



奇峰國際
Superb Summit International

**SUPERB SUMMIT INTERNATIONAL
TIMBER COMPANY LIMITED**
奇峰國際木業有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
(Stock Code 股份代號 : 01228)



ANNUAL REPORT 年報
2011

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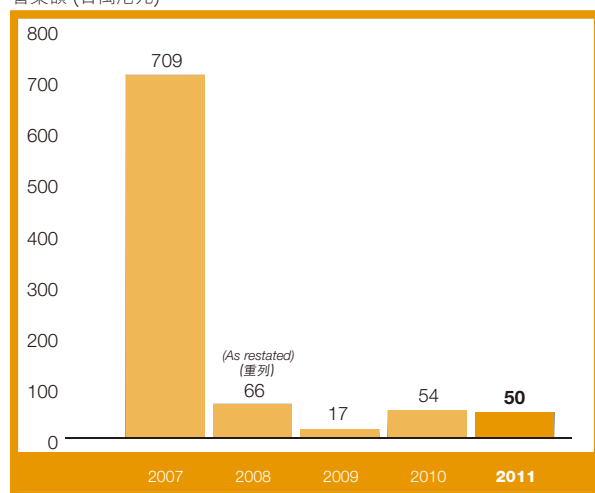
Financial Highlights

財務摘要

Business Review

業績回顧

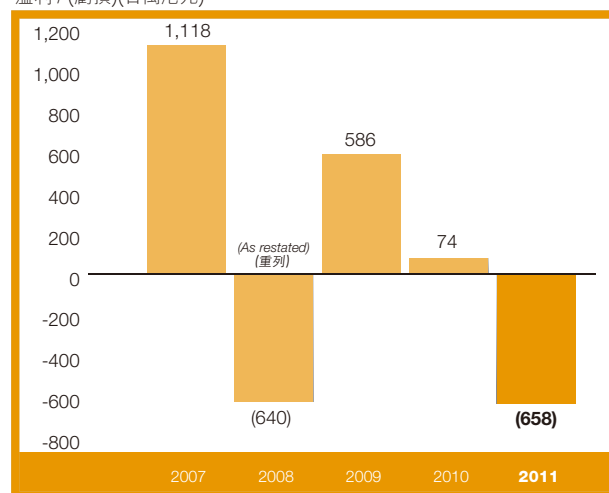
Turnover (HK\$ million)
營業額 (百萬港元)



Profit/(loss) Attributable to Owners of Company

公司擁有人應佔溢利 / (虧損)

Profit / (Loss) (HK\$ million)
溢利 / (虧損)(百萬港元)



Financial Results

財務摘要

Year ended 31st December
截至十二月三十一日止年度

Operating Performance HK\$'000	經營業務表現 (千港元)	2011 二零一一年	2010 二零一零年
Revenue	收益	49,550	53,677
(Loss)/Profit for the year	本年度(虧損)/溢利	(661,232)	74,461
(Loss)/Profit attributable to owners of the Company	公司擁有人應佔(虧損)/溢利	(658,285)	74,461
Net cash (used in) generated from operating activities	經營業務(所用)所得現金淨額	(62,498)	22,475
(Loss)/Earnings per share — basic	每股(虧損)/盈利 — 基本	(16.238) cents 港仙	2.257 cents 港仙
Financial Position (HK\$'000)	財務狀況 (千港元)		
Net cash [#]	現金淨額 [#]	5,713	99,964
Net current assets	流動資產淨值	28,888	100,342
Shareholder's equity	股東權益	3,461,994	3,939,462
Net assets per share	每股資產淨值	82.50 cents 港仙	108.56 cents 港仙
Capital expenditure	資本開支	16,155	2,139
Key Ratios and Date	主要比率及數據		
(Loss)/Profit margin	邊際(虧損)/溢利	(1,334.5%)	138.7%
Current ratio	流動比率	1.7x 倍	3.0x 倍
Return on Equity	股本回報	(19.1%)	1.9%

[#] Cash and cash equivalents less interest-bearing bank loan.

[#] 現金及現金等值項目減計息銀行貸款。

Five Years Financial Summary

五年財務概要

Results

業績

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元 (As restated) (重列)	2007 二零零七年 HK\$'000 千港元
Continuing operations	持續經營業務					
Revenue	收益	49,550	53,677	16,800	65,940	709,331
Profit (loss) before tax	除稅前溢利 (虧損)	(661,232)	81,571	683,220	(792,924)	1,215,159
Income tax expenses	所得稅開支	—	(19)	—	(1,759)	(4,586)
Profit (loss) for the year from continuing operations	持續經營業務之本年度溢利 (虧損)	(661,232)	81,552	683,220	(794,683)	1,210,573
Non-controlling interests	非控制權益	2,947	—	(78,132)	241,763	(92,736)
Profit (loss) for the year from continuing operations attributable to owners of the Company	公司擁有人應佔持續經營業務之本年度溢利 (虧損)	(658,285)	81,552	605,088	(552,920)	1,117,837
Discontinued Operation	已終止經營業務					
Loss for the year from discontinued operation	已終止經營業務之本年度虧損	—	(7,091)	(18,639)	(86,961)	—

Assets and Liabilities

資產及負債

Non-current assets	非流動資產	3,433,106	3,839,120	3,679,589	3,462,584	3,979,495
Current assets	流動資產	72,142	151,191	427,291	659,567	826,715
Total assets	資產總值	3,505,248	3,990,311	4,106,880	4,122,151	4,806,210
Current liabilities	流動負債	43,254	50,849	319,692	788,596	359,042
Non-current liabilities	非流動負債	—	—	—	—	915,461
Total liabilities	負債總額	43,254	50,849	319,692	788,596	1,274,503
Net assets	資產淨值	3,461,994	3,939,462	3,787,188	3,333,555	3,531,707

Chairman's Statement 主席報告書

I am pleased to present the annual report of Superb Summit International Timber Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2011.

2011 REVIEW

The Group's timber business recorded total revenue of HK\$49.6 million for the year ended 31 December 2011, representing a 7.7% decrease compared with last year. The decrease is mainly due to slowdown of timber business in mainland China, especially during the second half of 2011, resulted from various factors such as the recent unstable climate and environmental issues that have led to decrease in wood flow. The loss attributable to owners of the Company for the year is HK\$658.3 million in contrast to a profit of HK\$74.5 million for 2010. The loss for the year is mainly attributable to the loss arising from changes in fair value of the Group's biological assets in the year under review.

PROSPECT

Timber Business

Although China's demand for timber continues to grow, the Group expects that regulations in relation to domestic forest harvesting would be tightened due to the increasing concerns for environmental protection, such as carbon capture and storage, in the People's Republic of China ("PRC").

In view of the changing business environment of the forestry industry, the Group is continuously exploring potential investment opportunities in order to generate steady inflow of cash and profit to the Group as well as to minimize risk on timber business faced by the Group.

Investment in Tianjin

In April 2011, the Company established seven subsidiaries in Tianjin Binhai New Area in the PRC in preparing for the execution of our Tianjin Project. Development of the Tianjin Project is still in preliminary stage and its progress is pending a series of approval for the planning and usage of land from the local government and the relevant authorities in the PRC.

The Company expects the project will not bring any revenue or profit to us in short-term. Implementation of the project will also depend on local economic development, government's decision and the promulgation of relevant preferential policies.

本人謹此欣然呈列奇峰國際木業有限公司（「公司」）及其附屬公司（統稱「集團」）截至二零一一年十二月三十一日止年度之年報。

二零一一年回顧

截至二零一一年十二月三十一日止年度，集團的林木業務錄得總收益49,600,000港元，較去年下降7.7%。下降主要是由於近期天氣不穩加上環境事宜，令木流量下跌，因而導致中國內地的林木業務放緩，特別是於二零一一年下半年。年內，公司擁有人應佔虧損為658,300,000港元，而二零一零年則錄得溢利74,500,000港元。本年虧損主要是由於回顧年度內集團生物資產之公平值變動產生之虧損所致。

前景

林木業務

雖然中國對木材之需求持續增長，集團預期，由於中華人民共和國（「中國」）對環境保護的議題（例如碳吸收及儲存）日益關注，與境內森林採伐有關之法規將逐漸收緊。

鑑於林產業的經營環境不斷變化，集團持續發掘潛在的業務機會，以為集團帶來穩定的現金流入和溢利，以及減低集團在林木業務方面所承受的風險。

於天津之投資

於二零一一年四月，為籌備公司天津項目，公司於中國天津市濱海新區成立了七家附屬公司。目前，天津項目仍處於前期籌備和規劃階段，項目的具體進展有待於當地政府及國家主管機構辦理相關的規劃批復和用地核准等一系列審批手續。

公司預計，該項目的在短期內將不會為公司帶來收入和利潤，該項目的實施亦視乎當地經濟環境發展、政府相關決策和有關優惠政策的落實而定。

Proposed investments in Stone Resources Limited (“SRL”) and Crescent Gold Limited (“CGL”)

On 17 November 2011, the Company and Stone Group Holdings Limited, a company incorporated in Hong Kong with limited liability, entered into a framework agreement, pursuant to which, subject to the conclusion of and entering into formal sale and purchase agreements, the Company proposed to acquire: 1) not less than 51% of the issued share capital of SRL, a company incorporated in Bermuda with limited liability and its shares are listed on the TSX Venture Exchange in Canada; and 2) not less than 14% of CGL, a company incorporated in Australia with limited liability and its shares are listed on the Australian Securities Exchange and Frankfurt Stock Exchange. SRL owns approximately 67.04% of Stone Resources Australia Limited (“SRAL”) (formerly known as A1 Minerals Limited), a company incorporated in Australia with limited liability and its shares are listed on the Australian Securities Exchange. The principal activities of both SRAL and CGL are mineral exploration and gold production and their mining tenements are located in the region of Laverton in Western Australia.

On 4 March 2012, the Group entered into formal agreements in relation to the above-mentioned proposed investments. Further details of these proposed investments are included in the announcement that will be published by the Company once clearance on the announcement from The Stock Exchange of Hong Kong Limited has been obtained.

Appreciation

I would like to express my gratitude to our management team and all employees for their strong commitment and contribution towards the execution of the Group’s strategies and operations. I would also like to thank our shareholders, customers and business partners for their invaluable and enduring support.

LEE Chi Kong
Chairman

建議投資於四通資源有限公司（「四通」）及 Crescent Gold Limited（「CGL」）

於二零一一年十一月十七日，公司與四通控股有限公司（於香港註冊成立之有限公司）訂立一項框架協議，據此，受限於落實及訂立正式的買賣協議規限下，公司建議收購：1) 四通（於百慕達註冊成立之有限公司，其股份於加拿大多倫多證券交易所創業板上市）已發行股本不少於51%；及2) CGL（於澳洲註冊成立的有限公司，其股份於澳洲證券交易所及法蘭克福證券交易所上市）不少於14%。四通擁有 Stone Resources Australia Limited（「SRAL」，前稱 A1 Minerals Limited，一間於澳洲註冊成立的有限公司，其股份於澳洲證券交易所上市）已發行股本約67.04%。SRAL 及 CGL 的主要業務為礦物開採及黃金生產，其採礦場均位於西澳洲 Laverton。

於二零一二年三月四日，集團就上述的建議投資訂立正式的協議。有關此等建議投資之進一步詳情載於公司將作出之公佈，該公佈待獲得香港聯合交易所有限公司審批後將予刊登。

致謝

本人謹此向管理團隊及全體員工為執行集團之策略及營運而作出之不懈努力及貢獻致以衷心謝意。本人亦衷心感謝各股東、客戶及業務夥伴之寶貴且不斷之支持。

主席
李志剛

Management Discussion And Analysis 管理層討論及分析

Business Review

During the year ended 31 December 2011, the Group's operations comprised exploitation and management of timber resources in the PRC and distribution, marketing and sales of a wide range of timber products.

The business environment of timber business has been adversely affected by various factors, such as environmental issues, government policies and recent unstable climate. These factors have caused continuous decrease in wood flow.

For the year under review, the Group recorded a turnover of approximately HK\$49.6 million, a decrease of approximately 7.7% compared with HK\$53.7 million for 2010. The decrease is mainly attributable to continuous decrease in wood flow resulted from change in government policies and the recent unstable climate. Gross profit ratio for the year remained stable compared with last year. A gross profit of approximately HK\$8.4 million, representing a gross profit ratio of approximately 16.9%, was recorded during the year, compared to approximately HK\$9.2 million with a gross profit ratio of approximately 17.1% for 2010. Loss for the year attributable to owners of the Company amounted to approximately HK\$658.3 million, in contrast to a profit of approximately HK\$74.5 million for 2010. The adverse change in the bottom line between the two years is mainly due to the net effect of: 1) loss arising change in fair value of the Group's biological assets of approximately HK\$576.3 million as opposed to a gain of approximately HK\$83.5 million for 2010, 2) the absence of net gain of approximately HK\$66.6 million on disposal of subsidiaries, and 3) fair value loss of approximately HK\$5.2 million on equity investments for the year.

Corporate Development

Tianjin project

On 20 December 2009, the Company entered into a legally binding framework agreement, namely "The Cooperative Framework Agreement on The Project for the Logistic Base of the National Bonded Trading Processed Manufacturing Industry and the Construction of the PRC's International Forestry Products Trading, Exhibition and Convention Centre" (《建設國家級保稅交易加工制造物流產業基地暨中國國際林產品博覽交易會展中心項目合作框架協議》), with two independent third parties in relation to the initial proposed formation of a joint venture (the "Joint Venture") in the PRC to establish a forestry products trading, exhibition and auxiliary services platform in Tianjin Binhai New Area, the PRC, so as to expand the Company's forestry products trading business.

