	36,716

Sensitivity analysis

The Group is mainly exposed to the foreign currencies of HK\$, RMB, USD and EUR when such currencies are different from the functional currency of the relevant group entities.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

於各呈報期結算日，本集團以港元、人民幣、美元(「美元」)及歐元(「歐元」)計值的貨幣資產、貨幣負債的賬面值如下：

敏感度分析

本集團主要因港元、人民幣、美元及歐元並非相關集團實體的功能貨幣而面對該等貨幣的風險。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

A 5% sensitivity rate is used when reporting foreign currency risk internally to key management personnel because it represents management's assessment of the possible change in HK\$, US\$ and EUR against RMB rate. On the basis of the above assets and liabilities denominated in HK\$, RMB, USD and EUR at the end of the reporting period, and assuming all other variables remain unchanged, a 5% weakening of the HK\$, weakening of the USD and strengthening of EUR against RMB and strengthening of RMB against USD (functional currency of the relevant group entities) would give rise to fluctuations in post-tax profit for the year in the following magnitude, and vice versa:

Increase (decrease) in profit: 溢利增加(減少):

Monetary assets and liabilities

HK\$ weakening against RMB

USD weakening against RMB

EUR strengthening against RMB

RMB strengthening against USD

貨幣資產及負債

港元兌人民幣貶值

美元兌人民幣貶值

歐元兌人民幣升值

人民幣兌美元升值

In management's opinion, the sensitivity analysis is not necessarily representative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

Other than HK\$, RMB, USD and EUR, the Group does not have any other major exposure to foreign currency risk.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析(續)

公司內部向高級管理人員呈報外幣風險時使用5%的敏感度比率，乃因該比率代表管理層所評估港元、美元及歐元兌人民幣匯率可能出現的波動比率。基於上述於呈報期結算日以港元、人民幣、美元及歐元計值的資產及負債，假設其他變數不變，則港元兌人民幣貶值、美元兌人民幣貶值及歐元兌人民幣及人民幣兌美元(相關集團實體的功能貨幣)升值各5%所致年內產生除稅後溢利波動的幅度如下，反之亦然：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Increase (decrease) in profit: 溢利增加(減少):		
Monetary assets and liabilities 貨幣資產及負債		
HK\$ weakening against RMB 港元兌人民幣貶值	150	4,056
USD weakening against RMB 美元兌人民幣貶值	71,005	33,804
EUR strengthening against RMB 歐元兌人民幣升值	(2,472)	266
RMB strengthening against USD 人民幣兌美元升值	7,648	1,225

管理層認為，由於年終風險無法反映年內風險，故該敏感度分析並不代表固有外匯風險。

除港元、人民幣、美元及歐元外，本集團並無面對其他主要外幣風險。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank deposits and variable-rate bank borrowings. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of LIBOR arising from the Group's USD denominated borrowings.

The Group considers the variable-rate bank balances are within short maturity period, and the fluctuation in interest rate and the cash flow interest rate risk arising from the bank balances are insignificant.

The Group's fair value interest rate risk relates primarily to its fixed-rate pledged bank deposits and bank borrowings. It is the Group's policy to maintain a majority of borrowings at fixed rate of interest so as to reduce the cash flow interest rate risk.

The Group has not entered into any interest rate hedging contracts. Management monitors the Group's related interest rate exposure closely and will consider hedging significant interest rate exposure when the need arises.

Sensitivity analysis

The carrying amounts of the Group's monetary liabilities which carried variable interest rates at the end of the reporting period are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Liabilities	負債	582,370	—

The sensitivity analysis below determined based on the exposure to risk of interest rate changes for variable-rate bank borrowings at the end of the reporting period and management considered that such exposure for variable-rate bank deposits was minimal as the amount involved was not significant.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險

本集團因銀行存款及浮息銀行借貸的當前市場利率波動而面對現金流量利率風險。本集團的現金流利率風險主要集中於因本集團的美元計值的貸款引起的倫敦銀行同業拆息的波動。

本集團認為浮息結餘乃於短期內到期，而利率波動及因銀行結餘導致的現金流利率風險屬微乎其微。

本集團的公平值利率風險主要與定息已抵押銀行存款及銀行借貸有關。本集團的政策為將大部分借貸維持為定息借貸，減低現金流量利率風險。

本集團並無訂立任何利率對沖合約。管理層會密切監管本集團相關利率風險並於必要時考慮對沖重大利率風險。

敏感度分析

於呈報期結算日，按浮息利率計息的本集團貨幣負債賬面值如下：

下列敏感度分析乃基於呈報期結算日浮息銀行借貸的利率變動風險而定，由於所涉數額不大，故管理層認為浮息銀行存款的利率變動風險並不大。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Interest rate risk (continued)

Sensitivity analysis (continued)

A 100 basis points increase or decrease was used when reporting interest risk internally to key management personnel because it represented management's assessment of the possible change in interest rate.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year would decrease/increase by the following magnitude:

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Decrease/increase in profit	4,378	-

溢利減少/增加

(iii) Other price risk

At 31 December 2011, the Group was exposed to price risk through its investment in available-for-sale investment, aluminium, copper and zinc future contracts and its provisional pricing arrangements embedded in sales contracts.

Sensitivity analysis

The sensitivity analysis below determined based on the exposure to price risk of available for sale listed equity investment, aluminium, copper and zinc future contracts and the provisional pricing arrangements embedded in sales contract of copper scrap at the end of reporting period. If the price of available-for-sale listed equity investment, aluminium, copper and zinc future contracts and the input of quoted copper future price for the valuation of provisional pricing arrangements had been 5% higher/lower, the Group's post-tax profit or other comprehensive income for the year would increase/decrease by the following magnitude:

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Increase/decrease in profit	43,690	-
Increase/decrease in investment revaluation reserve	953	-

溢利增加/減少
投資重估儲備的
上升/下降

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析(續)

以100個基點的升跌為標準向內部主要管理人員呈報利率風險，是由於此為管理層對利率可能變動的評估。

倘利率增加/減少100個基點而所有其他變數不變，則本集團年內除稅後溢利減少/增加的幅度如下：

(iii) 其他價格風險

於二零一一年十二月三十一日，本集團因投資於可供出售投資、鋁銅鋅期貨合約及臨時定價安排而面對價格風險。

敏感度分析

下列敏感度分析乃基於各呈報期結算日可供出售上市股本投資、鋁銅鋅期貨合約以及臨時定價安排面對的價格風險而定。倘可供出售上市股本投資、鋁銅鋅期貨合約的價格及就臨時定價安排估值所報的銅期貨價格上升/下降5%，則本集團年內除稅後溢利或其他綜合收入增加/減少的幅度如下：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Increase/decrease in profit	43,690	-
Increase/decrease in investment revaluation reserve	953	-

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risk (continued)

(iii) Other price risk (continued)

Sensitivity analysis (continued)

In management's opinion, the sensitivity analysis is not necessarily representative of the inherent other price risk as the year end exposure does not reflect the exposure during the year.

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 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, management of the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors 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 international credit-rating agencies.

The Group has concentration of credit risk as 26% and 70% of total trade receivables was due from the Group's largest customer and the five largest customers respectively at 31 December 2011. The five largest customers have good repayment history and credit quality with reference to the track record of these customers under internal assessment by the Group.

There was no significant concentration of credit risk as the Group's financial assets spread over a number of counterparties and customers as at 31 December 2010.

Liquidity risk

The objective of the Group is to maintain a balance between continuity of funding and the flexibility through the use of bank borrowings.

The following table details the Group's remaining contractual maturity for non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. 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.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(iii) 其他價格風險(續)

敏感度分析(續)

管理層認為，由於年終風險無法反映年內風險，故該敏感度分析不代表固有的其他價格風險。

信貸風險

於二零一一年十二月三十一日，本集團因交易方無法履行責任而面臨蒙受財務虧損的最大信貸風險額度為綜合財務狀況表所呈列相關已確認金融資產之賬面值。

為減低信貸風險，本集團管理層逐一審查貿易債務於呈報期結算日之可收回款項，確保對不可收回款項作出充足減值虧損撥備。因此，本公司董事認為本集團之信貸風險顯著降低。

由於交易方是國際評級機構評級為信譽良好之銀行，故流動資金之信貸風險有限。

本集團有集中信貸風險，原因為於二零一一年十二月三十一日貿易應收款項的26%及70%分別來自本集團的最大客戶及五大客戶。根據本集團對五大客戶作出內部評估記錄，該等客戶擁有良好還款記錄及信貸質素。

於二零一零年十二月三十一日，本集團的信貸風險源自多個交易對手及客戶，故並無明顯之信貸風險集中。

流動資金風險

本集團的目標為保持持續供資、靈活運用銀行借貸之間的平衡。

下表詳列本集團非衍生金融負債的剩餘合約年期。列表顯示本集團可能須付款的最早日期的非衍生金融負債未貼現現金流量。倘利息流量為浮息，未貼現金額則按呈報期結算日利率曲線計算。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

In addition, the following table detailed the Group's liquidity analysis for its derivative financial liabilities. The table was drawn up based on the undiscounted contractual net cash outflows on derivative liabilities that settle on a net basis, and the undiscounted gross (inflows) and outflows on those derivatives that required gross settlement. The liquidity analysis for the Group's derivative financial liabilities were prepared based on the contractual maturities as the management considered that the contractual maturities were essential for an understanding of the timing of the cash flows of derivatives.

Liquidity and interest risk tables

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

流動資金風險(續)

此外，下表詳列本集團衍生金融負債的流動資金分析，顯示以總額結算的衍生負債未貼現總額(流入量)及流出量。由於管理層認為合約年期對理解衍生負債現金流量的時間至關重要，故本集團衍生金融負債的流動資金分析乃基於合約年期而編製。

流動資金及利率風險表格

		Weighted average interest rate	On demand or less than 1 month	1-3 months	3 months to 1 year	Total undiscounted cash flows	Total carrying value at the end of the reporting period
		加權平均利率	按要求或一個月以內	一至三個月	三個月至一年	未貼現現金流量總額	結算日之賬面總值
		%	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
At 31 December 2011	二零一一年十二月三十一日						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付款項	-	479,553	-	-	479,553	479,553
Bank borrowings	銀行借貸						
- fixed rate	- 定息	4.61	652,051	800,017	645,955	2,098,023	2,069,327
- variable rate	- 浮息	5.29	570,082	13,639	-	583,721	582,370
			1,701,686	813,656	645,955	3,161,297	3,131,250
Derivatives-net settlement	衍生工具-結算淨額						
Aluminium, copper and zinc future contracts	鋁銅鋅期貨合約	-	17,350	17,346	-	34,696	34,696
Provisional pricing arrangements	臨時定價安排	-	-	-	5,069	5,069	5,069
			17,350	17,346	5,069	39,765	39,765

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables (continued)

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表格(續)

		Weighted average interest rate	On demand or less than 1 month	1-3 months	3 months to 1 year	Total undiscounted cash flows	Total carrying value at the end of the reporting period 呈報期 結算日之 賬面總值 HK\$'000 千港元
		加權 平均利率 %	按要求或 一個月以內 HK\$'000 千港元	一至三個月 HK\$'000 千港元	三個月 至一年 HK\$'000 千港元	未貼現現金 流量總額 HK\$'000 千港元	結算日之 賬面總值 HK\$'000 千港元
At 31 December 2010	二零一零年 十二月三十一日						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付款項	-	153,169	20,597	-	173,766	173,766
Bills payables	應付票據						
- non-interest bearing	- 不計息	-	-	47,228	-	47,228	47,228
- fixed rate	- 定息	2.09	102,010	-	-	102,010	101,922
Bank borrowings	銀行借貸						
- fixed rate	- 定息	3.35	111,729	635,415	767,181	1,514,325	1,496,672
			366,908	703,240	767,181	1,837,329	1,819,588
Derivatives-gross settlement	衍生工具-結算總額						
Foreign currency forward contracts	外幣遠期合約						
- inflow	- 流入	-	-	-	(84,084)	(84,084)	(84,084)
- outflow	- 流出	-	-	-	84,289	84,289	84,289
			-	-	205	205	205

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables (continued)

Bank borrowings and bills payables with a repayment on demand clause are included in the "on demand or less than 1 month" time band in the above maturity analysis. As at 31 December 2011, the aggregate undiscounted principal amounts of these bank borrowings and bills payables amounted to HK\$918,461,000 (2010: HK\$101,922,000). Taking into account the Group's financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors believe that such bank borrowings will be repaid within one to three years (2010: within one year) after the reporting date respectively in accordance with the scheduled repayment dates set out in the loan agreements and the facility letter respectively. At that time, the aggregate principal and interest cash outflows amounting to HK\$748,931,000 and HK\$209,372,000 will be repaid within one year and one to three years respectively (2010: HK\$103,178,000).

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

6c. Fair value

The fair value of financial assets and financial liabilities of the Group were determined as follows:

- the fair value of derivative financial instruments (excluded foreign currency forward contracts) and available-for-sale investments traded on active markets were determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities (excluding derivative instruments but only included foreign currency forward contracts) were determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

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.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表格(續)

須按要求償還之銀行借貸及應付票據計入上述到期日分析之「按要求或一個月以內」時間範圍內。於二零一一年十二月三十一日，該等銀行借貸及應付票據之未貼現本金總額達918,461,000港元(二零一零年：101,922,000港元)。經計及本集團之財務狀況後，董事相信銀行不可能將行使其酌情權以要求即時還款。董事相信，該等銀行借貸將於呈報日期後一年至三年內(二零一零年：一年內)根據貸款協議及融資函件所載預定還款日期償還。屆時，本金及利息現金流出為748,931,000港元及209,372,000港元，並分別於一年內及三年內償還(二零一零年：103,178,000港元)。

倘浮息利率之變動有別於報告期結算日釐定之估計利率變動，上述非衍生財務負債浮息工具之金額或會出現變動。

6c. 公平值

本集團金融資產及金融負債之公平值按下列方式釐定：

- 於活躍流動市場交易的衍生金融工具(不包括外幣遠期合約)及可供出售投資的公平值參考市場報價釐定；及
- 其他金融資產及金融負債(不包括衍生工具但僅包括外幣遠期合約)的公平值乃使用現時市場可觀察交易之價格或利率根據貼現現金流量分析以公認定價模式釐定。

本公司董事認為，於綜合財務報表按攤銷成本列賬的金融資產及金融負債的賬面值與其公平值相若。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Fair value measurements recognised in the consolidated statement of financial position

The following table provided an analysis of financial instruments that were measured subsequent to initial recognition at fair value, grouped into Levels 1 to 2 based on the degree to which the fair value is observable.

- Level 1 fair value measurements were those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements were 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).