業務回顧

截至二零一一年十二月三十一日止年度，集團之業務包括開發及管護其位於中國境內之林木資源，以及分銷、市場推廣及銷售各類林木產品。

林木業務的經營環境受多項因素的不利影響，例如環保事宜、政府政策及近期天氣不穩定。此等因素導致木流量持續下跌。

於回顧年度內，集團錄得營業額約49,600,000港元，較二零一零年53,700,000港元下降約7.7%。下降主要是由於政府政策變動及近期天氣不穩，令木流量持續下跌所致。與去年比較，本年度集團的毛利率維持穩定。年內錄得毛利約8,400,000港元，相當於毛利率約為16.9%，相比二零一零年則錄得毛利約9,200,000港元，毛利率約17.1%。公司擁有人應佔虧損約為658,300,000港元，而二零一零年則錄得溢利74,500,000港元。轉盈為虧主要是由於1)集團生物資產之公平值變動產生之虧損約576,300,000港元，反之，二零一零年卻錄得收益約83,500,000港元；2)出售附屬公司的淨收益約66,600,000港元本年不再出現；及3)年內股本投資之公平值虧損約5,200,000港元等因素的淨影響所致。

公司發展

天津項目

於二零零九年十二月二十日，公司與兩名獨立第三方就初步建議於中國成立合資公司（「合資公司」）訂立具法律約束力之框架協議，即《建設國家級保稅交易加工制造物流產業基地暨中國國際林產品博覽交易會展中心項目合作框架協議》，以於中國天津濱海新區成立林產品之貿易、展覽及配套服務平台，從而擴充公司之林產品買賣業務。

On this basis, the Company entered into a legally binding framework agreement, namely “The Cooperative Framework Agreement on The Project for the Logistic Base of the National Forestry Industry and the Construction of the PRC’s International Forestry Products Trading, Exhibition and Convention Centre” (《國家級林產業基地與中國國際林產品博覽交易會展中心項目合作框架協議》) with the two independent third parties on 15 September 2010 in relation to the development and construction of the PRC’s International Forestry Products Trading, Exhibition and Convention Centre (中國國際林產品博覽交易會展中心) in Tianjin Binhai New Area, the PRC.

In addition, on 3 December 2010, the Company entered into a framework agreement, namely “The Strategic Cooperative Framework Agreement”, with Tianjin Port (Group) Co., Ltd. (“Tianjin Port Group”), and on 4 January 2011, the Company entered into a supplementary agreement thereto with Tianjin Harbor-side Industrial Investment Holding Limited (天津臨港產業投資控股有限公司), a controlled corporation under Tianjin Port Group, in relation to the in-principle cooperation in respect of development of timber port, quarantine processing line and storage district for timber logistics in the harbor-side industrial area of Tianjin Binhai New Area, the PRC.

In April 2011, the Company established seven subsidiaries in Tianjin Binhai New Area in the PRC in preparing for the execution of our Tianjin Project. Development of the Tianjin Project is still in preliminary stage, and its progress is pending a series of approval for the planning and usage of land from the local government and the relevant authorities in the PRC.

The Company expects the project will not bring any revenue or profit to us in short-term. Implementation of the project will also depend on local economic development, government’s decision and the promulgation of relevant preferential policies.

在此基礎上，公司於二零一零年九月十五日與兩名獨立第三方訂立有法律約束力之《國家級林產業基地與中國國際林產品博覽交易會展中心項目合作框架協議》，在中國天津濱海新區開發建設中國國際林產品博覽交易會展中心。

此外，於二零一零年十二月三日，公司與天津港(集團)有限公司(「天津港集團」)訂立一份框架協議，即「戰略合作框架協議」。於二零一一年一月四日，公司與天津港集團旗下控股企業——天津臨港產業投資控股有限公司就在中國天津濱海新區臨港產業區開發木材碼頭、檢疫線及木材物流倉儲區之原則性合作事項簽訂上述協議之補充協議。

於二零一一年四月，為籌備公司天津項目，公司於中國天津市濱海新區成立了七家附屬公司。目前，天津項目仍處於前期籌備和規劃階段，項目的具體進展有待於當地政府及國家主管機構辦理相關的規劃批復和用地核准等一系列審批手續。

公司預計，該項目的在短期內將不會為公司帶來收入和利潤，該項目的實施亦視乎當地經濟環境發展、政府相關決策和有關優惠政策的落實而定。

Management Discussion And Analysis 管理層討論及分析

Future plan for material investments

On 17 November 2011, the Company and Stone Group Holdings Limited, a company incorporated in Hong Kong with limited liability, entered into a framework agreement, pursuant to which, subject to the conclusion of and entering into formal sale and purchase agreements, the Company proposed to acquire: 1) not less than 51% of the issued share capital of Stone Resources Limited ("SRL"), a company incorporated in Bermuda with limited liability and its shares are listed on the TSX Venture Exchange in Canada; and 2) not less than 14% of Crescent Gold Limited ("CGL"), a company incorporated in Australia with limited liability and its shares are listed on the Australian Securities Exchange and Frankfurt Stock Exchange. SRL owns approximately 67.04% of Stone Resources Australia Limited ("SRAL") (formerly known as A1 Minerals Limited), a company incorporated in Australia with limited liability and its shares are listed on the Australian Securities Exchange. The principal activities of both SRAL and CGL are mineral exploration and gold production and their mining tenements are located in the region of Laverton in Western Australia.

On 4 March 2012, the Group entered into formal agreements in relation to the above-mentioned proposed investments. Further details of these proposed investments are included in the announcement that will be published by the Company once clearance on the announcement from The Stock Exchange of Hong Kong Limited has been obtained.

Employees and Remuneration Package

As at 31 December 2011, the Group had 69 employees (2010: 70 employees). The remuneration package was based on their work performance, experience and the industry practice. The Group also participated in retirement benefits schemes for its staff in Hong Kong and the PRC.

Capital Expenditures

During the year, the Group spent approximately HK\$16.2 million (2010: HK\$2.1 million) on acquisition of new production machineries, which was financed by internal cash resources.

Contingent liabilities

The Group did not have any significant contingent liabilities as at 31 December 2011 (2010: Nil).

未來重大投資計劃

於二零一一年十一月十七日，本公司與四通控股有限公司（於香港註冊成立之有限公司）訂立一項框架協議，據此，受限於落實及訂立正式的買賣協議規限下，公司建議收購：1) 四通資源有限公司（「四通」，於百慕達註冊成立之有限公司，其股份於加拿大多倫多證券交易所創業板上市）已發行股本不少於51%；及2) Crescent Gold Limited（「CGL」）（於澳洲註冊成立的有限公司，其股份於澳洲證券交易所及法蘭克福證券交易所上市）不少於14%。四通擁有 Stone Resources Australia Limited（「SRAL」，前稱A1 Minerals Limited，一間於澳洲註冊成立的有限公司，其股份於澳洲證券交易所上市）已發行股本約67.04%。SRAL及CGL的主要業務為礦物開採及黃金生產，其採礦場均位於西澳洲Laverton。

於二零一二年三月四日，集團就上述的建議投資訂立正式的協議。有關此等建議投資之進一步詳情載於公司將作出之公佈，該公佈待獲得香港聯合交易所有限公司審批後將予刊登。

僱員及薪酬組合

於二零一一年十二月三十一日，集團擁有約69名僱員（二零一零年：70名僱員）。薪酬組合是根據僱員之工作表現、經驗及行業慣例釐定。此外，集團亦為中港兩地之員工參加退休福利計劃。

資本開支

本年度內，集團動用約16,200,000港元（二零一零年：2,100,000港元）收購新生產機器，有關資金乃以內部現金資源撥付。

或然負債

於二零一一年十二月三十一日，集團並無任何重大或然負債（二零一零年：無）。

Financial Review

Liquidity and Finance Resources

During the year, the Group generally financed its operations with internally generated resources. As at 31 December 2011, the Group had interest-bearing borrowings of HK\$1 million, bearing interest at 5% per annum and repayable within one year (31 December 2010: Nil). In addition, a loan facility of up to HK\$50 million granted by a licensed lender to the Company in October 2009 expired in April 2011. During the year, the Company did not make any drawing under the facility.

The Group's sales and purchases were either denominated in Renminbi or Hong Kong dollars. Accordingly, the Directors consider the Group has no significant exposure to foreign exchange fluctuations in view of the stability of the exchange rates of Renminbi, Hong Kong and US dollars. During the year, the Group did not use any financial instrument for hedging the foreign exchange risk or interest rate risk.

As at 31 December 2011, the Group had current assets of approximately HK\$72.1 million (2010: HK\$151.2 million) and current liabilities of approximately HK\$43.3 million (2010: 50.8 million). The Group's current ratio had decreased from approximately 3.0 times as at 31 December 2010 to approximately 1.7 times as at 31 December 2011. The Group had total assets of approximately HK\$3,505.2 million (2010: HK\$3,990.3 million) and total liabilities of approximately HK\$43.3 million (2010: HK\$50.8 million), representing a gearing ratio (expressed as total liabilities to total assets) of approximately 1.2% as at 31 December 2011 as compared with approximately 1.3% as at 31 December 2010.

Prospect

Given the changing business environment of the forestry industry, the management considers diversification of business with growth potential to be in the best interest to the Company and its shareholders. The Company is continuously exploring potential investment opportunities to broaden its revenue and profit base and also to minimize risk on timber business faced by the Company. Furthermore, the management is considering various alternatives to increase the Company's resources for the development of the existing business and potential investment opportunities.

財務回顧

流動資金及財務資源

本年度內，集團一般以內部產生之資源撥付其經營業務所需。於二零一一年十二月三十一日，集團有一項1,000,000港元計息借貸，按年利率5%計息及須於一年內償還（二零一零年十二月三十一日：無）。此外，公司於二零零九年十月獲一持牌放債人批出之50,000,000港元貸款已於二零一一年四月到期。公司於本年度並無動用該筆貸款。

集團之銷售額及購貨額則以人民幣或港元列值。由於人民幣、港元及美元之匯率頗為穩定，因此，董事認為集團並無承擔重大之外匯波動風險。本年度內，集團並無為對沖外匯風險或利率風險而使用任何金融工具。

於二零一一年十二月三十一日，集團之流動資產約為72,100,000港元（二零一零年：151,200,000港元），流動負債約為43,300,000港元（二零一零年：50,800,000港元）。集團之流動比率由二零一零年十二月三十一日約3.0倍下降至二零一一年十二月三十一日約1.7倍。集團之資產總值約為3,505,200,000港元（二零一零年：3,990,300,000港元），負債總額則約為43,300,000港元（二零一零年：50,800,000港元），即於二零一一年十二月三十一日之資本負債比率（以負債總額對資產總值呈列）約為1.2%，而於二零一零年十二月三十一日則約為1.3%。

前景

鑑於林產業經營環境不斷變化，為公司及其股東之最佳利益，管理層考慮多元化發展具增長潛力之業務。公司正不斷發掘潛在之投資機會，以拓闊其收入及利潤基礎，同時盡量減低公司在林木業方面承受的風險。此外，管理層正考慮各可行方案以增加公司資源，藉以開發現有業務和潛在的投資機會。

Report of the Directors 董事會報告書

The directors are pleased to present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2011 ("the Year").

董事會欣然提呈董事會報告書，連同公司及集團截至二零一一年十二月三十一日止年度（「本年度」）之經審核財務報表。

Principal Activities

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 21 to the consolidated financial statements. Most of the Group's core business remains unchanged.

主要業務

公司之主要業務為投資控股。主要附屬公司主要業務之詳情載於綜合財務報表附註21。集團大部份核心業務維持不變。

Results and Dividend

The Group's results for the year ended 31 December 2011 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 35 to 112.

業績及股息

集團截至二零一一年十二月三十一日止年度年度之業績，以及公司與集團於該日之財務狀況載於財務報表第35頁至第112頁。

The directors do not recommend the payment of a final dividend for the year ended 31 December 2011.

董事並不建議派付截至二零一一年十二月三十一日止年度末期股息。

Property, Plant and Equipment

Details of movements in the Group's property, plant and equipment during the year are set out in note 19 to the consolidated financial statements.

物業、廠房及設備

年內，集團物業、廠房及設備之變動詳情載於綜合財務報表附註19。

Share Capital and Share Options

Details of movements in the Company's share capital and share options during the year, together with the reasons therefore, are set out in notes 32 and 33 to the consolidated financial statements.

股本及購股權

公司股本及購股權於本年度之變動詳情連同有關原因載於綜合財務報表附註32及33。

Convertible Notes

Details of movements in the Company's convertible notes during the year and subsequent thereto are set out in note 30 to the consolidated financial statements.

可換股票據

公司可換股票據於年內及其後之變動載於財務報表附註30。

Pre-Emptive Rights

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

Purchase, Sale or Redemption of Listed Securities of the Company

During the year, the Company repurchased 7,940,000 shares of the Company on the Stock Exchange at an aggregate consideration of HK\$2,033,950 for the enhancement of the net asset value per share. All the repurchased shares were cancelled as at 31 December 2011. Details of the repurchases of shares are summarized as follows:

Month of the repurchases	購回月份	Total number of ordinary shares repurchased 已購回普通股股份總數	Price per share 每股股份價格		Aggregate consideration paid (excluding expenses) 已付總代價 (不包括開支) HK\$ 港元
			Highest 最高價 HK\$ 港元	Lowest 最低價 HK\$ 港元	
May 2011	二零一一年五月	3,395,000	0.260	0.260	882,700
June 2011	二零一一年六月	4,545,000	0.255	0.250	1,151,250
		<u>7,940,000</u>			<u>2,033,950</u>

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities for the year ended 31 December 2011.