As at 31 December 2011

6. 金融工具(續)

6c. 公平值(續)

於綜合財務狀況表確認的公平值計量

下表載列首次確認後按公平值計量的金融工具之分析，按公平值的可觀察程度分為一至二級。

- 一級公平值計量指按同類資產或負債於活躍市場的報價(未經調整)計量。
- 二級公平值計量指按資產或負債的直接(即價格)或間接(即按價格計算者)可觀察參數(一級計量所用報價除外)計量。

於二零一一年十二月三十一日

		Level 1 一級 HK\$'000 千港元	Level 2 二級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale financial assets	可供出售金融資產			
Listed equity securities	已上市股本證券	19,060	–	19,060
Financial assets at FVTPL	按公平值計入損益的金融資產			
Derivative financial asset	衍生金融資產	37,021	–	37,021
Financial liabilities at FVTPL	按公平值計入損益的金融負債			
Derivative financial liability	衍生金融負債	34,696	5,069	39,765

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Fair value measurements recognised in the consolidated statement of financial position (continued)

As at 31 December 2010

6. 金融工具(續)

6c. 公平值(續)

於綜合財務狀況表確認的公平值計量(續)

於二零一零年十二月三十一日

	Level 1 一級 HK\$'000 千港元	Level 2 二級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial liabilities at FVTPL 按公平值計入損益的金融負債			
Derivative financial liability 衍生金融負債	-	205	205

There were no transfers between level 1 and level 2 during the year ended 31 December 2011, nor during the year ended 31 December 2010.

截至二零一一年十二月三十一日止年度及截至二零一零年十二月三十一日止年度，一級與二級之間並無轉移。

7. REVENUE AND SEGMENT INFORMATION

The Group's revenue represents the amount received and receivable for the sales of metal scrap, net of sales related taxes, during the year.

Operating and reportable segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("CODM") in order to allocate resources to segments and to assess their performance. The executive directors of the Company are identified as the CODM and they regularly review the internal report on gross profit derived from different business activities and different products to assess performance and allocate resources of the Group.

7. 收益及分部資料

本集團收益指年內銷售廢金屬之已收及應收款項，扣除銷售相關稅項。

業務及可呈報分部的劃分基準與首席營運決策者(「營運總裁」)定期審閱有關本集團業務結構以分配調資及評估分部表現。本公司執行董事擔任營運總裁角色，定期審閱關於各種業務活動及各類產品所得毛利的內部報告，評估本集團業績並分配資源。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

7. REVENUE AND SEGMENT INFORMATION (continued)

The Group is mainly engaged in the principal business of metal recycling, involving the recycling of mixed metal scrap into copper scrap, steel scrap, aluminium scrap, iron scrap and other metal scrap. The Group is also engaged in the foundry business which involves the production and sale of aluminium-alloy ingots and copper rod and wire, and wholesales business which involves trading of other metal scrap without processing. The operating and reportable segments are identified based on major products under three categories of business activities:

- (i) metal recycling business (including sales of copper scrap, steel scrap, aluminium scrap, iron scrap and other metal scrap);
- (ii) foundry business (including sales of aluminium-alloy ingots and copper rod and wire); and
- (iii) wholesales business.

7. 收益及分部資料(續)

本集團主要從事金屬再生業務，涉及將混合廢金屬回收分成廢銅、廢鋼、廢鋁、廢鐵及其他廢金屬，亦從事涉及生產及銷售鋁錠、以及銅桿及銅線等的鑄造業務與涉及買賣其他未加工廢金屬等的批發業務。業務及可呈報分部按主要產品劃分為三類業務活動：

- (i) 金屬再生業務(包括銷售廢銅、廢鋼、廢鋁、廢鐵及其他廢金屬)；
- (ii) 鑄造業務(包括銷售鋁錠及銅桿以及銅線)；及
- (iii) 批發業務。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

7. REVENUE AND SEGMENT INFORMATION 7. 收益及分部資料(續)

Segment revenues and segment results

An analysis of the Group's segment revenues and segment results by operating and reportable segment is as below.

分部收益及分部業績

以下為本集團按業務及可呈報分部劃分的分部收益及分部業績分析。

For the year ended 31 December 2011

截至二零一一年十二月三十一日止年度

	Metal recycling business 金屬再生業務				Foundry business 鑄造業務			Wholesales 批發業務		Total 總計
	Copper scrap 廢銅	Steel scrap 廢鋼	Aluminium scrap 廢鋁	Iron scrap 廢鐵	Other metal scrap 其他廢金屬	Aluminium- ingots 鋁錠	Copper rod and wire 及銅線	Other metal scrap processing 其他未加工廢金屬	Elimination 對銷	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
REVENUE	收益									
External sales	外部銷售									
Inter-segment sales	分部間銷售									
	5,711,958	1,882,559	252,272	346,142	67,421	312,468	716,803	525,899	-	9,815,522
	15,613	51,260	194,592	-	134	8,005	-	4,477,634	(4,747,238)	-
Total segment revenue	分部收益總額									
	5,727,571	1,933,819	446,864	346,142	67,555	320,473	716,803	5,003,533	(4,747,238)	9,815,522
Segment profit	分部溢利									
	190,470	24,740	15,716	13,631	(2,298)	12,945	64,972	196,123	(63,712)	452,587
Other income	其他收入									
Other gains and losses	其他收益及虧損									
Distribution and selling expenses	分銷及銷售開支									
Administrative expenses	行政開支									
Finance costs	財務成本									
										22,345
										2,051
										(31,303)
										(143,466)
										(97,755)
Profit before tax	除稅前溢利									
Income tax expense	所得稅開支									
										204,459
										(88,208)
Profit for the year	年內溢利									
										116,251
Write down of inventories included in segment profit	包括於分部溢利內的存貨撇減									
	(46,731)	(27,688)	(1,387)	(527)	(3,066)	-	(18,158)	-	-	(97,557)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

7. REVENUE AND SEGMENT INFORMATION 7. 收益及分部資料(續)

Segment revenues and segment results (continued)

For the year ended 31 December 2010

分部收益及分部業績(續)

截至二零一零年十二月三十一日止年度

		Metal recycling business 金屬再生業務				Foundry business 鑄造業務			Wholesales 批發業務	Elimination 對銷	Total 總計
		Copper scrap 廢銅	Steel scrap 廢鋼	Aluminium scrap 廢鋁	Iron scrap 廢鐵	Other metal scrap 其他 廢金屬	Aluminium- alloy ingots 鋁錠	Copper rod and wire 及銅線	Other metal scrap without processing 其他未加 工廢金屬		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
REVENUE	收益										
External sales	外部銷售	3,576,085	1,025,843	46,085	235,334	37,168	311,592	523,714	175,768	-	5,931,589
Inter-segment sales	分部間銷售	11,901	35,313	263,860	-	332	35,303	-	1,413,551	(1,760,260)	-
Total segment revenue	分部收益總額	3,587,986	1,061,156	309,945	235,334	37,500	346,895	523,714	1,589,319	(1,760,260)	5,931,589
Segment profit	分部溢利	278,246	91,898	25,963	22,091	2,296	17,401	75,600	56,328	121	569,944
Other income	其他收入										11,548
Other gains and losses	其他收益及虧損										55,001
Distribution and selling expenses	分銷及銷售開支										(12,805)
Administrative expenses	行政開支										(69,718)
Other expenses	其他開支										(24,849)
Finance costs	財務成本										(47,087)
Profit before tax	除稅前溢利										482,034
Income tax expense	所得稅開支										(129,478)
Profit for the year	年內溢利										352,556

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

7. REVENUE AND SEGMENT INFORMATION (continued)

Segment revenues and segment results (continued)

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the gross profit resulted in each segment without allocation of other income, other gains and losses, distribution and selling expenses, administrative expenses, other expenses, finance costs and income tax expense. This is the measure reporting to the executive directors of the Company for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market price.

Segment assets and segment liabilities

Information on segment assets and segment liabilities of the Group are not reviewed by the CODM for the purpose of resource allocation and performance assessment nor otherwise regularly provided to the CODM. As a result, no analysis of segment assets and segment liabilities are presented.

Geographical information

Approximately 95% of external revenues of the Group during the year ended 31 December 2011 (2010: 98%) are attributable to customers established in the PRC, the place of domicile of the Group's major operating entities. The remainings are immaterial for separate disclosure on their geographical information. Majority of the Group's non-current assets are located in the PRC.

Information about major customers

No individual customer contributed to more than 10% of the Group's revenue for the years ended 31 December 2011 and 2010.

7. 收益及分部資料(續)

分部收益及分部業績(續)

業務及可呈報分部之會計政策與附註3所述之本集團會計政策相同。分部溢利指各分部產生的毛利，未分配其他收入、其他收益及虧損、分銷及銷售開支、行政開支、其他開支、財務成本及所得稅開支，此乃向本公司執行董事報告以便分配資源及評估業績的計量。

分部間銷售以現行市價扣除。

分部資產及分部負債

由於本集團的分部資產及分部負債資料並未由營運總裁審閱以分配資源及評核表現或以其他方式定期呈交營運總裁，故並無呈列分部資產及分部負債的分析。

地區資料

截至二零一一年及二零一零年十二月三十一日止年度，本集團約95%（二零一零年：98%）的外界收入來自在中國（本集團主要經營實體的註冊國）成立的客戶，餘下不重要的收入則分部於其他地區，不另作披露。大部分非流動資產位於中國。

主要客戶的資料

截至二零一一年及二零一零年十二月三十一日止年度，概無個別客戶貢獻超過本集團收入的10%。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

8. COST OF SALES

Included in cost of sales are the following write down of inventories:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Write down of inventories	存貨撇減	97,557	-

Management assesses whether the cost of inventories exceed their net realisable value at the end of each reporting period. Management estimates the net realisable value for inventories with reference to the ask price of metal scrap in the relevant markets and the quoted prices of metal on applicable commodity exchanges at the end of reporting period. As at 31 December 2011, because the market prices of the commodities were lower than the respective purchase price of certain inventories held, a provision of approximately HK\$97,557,000 was recorded. As at 31 December 2010, because the market prices of the commodities were higher than the respective purchase prices of inventories held, no allowance was required.

9. OTHER INCOME

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Interest income	利息收入	16,701	6,583
Rental income for a temporary lease	暫時土地租金收入	1,125	3,218
Government subsidies (note)	政府補助(附註)	3,471	1,572
Others	其他	1,048	175
		22,345	11,548

note: The Group received unconditional government grants from a local municipal government as an encouragement for the development and advancement of business.

8. 銷售成本

銷售成本包括以下存貨撇減：

管理層於各呈報期結算日評估存貨成本是否超過存貨可變現淨值。管理層參考於呈報結算日相關市場的廢金屬買價及相關商品交易所的金屬報價估計存貨可變現淨值。於二零一一年十二月三十一日，由於商品市價較所持若干存貨的各自採購價為低，因此錄得撥備約97,557,000港元。於二零一零年十二月三十一日，由於商品市價較所持存貨的各自採購價為高，因此毋須作出撥備。

9. 其他收入

附註：地方市政府為鼓勵本集團業務發展與進步而給予本集團的無條件政府補助。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

10. OTHER GAINS AND LOSSES

10. 其他收益及虧損

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss) gain from changes in fair value of derivative financial instruments (note)	衍生金融工具公平 值變動(虧損)收益(附註)	(78,892)	10,919
Net foreign exchange gains	匯兌收益淨額	79,081	43,580
(Recognition) reversal of impairment loss on trade and other receivables	貿易及其他 應收款項減值虧損 (確認)撥回	(452)	560
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	(126)	(58)
Impairment loss recognised on property, plant and equipment	物業、廠房及設備 已確認的減值虧損	(1,099)	-
Net compensation received from suppliers	收取供應商補償淨額	3,539	-
		2,051	55,001

note: The amounts arose from aluminium, copper and zinc future contracts, provisional pricing arrangements embedded in sales contracts and foreign currency forward contracts.

附註：該等金額乃按鋁銅鋅期貨合約，該等銷售合約內含的臨時定價安排及外幣遠期合約計算。

11. FINANCE COSTS

11. 財務成本

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Bank charges	銀行收費	8,065	4,499
Interest on:	以下各項的利息：		
– bank borrowings wholly repayable within five years	– 須於五年內償清的 銀行借貸	89,177	36,632
– amounts due to related parties	– 應付關連方款項	-	1,596
– bills payables	– 應付票據	513	4,360
		97,755	47,087

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

12. PROFIT FOR THE YEAR

12. 年內溢利

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Profit for the year has been arrived at after charging:	年內溢利，已扣除：		
Directors' emoluments (Note 13)	董事酬金(附註13)	14,625	2,963
Other staff costs	其他員工成本	205,789	117,943
Retirement benefit scheme contributions, excluding those of directors	退休福利計劃供款，不包括董事之退休福利計劃供款	3,009	1,873
Share-based payments, excluding those of directors	以股份為基礎的付款，不包括董事以股份為基礎的付款	11,377	1,689
Total staff costs	員工成本總額	234,800	124,468
Cost of inventories recognised as an expense	確認為開支的存貨成本	9,362,935	5,361,645
Listing expenses, included in other expenses	上市開支，計入其他開支	-	24,624
Depreciation of property, plant and equipment	物業、廠房及設備折舊	24,250	12,103
Amortisation of prepaid lease payments	預付租金攤銷	909	867
Auditor's remuneration	核數師酬金	2,650	4,000

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

Directors

Details of the emoluments paid by the Group to the directors of the Company for the year are as follows:

13. 董事及僱員酬金

董事

本集團於年內支付本公司董事的酬金詳情如下：

		Salaries and allowances	Performance bonus (note ii)	Retirement benefit scheme contributions	Share-based payment	Total
	Fees	薪金及 津貼	表現花紅 (附註ii)	退休福利 計劃供款	以股份為 基礎的付款	合計
	袍金	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
Year ended 31 December 2011:	截至二零一一年十二月三十一日止年度：					
Executive directors:	執行董事：					
Mr. Fang Ankong ("Mr. Fang")	方安空先生(「方先生」)	24	918	500	7	8,444
Mr. Stephanus Maria van Ooijen	Stephanus Maria van Ooijen 先生	24	1,056	300	-	741
Mr. Gu Liyong	顧李勇先生	24	677	300	2	648
Non-executive directors:	非執行董事：					
Mr. Ralph Sytze Ybema	Ralph Sytze Ybema 先生	150	-	-	-	90
Mr. Li Xikui (note i)	李錫奎先生(附註i)	150	-	-	-	90
Dr. Loke Yu (note i)	陸海林博士(附註i)	150	-	-	-	90
Ms. Zhang Jingdong (note i)	章敬東女士(附註i)	150	-	-	-	90
		672	2,651	1,100	9	10,193
						14,625

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS 13. 董事及僱員酬金(續)

Directors (continued)

董事(續)

		Fees	Salaries and allowances	Performance bonus (note ii)	Retirement benefit scheme contributions	Share-based payment	Total
		袍金	薪金及津貼	表現花紅(附註ii)	退休福利計劃供款	以股份為基礎的付款	合計
		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
Year ended 31 December 2010:	截至二零一零年十二月三十一日止年度						
Executive directors:	執行董事:						
Mr. Fang	方先生	-	741	-	5	576	1,322
Mr. Stephanus Maria van Ooijen	Stephanus Maria van Ooijen先生	-	540	-	-	165	705
Mr. Gu Liyong	顧李勇先生	-	565	-	1	70	636
Non-executive directors:	非執行董事:						
Mr. Ralph Sytze Ybema	Ralph Sytze Ybema先生	75	-	-	-	-	75
Mr. Li Xikui (note i)	李錫奎先生(附註i)	75	-	-	-	-	75
Dr. Loke Yu (note i)	陸海林博士(附註i)	75	-	-	-	-	75
Ms. Zhang Jingdong (note i)	章敬東女士(附註i)	75	-	-	-	-	75
		300	1,846	-	6	811	2,963

notes:

附註:

- | | | | |
|------|---|------|--|
| (i) | They are independent non-executive directors appointed on 23 June 2010. | (i) | 該等董事為獨立非執行董事及於二零一零年六月二十三日獲委任。 |
| (ii) | The performance bonus in 2011 is determined as a percentage of the net profit before the write down of inventories for the year ended 31 December 2011. | (ii) | 二零一一年表現花紅乃按截至二零一一年十二月三十一日止年度存貨撇減前的淨溢利以百分比釐定。 |

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

Employees

Of the five highest paid individuals of the Group, three (2010: one) were directors, whose emoluments are included in the disclosures above. The emoluments of the remaining two (2010: four) individuals were as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Salaries and other allowances	薪金及其他津貼	2,901	3,793
Performance bonus (note ii)	表現花紅(附註ii)	650	—
Retirement benefit scheme contributions	退休福利計劃供款	19	34
		3,570	3,827

During the year, the emoluments for three of the five highest paid individuals were within HK\$1,500,001 to HK\$2,000,000, the one of the five highest paid individuals was within HK\$2,000,001 to HK\$2,500,000 and the remaining highest paid individual was within HK\$9,500,001 to HK\$10,000,000.

During the year ended 2010, the emoluments for two of the five highest paid individuals were below HK\$1,000,000, the remaining highest paid individuals were within HK\$1,000,001 to HK\$1,500,000.

During both years, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments during both years.

13. 董事及僱員酬金(續)

僱員

於本集團五名最高薪酬人士當中，三名(二零一零年：一名)為董事，其酬金已載於上文的披露。餘下兩名(二零一零年：四名)人士的酬金如下：

年內，五名最高薪酬人士中有三名人士的酬金介乎1,500,001港元至2,000,000港元之間，五名最高薪酬人士中有一名人士的酬金介乎2,000,001港元至2,500,000港元之間，餘下最高薪酬人士的酬金介乎9,500,001港元至10,000,000港元。

截至二零一零年止年度，五名最高薪酬人士中有兩名人士的酬金低於1,000,000港元，餘下最高薪酬人士的酬金介乎1,000,001港元至1,500,000港元。

於兩個年度內，本集團並無向任何董事或五名最高薪人士支付酬金，作為吸引加入本集團或於加入本集團時的獎勵或離職補償。於兩個年度內，亦無董事放棄任何酬金。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

14. INCOME TAX EXPENSE

14. 所得稅開支

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong	香港	13,388	5,722
PRC Enterprises Income Tax	中國企業所得稅	93,454	118,495
Other jurisdiction	其他司法權區	129	186
		106,971	124,403
Underprovision in prior years:	於過往年度撥備不足：		
PRC Enterprises Income Tax	中國企業所得稅	142	594
Deferred tax (Note 29)	遞延稅項(附註29)	(18,905)	4,481
		88,208	129,478

PRC

The Group's PRC subsidiaries were subject to PRC Enterprises Income Tax at the rate of 25% for both years.

Hong Kong

All the Hong Kong subsidiaries are subject to Hong Kong Profits Tax at the rate of 16.5% on their respective estimated assessable profits.

中國

就兩個年度而言，本集團的中國附屬公司須按25%的稅率繳納中國企業所得稅。

香港

所有香港附屬公司均須就各自估計應課稅溢利按16.5%的稅率繳納香港利得稅。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

14. INCOME TAX EXPENSE (continued)

Other jurisdictions

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

The tax charge for the year can be reconciled to the profit per the consolidated statement of comprehensive income as follows:

14. 所得稅開支(續)

其他司法權區

於其他司法權區產生的稅項乃按相關司法權區的現行稅率計算。

年內稅項開支可與綜合全面收益表內溢利對賬如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Profit before tax	除稅前溢利	204,459	482,034
Tax at applicable tax rates (note)	按適用稅率計算之稅項(附註)	52,193	120,097
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	15,672	6,117
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(3,297)	(1,993)
Tax effect of deductible temporary differences not recognised	未確認的可扣減臨時差額的稅務影響	4,789	—
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	16,013	182
Deferred tax provided on dividends withholding tax on PRC subsidiaries	中國附屬公司股息預扣稅之遞延稅項	2,696	4,481
Underprovision in prior years	過往年度撥備不足	142	594
Tax charge for the year	年內所得稅開支	88,208	129,478

note: As the Group operates in different tax jurisdictions, separate reconciliations using the domestic tax rate in each individual tax jurisdiction have been aggregated and presented.

附註：由於本集團於不同稅務司法權區經營，按各稅務司法權區地方稅率計算的獨立對賬已合併呈列。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

15. DIVIDENDS

The final dividend of HK3.7 cents in respect of the year ended 31 December 2011 (2010: final dividend of HK9 cents in respect of the year ended 31 December 2010) per share amounting to approximately HK\$38,549,000 in total (2010: HK\$90,000,000) has been proposed by the directors and is subject to approval by the shareholders in general meeting.

15. 股息

董事建議宣派截至二零一一年十二月三十一日止年度的末期股息每股3.7港仙(二零一零年：截至二零一零年十二月三十一日止年度的末期股息每股9港仙)，合共約38,549,000港元(二零一零年：90,000,000港元)須待股東於應屆股東大會上批准後，方可作實。

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Dividend recognised as distribution during the year:	已確認年內分派股息：		
2010 final dividends paid – HK9 cents per share	已派付二零一零年末期股息 – 每股9港仙	89,641	–

Cash alternative was offered to shareholders in lieu of scrip dividends. As a result, the 2010 final dividend was settled in the following manner:

股東獲給予現金代息選擇權代替以股代息。因此，二零一零年末期股息按以下方式清償：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
2010 final dividends	二零一零年末期股息		
Cash alternative	現金代替品	88,449	–
Scrip shares	代息股份	1,192	–
		89,641	–

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

16. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company are based on the following data:

16. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃按以下數據計算：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Earnings:	盈利：		
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利的本公司擁有人應佔年內溢利	152,087	352,798
Number of shares:	股份數目：		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的普通股加權平均數目	1,035,912,789	868,493,151
Effect of diluted potential ordinary shares as a result of the share options (defined in Note 34)	購股權(定義見附註34)產生的潛在普通股攤薄影響	1,349,778	1,029,999
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利的普通股加權平均數目	1,037,262,567	869,523,150

The computation of diluted earnings per share does not assume the exercise of the Company's certain options because the exercise price of these options was higher than the average market price of shares for both 2011 and 2010.

在計算每股攤薄盈利時，並無假設本公司若干購股權已獲行使，因該等購股權的行使價高於二零一一年及二零一零年兩個年度的平均市場價格。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 千港元	Plant and machinery 廠房及 機器 HK\$'000 千港元	Office furniture and equipment 辦公傢俱 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本							
At 1 January 2010	於二零一零年一月一日	95,813	51,719	5,216	2,474	–	16,299	171,521
Exchange realignment	匯兌調整	3,435	3,044	306	94	50	283	7,212
Additions	添置	27,939	26,567	5,420	2,775	1,363	10,509	74,573
Acquired on acquisition of a subsidiary (Note 37)	收購一間附屬公司 (附註37)	–	–	166	687	–	–	853
Transfers	轉讓	5,859	15,564	–	–	1,353	(22,776)	–
Disposal	出售	–	(120)	(62)	(448)	–	–	(630)
At 31 December 2010	於二零一零年 十二月三十一日	133,046	96,774	11,046	5,582	2,766	4,315	253,529
Exchange realignment	匯兌調整	4,330	5,357	573	348	1,032	370	12,010
Additions	添置	2,053	44,951	5,560	7,470	9,242	63,449	132,725
Transfers	轉讓	–	20,650	–	–	32,674	(53,324)	–
Disposal	出售	–	–	(137)	(1,520)	–	(5)	(1,662)
At 31 December 2011	於二零一一年 十二月三十一日	139,429	167,732	17,042	11,880	45,714	14,805	396,602
DEPRECIATION	折舊							
At 1 January 2010	於二零一零年一月一日	20,448	11,507	2,276	2,006	–	–	36,237
Exchange realignment	匯兌調整	782	604	119	78	6	–	1,589
Provided for the year	年內撥備	3,945	6,273	1,360	281	244	–	12,103
Disposal	出售	–	(2)	(29)	(104)	–	–	(135)
At 31 December 2010	於二零一零年 十二月三十一日	25,175	18,382	3,726	2,261	250	–	49,794
Exchange realignment	匯兌調整	1,111	1,045	214	113	54	–	2,537
Provided for the year	年內撥備	6,519	11,766	2,252	1,449	2,264	–	24,250
Impairment loss recognised in profit or loss	於損益內確認 的減值虧損	–	787	120	84	108	–	1,099
Disposal	出售	–	–	(122)	(923)	–	–	(1,045)
At 31 December 2011	於二零一一年 十二月三十一日	32,805	31,980	6,190	2,984	2,676	–	76,635
CARRYING VALUE	賬面值							
At 31 December 2011	於二零一一年 十二月三十一日	106,624	135,752	10,852	8,896	43,038	14,805	319,967
At 31 December 2010	於二零一零年 十二月三十一日	107,871	78,392	7,320	3,321	2,516	4,315	203,735

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

17. PROPERTY, PLANT AND EQUIPMENT (continued)

The carrying amount of leasehold land and buildings which is situated in Hong Kong and held under medium-term lease is HK\$32,674,000 (2010: HK\$34,539,000) at the end of the reporting period.

The property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives, after taking into account their residual value, as follows:

Leasehold land and buildings	20 years or the relevant lease term, whichever is shorter
Plant and machinery	9%-20%
Office furniture and equipment	9%-30%
Motor vehicles	9%-30%
Leasehold improvement	30% or the relevant lease term, whichever is shorter

As at 31 December 2011, certain land and buildings with carrying amount of HK\$99,918,000 (2010: HK\$102,489,000) were pledged as security for bank borrowings granted to the Group.

During the year, the directors conducted a review of the Group's plant and equipment and determined that a number of those assets were impaired, accordingly, impairment losses of HK\$787,000, HK\$120,000, HK\$84,000 and HK\$108,000 have been recognised in respect of plant and machinery, office furniture and equipment, motor vehicles and leasehold improvements, which are used in the Group's metal recycling business activities. The recoverable amounts of the relevant assets have been determined on the basis of their value in use.

17. 物業、廠房及設備(續)

於呈報期結算日，位於香港以中期租約持有之租賃土地及樓宇之賬面值為32,674,000港元(二零一零年：34,539,000港元)。

物業、廠房及設備(在建工程除外)經計算其剩餘價值後，按估計可用年期折舊如下：

租賃土地及樓宇	20年或有關租期 (以較短者為準)
廠房及機器	9%至20%
辦公傢俱及設備	9%至30%
汽車	9%至30%
租賃物業裝修	30%或有關租期 (以較短者為準)

於二零一一年十二月三十一日，賬面值為99,918,000港元(二零一零年：102,489,000港元)的若干土地及樓宇抵押作為授予本集團銀行借貸的擔保。

年內，董事檢討了本集團的廠房及設備並釐定其中數個資產減值，因此有關本集團金屬再生業務中使用的廠房及機器，辦公傢俱及設備、汽車及租賃物業裝修減值虧損分別為787,000港元、120,000港元、84,000港元及108,000港元。相關資產的可回收金額按其使用價值釐定。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

18. PREPAID LEASE PAYMENTS

18. 預付租金

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
The prepaid lease payments comprise leasehold land	預付租金 包括租賃土地		
– in Hong Kong held under medium term leases	– 位於香港以中期租約持有	153,148	–
– in the PRC held under medium term leases	– 位於中國以中期租約持有	38,064	37,325
		191,212	37,325
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Analysed for reporting purposes as:	以呈報為目的的分析：		
Current asset	流動資產	5,244	890
Non-current asset	非流動資產	185,968	36,435
		191,212	37,325

The leasehold land in Hong Kong is under sublease at a medium term lease for specific usage.

位於香港的租賃土地按中期租約分租作特定用途。

As at 31 December 2011, prepaid lease payments with carrying amount of HK\$38,064,000 (2010: HK\$37,325,000) were pledged as security for bank borrowings granted to the Group.

於二零一一年十二月三十一日，賬面值為38,064,000港元(二零一零年：37,325,000港元)的預付租金抵押作為授予本集團銀行借貸的擔保。

19. AVAILABLE-FOR-SALE INVESTMENT

It represents an investment of equity security listed in Hong Kong and is stated at fair value which is determined based on the bid price quoted in an active market.

19. 可供出售投資

指投資於香港上市的股本證券，並參考活躍市場所報買入價釐定按公平值列賬。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

20. INVENTORIES

20. 存貨

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Raw materials	原材料	1,562,982	1,628,688
Finished goods	製成品	1,656,289	674,737
		3,219,271	2,303,425

At 31 December 2011, all inventories were stated at the lower of cost and net realisable value with reference to the quoted prices of metal scrap in the relevant markets. At 31 December 2010, all inventories were stated at cost.

於二零一一年十二月三十一日，所有存貨均於參考相關市場所報廢金屬價以較低價之成本或淨現值列賬。於二零一零年十二月三十一日，所有存貨均以成本列賬。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

21. NON-CONTROLLING INTERESTS/AMOUNT DUE TO NON-CONTROLLING INTERESTS

21. 非控股權益／應付非控股權益款項

		Share of net assets of subsidiaries 所佔附屬公司淨資產	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
At 1 January	於一月一日	34,880	–
Acquisition of additional interest in a subsidiary	收購於一間附屬公司的額外權益	(4,950)	–
Capital contribution	注資	22,367	34,825
Share of loss for the year	年內所佔虧損	(35,836)	(242)
Share of foreign currency translation reserve	所佔外幣匯兌儲備	937	297
At 31 December	於十二月三十一日	17,398	34,880

The balance due to non-controlling interests of HK\$23,976,000 at 31 December 2010 arose from metal scrap purchases from 上海路永金屬物資有限公司(“上海路永”) in 2010. 上海路永 has significant influence over a subsidiary of the Group.