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in consolidated statement of changes in equity and note 34 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

優先購買權

公司之公司組織章程或公司註冊成立之司法管轄權區開曼群島法例並無條文規定公司須就發售新股按比例給予現有股東優先購買權。

購買、出售或贖回公司之上市證券

年內，本公司於聯交所購回本公司之7,940,000股股份，總代價為2,033,950港元，以提升每股資產淨值。所有購回股份已於二零一一年十二月三十一日註銷。購回股份之詳情概述如下：

除上文所披露者外，公司或其任何附屬公司於截至二零一一年十二月三十一日止年度內並無購買、贖回或出售公司之上市證券。

儲備

公司及集團於本年度內之儲備變動詳情分別載於綜合權益變動表及綜合財務報表附註34及綜合權益變動表。

Report of the Directors 董事會報告書

Distributable Reserves

At 31 December 2011, the Company's reserves available for distribution, calculated in accordance with the Companies Law (Revised) of the Cayman Islands, amounted to approximately HK\$1,698,413,000 (2010: HK\$1,863,398,000). This includes the Company's share premium account in the amount of approximately HK\$1,553,724,000 (2010: HK\$1,494,669,000) as at 31 December 2011, which may be distributed, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The Company's share premium account may also be distributed in the form of fully paid bonus shares.

Major Customers and Suppliers

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

the largest supplier	22%
five largest suppliers in aggregate	73%

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

the largest customer	74%
five largest customers in aggregate	100%

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

Directors

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

Executive directors

Mr. LEE Chi Kong (*Chairman*)
Mr. JING Bin (*Chief Executive Officer*)
Mr. CHENG Man For

可供分派儲備

於二零一一年十二月三十一日，根據開曼群島公司法（經修訂）計算，公司可供分派之儲備約為1,698,413,000港元（二零一零年：1,863,398,000港元）。可供分派儲備包括於二零一一年十二月三十一日公司可供分派之股份溢價約1,553,724,000港元（二零一零年：1,494,669,000港元），惟於緊隨擬派股息日期後，公司須有能力償付日常業務過程中到期應付之債務。公司之股份溢價亦可以繳足紅股方式分派。

主要客戶及供應商

集團主要供應商所佔年內採購的百分比如下：

最大供應商	22%
五大供應商合計	73%

集團的主要客戶佔年內銷售的百分比如下：

最大客戶	74%
五大客戶合計	100%

概無任何董事、其聯繫人或任何股東（根據董事所知、擁有本公司股東5%或以上的股本）擁有該等主要供應商及客戶的權益。

董事

本年度內及直至本報告日期，公司之董事如下：

執行董事

李志剛先生（主席）
景濱先生（行政總裁）
鄭文科先生

Independent non-executive directors

Mr. CHEUNG Wai Tak
Mr. LI Xiangjun
Mr. CHEN Xiaoming

In accordance with the Company's articles of association, Mr. JING Bin and Mr. CHEUNG Wai Tak will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Biographical Details of Directors and Senior Management

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 28 to 32 of the annual report.

Directors' Service Contracts

All executive directors have entered into service contracts with the Company for a term of two years. These service contracts continue thereafter until terminated by either party giving not less than four months' notice in writing to the other party.

All independent non-executive directors have not been appointed for a specific term but will hold office until the next following annual general meeting and will then be eligible for re-election in accordance with the articles of association of the Company. Save as disclosed above, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Directors' Interests in Contracts

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

獨立非執行董事

張偉德先生
李湘軍先生
陳小明先生

根據公司章程細則，景濱先生及張偉德先生將於應屆股東週年大會上告退，惟彼等願意且符合資格膺選連任。

董事及高級管理人員簡歷

公司董事及集團高級管理人員之簡歷載於本年報第28頁至32頁。

董事之服務合約

所有執行董事與公司訂立為期兩年的服務合約，其後將會繼續，除非任何一方發出不少於四個月通知予另一方予以終止。

所有獨立非執行董事均無特定委任年期，但任期將至下屆股東週年大會為止，並將合資格根據公司章程細則膺選連任。除上文所披露者外，被提名於應屆股東週年大會上重選之董事，概無與公司訂立任何公司不能於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

董事之合約權益

公司或其任何附屬公司於年終或本年度內任何時間並無訂立公司董事於其中直接或間接擁有重大權益之重大合約。

Report of the Directors 董事會報告書

Directors' and Chief Executive's Interests or Short Positions in Shares and Share Options

As at 31 December 2011, the interests of the directors and chief executives of the Company in the shares and share options of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Long position

Ordinary shares of HK\$0.10 each of the Company

Name of directors 董事姓名	Capacity 身份	Number of issued ordinary shares held 所持已發行普通股數目	Percentage of the issued share capital 佔已發行股本百分比
Mr. LEE Chi Kong 李志剛先生	Held by controlled corporation (Note 1) 由受控制法團持有(附註1)	32,912,000	0.78%
	Beneficial owner 實益擁有人	165,000	0.01%
		33,077,000	0.79%
Mr. JING Bin 景濱先生	Beneficial owner (Note 2) 實益擁有人(附註2)	263,145,137	6.27%
Mr. LI Xiangjun 李湘軍先生	Beneficial owner 實益擁有人	1,820,000	0.04%
		298,042,137	7.10%

董事及主要行政人員於股份及 購股權之權益或淡倉

於二零一一年十二月三十一日，公司董事及主要行政人員在公司或其相聯法團（按證券及期貨條例（「證券及期貨條例」）第XV部定義）之股份及購股權中擁有須記入公司按證券及期貨條例第352條而存置之登記冊或根據上市公司董事進行證券交易的標準守則向公司及香港聯合交易所有限公司（「聯交所」）發出通知之權益如下：

好倉

公司每股面值0.10港元普通股

Note:

1. These ordinary shares are owned by Huge Healthy Investment Development Limited (“Huge Healthy”), a company incorporated in the British Virgin Islands (the “BVI”). The entire issued share capital of Huge Healthy is beneficially owned by Mr. LEE Chi Kong.
2. These ordinary shares are owned by Magic Stone Fund (China), a company incorporated in the Cayman Islands, which totally owns 1,117,656,000 shares of the Company. Mr. JING Bin owns 17.7% of the issued share capital of Magic Stone Fund (China), which entitles him to 263,145,137 shares of the Company.

Save as disclosed above, none of the other directors, chief executives and their associates, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31 December 2011.

Share Option Scheme

Particulars of the Company’s share option scheme are set out in note 33 to the consolidated financial statements.

Directors’ Right to Acquire Shares or Debentures

Save as disclosed under the heading “Directors and chief executive’s interests or short positions in shares and share options” and “Share option scheme” above, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

附註：

1. 此等普通股乃由在英屬處女群島（「英屬處女群島」）註冊成立之公司Huge Healthy Investment Development Limited（「Huge Healthy」）擁有。Huge Healthy之全部已發行股本乃由李志剛先生實益擁有。
2. 此等普通股乃由在開曼群島註冊成立之公司Magic Stone Fund (China)擁有，其合共擁有本公司1,117,656,000股股份。景濱先生擁有Magic Stone Fund (China)之已發行股本的17.7%，使其擁有本公司263,145,137股股份的權益。

除上文所披露者外，於二零一一年十二月三十一日，概無其他董事、主要行政人員及彼等之聯繫人於公司或其任何相聯法團（按證券及期貨條例第XV部定義）之股份、相關股份或債券中擁有任何權益或淡倉。

購股權計劃

公司購股權計劃之詳情載於綜合財務報表附註33。

董事購入股份或債券之權利

除上文「董事及主要行政人員於股份及購股權之權益或淡倉」及「購股權計劃」兩節所披露者外，於年內任何時間，董事或彼等各自之配偶或未滿十八歲之子女概無獲授可藉着購入公司之股份或債券而獲益之權利，彼等亦無行使有關權利；公司或其任何附屬公司亦無訂立任何安排致使董事可收購在任何其他法人團體之上述權利。

Report of the Directors 董事會報告書

Substantial Shareholders

As at 31 December 2011, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and chief executive, the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

Long positions

Ordinary shares of HK\$0.10 each of the Company

Name of shareholders	Capacity	Number of issued ordinary shares held	Number of underlying shares (convertible notes or share options) held	Percentage of the issued share capital of the Company
股東名稱	身份	所持已發行普通股數目	所持相關股份(可換股票據或購股權)數目	佔公司已發行股本之百分比
Wider Success Holdings Limited	Beneficial owner 實益擁有人	—	286,455,782	6.83%
Ms. HUANG Ying 黃穎女士	Interest of controlled corporation (Note 1) 受控制法團權益(附註1)	—	286,455,782	6.83%
Magic Stone Fund (China)	Beneficial owner 實益擁有人	1,117,656,000	—	26.64%
Mr. YANG Dongjun 楊東軍先生	Interest of controlled corporation (Note 2) 受控制法團權益(附註2)	1,117,656,000	—	26.64%
Mr. LI Kwong Yuk 李光煜先生	Interest of controlled corporations (Note 3) 受控制法團權益(附註3)	421,765,000	—	10.05%
	Family interests (Note 4) 家族權益(附註4)	1,000,000	—	0.02%
	Beneficial owner 實益擁有人	6,568,000	—	0.16%

主要股東

於二零一一年十二月三十一日，根據證券及期貨條例第336條規定公司存置之主要股東登記冊，除上文所披露有關若干董事及主要行政人員之權益外，下列股東已通知公司彼等於公司已發行股本中擁有之相關權益。

好倉

公司每股面值0.10港元普通股

Note:

1. Ms. HUANG Ying owned 100% of Wider Success Holdings Limited, a company incorporated in the British Virgin Islands (the "BVI"). Accordingly, Ms. HUANG Ying was deemed to be interested in 286,455,782 underlying shares held by Wider Success Holdings Limited.
2. Mr. YANG Dongjun owned 57.69% of Magic Stone Fund (China), a company incorporated in the Cayman Islands. Accordingly, Mr. YANG Dongjun was deemed to be interested in 1,117,656,000 shares held by Magic Stone Fund (China).
3. These shares were owned as to 201,985,000 shares by Win Master Group Limited, a company incorporated in the BVI, 15,710,000 shares by Wincon Asset Management Limited, a company incorporated in the BVI, 200,000,000 shares by Wincon Capital Investment Limited, a company incorporated in the BVI and 4,070,000 shares by Golden Season International Limited, a company incorporated in the BVI and a wholly-owned subsidiary of Dingyi Group Investment Limited (formerly Chevalier Pacific Holdings Limited), a company incorporated in Bermuda and its shares are listed on the Stock Exchange of Hong Kong Limited. Win Master Group Limited, Wincon Asset Management Limited and Wincon Capital Investment Limited were wholly-owned by Mr. LI Kwong Yuk. Dingyi Group Investment Limited was owned as to 70.01% by Mr. LI Kwong Yuk.
4. These shares were owned by Ms. LO Kwan, spouse of Mr. LI Kwong Yuk. Accordingly, Mr. LI Kwong Yuk was deemed to be interested in 1,000,000 shares held by Ms. LO Kwan.

Other than as disclosed above, the Company has not been notified of any other interests or short position in the issued share capital of the Company as at 31 December 2011.

Directors' Interests in a Competing Business

No director had interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"), during the Year and up to the date of this report.

附註：

1. 黃穎女士擁有於英屬處女群島（「英屬處女群島」）註冊成立之公司Wider Success Holdings Limited 100%權益。因此，黃穎女士被視作擁有Wider Success Holdings Limited所持286,455,782股相關股份之權益。
2. 楊東軍先生擁有於開曼群島註冊成立的公司Magic Stone Fund (China) 57.69%權益。因此，楊東軍先生被視作擁有Magic Stone Fund (China)所持1,117,656,000股股份之權益。
3. 此等股份中201,985,000股股份乃由在英屬處女群島註冊成立之公司Win Master Group Limited擁有、15,710,000股股份乃由在英屬處女群島註冊成立之公司Wincon Asset Management Limited擁有、200,000,000股由英屬處女群島註冊成立之Wincon Capital Investment Limited擁有，以及4,070,000股由英屬處女群島註冊成立的Golden Season International Limited擁有。Golden Season International Limited為股份在香港聯合交易所有限公司上市的百慕達註冊成立的公司鼎億集團投資有限公司（前稱其士泛亞控股有限公司）的全資附屬公司。Win Master Group Limited、Wincon Asset Management Limited及Wincon Capital Investment Limited均由李光煜先生全資擁有。李光煜先生擁有鼎億集團投資有限公司70.01%權益。
4. 此等股份由LO Kwan女士（李光煜先生之配偶）擁有。因此，李光煜先生被視作擁有LO Kwan女士所持有之1,000,000股股份之權益。

除上文所披露者外，於二零一一年十二月三十一日，公司概無獲知會有於公司已發行股本中擁有之任何其他權益或淡倉。

董事於競爭業務之權益

本年度內及直至本報告日期，概無董事於與集團業務直接或間接構成競爭或可能構成競爭之業務內擁有權益（有關競爭之定義見香港聯合交易所有限公司證券上市規則（「上市規則」））。

Report of the Directors 董事會報告書

Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required by the Listing Rules.

Confirmation of Independence

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

Independent Auditor

The consolidated financial statements for the year ended 31 December 2010 have been audited by Parker Randall CF (H.K.) CPA Limited who retire and, being eligible, offer themselves for re-appointment. A resolution to this effect will be proposed at the forthcoming annual general meeting.