於二零一零年十二月三十一日應付非控股權益之結餘23,976,000港元乃是向上海路永金屬物資有限公司(「上海路永」)購買廢金屬而產生的。上海路永對本集團一間附屬公司有重大影響。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES

The Group generally allows its trade customers a credit period of 30 to 90 days. A longer credit period may be granted to trade customers with good credit quality upon the approval of management. An aged analysis of the Group's trade receivables at the end of the reporting period, net of allowance for doubtful debts and based on the invoice date, are as follows:

22. 貿易及其他應收款項

本集團一般給予貿易客戶30至90日的信貸期。在獲得管理層批准後，本集團可向信貸紀錄良好的貿易客戶授出更長的信貸期。於呈報期結算日，本集團貿易應收款項扣除呆賬撥備後的賬齡分析按發票日期呈列如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade receivables:	貿易應收款項：		
0-30 days	0至30日	207,462	110,310
31-60 days	31至60日	1,336	4,270
61-90 days	61至90日	36,332	10
91-180 days	91至180日	54,425	484
Over 180 days	超過180日	3,011	596
		302,566	115,670
Other receivables:	其他應收款項：		
Deposits and prepayments (note)	按金及預付款項(附註)	99,388	73,054
Deposits paid for purchase of raw materials	購買原料之已付按金	186,063	124,415
Rental receivable	應收租金	–	2,204
VAT recoverable	可退回增值稅	217,248	90,190
Others	其他	8,132	6,114
		510,831	295,977
		813,397	411,647

note: The balance represents primarily import declaration and freight charges.

附註：結餘指主要進口報關及貨運收費。

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits to customers are reviewed regularly. With reference to the track records of these customers, the directors of the Company consider all trade receivables at the end of the reporting period are of good credit quality.

於接納新客戶前，本集團評估潛在客戶的信貸質素，並按客戶釐定信貸限額，給予客戶的信貸限額乃定期審核。經參考該等客戶的過往記錄，本公司董事認為，於呈報期結算日，所有貿易應收款項的信貸質素良好。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES (continued)

Included in the trade receivable balance are the following past due debts for which no impairment loss has been provided:

Aging analysis of trade receivables which are past due but not impaired

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
31-60 days	31 至 60 日	112	3,982
61-90 days	61 至 90 日	852	–
91-180 days	91 至 180 日	54,425	484
Over 180 days	超過 180 日	3,011	596
		58,400	5,062

The Group does not hold any collateral against the above amounts. However, management believes that these amounts are still recoverable because there has not been an adverse change in the relevant entities' credit quality.

Movement in the allowance for doubtful debts

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	–	554
Recognition (reversal) of impairment loss on trade and other receivables	貿易及其他應收款項減值虧損確認(撥回)	452	(560)
Amounts written off as uncollectible	撇銷為不可收回的款項	(452)	–
Foreign exchange difference	匯兌差額	–	6
Balance at end of the year	年終結餘	–	–

22. 貿易及其他應收款項(續)

貿易應收結餘包括下列並無減值虧損撥備的逾期債務：

已過期但未減值的貿易應收款項賬齡分析

本集團並無持有上述款項之任何抵押。然而，管理層認為鑑於有關實體的信貸質素並無轉壞，故該等款項仍可收回。

呆賬撥備的變動

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES (continued)

Movement in the allowance for doubtful debts (continued)

During the year, the Group discounted certain trade receivables to financial institutions with recourse. The Group continues to recognise the full carrying amount of the receivables. At 31 December 2011, the carrying amount of the trade receivables discounted is approximately HK\$30,534,000 (2010: Nil). The carrying amount of the associated liability which represented the cash received from discounted trade receivables (see Note 28) is approximately HK\$24,428,000 (2010: Nil).

Trade and other receivables that were denominated in currencies other than the functional currency of the relevant group entities are as follows:

22. 貿易及其他應收款項(續)

呆賬撥備的變動(續)

年內，本集團向金融機構貼現若干附有追索權的貿易應收款項。本集團繼續確認應收款項的全面賬目值。於二零一一年十二月三十一日，貿易應收款項賬面值貼現約30,534,000港元(二零一零年：無)。相關負債的賬面值(即收取貼現貿易應收款項現金)(見附註28)約24,428,000港元(二零一零年：無)。

以有關集團公司功能貨幣以外的貨幣計值的貿易及其他應收款項如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
RMB	人民幣	79,443	-
HK\$	港元	3,140	9,907
EUR	歐元	2	-

23. BILLS RECEIVABLES

An analysis of the Group's bills receivables by age at the end of the reporting period, based on their invoice dates, are as follows:

23. 應收票據

於呈報期結算日，本集團的應收票據賬齡分析按發票日期呈報如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
0-30 days	0至30日	617	3,034
31-60 days	31至60日	16,268	6,848
61-90 days	61至90日	15,369	1,889
91-180 days	91至180日	1,422	2,858
		33,676	14,629

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

24. DERIVATIVE FINANCIAL INSTRUMENTS

24. 衍生金融工具

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Derivative financial asset Aluminium, copper and zinc future contracts (note i)	衍生金融資產 鋁銅鋅期貨合約(附註i)	37,021	–
Derivative financial liability Aluminium, copper and zinc future contracts (note i)	衍生金融負債 鋁銅鋅期貨合約(附註i)	34,696	–
Provisional pricing arrangements (note ii)	臨時定價安排(附註ii)	5,069	–
Foreign currency forward contracts (note iii)	外幣遠期合約(附註iii)	–	205
		39,765	205

notes:

- (i) Aluminium, copper and zinc future contracts (net settlement)

The Group enters into aluminium, copper and zinc future contracts in order to manage its exposure to the price risk of aluminium, copper and other metal inventory. These contracts are actively traded in an active market and are measured at fair values based on unadjusted quoted price at the end of the reporting period, with gain or loss recognised directly in the profit or loss.

附註：

- (i) 鋁銅鋅期貨合約(淨結算)

本集團已訂立鋁銅鋅期貨合約，以管理鋁銅鋅存貨水平及應對鋁銅鋅的價格風險。於呈報期結算日，該等合約於活躍市場上成交活躍且基於未經調整報價以公平值計量，相關損益直接於損益賬中確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

24. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

附註：(續)

(i) Aluminium, copper and zinc future contracts (net settlement) (continued)

(i) 鋁銅鋅期貨合約(淨結算)(續)

Major terms of the aluminium, copper and zinc future contracts outstanding at the end of the reporting period are set out below:

於各呈報期結算日，未到期鋁銅鋅期貨合約的主要條款如下：

31 December 2011

二零一一年十二月三十一日

Contract price 合約價格	Standard trading unit 標準買賣單位	Total unit 總單位	Maturity date 到期日
<i>Aluminium future contracts:</i> <i>鋁期貨合約：</i>			
Buy at prices ranging from RMB16,155 to RMB16,340 per tonne 按介乎每噸人民幣 16,155 元至 人民幣 16,340 元的價格購買	5 tonnes 5 噸	170	From 15 February 2012 to 15 March 2012 自二零一二年二月十五日至 二零一二年三月十五日
Buy at prices ranging from USD1,966 to USD1,998 per tonne 按介乎每噸 1,966 美元至 1,998 美元的價格購買	25 tonnes 25 噸	136	From 4 January 2012 to 19 March 2012 自二零一二年一月四日至 二零一二年三月十九日
Sell at prices ranging from USD2,030 to USD2,269 per tonne 按介乎每噸 2,030 美元至 2,269 美元的 價格銷售	25 tonnes 25 噸	176	From 10 January 2012 to 2 March 2012 自二零一二年一月十日 至二零一二年三月二日
Buy at prices ranging from USD2,000 to USD2,249 per tonne 按介乎每噸 2,000 美元至 2,249 美元的價格購買	25 tonnes 25 噸	440	From 3 January 2012 to 9 March 2012 自二零一二年一月三日至 二零一二年三月九日
Sell at prices ranging from USD1,972 to USD2,014 per tonne 按介乎每噸 1,972 美元至 2,014 美元的 價格銷售	25 tonnes 25 噸	108	From 3 January 2012 to 19 March 2012 二零一二年一月三日至 二零一二年三月十九日
<i>Copper future contracts:</i> <i>銅期貨合約：</i>			
Buy at prices ranging from RMB57,760 to RMB57,880 per tonne 按介乎每噸人民幣 57,760 元至 人民幣 57,880 元的價格購買	5 tonnes 5 噸	150	15 March 2012 二零一二年三月十五日
Buy at prices ranging from USD6,710 to USD7,565 per tonne 按介乎每噸 6,710 美元至 7,565 美元的價格購買	25 tonnes 25 噸	252	From 3 January 2012 to 28 March 2012 自二零一二年一月三日至 二零一二年三月二十八日

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

24. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

附註：(續)

- (i) Aluminium, copper and zinc future contracts (net settlement) (continued) (i) 鋁銅鋅期貨合約(淨結算)(續)

Contract price 合約價格	Standard trading unit 標準買賣單位	Total unit 總單位	Maturity date 到期日
Sell at prices ranging from USD7,630 to USD8,039 per tonne 按介乎每噸7,630美元至8,039美元的 價格銷售	25 tonnes 25噸	136	Form 25 January 2012 to 7 March 2012 自二零一二年一月二十五日至 二零一二年三月七日
Buy at prices ranging from USD7,602 to USD8,140 per tonne 按介乎每噸7,602美元至 8,140美元的價格購買	25 tonnes 25噸	264	From 27 January 2012 to 23 March 2012 自二零一二年一月二十七日至 二零一二年三月二十三日
Sell at prices ranging from USD6,934 to USD7,580 per tonne 按介乎每噸6,934美元至7,580美元的 價格銷售	25 tonnes 25噸	152	From 3 January 2012 to 24 February 2012 自二零一二年一月三日至 二零一二年二月二十四日
<i>Zinc future contracts:</i> 鋅期貨合約：			
Buy at prices ranging from USD1,780 to USD1,830 per tonne 按介乎每噸1,780美元至 1,830美元的價格購買	25 tonnes 25噸	116	From 18 January 2012 to 20 January 2012 自二零一二年一月十八日至 二零一二年一月二十日
Sell at prices ranging from USD1,840 to USD2,101 per tonne 按介乎每噸1,840美元至2,101美元的 價格銷售	25 tonnes 25噸	366	From 4 January 2012 to 22 March 2012 自二零一二年一月四日至 二零一二年三月二十二日
Buy at prices ranging from USD1,843 to USD2,079 per tonne 按介乎每噸1,843美元至 2,079美元的價格購買	25 tonnes 25噸	702	From 3 January 2012 to 23 March 2012 自二零一二年一月三日至 二零一二年三月二十三日
Sell at prices ranging from USD1,796 to USD1,828 per tonne 按介乎每噸1,796美元至1,828美元的 價格銷售	25 tonnes 25噸	36	From 3 January 2012 to 20 January 2012 自二零一二年一月三日至 二零一二年一月二十日

31 December 2010

二零一零年十二月三十一日

No commodity future contract was outstanding at 31 December 2010.

於二零一零年十二月三十一日概無尚未行使的商品期貨合約。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

24. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

(ii) Provisional pricing arrangements (net settlement)

During the year, the Group entered into copper scrap sales contracts that contain provisional pricing arrangements with certain customers. The Group recognises sales revenue, upon delivery of goods once the significant risks and rewards of ownership has been transferred to the customers, based on the quoted copper prices on the Shanghai Futures Exchange as at date of delivery with a fixed discount on the purity of copper scrap (the "Provisional Selling Price"). The Group would receive the payments from the customers ranging from 70% to 90% of the Provisional Selling Price in accordance with its normal trade terms (the "Provisional Payments").

The provisional pricing arrangements allow the Group to fix the final sales price for copper scrap within four to six months after delivered to customers. Adjustments to the sales price is based on movements in quoted spot prices up to the date of final settlement within four to six calendar months after delivery of goods (the "Price-Fixing Period") with reference to the quoted copper future price on the Shanghai Futures Exchange at the time of price fixing with above mentioned fixed discount on the purity (the "Final Selling Price"). If the Group does not fix the Final Selling Price during the Price-Fixing Period, the Final Selling Price will be based on the spot price with above mentioned fixed discount on the purity on the last day of the Price Fixing Period. The difference between the Final Selling Price and the Provisional Payments, once determined, will be settled within a specified period.

For accounting purposes, the provisional price arrangement is separated from the host contract for sales of copper scrap and accounted for as a derivative instrument, resulting in HK\$5,069,000 of fair value loss being recognised on these provisional price arrangements.

24. 衍生金融工具(續)

附註：(續)

(ii) 價格調整(淨結算)

年內，本集團與若干客戶訂立包括臨時定價安排的廢銅銷售合約，本集團將重大風險及回報轉移至客戶後，並按當時上海期貨交易所所報的銅價(「臨時售價」)為基準確認銷售收入。根據正常貿易條款，本集團向客戶收取的款項介乎臨時售價的70%至90%(「臨時付款」)。

臨時定價安排讓本集團於向客戶交付後四至六個月內釐定最終售價。售價乃根據交付貨品後直至最終結算日期間四至六個曆月內(「定價期間」)參考上海期貨交易所於上述純度固定折扣定價時所報的銅價釐定最終售價(「最終售價」)的所報市價的變動作出調整。倘本集團於定價期間不能釐定最終售價，最終售價將於價格釐定期間最後一日按上述純度固定折扣的現貨價釐定。最終售價與臨時付款的差額一經釐定，將於某個特定短期內結算。

就會計目的而言，臨時售價安排須脫離廢銅銷售的主合約並計入為衍生工具，這導致於該等臨時價格安排中確認的公平值損益為5,069,000港元。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

24. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

附註：(續)

(ii) Provisional pricing arrangements (net settlement) (continued)

Major terms of the provisional pricing arrangements contracts outstanding at 31 December 2011 are as follows:

31 December 2011

Notional amount
名義金額

Provisional selling prices
臨時售價

Price-fixing periods
定價期間

27 contracts to sell 14,300 tonnes of copper scrap in total

Sell at prices ranging from RMB45,794 to RMB55,685 per tonne

From 21 April 2012 to 30 June 2012

有關銷售總計 14,300 噸廢銅的 27 份合約

按介乎每噸人民幣 45,794 元至人民幣 55,685 元的價格銷售

自二零一二年四月二十一日至二零一二年六月三十日

31 December 2010

No sales contracts with provisional pricing arrangements was outstanding at 31 December 2010.

二零一一年十二月三十一日

二零一零年十二月三十一日

於二零一零年十二月三十一日概無尚未執行的有關臨時定價安排的銷售合約。

(iii) Foreign currency forward contracts (gross settlement)

The Group entered into foreign currency forward contracts in order to minimise its exposure to the foreign currency risk. These contracts were measured at fair value using quoted forward exchange rates at the end of the reporting period, with gain or loss recognised directly in profit or loss.

Major terms of the foreign currency forward contracts are as follows:

31 December 2011

No foreign currency forward contract was outstanding at 31 December 2011.

31 December 2010

Notional amount
名義金額

Forward contract rates
遠期合約成交率

Maturity date
到期日

6 contracts to buy USD10,892,748 in total
六份共 10,892,748 美元的購入合約

USD1: RMB6.4710 to RMB6.6580
1 美元兌人民幣 6.4710 元至人民幣 6.6580 元

From 19 April 2011 to 6 December 2011
自二零一一年四月十九日至二零一一年十二月六日

(ii) 臨時定價安排(淨結算)(續)

於二零一一年十二月三十一日尚未執行的臨時定價安排合約的主要條款如下：

二零一一年十二月三十一日

二零一零年十二月三十一日

於二零一零年十二月三十一日概無尚未執行的有關臨時定價安排的銷售合約。

(iii) 遠期外匯合約(總結算)

本集團訂立遠期外匯合約以減低外匯風險。該等合約從呈報期結算日遠期報價匯率按公平值計量，相關損益直接於損益賬中確認。

遠期外匯合約主要條款如下：

二零一一年十二月三十一日

於二零一一年十二月三十一日概無尚未執行的遠期外匯合約。

二零一零年十二月三十一日

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

25. PLEDGED BANK DEPOSITS/RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH

Pledged bank deposits

These represent deposits pledged to banks to secure banking facilities granted to the Group. Bank deposits of HK\$127,004,000 (2010: HK\$351,684,000) were pledged to secure short-term bank borrowings and are therefore classified as current assets. The pledged bank deposits carry fixed interest rates as follows:

Interest rate per annum

年利率

2011 二零一一年	2010 二零一零年
0.53% to 1.30% 0.53% 至 1.30%	1.71% to 2.50% 1.71% 至 2.50%

Restricted bank deposits

The balance represents deposits placed with certain financial institutions to secure the Group's margin accounts with these financial institutions for the trading aluminium, copper and zinc futures. The restricted bank deposits are non-interest bearing.

Bank balances and cash

These represent cash and short-term bank deposits with an original maturity of three months or less. The bank balances carry interest rates as follows:

Interest rate per annum

年利率

2011 二零一一年	2010 二零一零年
0.01% to 0.5% 0.01% 至 0.5%	0.36% to 1.15% 0.36% 至 1.15%

Pledged bank deposits, restricted bank deposits and bank balances and cash held in the PRC with an aggregate amount of HK\$302,752,000 (31 December 2010: HK\$399,643,000) were denominated in RMB and were subject to foreign exchange control.

25. 已抵押銀行存款／受限制銀行存款／銀行結餘及現金

已抵押銀行存款

該等存款指向銀行抵押以為向本集團授出的銀行信貸作出擔保的存款。127,004,000 港元(二零一零年: 351,684,000 港元)的銀行存款已抵押作短期銀行借款的擔保, 因此被分類為流動資產。已抵押銀行存款按以下定息計算:

受限制銀行存款

結餘指本集團為取得若干金融機構有關買賣鋁銅鋅期貨的保證賬戶而存於相關金融機構的存款。受限制銀行存款為不計息。

銀行結餘及現金

該等款項包括現金及原到期日為三個月或以下的短期銀行存款。銀行結餘利率如下:

在中國持有的已抵押銀行存款、受限制銀行存款與銀行結餘及現金總額為302,752,000 港元(二零一零年十二月三十一日: 399,643,000 港元), 全部以人民幣計值並受外匯管制。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

25. PLEDGED BANK DEPOSITS/RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH (continued)

Pledged bank deposits, restricted bank deposits and bank balances and cash that are denominated in currencies other than the functional currency of the relevant group entities are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
RMB	人民幣	103,750	29,343
HK\$	港元	1,710	1,021
USD	美元	93,660	32,146
EUR	歐元	1,203	43,087

26. TRADE AND OTHER PAYABLES

The average credit period for trade purchases is 30 to 60 days.

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade payables:	貿易應付款項：		
0-30 days	0至30日	206,179	101,086
31-60 days	31至60日	129,432	325
61-90 days	61至90日	1,996	-
91-180 days	91至180日	3,091	1,933
Over 180 days	超過180日	6,853	81
		347,551	103,425
Other payables:	其他應付款項：		
Other payables and accruals	其他應付款項及應計費用	124,399	71,589
Interest payable	應付利息	14,989	5,335
Receipts in advance from customers	預收客戶款項	32,613	7,888
		172,001	84,812
		519,552	188,237

25. 已抵押銀行存款／受限制銀行存款／銀行結餘及現金(續)

以有關集團公司功能貨幣以外貨幣計值的已抵押銀行存款、受限制銀行存款與銀行結餘及現金如下：

26. 貿易及其他應付款項

貿易購買的平均信貸期為30至60日。

以下為本集團貿易應付款項於呈報期結算日的賬齡分析按發票日期呈列如下：

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

26. TRADE AND OTHER PAYABLES (continued)

Trade and other payables that are denominated in currencies other than the functional currency of the relevant group entities are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	7,621	5,327
EUR	歐元	60,405	36,716

27. BILLS PAYABLES

An aged analysis of the Group's bills payables at the end of the reporting period is as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
0-30 days	0至30日	-	40,985
31-60 days	31至60日	-	23,614
61-90 days	61至90日	-	84,551
		-	149,150

26. 貿易及其他應付款項(續)

以有關集團公司功能貨幣以外貨幣計值的貿易及其他應付款項如下：

27. 應付票據

本集團應付票據於呈報期結算日的賬齡分析如下：

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

28. BANK BORROWINGS

28. 銀行借貸

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Fixed-rate borrowings:	定息借貸：		
Secured bank loans	有抵押銀行貸款	1,450,404	584,265
Secured discounted trade receivables with recourse	有抵押附有追索權貼現貿易應收款項	24,428	-
Unsecured bank loans	無抵押銀行貸款	592,210	912,407
Unsecured bank overdrafts	無抵押銀行透支	2,285	-
Variable-rate borrowings:	浮息借貸：		
Secured bank loans	有抵押銀行貸款	12,415	-
Unsecured bank loans	無抵押銀行貸款	569,955	-
		2,651,697	1,496,672
Carrying amount repayable*:	應付賬面值*：		
Within one year	一年內	2,457,393	1,496,672
More than two years, but not more than five years	超過兩年，但不多於五年	194,304	-
		2,651,697	1,496,672
Less:	減：		
Amounts due within one year shown under current liabilities without repayment on demand clause	於流動負債下呈列的不需要根據按要求還款條款一年內到期的金額	(1,733,236)	(1,496,672)
Amounts due within one year shown under current liabilities with repayment on demand clause	於流動負債下呈列的需要根據按要求還款條款一年內到期的金額	(724,157)	-
Amounts due over one year shown under current liabilities with repayment on demand clause	於流動負債下呈列的需要根據按要求還款條款逾期一年的金額	(194,304)	-
Amounts shown under non-current liabilities	非流動負債下呈列的金額	-	-

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

* 到期金額乃按貸款協議所載的預定還款日期計算。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

28. BANK BORROWINGS (continued)

The effective interest rates of the borrowings are as follows:

		2011 二零一一年	2010 二零一零年
Effective interest rate per annum:	實際年利率：		
Fixed-rate borrowings	定息借貸	1.50% to 7.02% 1.50% 至 7.02%	1.50% to 6.74% 1.50% 至 6.74%
Variable-rate borrowings	浮息借貸	4.41% to 6.41% 4.41% 至 6.41%	N/A 不適用

The Group's borrowings that are denominated in currency other than the functional currencies of the relevant group entities are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	830	—
USD	美元	1,924,896	902,360

28. 銀行借貸(續)

借貸的實際利率如下：

以有關集團公司功能貨幣以外貨幣計值的本集團借貸如下：

During the year, one of the Group's subsidiaries exceeded the loan-to-equity ratio specified in a bank loan agreement in relation to certain bank loan with a repayable on demand clause. The excess was remedied by the subsidiary in November 2011 by settling part of the outstanding bank borrowings to lower the loan-to-equity ratio and the relevant bank has subsequently confirmed that it would not take any action against the subsidiary.

年內，本集團其中一間附屬公司的貸款股本比率超過貸款協議內有關應要求償還條款的若干銀行貸款的訂明比率。超過的部分由附屬公司於二零一一年十一月透過結清部分未償還銀行貸款以降低貸款權益比率作出補償，相關銀行於其後已確認不會對該附屬公司採取任何行動。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

29. DEFERRED TAX

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets on liabilities have been offset. The following is an analysis of the deferred tax balances for financial reporting purposes:

29. 遞延稅項

為於綜合財務狀況表內呈列，就負債的若干遞延稅項資產已被抵消。以下為就財務呈報目的的遞延稅項結餘分析：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	30,388	25,699
Deferred tax assets	遞延稅項資產	(23,594)	-
		6,794	25,699

The deferred tax (assets) liabilities recognised by the Group and movements thereon during the year are as follows:

本集團確認的遞延稅項(資產)負債及其於年內的變動如下：

		Accelerated tax depreciation	Tax losses	Inventories provision	Unrealised profit on inventories	Change in fair value of derivative financial instruments	Distributable profits of subsidiaries	Total
		加速稅項折舊	稅項虧損	存貨撥備	未變現存貨溢利	衍生金融工具公平值變動	附屬公司的可分配溢利	總計
		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
At 1 January 2010	於二零一零年一月一日	-	-	-	-	-	21,218	21,218
Charge to profit or loss for the year	年內計入損益	-	-	-	-	-	4,481	4,481
At 31 December 2010	於二零一零年十二月三十一日	-	-	-	-	-	25,699	25,699
(Credit) charge to profit or loss for the year	年內(扣除)計入損益	1,993	(1,695)	(19,488)	(404)	(2,007)	2,696	(18,905)
At 31 December 2011	於二零一一年十二月三十一日	1,993	(1,695)	(19,488)	(404)	(2,007)	28,395	6,794

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

29. DEFERRED TAX (continued)

Under the Enterprise Income Tax Law of the PRC, with effect from 1 January 2008 onwards, withholding income tax at 5% is imposed on dividends declared out of profits earned by PRC entities for investors incorporated in Hong Kong. Upon the listing of the Company's shares on the Stock Exchange ("Listing"), the directors of the Company recommended a policy to declare 25% of the Group's distributable profit as dividends to the Company's shareholders. Accordingly, withholding income tax is provided to the extent of 25% of profits earned by the Group's PRC subsidiaries. The aggregate amount of temporary differences associated with distributable earnings of PRC subsidiaries for which deferred tax liabilities have been recognised in the consolidated financial statements was HK\$567,900,000 (2010: HK\$513,980,000). No withholding income tax has been provided in respect of the remaining distributable earnings of PRC subsidiaries of HK\$1,703,700,000 (2010: HK\$1,541,940,000).

At 31 December 2011, the Group had unused tax losses of HK\$80,092,000 (2010: HK\$728,000) available to offset against future profits. A deferred tax asset has been recognised in respect of such losses to the extent of HK\$10,269,000 (2010: Nil). No deferred tax asset has been recognised in respect of the remaining unused tax losses of HK\$69,823,000 (2010: HK\$728,000) due to the unpredictability of future profit streams. All the tax losses may be carried forward indefinitely except for those arising from the PRC which may be carried forward for five years.

29. 遞延稅項(續)

根據中國企業所得稅法，自二零零八年一月一日起，於香港註冊成立的投資者須就中國實體所賺取溢利而宣派的股息繳納5%的預扣所得稅。待本公司股份於聯交所上市(「上市」)後，本公司董事建議採納一項政策，即向本公司股東宣派可分配集團溢利的25%作為股息。因此，預扣所得稅計提撥備以本集團中國附屬公司所賺取溢利的25%為限。於綜合財務報表確認遞延稅項負債的與中國附屬公司可分派盈利相關的暫時性差額總額為567,900,000港元(二零一零年：513,980,000港元)。中國附屬公司的餘下可分派盈利1,703,700,000港元(二零一零年：1,541,940,000港元)並無計提預扣所得稅。

於二零一一年十二月三十一日，本集團擁有未動用稅項虧損80,092,000港元(二零一零年：728,000港元)以抵銷未來溢利。就相關虧損確認的遞延稅項資產達10,269,000港元(二零一零年：無)。有關餘下未動用的稅項虧損69,823,000(二零一零年：728,000港元)並未確認為遞延稅項資產。所有稅項虧損將無限期承前結轉(除在中國產生的可於五年內承前結轉)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

30. SHARE CAPITAL

30. 股本

		Number of shares 股份數目	Amounts 金額 HK\$ 港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 at 1 January 2010	於二零一零年一月一日 每股面值0.01港元的普通股	5,000,000	50,000
Increase on 23 June 2010 (note i)	於二零一零年六月二十三日增加 (附註i)	4,995,000,000	49,950,000
At 31 December 2010 and 2011	於二零一零年及二零一一年 十二月三十一日	5,000,000,000	50,000,000
Issued and fully paid:	已發行並繳足：		
Ordinary shares of HK\$0.01 each at 1 January 2010	於二零一零年一月一日 每股面值0.01港元的普通股	100	1
Capitalisation issue (note i)	資本化發行(附註i)	749,999,900	7,499,999
Issue of new shares (note ii)	發行新股(附註ii)	250,000,000	2,500,000
At 31 December 2010	於二零一零年十二月三十一日	1,000,000,000	10,000,000
Issue of new shares (note iii)	發行新股(附註iii)	60,000,000	600,000
Issue of scrip dividend (note iv)	發行以股代息(附註iv)	209,206	2,092
Exercise of share options (note v)	行使購股權(附註v)	1,645,500	16,455
Shares repurchased and cancelled (note vi)	股份購回及註銷(附註vi)	(20,000,000)	(200,000)
At 31 December 2011	於二零一一年十二月三十一日	1,041,854,706	10,418,547
			HK\$'000 千港元
Shown in the consolidated financial statements	於綜合財務報表所示		
– 31 December 2011	– 於二零一一年十二月三十一日		10,419
– 31 December 2010	– 於二零一零年十二月三十一日		10,000

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

30. SHARE CAPITAL (continued)

notes:

- (i) Pursuant to the written resolutions of the sole shareholder of the Company on 23 June 2010, the authorised share capital of the Company was increased to HK\$50,000,000. The directors of the Company were also authorised to capitalise a sum of HK\$7,499,999 standing to the credit of the Company's reserve account by applying such sum in paying up in full at par 749,999,900 shares for allotment and issue to shareholders. On 12 July 2010, the directors allotted and issued such shares as aforesaid and gave effect to the capitalisation issue.
- (ii) On 12 July 2010, the Company issued 250,000,000 shares pursuant to the Company's initial public offering at a price of HK\$2.43 per share upon Listing.
- (iii) On 15 April 2011, arrangements were made for a placement to independent investors of 60,000,000 shares of HK\$0.01 each in the Company held by HWH Holdings Limited ("HWH") and Delco Participation B.V. ("Delco"), the controlling shareholders with over 30% beneficial interest of the Company respectively, at a price of HK\$6.60 per share, representing a discount of approximately 11.41% to the closing market price of the Company's shares on 15 April 2011.
- Pursuant to a subscription agreement of the same date, HWH and Delco subscribed for 60,000,000 new shares of HK\$0.01 each in the Company at a price of HK\$6.60 per share. The proceeds were used for general working capital. The subscription was completed on 29 April 2011. These new shares were issued under the general mandate granted to the directors pursuant to the written resolutions of all shareholders passed on 23 June 2010.
- (iv) On 22 June 2011, the Company issued and allotted a total of 209,206 new shares of HK\$0.01 each in the Company at a price of HK\$5.70 per share to shareholders who elected to receive new shares in lieu of cash final dividend for the year ended 31 December 2010.
- (v) During the year, 1,585,000 and 60,500 share options under the Pre-IPO Scheme and the Scheme (as defined in Note 34) were exercised at a subscription price of HK\$2.43 and HK\$3.38 per share respectively, resulting in the issue of 1,585,000 and 60,500 ordinary shares of HK\$0.01 each in the Company.