On behalf of the Board

LEE Chi Kong
Chairman

Hong Kong
30 March 2012

公眾持股量

根據公司取得之公開資料，並就董事所知，於本報告日期之公眾持股量足夠，按上市規則規定不少於公司已發行股份之25%。

確認獨立性

公司已接獲各位獨立非執行董事根據上市規則第3.13條就其獨立性發出之年度確認書，並認為全體獨立非執行董事均為獨立人士。

獨立核數師

截至二零一零年十二月三十一日止年度之綜合財務報表已由暉誼(香港)會計師事務所有限公司審核，暉誼(香港)會計師事務所有限公司將會退任，並合資格獲重新委聘。應屆股東週年大會上將就此提呈決議案。

代表董事會

主席
李志剛

香港
二零一二年三月三十日

Corporation Information 公司資料

Board of Directors

Executive Directors

LEE Chi Kong (*Chairman*)
JING Bin (*Chief Executive Officer*)
CHENG Man For

Independent Non-executive Directors

CHEUNG Wai Tak
LI Xiangjun
CHEN Xiaoming

Members of Audit Committee

CHEUNG Wai Tak
LI Xiangjun
CHEN Xiaoming

Members of Remuneration Committee

CHEUNG Wai Tak
LI Xiangjun
CHEN Xiaoming

Members of Nomination Committee

CHEUNG Wai Tak
LI Xiangjun
CHEN Xiaoming

Registered Office

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

Head Office and Principal Place of Business

Units 3307-08, 33rd Floor
West Tower, Shun Tak Centre,
168-200 Connaught Road Central
Hong Kong

董事會

執行董事

李志剛 (主席)
景濱 (行政總裁)
鄭文科

獨立非執行董事

張偉德
李湘軍
陳小明

審核委員會成員

張偉德
李湘軍
陳小明

薪酬委員會成員

張偉德
李湘軍
陳小明

提名委員會成員

張偉德
李湘軍
陳小明

註冊辦事處

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

總辦事處及主要營業地點

香港
干諾道中 168 至 200 號
信德中心西座
33 樓 3307 至 3308 室

Corporation Information 公司資料

Company Secretary

CHENG Man For

Principal Bankers

Bank of China (Hong Kong) Limited
Industrial Bank Co. Ltd.
Bank of Beijing

Principal Share Registrar and Transfer Office

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

Hong Kong Branch Share Registrar and Transfer Office

Tricor Tengis Limited
26/F Tesbury Centre
28 Queen's Road East
Hong Kong

Auditors

Parker Randall CF (H.K.) CPA Limited

Solicitor

D.S. Cheung & Co.

Website

www.ssitimber.com.hk

Stock Code

01228

公司秘書

鄭文科

主要往來銀行

中國銀行(香港)有限公司
興業銀行
北京銀行

主要股份過戶登記處

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

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東28號
金鐘匯中心26樓

核數師

暉誼(香港)會計師事務所有限公司

律師

張岱樞律師事務所

網址

www.ssitimber.com.hk

股份代號

01228

Corporate Governance Report

企業管治報告

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

The board of directors (“Board”) is committed to maintaining statutory and regulatory standards and adherence to the principles of corporate governance with emphasis on transparency, independence, accountability and responsibility. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Code on Corporate Governance Practices (“CGP Code”) issued by The Stock Exchange of Hong Kong Limited (“Stock Exchange”) in its Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) sets out two levels of corporate governance practices, namely, mandatory code provisions that a listed company must comply with or explain its non-compliance, and recommended best practices that listed companies are encouraged to comply with but need not disclose in the case of non-compliance. The Company is in compliance with the mandatory code provisions of the CGP Code, save for the deviations discussed below.

BOARD OF DIRECTORS

The Board is charged with providing effective and responsible leadership for the Company. The directors, individually and collectively, must act in good faith in the best interests of the Company and its shareholders. The Board comprises three Executive Directors and three Independent Non-executive Directors. The Board has appointed several Board Committees to oversee different areas of the Company’s affairs. The composition of the Board and the Board Committees are given below and their respective responsibilities are discussed in this report. Details of Directors attendance at Board Meetings and Committee Meetings held during the year under review are set out in the following table.

董事會（「董事會」）致力維持有關法定及監管標準，並緊守企業管治之原則，強調透明、獨立、問責及負責。為了達到股東不斷提高之期望和符合日趨嚴謹之法規要求，實踐董事會對堅守優越企業管治之承諾，董事會不斷檢討集團之企業管治守則。

香港聯合交易所有限公司（「聯交所」）在聯交所證券上市規則（「上市規則」）發出之企業管治常規守則（「管治守則」）訂明兩個層次之企業管治守則，分別是強制守則規定—上市公司必須遵守，或對任何偏離守則規定之情況作出解釋；及建議最佳常規—鼓勵上市公司加以遵守但毋需披露偏離常規之情況。除了下文提及之偏離外，公司已遵守管治守則中之強制守則規定。

董事會

董事會有效率和負責任地肩負領導公司發展之責。董事會各成員，無論個別或共同行事，都必須行之以誠，以公司及股東之整體利益為前提。董事會由三名執行董事及三名獨立非執行董事組成。董事會已委任若干轄下委員會，分別監察公司不同範疇之事務。公司之董事會及各董事委員會成員之組成載於下文，而各委員會之職責於本報告內有進一步之描述。於回顧年度內，各董事出席所舉行之董事會會議及委員會會議之詳情載於下表。

Corporate Governance Report

企業管治報告

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

Name of Directors 董事姓名	Full Board Meetings 全體董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meetings 提名委員會會議
Executive Directors 執行董事				
LEE Chi Kong (Chairman) 李志剛 (主席)	29/31	N/A 不適用	N/A 不適用	N/A 不適用
JING Bin (CEO) 景濱 (行政總裁)	30/31	N/A 不適用	N/A 不適用	N/A 不適用
CHENG Man For (Note) 鄭文科 (附註)	21/31	2/2	1/1	N/A 不適用
Independent Non-executive Directors 獨立非執行董事				
CHEUNG Wai Tak 張偉德	14/31	2/2	1/1	1/1
LI Xiangjun 李湘軍	13/31	2/2	1/1	1/1
CHEN Xiaoming 陳小明	9/31	2/2	0/1	1/1

Note:

Attended as secretary of committee, except in Board meetings he played the dual roles as Director and Company Secretary.

The Board members have no financial, business, family or other material/relevant relationships with each other. Each of the Independent Non-executive Directors have confirmed in writing their independence from the Company in accordance with the guidelines on director independence of the Listing Rules. On this basis, the Company considers all such Directors to be independent.

Biographical details of the Directors of the Company as at the date of this report are set out on pages 28 to 32 of this annual report. Given the composition of the Board and the skills, knowledge and expertise of the Director, the Board believes that it is appropriately structured to provide sufficient checks and balances to protect the interests of the Group and the shareholders. The Board will review its composition regularly to ensure that it has the appropriate balance of expertise, skills and experience to continue to effectively oversee the business of the Company.

附註：

列席各委員會擔任委員會秘書，惟於董事會上則同時擔任董事及公司秘書。

各董事會成員之間並沒有財務、業務、親屬或其他重大／相關關係。各獨立非執行董事已根據上市規則對董事獨立性之指引而致函確認其獨立性；因此，公司認為該等董事確屬獨立人士。

於本報告日期，公司董事之個人資料詳載於本年報第28頁至第32頁。基於董事會之組成及各董事之技能、學識和專業知識，董事會相信其架構已能恰當地提供足夠之監察，以保障集團和股東之利益。董事會將定期檢討其組成，以確保其在專業知識、技能及經驗方面維持合適之平衡，藉以繼續有效地監管公司之業務。

The Directors are remunerated with reference to their respective duties and responsibility with the Company, the Company's performance and current market situation. Details of emoluments of the Directors from the Group for the year are disclosed in Note 12 to the financial statements.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The appointment of new Directors is recommended by the Nomination Committee. The Board will then take into account criteria such as expertise, experience, integrity and commitment when considering a new appointment.

In accordance with the Articles of Association of the Company ("Articles"), all Directors (except the Chairman, Deputy Chairman, Managing Director or Joint Managing Director) are subject to retirement by rotation and re-election at annual general meetings of the Company. New Directors appointed by the Board during the year are required to retire and submit themselves for re-election at the first annual general meeting immediately following their appointments. Further, at each annual general meeting, one-third of the Directors (excluding the Chairman, Deputy Chairman, Managing Director or Joint Managing Director), or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third are required to retire from office. Out of the six directors, five of them (except the Chairman) are subject to retirement by rotation.

The existing Articles governing the retirement of Directors deviate from the CGP Code provisions in the following aspects: (i) unlike the other Directors, the Chairman, Deputy Chairman, Managing Director or Joint Managing Director is not subject to retirement by rotation; (ii) new Directors appointed to fill casual vacancies are subject to election by shareholders at the first annual general meeting instead of the first general meeting after their appointments; and (iii) the Directors who are subject to retirement by rotation are not explicitly subject to retirement at least once every three years. The Board will review the above-mentioned practice from time to time and consider amending the Articles when necessary.

董事薪酬乃參考各董事於公司之職責、公司之表現及當前市況後釐定。董事於本年度向集團收取之酬金詳情載於財務報表附註12。

董事之委任及重選

新董事之委任由提名委員會建議。董事會審議新委任時會考慮候選人之專業知識、經驗、誠信及承擔等各方面。

根據公司章程細則（「細則」），所有董事（惟主席、副主席、董事總經理或聯席董事總經理除外）須於公司之股東週年大會上輪值告退，並接受重選。於年內獲董事會委任之新董事亦須在獲委任後之首次股東週年大會上退任，並可膺選連任。再者，於每屆股東週年大會上須有三分之一或（如董事會人數不是三或三之倍數）最接近但不超過三分之一之董事（不包括主席、副主席、董事總經理或聯席董事總經理）退任。在六名董事當中，除主席以外餘下五名須受輪值告退之限制。

現行有關董事退任之細則有下列之偏離管治守則的事項：(i) 主席、副主席、董事總經理或聯席董事總經理毋須輪值告退，有別於其他董事；(ii) 獲委任填補臨時空缺之新董事須在其獲委任後之首次股東週年大會（而非首次股東大會）上告退並接受股東重選；及(iii) 沒有明確地要求每名須輪值告退之董事最少每三年退任一次。董事會將不時檢討上述做法並於需要時考慮修訂細則。

Corporate Governance Report

企業管治報告

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

TERM OF OFFICE OF NON-EXECUTIVE DIRECTORS

The Company has not complied with code provision A.4.1 that requires non-executive directors should be appointed for a specific term and subject to re-election. Currently, there are no service contracts entered into between the Company and the three Independent Non-executive Directors and they have no fixed term of office with the Company. In accordance with the Articles, all Independent Non-executive Directors are subject to retirement by rotation. Also, new Independent Non-executive Directors appointed by the Board during the year are required to retire and submit themselves for re-election at the first annual general meeting immediately following their appointments. As such, the Company considers that sufficient measures have been taken to serve the purpose of this code provision.

AUDIT COMMITTEE

The Audit Committee comprises all of the three Independent Non-executive Directors and is chaired by Mr. CHEUNG Wai Tak, who possesses extensive accounting experience in financial and commercial sectors. It is responsible for appointment of external auditors, review of the Group's financial information and oversight of the Group's financial reporting system and internal control procedures. The Committee is also responsible for reviewing the interim and final results of the Group prior to recommending them to the Board for approval. It meets regularly to review financial reporting and internal control matters and to this end has unrestricted access to personnel, records and external auditors and senior management.

The Committee has specific written terms of reference which are of no less exacting terms than those stipulated in code provision. In 2011, the Audit Committee held two meetings. At the meetings, it reviewed the final results for the year ended 31 December 2010 and the interim results for the six months ended 30 June 2011 respectively. It also reviewed the Company's progress in implementing the corporate governance requirements as set out in the CGP Code.

非執行董事之任期

公司並無遵守守則條文A.4.1要求，非執行董事應以指定任期委任並須重選連任。現時公司與三名獨立非執行董事並無訂下服務合約，且彼等並無指定任期。根據細則，全體獨立非執行董事均須輪值告退。再者，於年內獲董事會委任的新獨立非執行董事亦須在獲委任後之首次股東週年大會上退任，並可膺選連任。因此，公司認為已採取足夠措施以符合守則規定之目的。

審核委員會

審核委員會由全部共三名獨立非執行董事組成，其主席為張偉德先生。張先生擁有豐富之財務及商業會計經驗。審核委員會負責外聘核數師之委聘、審閱集團之財務資料及監督集團之財務申報制度和內部監控程序。委員會亦負責審議集團中期及末期業績後才向董事會作出建議是否批准有關業績。審核委員會定期舉行會議，審閱財務報告及內部監控等事宜，並可不受限制地接觸工作人員、取得有關記錄以及接觸公司之外聘核數師及高級管理層。

委員會以書面訂明職權範圍，其條款與守則規定所訂明者同樣嚴謹。於二零一一年，審核委員會舉行兩次會議。會上，委員會已分別審閱截至二零一零年十二月三十一日止年度末期業績及截至二零一一年六月三十日止六個月中期業績。委員會亦檢討公司根據管治守則所載之規定實行企業管治措施之進度。

REMUNERATION COMMITTEE

The Remuneration Committee, composed of all three Independent Non-executive Directors, is responsible for reviewing and determining the compensation and benefits of the Directors and senior management. The committee members elect one of them to take the chair at the commencement of each meeting. The Committee has specific written terms of reference which are of no less exacting terms than those stipulated in code provision.

NOMINATION COMMITTEE

The Nomination Committee, composed of all three Independent Non-executive Directors, is responsible for reviewing and making recommendation to the Board on matters relating to the Board structure and appointment and re-appointment of Directors. The committee members elect one of them to take the chair at the commencement of each meeting. The Committee has specific written terms of reference which are of no less exacting terms than those stipulated in code provision.

DIRECTORS RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for overseeing the preparation of financial statements for each financial period with a view to ensuring such financial statements 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 Company's financial statements are prepared in accordance with all relevant statutory requirements and applicable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable.

薪酬委員會

薪酬委員會由全部共三名獨立非執行董事組成，負責檢討並決定董事及高級管理層之薪酬福利。委員會成員於每次會議開始前選出其中一人為會議主席。委員會以書面訂明職權範圍，其條款與守則規定所訂明者同樣嚴謹。

提名委員會

提名委員會由全部共三名獨立非執行董事組成，負責檢討董事會架構以及董事之委任及重新委任之事宜並就此向董事會提供建議。委員會成員於每次會議開始前選出其中一人為會議主席。委員會以書面訂明職權範圍，其條款與守則規定所訂明者同樣嚴謹。

董事就財務報表所承擔之責任

董事負責監督每個財政期間財務報表的編製，以確保該等財務報表能夠真實和公平地反映該期間集團財政狀況、業績與現金流量。公司財務報表的編製均符合所有有關之法規及合適之會計準則。董事有責任確保選擇和連貫地應用合適之會計政策以及作出審慎和合理之判斷及估計。

Corporate Governance Report

企業管治報告

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

INTERNAL CONTROL

The Board has overall responsibilities for maintaining a sound and effective internal control system of the Group. The Group's system of internal control includes a defined management structure with limits of authority, safeguard its assets against unauthorized use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant laws and regulations. The system is designed to provide reasonable assurance against material misstatement or loss, and to oversee the Group's operational systems for the achievement of the Group's business objectives.

AUDITORS REMUNERATION

The remuneration to the external auditors in relation to their audit services provided to the Group for the financial year ended 31 December 2011 amounted to approximately HK\$660,000 (2010: HK\$1,006,000). There was no non-audit service incurred for the financial year ended 31 December 2011 (2010: HK\$ Nil). The responsibilities of the auditors with respect to financial reporting are set out in the section of "Independent Auditor's Report" on pages 33 to 34.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") as set out in Appendix 10 to the Listing Rules. The Company has made specific enquiry to all Directors regarding any non-compliance with the Model Code during the year and they all confirmed that they have fully complied with the required standard set out in the Model Code. The Company is considering adopting a code of conduct governing securities transactions with terms no less exacting than that required by the Listing Rules by employees who may possess or have access to price sensitive information.

內部監控

董事會全權負責維持集團健全和有效之內部監控系統，包括界定管理架構及其相關之權限、保管資產以防未經授權之使用或處理、確定適當之會計紀錄得以保存並可提供可靠之財務資料供內部使用或對外發放，並確保符合相關法例與規則。上述監控系統旨在合理地保證並無重大失實陳述或損失，並監管集團之營運系統以達成集團之業務目標。

核數師酬金

截至二零一一年十二月三十一日止財政年度，集團就外聘核數師提供核數服務而支付之酬金約為660,000港元（二零一零：1,006,000港元）。截至二零一一年十二月三十一日止財政年度並無產生非核數服務（二零一零年：零港元）。核數師有關財務申報之責任載於第33頁至第34頁「獨立核數師報告書」一節。

進行證券交易的標準守則

公司已採納上市規則附錄十所載之上市公司董事進行證券交易的標準守則（「標準守則」）。公司已就有否於年內違反標準守則而向全體董事作出特定查詢，彼等均確認彼等一直遵守標準守則所訂之標準。公司正考慮對管有或可接觸股價敏感資料之僱員採納一套條款與上市規則規定看齊之進行證券交易之操守守則。

COMMUNICATION WITH SHAREHOLDERS

The Company attaches great priority to establishing effective communications with its shareholders and investors. In an effort to enhance such communications, the Company provides information relating to the Company and its business in its interim and annual reports. The Company regards its Annual General Meeting as an opportunity for direct communications between the Board and its shareholders. All Directors, senior management and external auditors make an effort to attend the Annual General Meeting to address shareholders queries. The Company also responds to requests for information and queries from the shareholders and investors and welcomes the views of shareholders on matters affecting the Group and encourages them to attend shareholders meetings to communicate any concerns they might have with the Board or management direct.

與股東之溝通

公司相當重視與股東及投資者建立有效溝通。為達到有效溝通，公司在中期報告和年報內提供有關公司及其業務之資料。公司視股東週年大會為重要事項，因其提供董事會與股東直接溝通之機會。全體董事、高級管理層及外聘核數師均盡力出席股東週年大會，以回應股東提問。公司亦回應股東與投資者索取資料之要求和提問，歡迎股東對影響集團之事宜提意見，亦鼓勵股東出席股東大會，讓股東直接向董事會或管理層表達所關注之事宜。

Directors and Senior Management Profile 董事及高級管理層簡介

DIRECTORS

Executive Director

Mr. LEE Chi Kong, aged 63, is the chairman of the Company and an executive director. Mr. Lee has over 25 years of experience in sales, marketing and management of U.S. high technology companies operating in Greater China and Asia. He was the founder and managing director of the Greater China Headquarters of Apollo Computer Inc and Silicon Graphics Inc, both were U.S. listed companies, instrumental in upgrading the design and manufacturing knowhow of various industries in China, including that of electronics, machinery, power and energy, construction and light industry. Mr. Lee has devoted 10 years in advising Chinese and global corporations in creative marketing, business development and strategic alliance. He was the president of Hong Kong Toastmasters Club, founder and president of New Experience Toastmasters Club, a communications and leadership programme to train young people, and co-founder of China Windmill Foundation, a charity programme to provide clean water to poor farming villages and the temporary shelters at the Sichuan Earthquake Zone.

Mr. JING Bin, aged 43, is an executive Director and Chief Executive Officer of the Company. Mr. Jing has over 10 years of experience in finance, investment and corporate management. He had worked in large-scale corporations such as Bank of China, and has extensive experience in strategic development, business development, reform management. Mr. Jing was invited to become a member of the topic "Assessment and Transaction of Forest Resources and Assets" (森林資源資產評估與交易) in State Forestry Administration. With his practices and experience in corporations, his opinion was valuable and directional to setting up a systematic and scientific assessment system for forest resources in Asia, an efficient forest assets transaction market and for the modern forestry corporation.

董事

執行董事

李志剛先生，63歲，公司之主席兼執行董事。李先生擁有在美國高科技企業的亞太區機構逾25年的銷售、市場和管理方面實戰經驗。他曾經擔任兩家美國上市公司阿波羅電腦(Apollo Computer Inc)和Silicon Graphics Inc在大中華區總部的創辦者和董事總經理，在中國多個工業的設計，制造技術升級方面提供了巨大的幫助，包括電子、機械、電力和能源、建設和輕工業。李先生投身十年時間幫助中國及國際企業在創意市場、商業拓展及戰略聯盟方面提供諮詢。他曾擔任香港英文演講俱樂部主席，以及新歷程英文演講俱樂部創辦人及主席。此俱樂部是培訓年輕人溝通和領導才能的項目。他也是中國愛心風車基金的合夥創辦人。此基金的宗旨在幫助貧困鄉村地區以及為四川地震災區的臨時安置點提供清潔用水。

景濱先生，43歲，公司之執行董事兼行政總裁。景先生擁有十多年金融和實業投資管理經驗，曾任職於中國銀行等大型企業，在戰略發展、業務拓展、變革管理方面具有豐富的經驗。景先生受邀擔任中國國家林業局重點課題—《森林資源資產評估與交易》課題組的成員，以自身企業的運營實踐，對在亞洲建立系統而科學的森林資源評估體系、有效的林木資產交易市場，以及現代林業企業具有積極的指導意義。

Mr. CHENG Man For, aged 47, is an executive Director and company secretary of the Company. Mr. Cheng is a fellow member of the Association of Chartered Certified Accountants, an associate member of the Hong Kong Institute of Certified Public Accountants, an associate member of Institute of Chartered Secretaries and Administrators and an associate member of Hong Kong Institute of Chartered Secretaries. He has obtained a Master of Business Administration from Macquarie University of Sydney, Australia. Mr. Cheng has worked as chief financial officer, company secretary and financial controller of companies whose shares are listed on The Stock Exchange of Hong Kong Limited with extensive experience in finance, investment, corporate management and company secretarial practice.

Independent non-executive Directors

Mr. CHEUNG Wai Tak, aged 59, has more than twenty years of working experience in the investment banking and accounting field. He is a member of the Hong Kong Institute of Certified Public Accountants. He graduated with an MBA degree from the University of California at Berkeley, the United States of America (the "USA") in 1981. He was an executive director of China Grand Forestry Green Resources Group Limited during the period from October 2007 to September 2009, and was an independent non-executive director of Hybrid Kinetic Group Limited during the period from April 2007 to November 2007, whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited. Currently, he is the independent non-executive director of China E- Learning Group Limited, whose shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

鄭文科先生，47歲，公司之執行董事兼公司秘書。鄭先生為英國特許執業會計師公會資深會員、香港會計師公會會員、英國特許秘書及行政人員公會會員及香港公司秘書公會會士。鄭先生亦持有澳洲悉尼Macquarie University工商管理碩士學位。鄭先生曾於多家在香港聯合交易所有限公司上市之公司擔任財務總監、公司秘書及財務總監等職位，於財務管理、投資、公司管理及公司秘書實務方面擁有豐富經驗。

獨立非執行董事

張偉德先生，59歲，於投資銀行及會計領域擁有超過二十年之工作經驗。彼為香港會計師公會之會員，於一九八一年獲美利堅合眾國（「美國」）柏克萊加州大學頒授工商管理碩士學位。張先生過去自二零零七年十月至二零零九年九月期間曾經擔任中國林大綠色資源集團有限公司之執行董事，並於二零零七年四月至二零零七年十一月期間擔任正道集團有限公司之獨立非執行董事，這些公司之股份在香港聯合交易所有限公司主板上市。張先生現任中國網絡教育集團有限公司之獨立非執行董事，該公司之股份在香港聯合交易所有限公司創業板上市。

Directors and Senior Management Profile 董事及高級管理層簡介

Mr. LI Xiangjun, aged 40, received a bachelor degree in law in 1996. In 2003, he obtained the certificate of graduation from the master degree program for international economic law of the University of International Business and Economics. Mr. Li has been engaged in the legal services industry since 1999. He is currently a practicing lawyer in the PRC and a member of the Beijing Lawyers Association. He used to be the Corporate Law Consultant or Legal Consultant for Special Affairs for large state-owned enterprises, including China FAW Group, Lenovo Group and China Life Insurance Group, and large foreign enterprises, including Asia Link Group Inc., Zhenglin Food Co., Ltd. and Dongguan Hsu Chi Foods Co. Ltd.. From 14 June 2007 to 15 August 2008, Mr. Li was an executive director of Good Fellow Resources Holdings Limited, whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited. From 22 September 2008 to 11 June 2009, Mr. Li was an executive director of China E-learning Group Limited, whose shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

Mr. CHEN Xiaoming, age 49, was appointed as an independent non-executive director of the Company on 26 November 2010. Mr. Chen has over eighteen years working experience in business planning and development. He holds a doctor of philosophy degree in The University of Sheffield of United Kingdom and a bachelor of science degree in Wuhan University of People's Republic of China.

Senior Management

Mr. William YUEN, aged 44, is the Chief Financial Officer of the Company. Mr. Yuen joined the Company in December 2010. Mr. Yuen previously served as the Chief Financial Officer of a company listed on the Stock Exchange of Hong Kong Limited. Prior to that, Mr. Yuen had served as a senior manager in the capital markets group and the assurance and advisory services practice of two of the largest international accounting firms in Hong Kong and in the USA. He has extensive experience in corporate finance, accounting, auditing and management. Mr. Yuen graduated from the University of Southern California in the USA with a bachelor of science degree in accounting. He is a member of the American Institute of Certified Public Accountants and the Hong Kong Institute of Certified Public Accountants. He is also a certified public accountant in the State of California, the USA.

李湘軍先生，40歲，於一九九六年取得法學學士學位。於二零零三年，彼取得對外經濟貿易大學之國際經濟法法律碩士課程之畢業證書。李先生自一九九九年已在法律服務界工作。彼現時為中國執業律師，並為北京律師協會會員。彼曾於大型國有企業，包括中國第一汽車集團公司、聯想集團、國壽集團，以及大型外資公司，包括聯亞投資集團、正林農墾公司及東莞徐記食品公司擔任企業法律顧問或特別事務法律顧問。李先生於二零零七年六月十四日至二零零八年八月十五日為金威資源控股有限公司之執行董事，該公司之股份在香港聯合交易所有限公司主板上市。李先生於二零零八年九月二十二日至二零零九年六月十一日為中國網絡教育集團有限公司執行董事，該公司之股份在香港聯合交易所有限公司創業板上市。

陳小明先生，49歲，於二零一零年十一月二十六日獲委任為公司之獨立非執行董事。陳先生於商業規劃及發展領域擁有超過十八年之工作經驗，彼持有英國Sheffield大學之博士學位及中華人民共和國武漢大學理學學士學位。

高級管理層

袁沛林先生，44歲，公司之財務總監。袁先生於二零一零年十二月加入公司。袁先生曾於一間在香港聯合交易所有限公司上市之公司擔任財務總監。在此之前，袁先生曾於香港及美國之兩間大型國際會計公司擔任資本市場部及審計及諮詢服務業務的高級經理。彼於企業財務、會計、審核及管理方面擁有豐富經驗。袁先生畢業於美國南加州大學，獲會計學理學士學位。彼為美國會計師公會及香港會計師公會會員。彼亦為美國加州執業會計師。

Mr. CAO Gang, aged 54, obtained a bachelor degree from Beijing College of Posts and Telecommunications. He is the president of 奇峰乾元企業管理諮詢(深圳)有限公司 and 北京奇峰乾元信息科技有限公司, responsible for the overall management and operation of the Timber Exchange transactions, warehouse monitoring business and timber trading. Mr. Cao has extensive experience and has built a strong social network in fields such as information technology, E-commerce, marketing and international trade. He was the Deputy President of 清華紫光(集團)總公司和 清華紫光股份有限公司, a member of the Ninth and Tenth Committee of Beijing of the Chinese People's Political Consultative Conference and the Sixth Haidian District Committee of Beijing of the Chinese People's Political Consultative Conference and a standing director of China Computer Industry Association.