30. 股本(續)

附註：

- (i) 根據本公司唯一股東於二零一零年六月二十三日通過的書面決議案，本公司的法定股本增加至50,000,000港元。本公司董事亦獲授權將本公司儲備賬中為數7,499,999港元的進賬撥充資本，方法為將上述款項用於按面值繳足749,999,900股股份，以配發及發行予股東。於二零一零年七月十二日，董事已配發及發行上述股份，並已進行資本化發行。
- (ii) 於二零一零年七月十二日，本公司於上市後根據本公司的首次公開發售按每股2.43港元的價格發行250,000,000股股份。
- (iii) 於二零一一年四月十五日，本公司按每股6.60港元（較本公司股份於二零一一年四月十五日的收市價折讓約11.41%）的價格向獨立投資者作出配售每股面值0.01港元的60,000,000股份的配售安排，該等股份由HWH Holdings Limited（「HWH」）、Delco Participation B.V.（「Delco」）（HWH及Delco乃分別持有本公司多於30%本公司之實益權益的控股股東）持有。
- 根據於同日訂立的認購協議，HWH及Delco按每股6.60港元認購本公司每股面值0.01港元的60,000,000股新股。所得款項用作一般營運資金用途。認購事項已於二零一一年四月二十九日完成。該等新股根據於二零一零年六月二十三日全體股東通過的書面決議案授予董事的一般授權發行。
- (iv) 於二零一一年六月二十二日，本公司按每股5.70港元的價格向股東（其獲選於截至二零一零年十二月三十一日至年度收取新股以取代末期股息）發行及配發每股0.01港元的209,206股新股。
- (v) 年內，首次公開發售前計劃及計劃（定義見附註34）項下的1,585,000股及60,500股購股權分別按每股2.43港元及3.38港元的認購價獲行使，導致本公司發行每股面值0.01港元的1,585,000及60,500股普通股。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

30. SHARE CAPITAL (continued)

notes: (continued)

- (vi) During the year, the Company repurchased 20,000,000 of its own shares on the Stock Exchange at an aggregate consideration of approximately HK\$83,946,000 pursuant to the general mandate granted to the directors at its annual general meeting. The highest and lowest price paid for the repurchased shares were HK\$4.55 and HK\$3.69, respectively.

Details of the repurchases are as follows:

Month of the repurchases 回購月份		Total number of the ordinary share repurchased 回購普通股 總數 HK\$ 港元	Highest price paid per share 最高價 HK\$ 港元	Lowest price paid per share 最低價 HK\$ 港元	Aggregate consideration 總代價 HK\$'000 千港元
August 2011	二零一一年八月	2,780,000	4.50	4.08	11,640
September 2011	二零一一年九月	9,934,000	4.55	3.84	42,476
October 2011	二零一一年十月	7,286,000	4.30	3.69	29,830
		<u>20,000,000</u>			<u>83,946</u>

All of the above shares were cancelled upon repurchase. The nominal value of the cancelled shares was credited to the capital redemption reserve and the aggregate consideration was paid out of the reserves of the Company.

None of the Company's subsidiaries purchased, sold and redeemed any of the Company's listed securities during both years.

All the new shares allotted and issued ranked pari passu in all respects with the other shares then in issue.

30. 股本(續)

附註:(續)

- (vi) 年內，本公司根據於其股東週年大會上向股東授出的一般授權於聯交所購回其本身股份20,000,000股，合共代價83,946,000港元。購回股份的最高及最低價格分別為4.55港元及3.69港元。

回購詳情如下：

上述所有股份均於購回後註銷。註銷股份的名義金額計入資本贖回儲備，及總代價自本公司儲備在撥付。

於兩個年度內，概無本公司的附屬公司購買、出售及贖回本公司任何上市證券。

已配發及發行的新股與當時已發行的其他股份在所有方面均享有同等權益。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

31. PLEDGE OF ASSETS

At the end of the reporting period, the Group had pledged the following assets to banks to secure the general banking facilities granted to the Group:

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Buildings (Note 17)	99,918	102,489
Prepaid lease payments (Note 18)	38,064	37,325
Trade receivables (Note 22)	30,534	—
Bank deposits (Note 25)	127,004	351,684
	295,520	491,498

32. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of property, plant and equipment

就收購物業、廠房及設備已訂約但未於綜合財務報表中撥備的資本開支

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
185,932	10,446

33. RETIREMENT BENEFIT PLANS

The Group operates a MPF Scheme for all its qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect of MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of their basic payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

31. 資產抵押

於呈報期結算日，本集團已向銀行抵押以下資產，以擔保授予本集團之一般銀行信貸：

32. 資本承擔

33. 退休福利計劃

本集團根據強制性公積金計劃條例為香港所有合資格僱員設立強積金計劃。強積金計劃之資產透過一名獨立受託人控制之基金與本集團所持資產分開持有。根據強積金計劃的規定，僱主及其僱員分別須按規定訂明的比率向計劃供款。本集團對強積金計劃之唯一責任為根據該計劃作出所需供款。並無已沒收供款可用作扣減日後應付供款。

於中國受僱之僱員可參與中國政府所運作之國家管理退休福利計劃。中國附屬公司須按僱員基本薪酬的若干百分比向該退休福利計劃供款，為該等福利提供資金。本集團對退休福利計劃之唯一責任為根據該計劃作出所需供款。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. SHARE-BASED PAYMENT TRANSACTIONS

(a) Pre-IPO Share Option Scheme

Pursuant to a written resolution of all shareholders of the Company on 23 June 2010, a pre-IPO share option scheme (the "Pre-IPO Scheme") was adopted by the Company. Pursuant to the Pre-IPO Scheme, the Company could grant options to directors (including executive directors, non-executive directors and independent non-executive directors) and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters or service providers of any member of the Group ("Participants") to subscribe for shares in the Company. The purpose of the Pre-IPO Scheme was to recognise the contribution that Participants made or might have made to the growth of the Group. It aimed to give Participants an opportunity to acquire a personal stake in the Company and helped motivate Participants to optimise their performance and efficiency, and also to help attract or retain Participants whose contributions are important to the long-term growth and profitability of the Group.

The maximum number of shares in respect of which options could be granted is 12,140,000 shares, representing 1.214% of shares of the issued share capital of the Company immediately upon the listing of the Company's shares on the Stock Exchange (the "Listing"), but excluding any shares which could fall to be issued upon the exercise of the options granted or to be granted under the Pre-IPO Scheme, the other schemes and shares that could fall to be issued upon the exercise of the over-allotment option in connection with the Listing.

Share options granted under the Pre-IPO Scheme are exercisable at the initial offer price to the public (i.e. HK\$2.43 per share). Each of the holders of the share options under the Pre-IPO Scheme shall be entitled to exercise his/her options in the following manner:

Service period that share options can be vested after the date of Listing	Maximum percentage of share options exercisable
Attaining 1 year	30% of the total number of options granted
Attaining 2 years	30% of the total number of options granted
Attaining 3 years	40% of the total number of options granted

34. 以股份為基礎付款之交易

(a) 首次公開發售前購股權計劃

根據本公司全體股東於二零一零年六月二十三日通過的書面決議案，本公司採納首次公開發售前購股權計劃(「首次公開發售前計劃」)。根據首次公開發售前計劃，本公司可向本集團董事(包括執行董事、非執行董事及獨立非執行董事)及僱員、本集團任何成員公司的任何諮詢人、顧問、分銷商、承包商、供應商、代理、客戶、業務夥伴、合營業務夥伴、發起人或服務供應商(「參與者」)授出購股權，以認購本公司股份。首次公開發售前計劃旨在嘉許參與者對本集團發展作出或可能已作出的貢獻，向參與者提供機會購買本公司私人股票，激勵彼等提升業績表現及效率，並吸納或留任對本集團長遠發展及盈利至關重要的參與者。

可授出的購股權所涉最高股份數目為12,140,000股股份，相當於緊隨於本公司股份聯交所上市(「上市」)後本公司已發行股本中股份的1.214%，惟不包括因行使根據首次公開發售前計劃及其他計劃授出或將予授出的購股權而可能將予發行的任何股份，以及因行使與上市有關的超額配股權而可能將予發行的股份。

根據首次公開發售前計劃授出的購股權按給予公眾人士的初步發售價(即每股股份2.43港元)行使。首次公開發售前計劃下各購股權持有人均有權以下列方式行使其購股權：

於上市日期後可行使購股權的服務期間	可行使購股權的百分比上限
持有一年	授出購股權總數的30%
持有兩年	授出購股權總數的30%
持有三年	授出購股權總數的40%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Pre-IPO Share Option Scheme (continued)

The fair value of the options was calculated using the Binomial model. The inputs into the model were as follows:

		Lot 1 第一批	Lot 2 第二批	Lot 3 第三批
Grant date share price	授出日期股價	HK\$2.39 2.39 港元	HK\$2.39 2.39 港元	HK\$2.39 2.39 港元
Exercise price	行使價	HK\$2.43 2.43 港元	HK\$2.43 2.43 港元	HK\$2.43 2.43 港元
Expected volatility	預期波幅	49.798%	54.803%	51.954%
Expected option period	預期購股權期限	1.492 years 1.492 年	2.495 years 2.495 年	3.495 years 3.495 年
Risk-free rate	無風險利率	0.514%	0.776%	1.109%
Expected dividend yield	預期股息收益率	3.557%	3.557%	3.557%

Expected volatility was determined with reference to the historical volatility of certain comparable listed companies.

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The Group recognised an expense of HK\$3,527,000 for the year (2010: HK\$2,000,000) in relation to share options granted by the Company under the Pre-IPO Scheme.

(a) 首次公開發售前購股權計劃(續)

購股權公平值乃按二項式模式計算，該模式所輸入數據如下：

預期波幅乃經參考若干可比較上市公司的過往波幅釐定。

計算購股權公平值所用變量及假設乃按董事的最佳估計而定。購股權價值因若干主觀假設的不同變量而有所不同。

年內，本集團就有關本公司根據首次公開發售前計劃授出購股權確認開支3,527,000港元(二零一零年：2,000,000港元)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Post-IPO Share Option Scheme

In addition, pursuant to a written resolution of all shareholders of the Company on 23 June 2010, a post-IPO share option scheme (the "Scheme") was also adopted.

Pursuant to the Scheme, the Company may grant options to directors (including executive directors, non-executive directors and independent non-executive directors) and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters or service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group ("Eligible Scheme Participants"). The Scheme is a share incentive scheme and is established to reward Eligible Scheme Participants who have contributed to the Group and to encourage Eligible Scheme Participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole. The Scheme is valid and effective for a period of ten years from 23 June 2010.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Scheme shall not in aggregate exceed 10% of shares of the Company as of the date of the approval by the shareholders in general meeting, without approval from the Company's shareholders. The shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the shares in issue from time to time. The maximum number of shares issued and which may fall to be issued upon exercise of the options granted under the Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Scheme Participant in any twelve-month period up to the date of grant shall not exceed 1% of the shares in issue as of the date of grant.

34. 以股份為基礎付款之交易(續)

(b) 首次公開發售後購股權計劃

此外，根據本公司全體股東於二零一零年六月二十三日通過的書面決議案，本公司採納首次公開發售後購股權計劃(「該計劃」)。

根據該計劃，本公司可向董事會全權酌情認為已為或將為本集團作出貢獻的本集團董事(包括執行董事、非執行董事及獨立非執行董事)及僱員、本集團任何成員公司的任何諮詢人、顧問、分銷商、承包商、供應商、代理、客戶、業務夥伴、合營業務夥伴、發起人或服務供應商(「合資格計劃參與者」)授出購股權。該計劃是一項股份獎勵計劃，為獎勵合資格計劃參與者對本集團作出的貢獻以及鼓勵合資格計劃參與者為本公司及股東的整體利益而提升本公司及股份的價值而設立。該計劃自二零一零年六月二十三日起計十年內有效。

因行使根據該計劃將予授出的所有購股權而可能發行的最高股份數目合共不得超過股東於股東大會批准日期的本公司股份的10%(無須本公司股東批准)。因行使根據該計劃及本公司任何其他購股權計劃所授出但尚未行使的所有購股權而可能發行的股份於任何時候不得超過不時已發行股份的30%。於任何十二個月期間直至授出日期，因行使根據該計劃及本公司任何其他購股權計劃向每名合資格計劃參與者授出的購股權(包括已行使及尚未行使的購股權)而發行及將予發行的最高股份數目不得超過於授出日期已發行股份的1%。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Post-IPO Share Option Scheme (continued)

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates is required to be approved by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). Where granting of options to a substantial shareholder or any independent non-executive director or their respective associates which will result in the number of shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the twelve-month period up to and including the date of such grant exceed of 0.1% of the total number of shares in issue and have an aggregate value in excess of HK\$5 million, based on the official closing price of the shares at the date of each grant, such proposed grant of options will be subject to the issue of a circular by the Company and the approval of the shareholders in general meeting.

Options granted have to be taken up within a period of 28 days from the date of offer upon payment of HK\$1.

The exercise price is determined by the board of directors and but in any event shall not be less than the highest of:

- (i) the official closing price of the shares on the Stock Exchange as stated in the daily quotation sheets of the Stock Exchange on the offer date, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing price of the shares on the Stock Exchange as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the offer date; and
- (iii) the nominal value of the shares.

Options granted are exercisable for a period to be notified by the board of directors to each grantee and such period shall expire not later than 4 years from the date of grant of options.

34. 以股份為基礎付款之交易(續)

(b) 首次公開發售後購股權計劃(續)

向本公司董事、主要行政人員或主要股東(定義見上市規則)或彼等各自的任何聯繫人授出任何購股權,須經獨立非執行董事(不包括任何身為購股權承授人的獨立非執行董事)批准。當向主要股東或任何獨立非執行董事或彼等各自的任何聯繫人授出購股權,將導致於十二個月期間直至授出日期(包括該日)因行使向該等人士授出及將予授出的購股權(包括已行使、已註銷及尚未行使的購股權)而發行及將予發行的股份數目超過已發行股份總數的0.1%,且根據各授出日期股份的官方收市價計算,總值超過5,000,000港元,則須待本公司發出通函並經股東於股東大會上批准後,方可建議授出上述購股權。

所授購股權須於提呈日期起計28日內接納,接納時須支付1港元。

行使價由董事會釐定,惟無論如何不會低於下列各項之最高者:

- (i) 於提呈日期(該日須為聯交所辦理證券交易業務的日子)聯交所的每日報表所列股份在聯交所的官方收市價;
- (ii) 緊接提呈日期前五個營業日聯交所的每日報表所列股份在聯交所的平均官方收市價;及
- (iii) 股份的面值。

所授購股權可於董事會知會各承授人的期間行使,而該期間不得於授出購股權日期起計四年後屆滿。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Post-IPO Share Option Scheme (continued)

Details of the share options granted under the Scheme and their subsequent movements are as follows:

34. 以股份為基礎付款之交易(續)

(b) 首次公開發售後購股權計劃(續)

根據該計劃授出的購股權及其後變動詳情如下:

Category of Eligible Scheme Participants	Date of grant	Exercise price per share	Exercisable period	Vesting date	Number of options granted in 2010 and outstanding as at 31.12.2010 於二零一零年授出的購股權數目及二零一零年十二月三十一日尚未行使的購股權數目	Granted during the year	Exercised during the year	Lapsed due to employee resignation during the year 年內由於僱員辭職而失效	Number of options outstanding as at 31.12.2011 於二零一一年十二月三十一日尚未行使的購股權數目
合資格計劃參與者類別	授出日期	每股行使價	行使期	歸屬日期	尚未行使的購股權數目	年內授出	年內行使		
Directors 董事	3.5.2011 二零一一年五月三日	HK\$6.39 6.39港元	3.5.2012 – 3.5.2013	3.5.2012	-	442,500	-	-	442,500
			二零一二年五月三日至二零一三年五月三日	二零一二年五月三日	-	-	-	-	
			4.5.2013 – 3.5.2014	4.5.2013	-	442,500	-	-	442,500
			二零一三年五月四日至二零一四年五月三日	二零一三年五月四日					
			4.5.2014 – 3.5.2015	4.5.2014	-	590,000	-	-	590,000
			二零一四年五月四日至二零一五年五月三日	二零一四年五月四日					
Directors 董事	24.6.2011 二零一一年六月二十四日	HK\$6.39 6.39港元	3.5.2012 – 3.5.2013	3.5.2012	-	5,250,000	-	-	5,250,000
			二零一二年五月三日至二零一三年五月三日	二零一二年五月三日	-	-	-	-	
			4.5.2013 – 3.5.2014	4.5.2013	-	5,250,000	-	-	5,250,000
			二零一三年五月四日至二零一四年五月三日	二零一三年五月四日					
			4.5.2014 – 3.5.2015	4.5.2014	-	7,000,000	-	-	7,000,000
			二零一四年五月四日至二零一五年五月三日	二零一四年五月四日					
					-	18,975,000	-	-	18,975,000
Employees under continuous employment contract 連續僱傭合約下的僱員	22.9.2010 二零一零年九月二十二日	HK\$3.38 3.38港元	22.9.2011 – 22.9.2012	22.9.2011	1,131,000	-	(60,500)	(15,000)	1,055,500
			二零一一年九月二十二日至二零一二年九月二十二日	二零一一年九月二十二日					
			23.9.2012 – 22.9.2013	23.9.2012	1,131,000	-	-	(15,000)	1,116,000
			二零一二年九月二十三日至二零一三年九月二十二日	二零一二年九月二十三日					
			23.9.2013 – 22.9.2014	23.9.2013	1,508,000	-	-	(20,000)	1,488,000
			二零一三年九月二十三日至二零一四年九月二十二日	二零一三年九月二十三日					
Employees under continuous employment contract 連續僱傭合約下的僱員	3.5.2011 二零一一年五月三日	HK\$6.39 6.39港元	3.5.2012 – 3.5.2013	3.5.2012	-	3,756,000	-	(183,000)	3,573,000
			二零一二年五月三日至二零一三年五月三日	二零一二年五月三日					
			4.5.2013 – 3.5.2014	4.5.2013	-	3,756,000	-	(183,000)	3,573,000
			二零一三年五月四日至二零一四年五月三日	二零一三年五月四日					
			4.5.2014 – 3.5.2015	4.5.2014	-	5,008,000	-	(244,000)	4,764,000
			二零一四年五月四日至二零一五年五月三日	二零一四年五月四日					
					3,770,000	12,520,000	(60,500)	(660,000)	15,569,500
					3,770,000	31,495,000	(60,500)	(660,000)	34,544,500
Number of options exercisable at the end of the year 於年底行使的購股權數目					-				1,020,500
Weighted average exercise price 加權平均行使價					HK\$3.38 3.38港元	HK\$6.39 6.39港元	HK\$3.38 3.38港元	HK\$6.16 6.16港元	HK\$6.07 6.07港元

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Post-IPO Share Option Scheme (continued)

The share options granted are exercisable as follows:

Service period that share options can be vested after date of grant	Maximum percentage of share options exercisable	於授出日期後 可行使購股權的 服務期間	可行使購股權的 百分比上限
Attaining 1 year	30% of the total number of options granted	持有一年	授出購股權總數的30%
Attaining 2 years	30% of the total number of options granted	持有兩年	授出購股權總數的30%
Attaining 3 years	40% of the total number of options granted	持有三年	授出購股權總數的40%

The fair value of the options was calculated using the Binomial model. The inputs into the model were as follows:

34. 以股份為基礎付款之交易(續)

(b) 首次公開發售後購股權計劃(續)

可行使的獲授出的購股權如下：

於授出日期後 可行使購股權的 服務期間	可行使購股權的 百分比上限
持有一年	授出購股權總數的30%
持有兩年	授出購股權總數的30%
持有三年	授出購股權總數的40%

購股權公平值按二項式模式計算，該模式所輸入數據如下：

		Share options granted on 22.9.2010 於二零一零年九月二十二日授出的購股權		
		Lot 1 第1組	Lot 2 第2組	Lot 3 第3組
Grant date share price	授出日期股價	HK\$3.38 3.38 港元	HK\$3.38 3.38 港元	HK\$3.38 3.38 港元
Exercise price	行使價	HK\$3.38 3.38 港元	HK\$3.38 3.38 港元	HK\$3.38 3.38 港元
Expected volatility	預期波幅	47.816%	55.886%	53.523%
Expected option period	預期購股權期間	1.5 years 1.5 年	2.503 years 2.503 年	3.503 years 3.503 年
Risk-free rate	無風險利率	0.43%	0.625%	0.847%
Expected dividend yield	預期股息收益率	2.515%	2.515%	2.515%

		Share options granted on 3.5.2011 於二零一一年五月三日授出的購股權		
		Lot 1 第1組	Lot 2 第2組	Lot 3 第3組
Grant date share price	授出日期股價	HK\$6.20 6.20 港元	HK\$6.20 6.20 港元	HK\$6.20 6.20 港元
Exercise price	行使價	HK\$6.39 6.39 港元	HK\$6.39 6.39 港元	HK\$6.39 6.39 港元
Expected volatility	預期計波幅	42.747%	53.510%	51.323%
Expected option period	預期購股權期間	1.503 years 1.503 年	2.503 years 2.503 年	3.503 years 3.503 年
Risk-free rate	無風險利率	0.406%	0.778%	1.195%
Expected dividend yield	預期股息收益率	1.448%	1.448%	1.448%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Post-IPO Share Option Scheme (continued)

34. 以股份為基礎付款之交易(續)

(b) 首次公開發售後購股權計劃(續)

		Share options granted on 24.6.2011 於二零一一年六月二十四日授出的購股權		
		Lot 1 第1組	Lot 2 第2組	Lot 3 第3組
Grant date share price	授出日期股價	HK\$6.09 6.09 港元	HK\$6.09 6.09 港元	HK\$6.09 6.09 港元
Exercise price	行使價	HK\$6.39 6.39 港元	HK\$6.39 6.39 港元	HK\$6.39 6.39 港元
Expected volatility	預期波幅	38.291%	47.572%	51.216%
Expected option period	預期購股權期間	1.503 years 1.503 年	2.503 years 2.503 年	3.503 years 3.503 年
Risk-free rate	無風險利率	0.260%	0.486%	0.803%
Expected dividend yield	預期股息收益率	1.482%	1.482%	1.482%

Expected volatility was determined with reference to the historical volatility of certain comparable listed companies.

預計波幅參照若干可比較上市公司的過往波幅釐定。

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

計算購股權公平值所用變量及假設按董事的最佳估計而定。購股權價值因若干主觀假設的不同變數而有所不同。

During the year, the Group recognised share-based payment expenses of HK\$18,044,000 in relation to share options granted by the Company under the Scheme (2010: HK\$500,000) calculated with reference to the vesting periods.

本集團於年內就本公司根據計劃授出購股權確認以股份為基礎付款開支 18,044,000 港元(二零一零年: 500,000 港元), 乃於參考歸屬期計算。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

35. RELATED PARTY DISCLOSURES

(I) Transactions

During the year, the Group had the following transactions with related parties:

35. 關連方披露

(I) 交易

於年內，本集團與關連方有以下交易：

Name of related party 關連方名稱	Nature of transaction 交易性質	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(i) A former shareholder with 50% equity interest in the Group 擁有本集團50%股權的一名前任股東 Delco Asia Co., Limited	Interest expense 利息開支	-	951
(ii) Key management personnel and substantial shareholder with significant influence of the Group 對本集團有重大影響的 主要管理人員及重要股東 Mr. Fang and/or his close family members and entities controlled by him 方先生及/或其近親家族成員及其控制的實體	Interest expense 利息開支	-	645
(iii) Other related parties 其他關連方 An entity controlled by a close family member of a substantial shareholder, Mr. Herman Maurits de Leeuw, who has significant influence over the Company 對本公司有重大影響的主要股東 Herman Maurits de Leeuw 先生的近親控制的一間實體	Purchase of metal scrap (note b) 購買廢金屬(附註b)	13,307	-
上海路永(defined in Note 21) 上海路永(定義見附註21)	Purchase of property, plant and equipment 購買物業、廠房及設備	6,722	3,286
	Purchase of metal scrap 購買廢金屬	1,881	20,401
	Sales of metal scrap 銷售廢金屬	-	16,212
ISA Co., Limited ("ISA")	Acquisition of additional interest in Chiho-Tiande (HK) Metals Recycling Co. Limited ("CTHK Metals") (notes a and b) 收購於齊合天地(香港)再生金屬有限公司(「齊合香港金屬」)的額外權益(附註a及b)	4,779	-

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

35. RELATED PARTY DISCLOSURES (continued)

(I) Transactions (continued)

notes:

- (a) On 21 December 2011, the Group further acquired 15% equity interest in CTHK Metals from ISA, non-controlling interests with significant influence on a subsidiary of the Company at the time of this acquisition, for a consideration of HK\$4,779,009 in cash. The difference between the consideration and the carrying amount of non-controlling interests, amounting to HK\$171,000, was recognised as an equity transaction in reserve.
- (b) These transactions also constituted connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(II) Balances

Details of balances with related parties are set out in Note 21.

(III) Compensation of key management personnel

The directors of the Company and the five highest paid employees are identified as key management members of the Group, details of their compensation during the year are set out in Note 13.

35. 關連方披露(續)

(I) 交易(續)

附註：

- (a) 於二零一一年十二月二十一日，本集團進一步向ISA收購齊合香港金屬的15%股權(於收購日期對本公司一間附屬公司有重大影響的非控股權益)，現金代價為4,779,099港元。代價與非控股權益賬面值的差額171,000港元於儲備中確認為一項股本交易。
- (b) 該等交易亦構成關連交易或持續關連交易(定義見上市規則第14A章)。

(II) 結餘

與關連方之結餘詳情載於附註21。

(III) 主要管理人員薪酬

本公司董事及五名最高薪僱員視為本集團主要管理人員，彼等於年內的薪酬詳情載於附註13。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

36. OPERATING LEASES

The Group as lessee

36. 經營租賃

本集團作為承租人

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Minimum lease payments paid under operating leases during the year:	年內根據經營租賃支付的最低租金：		
Plant and machinery	廠房及機器	19,851	5,914
Premises	物業	1,501	-
		21,352	5,914

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:

於各呈報期結算日，本集團根據不可撤銷經營租賃將於下列時間到期的未來最低租金承擔如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within one year	一年內	20,034	13,849
In the second to fifth years inclusive	二至五年(包括首尾兩年)	57,301	49,622
Over five years	五年以上	44,278	48,786
		121,613	112,257

Operating lease payments represent rentals payable by the Group for certain of its property, plant and equipment. Leases are negotiated for an average term of seven years with fixed rentals.

經營租金指本集團應就若干物業、廠房及設備支付的租金。租約經協商定為平均七年及租金固定。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

36. OPERATING LEASES (continued)

The Group as lessor

Rental income of subleasing a leasehold land in the PRC on a temporary basis during the year ended 31 December 2011 was HK\$1,125,000 (2010: HK\$3,218,000). The sublease was negotiated for one year. No renewal of rental agreement during the year.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

Within one year

一年內

36. 經營租賃(續)

本集團作為出租人

截至二零一一年十二月三十一日止年度，本集團於中國暫時分租租賃土地的租金收入為1,125,000港元(二零一零年：3,218,000港元)，分租協定為一年。年內無續訂租賃協議。

於呈報期結算日，本集團與租戶約定以下未來最低租金如下：

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
-	1,073

37. ACQUISITION OF A SUBSIDIARY

On 1 January 2010 (the "Acquisition Date"), the Group acquired 100% equity interest in Delco Europe from HPL and SVO for a consideration of EUR100 (equivalent to approximately HK\$1,000) in cash, which was Delco Europe's net asset value at the Acquisition Date. HPL and SVO are the holding companies of Delco Participation B.V., a shareholder of the Company. Since the Group obtained control over Delco Europe on the Acquisition Date, the Group accounted for the acquisition on that date using the acquisition method of accounting.