Mr. HE Yuan, aged 41, obtained a bachelor degree from Renmin University of China and Northern Jiaotong University. He is currently the Vice President of 北京奇峰乾元信息科技有限公司, mainly responsible for the management of transaction business, system construction and operation, and technology research and development of the Timber Exchange. Mr. He has extensive experience and social networks in fields such as system integration, network operation and bulk trading of commodities. He was a senior management member of China Aerospace Corporation, 中國華大集成電路設計有限公司, 香港中醫藥網路(中國)有限公司 and 北京國林科技發展有限公司.

Mr. XIA Gang, aged 44, obtained a bachelor degree. He is a certified public accountant and a certified public valuer of the PRC, and currently the Chief Financial Officer of all the Company's subsidiaries in the PRC, mainly responsible for the financial and accounting management of the Company's PRC operations. Mr. Xia holds titles of senior accountant and economist and has extensive experience in financial management, financial accounting and tax processing. He held various positions related to accounting, auditing and valuation in organizations and companies such as State-owned Assets Supervision and Administration Commission of the State Council and 中興財會計師事務所有限公司.

Mr. SHI Zhi Rui, aged 63. He is currently the Managing Director of Leeka Wood Co., Ltd, mainly responsible for the overall management and operation of the timber resources and timber production and sales business of G&G Wood. He has been engaging in corporate management over time. He has extensive experience in the exploitation, management and operation of timber resources. Mr. Shi was a senior management member of 清華計算機公司 and 紫光資源管理諮詢有限公司.

曹鋼先生, 54歲, 北京郵電學院大學本科學歷, 現為奇峰乾元企業管理諮詢(深圳)有限公司和北京奇峰乾元信息科技有限公司總裁, 負責木交所交易業務、監管倉業務及木材貿易業務的全面管理和運營工作。曹先生在信息科技、電子商務、市場營銷、國際貿易等方面具有豐富經驗和人脈關係, 曾任清華紫光(集團)總公司副總裁、清華紫光股份有限公司副總裁、中國人民政治協商會議北京市第九屆和第十屆委員會委員、中國人民政治協商會議北京市海澱區第六屆委員會委員、中國計算機行業協會常務理事。

何源先生, 41歲, 中國人民大學和北方交通大學本科學歷, 現為北京奇峰乾元信息科技有限公司副總裁, 主要負責木交所的交易業務管理、系統建設運營及技術研發工作。何先生在系統集成、網路運營、大宗商品交易等方面具有豐富經驗和人脈關係, 曾先後在中國航天工業總公司、中國華大集成電路設計有限公司、香港中醫藥網路(中國)有限公司及北京國林科技發展有限公司任高級管理人員。

夏綱先生, 44歲, 大學本科學歷, 中國註冊會計師、中國註冊資產評估師, 現任公司於中國的所有附屬公司的財務總監, 主要負責公司於中國的營運的財務及會計管理。夏先生具有高級會計師、經濟師職稱, 在財務管理、會計核算、稅務處理等方面具有豐富經驗, 曾先後在國務院國有資產監督管理委員會監事會及中興財會計師事務所有限公司等單位擔任會計、審計、評估等相關工作。

石志瑞先生, 63歲, 現為綠之嘉木業有限公司董事總經理, 主要負責綠之嘉木制品林木資源和木材產銷業務的全面管理和運營工作。石先生長期從事企業管理工作, 並在林木資源的開發、管理和運營方面具有豐富經驗, 曾先後在清華計算機公司、紫光資源管理諮詢有限公司任高級管理人員。

Directors and Senior Management Profile

董事及高級管理層簡介

Mr. YIN Rui Yu, aged 40, obtained a bachelor degree from Beijing University of Civil Engineering and Architecture and Capital University of Economics and Business. He is currently the President of Leeka Wood Co., Ltd., mainly responsible for the timber management, logging, processing, marketing and technology development. Mr. Yin has solid theoretical foundations and extensive practical experience in timber operation and trading, product marketing and planning, and information communication. He was a senior management member of 京西建設集團, 清華科技園石龍科技園區 and 銀科博星科技發展有限公司.

殷睿宇先生，40歲，北京建築工程學院和首都經濟貿易大學本科學歷，現為綠之嘉木業有限公司總裁，主要負責林木的管護與採伐、加工、市場營銷及技術開發工作。殷先生在林木經營與貿易、產品營銷策劃、資訊傳播等方面有著扎實的理論基礎和豐富的實踐經驗，曾先後在京西建設集團、清華科技園石龍科技園區及銀科博星科技發展有限公司任高級管理人員。

Independent Auditor's Report

獨立核數師報告書

To the shareholders of
Superb Summit International Timber Company Limited
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Superb Summit International Timber Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 35 to 112, which comprise the consolidated and company statements of financial position as at 31 December 2011, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the consolidated financial statements

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

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, 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：奇峰國際木業有限公司
 (於開曼群島註冊成立之有限公司)
 列位股東

本核數師(以下簡稱「我們」)已審核列載於第35頁至第112頁奇峰國際木業有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括二零一一年十二月三十一日的綜合及貴公司財務狀況表與截至該日止年度的綜合收益表、綜合全面收入報表、綜合權益變動表、綜合現金流量表以及主要會計政策和其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例披露規定編製及真實而公平地呈列該等綜合財務報表，並負責進行董事認為必要的內部監控，以使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並僅向全體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

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

Independent Auditor's Report

獨立核數師報告書

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 Company and of the Group as at 31 December 2011, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Parker Randall CF (H.K.) CPA Limited

Certified Public Accountants

Seto Man Fai

Practising Certificate No.: P05229

Hong Kong

30 March 2012

審核涉及執程序以獲取有關綜合財務報表所載金額和披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致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及真實而公平地呈列綜合財務報表相關的內部監控，以設計適當審核程序，但並非為對實體的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體呈列方式。

我們相信，我們所獲得的審核憑證充足和適當地為我們的審核意見提供基礎。

意見

我們認為，綜合財務報表均已根據香港財務報告準則真實及公平地反映 貴公司及 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虧損和現金流量，並已按照香港公司條例披露規定妥為編製。

暉誼（香港）會計師事務所有限公司

執業會計師

司徒文輝

執業證書號碼：P05229

香港

二零一二年三月三十日

Consolidated Income Statement

綜合收益表

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

	Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Continuing operations			
Revenue	7	49,550	53,677
Cost of sales		(41,157)	(44,502)
Gross profit		8,393	9,175
Other income	8	657	778
Other gains and losses	9	(568,917)	152,031
Selling and distribution expenses		(1,600)	(3,446)
Administrative expenses		(99,315)	(61,607)
Other expenses		—	(14,168)
Finance costs	10	(450)	(1,192)
(Loss)/Profit before tax	11	(661,232)	81,571
Income tax expense	14	—	(19)
(Loss)/Profit for the year from continuing operations		(661,232)	81,552
Discontinued operations			
Loss for the year from discontinued operations	15	—	(7,091)
(Loss)/Profit for the year		(661,232)	74,461
Attributable to:			
Owners of the Company			
— Continuing operations		(658,285)	81,552
— Discontinued operations		—	(7,091)
		(658,285)	74,461
Non-controlling interests			
— Continuing operations		(2,947)	—
— Discontinued operations		—	—
		(2,947)	—
		(661,232)	74,461
(Loss)/Earnings per share from continuing and discontinued operations attributable to owners of the Company for the year			
Basic	17	(16.238 cents 港仙)	2.257 cents 港仙
Diluted	17	N/A 不適用	1.682 cents 港仙
(Loss)/Earnings per share from continuing operations attributable to owners of the Company for the year			
Basic	17	(16.238 cents 港仙)	2.472 cents 港仙
Diluted	17	N/A 不適用	1.840 cents 港仙

Consolidated Statement of Comprehensive Income

綜合全面收入報表

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

		Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss)/Profit for the year	本年度(虧損)/溢利		(661,232)	74,461
Other comprehensive income	其他全面收入			
Reclassification adjustments for gains on disposal of subsidiaries included in the consolidated income statement	就綜合收益表所列出售附屬公司之收益作出之重新分類調整	35	—	(82,268)
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額		175,835	146,936
Other comprehensive income for the year (net of income tax)	年內其他全面收入(扣除所得稅)		175,835	64,668
Total comprehensive income for the year	年內全面收入總額		(485,397)	139,129
Attributable to:	以下人士應佔：			
Owners of the Company	公司擁有人		(482,515)	139,129
Non-controlling interests	非控制權益		(2,882)	—
			(485,397)	139,129

Consolidated Statement of Financial Position

綜合財務狀況報表

As at 31 December 2011 於二零一一年十二月三十一日

		Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Assets	資產			
Non-current assets	非流動資產			
Prepaid land lease payments	預付土地租賃款	18	73,678	59,790
Property, plant and equipment	物業、廠房及設備	19	16,028	2,273
Biological assets	生物資產	20	3,343,400	3,777,057
Total non-current assets	非流動資產總值		3,433,106	3,839,120
Current assets	流動資產			
Prepaid land lease payments	預付土地租賃款	18	1,596	1,521
Equity investments at fair value through profit or loss	按公平值計入損益之股本投資	23	10,036	—
Trade receivables	應收貿易賬項	24	—	239
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	25	54,797	49,467
Cash and cash equivalents	現金及現金等值項目	26	5,713	99,964
Total current assets	流動資產總值		72,142	151,191
Total assets	資產總值		3,505,248	3,990,311
Liabilities	負債			
Current liabilities	流動負債			
Trade payables	應付貿易賬項	27	226	215
Other payables and accruals	其他應付款項及應計款項	28	40,250	49,286
Convertible notes interest payable	應付可換股票據利息	30	1,778	1,345
Interest-bearing other borrowing	其他計息借貸	31	1,000	—
Income tax payables	應付所得稅		—	3
Total current liabilities	流動負債總額		43,254	50,849
Net current assets	流動資產淨值		28,888	100,342
Net assets	資產淨值		3,461,994	3,939,462

Consolidated Statement of Financial Position

綜合財務狀況報表

As at 31 December 2011 於二零一一年十二月三十一日

		Note 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	32	419,616	362,886
Reserves	儲備		3,045,260	3,576,576
Equity attributable to owners of the Company	公司擁有人應佔權益		3,464,876	3,939,462
Non-controlling interests	非控股權益		(2,882)	—
Total equity	權益總額		3,461,994	3,939,462

The Consolidated financial statements on pages 35 to 112 were approved and authorised for issue by the board of directors on 30 March 2012 and are signed on it behalf by:

載於第35頁至第112頁之綜合財務報表於二零一二年三月三十日獲董事會核准及授權刊發，並由下列人士代表簽署：

LEE Chi Kong

李志剛

Director and Chairman

董事兼主席

JING Bin

景濱

Director and Chief Executive Officer

董事兼行政總裁

Statement of Financial Position

財務狀況報表

As at 31 December 2011 於二零一一年十二月三十一日

		Company 公司	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
	Note 附註		
Assets	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	1,455,350	1,455,350
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	654,381	663,513
Equity investments at fair value through profit or loss	按公平值計入損益之股本投資	10,036	—
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	22	15,683
Cash and cash equivalents	現金及現金等值項目	18	93,283
Total current assets	流動資產總值	664,457	772,479
Total assets	資產總值	2,119,807	2,227,829
Liabilities	負債		
Current liabilities	流動負債		
Other payable and accruals	其他應付款項及應計款項	—	200
Convertible notes interest payable	應付可換股票據利息	1,778	1,345
Total current liabilities	流動負債總額	1,778	1,545
Net current assets	流動資產淨值	662,679	770,934
Net assets	資產淨值	2,118,029	2,226,284
Capital and reserves	股本及儲備		
Share capital	股本	419,616	362,886
Reserves	儲備	1,698,413	1,863,398
Total equity	權益總額	2,118,029	2,226,284

LEE Chi Kong

李志剛

Director and Chairman

董事兼主席

JING Bin

景濱

Director and Chief Executive Officer

董事兼行政總裁

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 owners of the Company 公司擁有人應佔										
		Share capital	Share premium*	Property revaluation reserve*	Foreign currency translation reserve*	Share options reserve*	Convertible notes equity reserve*	Statutory reserve fund*	Retained profits*	Non-Controlling Interests	Total equity	
		股本 (Note 32) (附註 32)	溢價* (Note a) (附註 a)	重估儲備* 物業	匯兌儲備* 匯兌儲備*	購股權儲備* 購股權儲備*	權益儲備* 可換股票據 權益儲備*	法定儲備 基金* (Note b) (附註 b)	保留溢利* 保留溢利*	總計	非控制權益 權益總額	
		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	
At 1 January 2010	於二零一零年一月一日	289,290	1,327,691	1,354	269,236	190,462	334,151	5,088	1,369,916	3,787,188	—	3,787,188
Profit for the year	本年度溢利	—	—	—	—	—	—	—	74,461	74,461	—	74,461
Other comprehensive income for the year	本年度其他全面收入	—	—	—	64,668	—	—	—	—	64,668	—	64,668
Total comprehensive income for the year	本年度全面收入總額	—	—	—	64,668	—	—	—	74,461	139,129	—	139,129
Disposal of a subsidiaries	出售附屬公司	—	(9)	(1,354)	—	—	—	(5,088)	6,442	(9)	—	(9)
Cancellation of share options	註銷購股權	—	—	—	—	(81,474)	—	—	81,474	—	—	—
Employee share option benefits	僱員購股權福利	—	—	—	—	13,154	—	—	—	13,154	—	13,154
Issue of shares for conversion of convertible notes	因轉換可換股票據而發行股份	73,596	86,028	—	—	—	(159,624)	—	—	—	—	—
At 31 December 2010 and at 1 January 2011	於二零一零年十二月三十一日及於二零一一年一月一日	362,886	1,413,710	—	333,904	122,142	174,527	—	1,532,293	3,939,462	—	3,939,462
Loss for the year	本年度虧損	—	—	—	—	—	—	—	(658,285)	(658,285)	(2,947)	(661,232)
Other comprehensive income for the year	本年度其他全面收入	—	—	—	175,770	—	—	—	—	175,770	65	175,835
The comprehensive income for the year	本年度全面收入	—	—	—	175,770	—	—	—	(658,285)	(482,515)	(2,882)	(485,397)
Issue of shares upon conversion of convertible notes	因轉換可換股票據而發行股份	57,524	60,302	—	—	—	(117,826)	—	—	—	—	—
Equity-settled share option arrangements	權益結算之購股權安排	—	—	—	—	9,970	—	—	—	9,970	—	9,970
Repurchase of ordinary shares	購回普通股	(794)	(1,247)	—	—	—	—	—	—	(2,041)	—	(2,041)
Cancellation of share options	註銷購股權	—	—	—	—	(132,112)	—	—	132,112	—	—	—
At 31 December 2011	於二零一一年十二月三十一日	419,616	1,472,765	—	509,674	—	56,701	—	1,006,120	3,464,876	(2,882)	3,461,994

* These accounts comprise the consolidated reserves of HK\$3,045,260,000 (2010: HK3,576,576,000) in the consolidated statement of financial position.

* 該等金額包括綜合財務狀況報表所列之綜合儲備3,045,260,000港元(二零一零年3,576,576,000港元)。

Notes:

附註:

- (a) The share premium of the Group includes the premium arising from the new issue of shares of the Company.
- (b) The subsidiaries are required to transfer 10% of their profit after tax calculated in accordance with the People's Republic of China (the "PRC") accounting regulations to the statutory reserve fund until such reserve reaches 50% of the registered capital of the respective subsidiaries, upon which any further appropriation will be at the recommendation of the directors of the subsidiaries. Such reserve may be used to reduce any losses incurred by the subsidiaries or be capitalised as paid-up capital of the subsidiaries.

- (a) 集團之股份溢價賬包括公司發行新股產生之溢價。
- (b) 附屬公司須將其根據中華人民共和國(「中國」)會計條例計算之除稅後溢利之10%之款額撥入法定儲備基金，直至是項儲備達到註冊資本之50%，其後是否作進一步撥備則由附屬公司之董事決定。有關儲備可用於減少附屬公司所錄得之任何虧損，亦可資本化作為該等附屬公司之繳足股本。

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

	Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Cash flows from operating activities	經營活動現金流量		
(Loss)/profit before tax:	除稅前(虧損)/溢利:		
From continuing operations	來自持續經營業務	(661,232)	81,571
From discontinued operations	來自已終止經營業務	—	(6,458)
		(661,232)	75,113
Adjustments for:	調整:		
Finance costs	財務成本	450	1,192
Interest income	利息收入	(113)	(797)
Depreciation	折舊	2,744	1,608
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	1,561	2,963
Changes in fair value less costs to sell of biological assets	生物資產公平值變動減銷售成本	576,335	(83,498)
Reversal of impairment losses on prepaid land lease payments	撥回預付土地租賃款減值虧損	(12,286)	—
Fair value loss in equity investments at fair value through profit or loss	按公平值計入損益之股本投資之公平值虧損	5,243	—
Gain on disposal of equity investments at fair value through profit or loss	出售按公平值計入損益之股本投資之收益	(375)	—
Gain on disposal of subsidiaries, net	出售附屬公司之收益，淨額	—	(67,883)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	—	537
Impairment losses on trade receivables	應收貿易賬項之減值虧損	30	—
Impairment losses on other receivables	其他應收款項減值虧損	9,769	—
Employee share option benefits	僱員購股權福利	9,970	13,154
		(67,904)	(57,611)
Decrease/(increase) in trade receivables	應收貿易賬項減少/(增加)	215	(239)
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、訂金及其他應收款項(增加)/減少	(12,970)	71,636
Decrease in biological assets	生物資產減少	28,493	34,430
Increase in trade payables	應付貿易賬項增加	—	8
Decrease in other payables and accruals	其他應付款項及應計款項減少	(10,442)	(26,530)
Cash (used in)/generated from operating activities	經營活動(所用)/所得現金	(62,608)	21,694

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

	Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Interest received	已收利息	113	797
Overseas taxes paid	已付海外稅項	(3)	(16)
Net cash (used in)/from operating activities	經營活動(所用)/所得現金淨額	(62,498)	22,475
Cash flows from investing activities	投資活動現金流量		
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	96	325
Acquisition of property, plant and equipment	收購物業、廠房及設備	(16,155)	(2,139)
Purchase of equity investment at fair value through profit or loss	購買按公平值計入損益之股本投資	(23,981)	—
Proceeds from disposal of equity investment at fair value through profit or loss	出售按公平值計入損益之股本投資之所得款項	9,077	—
Disposal of subsidiaries	出售附屬公司	—	(50,238)
Net cash used in investing activities	投資活動所用現金淨額	(30,963)	(52,052)
Cash flows from financing activities	融資活動現金流量		
Payments for repurchase of ordinary shares	購回普通股之付款	(2,041)	—
New other loan	其他新貸款	1,000	—
Net cash used in financing activities	融資活動所用現金淨額	(1,041)	—
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(94,502)	(29,577)
Cash and cash equivalents at the beginning of year	年初之現金及現金等值項目	99,964	122,951
Effect of foreign exchange rate changes	匯率變動之影響	251	6,590
Cash and cash equivalents at the end of year	年終之現金及現金等值項目	5,713	99,964

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Notes to the Consolidated Financial Statements

綜合財務報表附註

1. General

Superb Summit International Timber Company Limited (“the Company”) is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 21 to the consolidated financial statements.

2. Application of new and revised Hong Kong financial reporting standards (“HKFRSs”)

In the current year, the Group has adopted all of the new and revised HKFRSs (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) which are relevant to its operations and effective for accounting periods beginning on or after 1 January 2011.

The adoption of the new and revised HKFRSs has had no significant financial effect on these consolidated financial statements.

1. 一般資料

奇峰國際木業有限公司（「公司」）為在開曼群島註冊成立之獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。公司之註冊辦事處兼主要營業地點已於年報公司資料一節內披露。

綜合財務報表乃以港元列示，而除另有指明外，所有金額均四捨五入至千位。

公司作為一間投資控股公司。其主要附屬公司之主要業務載於綜合財務報表附註21。

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」）

於本年內，集團已採納由香港會計師公會（「香港會計師公會」）頒佈與其業務有關並於二零一一年一月一日或之後開始之會計期間生效之所有新訂及經修訂香港財務報告準則（包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）。

採用新訂及經修訂之香港財務報告準則對此等綜合財務報表並無重大財務影響。

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

3. Issued but not yet effective HKFRSs

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective in this consolidated financial statements.

HKFRS (Amendments) 香港財務報告準則 (修訂)	<i>Improvements to HKFRSs 2011</i> 二零一一年香港財務報告準則之改良	1 January 2012 二零一二年一月一日
HKFRS 1 (Amendments)	<i>Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i> 嚴重通貨膨脹及剔除首次採納者之固定日期	1 July 2011
香港財務報告準則第1號 (修訂)	<i>Transfers of Financial Assets</i> 金融資產轉讓	二零一一年七月一日
HKFRS 7 (Amendments)	<i>Disclosure — Offsetting Financial Assets and Financial Liabilities</i> 披露 — 金融資產及金融負債之抵銷	1 July 2011
香港財務報告準則第7號 (修訂)	<i>Financial Instruments</i> 金融工具	二零一一年七月一日
HKFRS 9	<i>Consolidated Financial Statements</i> 綜合財務報表	1 January 2013
香港財務報告準則第9號	<i>Joint Arrangements</i> 合營安排	二零一三年一月一日
HKFRS 10	<i>Disclosure of Interest in Other Entities</i> 披露於其他實體的權益	1 January 2015
香港財務報告準則第10號	<i>Fair Value Measurement</i> 公平值計量	二零一五年一月一日
HKFRS 11	<i>Presentation of Items of Other Comprehensive Incomes</i> 其他全面收入項目之呈列方式	1 January 2013
香港財務報告準則第11號	<i>Deferred Tax: Recovery of Underlying Assets</i> 遞延稅項：收回相關資產	二零一三年一月一日
HKFRS 12	<i>Employee Benefits</i> 僱員福利	1 January 2013
香港財務報告準則第12號	<i>Separate Financial Statements</i> 獨立財務報表	二零一三年一月一日
HKFRS 13	<i>Investments in Associates and Joint Ventures</i> 於聯營公司及合營企業的投資	1 January 2013
香港財務報告準則第13號	<i>Presentation — Offsetting Financial Assets and Financial Liabilities</i> 呈列方式 — 金融資產及金融負債之抵銷	二零一三年一月一日
HKAS 1 (Amendments)	<i>Stripping Costs in the Production Phase of Surface Mine</i> 地表採礦生產階段的剝除成本	1 July 2012
香港會計準則第1號 (修訂)		二零一二年七月一日
HKAS 12 (Amendments)		1 January 2012
香港會計準則第12號 (修訂)		二零一二年一月一日
HKAS 19 (as revised in 2011)		1 January 2013
香港會計準則第19號 (於二零一一年經修訂)		二零一三年一月一日
HKAS 27 (as revised in 2011)		1 January 2013
香港會計準則第27號 (於二零一一年經修訂)		二零一三年一月一日
HKAS 28 (as revised in 2011)		1 January 2013
香港會計準則第28號 (於二零一一年經修訂)		二零一三年一月一日
HKAS 32 (Amendment)		1 January 2014
香港會計準則第32號 (修訂)		二零一四年一月一日
HK(IFRIC)-Int 20		1 January 2013
香港 (國際財務報告詮釋委員會) — 詮釋第20號		二零一三年一月一日

The Group is in the process of making an assessment of what the impact of these new and revised HKFRSs is to be expected in the period of initial application. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

3. 已頒佈但尚未生效之香港財務報告準則

集團並無提早採納以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

Effective for annual periods beginning on or after
於下列日期或以後開始之年度期間生效

		1 January 2012 二零一二年一月一日
		1 July 2011
		二零一一年七月一日
		1 July 2011
		二零一一年七月一日
		1 January 2013
		二零一三年一月一日
		1 January 2015
		二零一五年一月一日
		1 January 2013
		二零一三年一月一日
		1 January 2013
		二零一三年一月一日
		1 January 2013
		二零一三年一月一日
		1 July 2012
		二零一二年七月一日
		1 January 2012
		二零一二年一月一日
		1 January 2013
		二零一三年一月一日
		1 January 2013
		二零一三年一月一日
		1 January 2014
		二零一四年一月一日
		1 January 2013
		二零一三年一月一日

集團正就此等新訂及經修訂香港財務報告準則預期於首次應用期間之影響作出評估。然而，在詳細審閱完成前提供有關影響之合理估計並不可行。

4. Principal accounting policies

Basis of preparation

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

The consolidated financial statements have been prepared under the historical cost basis, except for biological assets and equity investments at fair value through profit or loss which are measured at fair values less costs to sell and fair value respectively as explained in the accounting policies set out below.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2011. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

4. 主要會計政策

編製基準

綜合財務報表乃根據香港財務報告準則編製。此外，綜合財務報表包括根據聯交所證券上市規則及香港公司條例規定之適用披露事項。

除生物資產及按公平值計入損益之股本投資分別按公平值減銷售成本及按公平值計量（詳情見下文所載之會計政策之解釋）外，綜合財務報表乃根據歷史成本基準編製。

綜合基準

綜合財務報表包括公司及其附屬公司（統稱「集團」）截至二零一一年十二月三十一日止年度之財務報表。附屬公司編製之財務報表之報告期與公司相同，並採用貫徹一致之會計政策。附屬公司之業績由收購日期（即集團取得控制權當日）起綜合入賬，並將繼續綜合直至該控制權終止之日為止。所有集團內結餘、交易及集團內交易產生之未變現收益及虧損以及股息均於綜合時全數對銷。

附屬公司之虧損歸屬於非控制權益，即使此舉會產生虧絀結餘。

倘附屬公司之所有權權益出現變動，但並未失去控制權，則按股權交易入賬。

倘集團失去對附屬公司之控制權，其會終止確認(i)該附屬公司之資產（包括商譽）及負債，(ii)任何非控制權益之賬面值及(iii)於權益內記錄之累計交易差額；並確認(i)已收代價之公平值；(ii)所保留任何投資之公平值及(iii)損益中任何因此產生之盈餘或虧絀。先前於其他全面收入內確認之集團應佔部份重新分類至損益或保留溢利（如適當）。

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

4. Principal accounting policies

(Continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability is recognised in accordance with HKAS 39 *Financial Instruments: Recognition and Measurement* either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

4. 主要會計政策 (續)

業務合併及商譽

業務合併採用收購法入賬。轉讓之代價乃以收購日期之公平值計算，該公平值為集團於收購日期轉讓之資產、集團向被收購方之前度擁有人承擔之負債，及集團就換取被收購方控制權所發行股本權益之公平值總額。於各業務合併中，收購方以公平值或被收購方可識別淨資產之應佔比例，計算於被收購方之非控制權益。收購成本於產生時列為開支。

當集團收購一項業務時，會根據合約條款、於收購日期之經濟環境及相關條件，評估將承接之金融資產及負債，以作出適合之分類及標示，其中包括將被收購方主合約中之嵌入式衍生工具進行分離。

倘業務合併分階段進行，收購方先前持有之被收購方股本權益於收購日期之公平值應按收購日期之公平值計入損益重新計量。

由收購方將予轉讓之任何或然代價將於收購日期按公平值確認。或然代價（被視為一項資產或負債）公平值之其後變動，按香港會計準則第39號金融工具：確認及計量確認為損益或其他全面收入之變動。倘將或然代價分類為權益，則其最終於權益中結算前毋須重新計量。

4. Principal accounting policies

(Continued)

Business combinations and goodwill (Continued)

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the net identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets of the subsidiary acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

4. 主要會計政策 (續)

業務合併及商譽 (續)

商譽初步按成本計算，即已轉讓總代價、已就非控制權益確認的數額及集團先前持有被收購方股本權益之任何公平值總額，超逾與所收購可識別淨資產及所承擔負債之差額。如有關代價及其他項目總額低於所收購附屬公司淨資產的公平值，於重新評估後其差額將於損益內確認為議價收購收益。

於初步確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況變動顯示賬面值可能減值時，則會更頻密地進行測試。集團於十二月三十一日進行商譽之年度減值測試。為進行減值測試，因業務合併而購入之商譽自收購日期起被分配至預期可從合併之協同效益中獲益的集團各個現金產生單位或現金產生單位組別，而不論集團其他資產或負債是否已分配予該等單位或單位組別。

減值乃透過評估與商譽有關之現金產生單位（或現金產生單位組別）之可收回金額釐定。當現金產生單位（或現金產生單位組別）之可收回金額低於賬面值時，減值虧損則予以確認。已就商譽確認之減值虧損不會於其後期間撥回。

倘商譽構成現金產生單位（或現金產生單位組別）之部份而該單位之部份業務已出售，則在釐定所出售業務之收益或虧損時，與所出售業務相關之商譽會計入該業務之賬面值。在此情況下出售之商譽，乃根據所出售業務之相關價值及現金產生單位之保留份額進行計量。

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

4. Principal accounting policies

(Continued)

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries that are not classified as held for sale in accordance with HKFRS 5 are stated at cost less any impairment losses.