37. 收購一間附屬公司

於二零一零年一月一日(「收購日期」)，本集團以現金代價100歐元(相等於約1,000港元)(相當於Delco Europe於收購日期的資產淨值)向HPL及SVO收購Delco Europe全部股權。HPL及SVO為本公司股東Delco Participation B.V.的控股公司。由於本集團於收購日期取得Delco Europe的控制權，本集團以購買會計法將該日的收購入賬。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

37. ACQUISITION OF A SUBSIDIARY (continued)

The net assets acquired in the transaction are as follows:

37. 收購一間附屬公司(續)

於交易中收購的淨資產如下：

		Acquiree's carrying amount before combination and fair value 於合併前被收購方的賬面值及公平值 HK\$'000 千港元
Net assets acquired:	已收購淨資產：	
Property, plant and equipment	物業、廠房及設備	853
Other receivables	其他應收款項	1,177
Bank balances and cash	銀行結餘及現金	3,982
Other payables	其他應付款項	(1,006)
Amounts due to related parties	應付關連方款項	(707)
Bank borrowings	銀行借貸	(3,416)
Tax payable	應付稅項	(882)
		<hr/>
		1
		<hr/>
Total consideration recognised as other payable	確認為其他應付款項的總代價	1
		<hr/>
Net cash inflow arising on acquisition	收購產生的淨現金流入	
Cash consideration paid	已付現金代價	-
Bank balances and cash acquired	已收購銀行結餘及現金	3,982
		<hr/>
		3,982
		<hr/>

Delco Europe contributed approximately HK\$503,000 to the Group's profit between the Acquisition Date and 31 December 2010.

自收購日期至二零一零年十二月三十一日，Delco Europe為本集團的溢利貢獻約503,000港元。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

38. EVENTS AFTER THE REPORTING PERIOD

On 17 January 2012, the Company entered into a subscription agreement with HWH, Delco and Sims Metal Management Dragon Holdings Limited (“Sims”) (collectively the “Subscribers”) pursuant to which the Company would issue convertible bonds, with detachable warrants (the “Warrants”) to the Subscribers with an aggregate principal sum of HK\$815,800,000 (“Convertible Bonds”) (the “Subscription”).

The Convertible Bonds carry interest at 4% per annum and are convertible into shares of HK\$0.01 each in the Company at an initial conversion price of HK\$6 per share within a period of 3 years from the date of issue, subject to adjustments.

The Warrants are exercisable to subscribe for an aggregate amount of HK\$75,830,646 for fully paid shares of HK\$0.01 each in the Company at an initial subscription price of HK\$6 per share within a period of 3 years from the date of issue, subject to adjustments.

HWH and Delco have agreed to assign to Sims the Warrants that they were entitled as a result of the Subscription.

The Subscription was completed on 1 March 2012. Details of the transaction are included in the circular of the Company dated 8 February 2012 and announcements of the Company dated 18 January 2012 and 1 March 2012.

39. MAJOR NON-CASH TRANSACTIONS

In 2011, there was no major non-cash transaction. In 2010, the Company capitalised shareholder’s loans of HK\$223,708,000 as capital reserve and allotted 749,999,900 shares of HK\$0.01 each in the Company. Details of which are set in the note (i) in the consolidated statement of change in equity.

38. 報告期後事項

於二零一二年一月十七日，本公司與HWH、Delco及Sims Metal Management Dragon Holdings Limited(「Sims」)(統稱「認購人」)訂立認購協議，據此本公司可向認購人發行本金總額為815,800,000港元的可換股債券(「可換股債券」)附帶可分拆認股權證(「認股權證」)(「認購事項」)。

可換股債券年息為4%並可自發行日期起三年內(可予調整)按初始兌換價每股6港元兌換成本公司每股面值0.01港元的股份。

可行使認股權證自發行日期起三年內(可予調整)按初始認購價每股6港元認購合共金額75,830,646港元本公司每股面值0.01港元的悉數繳足股份。

HWH及Delco同意向Sims轉讓因認購事項而有權享有的認股權證。

認購事項於二零一二年三月一日完成。交易詳情載於本公司日期為二零一二年二月八日的通函及日期為二零一二年一月十八日及二零一二年三月一日的公佈內。

39. 主要非現金交易

於二零一一年，並無任何重大非現金交易。於二零一零年，本公司將股東貸款223,708,000港元資本化作為資本儲備及配發749,999,900股，本公司每股面值0.01港元的股份。有關詳情載於綜合權益變動表附註(i)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

40. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

40. 有關本公司財務狀況表的資料

於呈報其結算日有關本公司財務狀況表的資料包括：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Unlisted investment in a subsidiary	於一間附屬公司的非上市投資	-	-
Available-for-sales investment	可供出售投資	19,060	-
Amount due from subsidiaries	應收附屬公司款項	1,127,531	652,172
Other receivables	其他應收款項	536	635
Bank balance	銀行結餘	97	107,132
Total assets	總資產	1,147,224	759,939
Other current liabilities	其他流動負債	16,184	6,055
Bank overdraft	銀行透支	2,285	-
Total liabilities	總負債	18,469	6,055
Net Assets	淨資產	1,128,755	753,884
Share capital	股本	10,419	10,000
Reserves	儲備	1,118,336	743,884
Total equity	權益總額	1,128,755	753,884

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY 41. 本公司附屬公司詳情

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest held by the Group 本集團所持應佔股本權益		Principal activities 主要業務
			2011	2010	
			二零一一年	二零一零年	
Chiho-Tiande International Limited ("CT International") (note (i)) 齊合天地國際有限公司 (「齊合國際」)(附註(i))	British Virgin Islands 2 April 2008 英屬處女群島 二零零八年四月二日	US\$2 2美元	100%	100%	Investment holding 投資控股
Chiho-Tiande Investments Limited 齊合天地投資有限公司	Hong Kong 16 July 2008 香港 二零零八年七月十六日	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
Delco Europe (note (ii)) Delco Europe (附註(ii))	The Netherlands 18 January 1985 荷蘭 一九八五年一月十八日	EUR18,151 18,151 歐元	100%	100%	Purchasing agent of the Group 本集團的採購代理
Chiho-Tiande (HK) Limited 齊合天地(香港)有限公司	Hong Kong 12 May 2004 香港 二零零四年五月十二日	HK\$100,000 100,000港元	100%	100%	Purchasing agent of the Group and wholesales of metal scrap without processing 本集團的採購代理及 未加工廢金屬批發
Hefast Holding Corporation Limited	Hong Kong 20 December 2002 香港 二零零二年十二月二十日	HK\$100,000 100,000港元	100%	100%	Investment holding 投資控股

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest held by the Group 本集團所持應佔股本權益		Principal activities 主要業務
			2011	2010	
			二零一一年	二零一零年	
Chiho-Tiande (Hong Kong) Copper Industry Company Limited ("CTHK Copper") 齊合天地(香港)銅業有限公司 (「齊合香港銅業」)	Hong Kong 15 June 2009 香港 二零零九年六月十五日	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
CTHK Metals (note (iii)) 齊合香港金屬(附註(iii))	Hong Kong 20 September 2010 香港 二零一零年九月二十日	HK\$35,000,000 35,000,000港元	70%	55%	Trading of metal scrap 買賣廢金屬
Chiho-Tiande (HK) Logistics Co. Limited ("CTHK Logistics") (note (iv)) 齊合天地(香港)物流有限公司 (「齊合香港物流」)(附註(iv))	Hong Kong 2 March 2011 香港 二零一一年三月二日	HK\$10,000 10,000港元	36.4%	N/A 不適用	Provide logistics services for the Group 為本集團提供物流服務
Chiho-Tiande Investments (BVI) Limited	British Virgin Islands 9 August 2011 英屬處女群島 二零一一年八月九日	US\$1 1美元	100%	N/A 不適用	Investment holding 投資控股
Chiho-Tiande Metals Investment Limited 齊合天地金屬投資有限公司	Hong Kong 19 August 2011 香港 二零一一年八月十九日	HK\$10,000 10,000港元	100%	N/A 不適用	Inactive 無業務
Chiho-Tiande Resources Limited	British Virgin Islands 5 September 2011 英屬處女群島 二零一一年九月五日	US\$1 1美元	100%	N/A 不適用	Inactive 無業務

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest held by the Group 本集團所持應佔股本權益		Principal activities 主要業務
			2011	2010	
			二零一一年	二零一零年	
Chiho-Tiande (Ningbo) Metals Recycling Co., Limited (note (vi)) 齊合天地(寧波)再生金屬有限公司 (附註(v))	The PRC 28 September 2008 中國 二零零八年九月二十八日	US\$10,000,000 10,000,000美元	100%	100%	Processing and sales of metal scrap 加工及銷售廢金屬
Taizhou Chiho-Tiande Foundry Company Limited (note (vi)) 台州齊合天地鑄造有限公司 (附註(v))	The PRC 8 December 2003 中國 二零零三年十二月八日	US\$7,500,000 7,500,000美元	100%	100%	Processing and sales of metal scrap, production and sales of metal products 加工及銷售廢金屬、 生產及銷售金屬產品
Taizhou Chiho-Tiande Metals Company Limited (note (vi)) 台州齊合天地金屬有限公司 (附註(v))	The PRC 24 December 1999 中國 一九九九年十二月二十四日	US\$22,682,000 22,682,000美元	100%	100%	Processing and sales of metal scrap, production and sales of metal products 加工及銷售廢金屬、 生產及銷售金屬產品
Shanghai Chiho-Tiande Resource Recycling Co., Limited ("CTSH Metals") (note (vii)) 上海齊合天地再生金屬有限公司 (「齊合上海金屬」)(附註(vi))	The PRC 30 September 2010 中國 二零一零年九月三十日	RMB52,000,000 人民幣52,000,000元	51%	51%	Processing and sales of metal scrap 加工及銷售廢金屬
Tianjin Chiho-Tiande Metals Recycling Company Limited ("CTTJ Metals") (note (vii)) 天津齊合天地再生金屬有限公司 (「齊合天津金屬」)(附註(vii))	The PRC 21 February 2011 中國 二零一一年二月二十一日	RMB20,000,000 人民幣20,000,000元	51%	N/A 不適用	Processing and sales of metal scrap 加工及銷售廢金屬

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued) 41. 本公司附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest held by the Group 本集團所持應佔股本權益		Principal activities 主要業務
			2011 二零一一年	2010 二零一零年	
			Chiho-Tiande (Yan Tai) Resources Recycling Co., Limited (note (v)) 齊合天地(煙台)再生資源有限公司 (附註(v))	The PRC 15 November 2011 中國 二零一一年十一月十五日	

None of the subsidiaries had issued any debt securities at the end of the years of 2011 and 2010.

於二零一一年及二零一零年年底概無附屬公司發行任何債務權證。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41. 本公司附屬公司詳情(續)

notes:

附註：

- | | |
|---|--|
| (i) The Company holds CT International directly and all other subsidiaries indirectly. | (i) 本公司直接持有齊合國際及間接持有所有其他附屬公司。 |
| (ii) On 1 January 2010, the Group acquired 100% equity interest in Delco Europe. | (ii) 於二零一零年一月一日，本集團收購 Delco Europe 的 100% 權益。 |
| (iii) On 20 September 2010, the Group established CTHK Metals in which the Group held 55% equity interest. On 21 December 2011, the Group acquired additional 15% equity interest in CTHK Metals from ISA. Details of which are set out in Note 35(l) note (a). | (iii) 於二零一零年九月二十日，本集團成立齊合香港金屬，本集團於其中持有 55% 股權。於二零一一年十二月二十一日，本集團從 ISA 收購齊合香港金屬的額外 15% 股權。詳情載於附註 35(l) 附註 (a)。 |
| (iv) On 2 March 2011, the Group established CTHK Logistics in which the Group held 52% equity interest in CTHK Logistics through 70% owned CTHK Metals. | (iv) 於二零一一年三月二日，本集團成立齊合香港物流，其中本集團透過持有齊合香港金屬 70% 股權持有齊合香港物流的 52% 股權。 |
| (v) These entities are wholly-foreign owned enterprise established in the PRC. | (v) 該等實體為在中國成立的外商獨資企業。 |
| (vi) On 30 September 2010, the Group established CTSH Metals in which the Group held 51% equity interest. | (vi) 於二零一零年九月三十日，本集團成立齊合上海金屬，其中本集團持有 51% 股權。 |
| (vii) On 21 February 2011, the Group established CTTJ Metals in which the Group held 51% equity interest. | (vii) 於二零一一年二月二十一日，本集團成立齊合天津金屬，其中本集團持有 51% 股權。 |

5-Year Financial Summary

五年財務摘要

		Year ended 31 December 截至十二月三十一日止年度					
		2007 二零零七年 HK\$' 000 千港元	2008 二零零八年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元	2010 二零一零年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元	
RESULTS	業績						
Revenue	收益	1,798,332	2,505,168	2,339,243	5,931,589	9,815,522	
Profit (loss) before tax	除稅前溢利(虧損)	105,921	(271,298)	587,194	482,034	204,459	
Income tax (expense) charge	所得稅(開支)抵免	(22,958)	71,166	(167,540)	(129,478)	(88,208)	
Profit (loss) for the year	年內溢利(虧損)	82,963	(200,132)	419,654	352,556	116,251	

		At 31 December 於十二月三十一日					
		2007 二零零七年 HK\$' 000 千港元	2008 二零零八年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元	2010 二零一零年 HK\$' 000 千港元	2011 二零一一年 HK\$' 000 千港元	
ASSETS AND LIABILITIES	資產及負債						
Total assets	資產總值	779,434	1,110,846	1,851,728	3,581,367	5,314,522	
Total liabilities	負債總值	(595,997)	(1,115,883)	(1,433,630)	(1,934,686)	(3,250,502)	
Net assets (liabilities)	淨資產(負債)	183,437	(5,037)	418,098	1,646,681	2,064,020	

In this report, amounts denominated in US\$ have been converted into HK\$ at the rate of US\$1 = HK\$7.8 for illustration purpose only.

於本報告內，美元金額已按1美元兌7.8港元之匯率換算為港元，僅作說明之用。

This report is published in both English and Chinese languages. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.

本報告以中英文兩種語言印製，在兩種文體的說明上存在歧義時，以英文為準。