Jointly-controlled entities

A jointly-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's investments in its jointly-controlled entities are accounted for by the proportionate consolidation method, which involves recognising its share of the jointly-controlled entities' assets, liabilities, income and expenses with similar items in the consolidated financial statements on a line-by-line basis. Unrealised gains and losses resulting from transactions between the Group and its jointly-controlled entities are eliminated to the extent of the Group's investments in the jointly-controlled entities, except where unrealised losses provide evidence of an impairment of the asset transferred.

4. 主要會計政策 (續)

附屬公司

附屬公司為公司直接或間接控制其財務及經營之決策，以於其業務中獲取利益之實體。

附屬公司之業績計入公司之收益表，惟以已收及應收股息為限。公司並無根據香港財務報告準則第5號分類為持作出售的附屬公司投資，按成本減任何減值虧損列賬。

共同控制實體

共同控制實體指受共同控制之合資公司，而任何參與方不得單方面控制共同控制實體之經濟活動。

集團於其共同控制實體之投資以比例綜合法入賬，包括於綜合財務報表中按逐項基準確認所佔共同控制實體之類似項目的資產、負債、收入及開支。集團與其共同控制實體之交易所產生之未變現收益及虧損，均按集團於共同控制實體之投資比率對銷，除非未變現虧損顯示已轉讓資產出現減值。

4. Principal accounting policies

(Continued)

Biological assets

Biological assets represent forest crop in the PRC.

Biological assets are living plants involved in the agricultural activities of the transformation of biological assets into agricultural produce for sale or into additional biological assets. Biological assets and agricultural produce, are measured at fair value less costs to sell at initial recognition and at the end of each reporting period. The fair value less costs to sell at the time of harvest is deemed as the cost of agricultural produce for further processing, if applicable. If an active market exists for a biological asset or agricultural produce with reference to comparable specie, growing condition and expected yield of the crops, the quote price in that market is adopted for determining the fair value of that asset.

If an active market does not exist, the Group uses the most recent market transaction price, provided that there has not been a significant change in economic circumstances between the transaction date and the end of the reporting period, or the market prices for similar assets adjusted to reflect differences to determine fair values. The gain or loss arising on initial recognition and subsequent changes in fair values less costs to sell of biological assets is recognised in the consolidated income statement in the period in which it arise. Upon the sale of the agricultural produce as forestry products, the carrying amount is transferred to cost of sales in the consolidated income statement.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than biological assets and financial assets, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

4. 主要會計政策 (續)

生物資產

生物資產指位於中國之林木資源。

生物資產乃存活之植物，涉及將生物資產轉化為待售林業產品或轉化為其他生物資產。於各報告期終，生物資產及農產品乃初步按公平值減銷售成本計量確認。公平值減採伐時之銷售成本乃被視為作進一步加工之農產品成本（如適用）。倘活躍市場存有為生物資產或農產品提供可資比較類別、成長狀況及預期林業作物產量，則採納該市場之報價釐定該項資產之公平值。

倘並無活躍市場，則集團採用最近之市場交易價，惟自交易日起至報告期終之經濟情況並無出現重大變動，或類似資產之市價作出調整以反映釐定公平值之差額。於初步確認時產生之收益或虧損及其後公平值變動減生物資產之銷售成本乃於其產生期間內在綜合收益表確認。於農產品作為林產品銷售時，賬面值乃撥至綜合收益表內之銷售成本。

非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試（生物資產及金融資產除外），則會估計資產之可收回金額。資產之可收回金額按資產或現金產生單位之使用價值及其公平值減銷售成本（以較高者為準）計算，並就個別資產而釐定，除非有關資產不能在很大程度上獨立於其他資產或資產組別產生現金流入，在此情況下，可收回金額就資產所屬之現金產生單位而釐定。

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

4. Principal accounting policies

(Continued)

Impairment of non-financial assets (Continued)

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to the consolidated income statement in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated income statement in the period in which it arises.

Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods and services, or for administrative purpose (other than construction in progress) are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Property, plant and equipment are depreciated at rates sufficient to write off their costs net of expected residual values over their estimated useful lives on a straight-line basis. The useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period. The principal annual rates are as follows:

Leasehold improvements, furniture, fixtures, equipment and motor vehicles	—	5% ~ 20%
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4. 主要會計政策 (續)

非金融資產減值 (續)

倘資產之賬面值高於其可收回金額，方會確認減值虧損。在評估使用價值時，估計之未來現金流量乃按稅前折現率折現至其現值，而稅前折現率乃反映現行市場就金錢時間價值及資產特定風險之評估。減值虧損將自其產生期間於綜合收益表之與減值資產相應之開支類別中扣除。

在各報告期終均會評估有否於任何過往已確認之減值虧損可能不再存在或可能減少之跡象。倘出現該等跡象，則會估計可收回金額。僅當用以釐定資產可收回金額之估計出現變動時，方會將以往確認之資產減值虧損撥回，但有關價值並不可高於在過往年度並無就該資產確認任何減值虧損的情況下該資產本來釐定之賬面值（扣除任何折舊／攤銷）。該等減值虧損撥回將於產生期間計入綜合收益表內。

物業、廠房及設備

就生產或供應貨品及服務或就行政目的而持有之物業、廠房及設備（在建工程除外）按成本減其後之累計折舊及累計減值虧損列賬。

物業、廠房及設備以直線法於估計可用年期內，按足以撇銷其成本（扣除預計剩餘價值後）之比率折舊。於各報告期終均會檢討可用年期及剩餘價值並予以調整（如適用）。主要年度折舊率如下：

租賃物業 裝修、傢俬、 固定附着物、辦公室 設備及汽車	—	5% ~ 20%
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4. Principal accounting policies

(Continued)

Property, plant and equipment

(Continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenances costs are charged to the consolidated income statement during the year in which they are incurred.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

All non-qualifying expenditures and expenses incurred on other non-qualifying development activities are charged as expenses to the consolidated income statement in the year in which such expenses are incurred.

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

Construction in progress

Construction in progress represents property, plant and equipment under construction and pending installation and is stated at cost less accumulated impairment losses, if any. Cost includes the costs of construction of buildings, the cost of plant and machinery and interest charges arising from borrowings used to finance these assets during the year of construction or installation and testing, if any. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and are available for intended use. When the assets concerned are brought into use, the costs are transferred to property, plant and equipment and depreciated in accordance with the policy as stated in the preceding paragraphs.

4. 主要會計政策 (續)

物業、廠房及設備 (續)

其後產生之成本，只有在有關項目未來可能帶給集團經濟效益，而項目之成本又能夠可靠計算時，方列作相關資產之賬面值或確認為另一項資產（如適用）。所有其他維修保養成本即期列入綜合收益表扣除。

若資產賬面值高於其估計可收回價值，將立即調減至可收回價值。

其他不合資格開支和不合資格發展活動所產生之開支即期悉數撥入綜合收益表中列作開支。

當預期繼續使用物業、廠房及設備項目不會產生任何未來經濟利益時，便終止確認該項資產。終止確認資產所產生之任何收益或虧損（按出售所得款項淨額與該項目之賬面值間之差額計算）於終止確認項目之年度計入綜合收益表。

在建工程

在建工程指在建及未安裝之物業、廠房及設備，按成本減累計減值虧損（如有）入賬。成本包括所產生之建造開支、廠房及機器成本及建造或安裝及測試年度用於就該等資產提供資金而借貸資金所產生之利息費用（如有）。於有關資產完成並投入使用前，不會就在建工程作出折舊撥備。於有關資產投入使用時，成本轉撥至物業、廠房及設備，並根據上段所列政策計提折舊。

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

4. Principal accounting policies

(Continued)

Convertible notes

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

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method.

The equity component, represented the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes equity reserve until the embedded conversion option is exercised in which case the balance stated in convertible notes equity reserve will be transferred to share premium. Where the option remains unexercised at the expiry date, the balance stated in convertible notes equity reserve will be released to the retained profits. No gain or loss is recognised in consolidated income statement upon conversion or expiration of the option.

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

4. 主要會計政策 (續)

可換股票據

公司發行之可換股票據包含負債及購股權，於最初確認時劃分為個別單獨的項目。以定額現金或其他金融資產交換公司自身的固定數目的股本工具的方式結算的購股權，劃分為股本工具。於發行日期，負債部份按公平值確認。

於後續期間，可換股票據的負債部份將按攤銷成本用實際利息法列賬。

權益部份指可將負債部份兌換成公司普通股之購股權，將保留於可換股票據股本儲備，直至附帶內在之購股權獲行使為止（在此情況下，可換股票據股本儲備之結餘將轉撥至股份溢價）。倘購股權於到期日尚未獲行使，可換股票據權益儲備之結餘將撥至保留盈利。購股權兌換或到期時將不會於綜合收益表中確認任何收益或虧損。

有關發行可換股票據的交易成本將按所得款項總額的分配比例分配到負債及權益部份。有關權益部份之交易成本直接自權益中扣除。與負債部份有關的交易成本計入負債部份的賬面值，並採用實際利息法於可換股票據期間攤銷。

4. Principal accounting policies

(Continued)

Financial instruments

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

(i) Financial assets

The Group's financial assets are loans and receivables and financial assets at fair value through profit or loss. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policy adopted is set out below.

Loans and receivables

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

4. 主要會計政策 (續)

金融工具

當集團實體成為金融工具合約條文之訂約方時，金融資產及金融負債於綜合財務狀況報表確認。金融資產及金融負債初步乃按公平值加初步確認購入或發行金融資產及金融負債（不包括按公平值計入損益之金融資產及金融負債）直接應佔之交易成本（如適用）計量。購入按公平值計入損益之金融資產及金融負債直接應佔之交易成本即時於綜合收益表確認。

(i) 金融資產

集團之金融資產分為貸款和應收款項，以及按公平值計入損益之金融資產。所有以正規途徑購買或銷售之金融資產乃按交易日期基準確認及終止確認。正規途徑購買或銷售乃要求於市場法規或慣例所確定之時間框架內交付資產之金融資產購買或銷售。所採納之會計政策載於下文。

貸款及應收款項

貸款及應收款項乃非衍生性質之金融資產，附帶固定或可計算之付款，但並不存在活躍市場之報價。於初步確認後，貸款及應收款項（包括應收貿易賬項、預付款項、訂金及其他應收款項以及現金及現金等值項目）按攤銷成本用實際利息法減任何已識別減值虧損列賬（見下文金融資產減值虧損之會計政策）。

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

4. Principal accounting policies

(Continued)

Financial instruments (Continued)

(i) Financial assets (Continued)

Financial assets at fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

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

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

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and HKAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses incorporates any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item in the consolidated income statement. Fair value is determined in the manner described in note 40.

4. 主要會計政策 (續)

金融工具 (續)

(i) 金融資產 (續)

按公平值計入損益之金融資產

持作買賣或指定按公平值計入損益的金融資產乃分類為按公平值計入損益的金融資產。

一項金融資產乃分類為持作買賣，如：

- 主要為於不久將來內出售而購入；或
- 於首次確認時為集團進行集中管理的已識別金融工具組合，且近期有實際跡象顯示該等工具將於短期內獲利；或
- 為並非指定且為有效對沖工具的衍生工具。

倘屬於下列情況，金融資產（持作買賣的金融資產除外）可於初步確認時指定為按公平值計入損益：

- 有關指定可對銷或大幅減少可能出現的不一致計量或確認；或
- 金融資產為本公司金融資產或金融負債或兩者的組成部份，而根據集團的風險管理文件或投資策略，金融資產乃按照公平值基準管理及評估表現，且有關分類資料會以該基準向內部提供；或
- 其為包括一項或多項嵌入式衍生工具的合約的組成部份，而香港會計準則第39號「金融工具：確認及計量」容許將全部合併合約（資產或負債）指定為按公平值計入損益。

按公平值計入損益之金融資產按公平值列賬，任何損益計及該項金融資產所賺取的任何股息或利息，並列於綜合收益表內「其他收益及虧損」項下。公平值按附註40所述的方式釐定。

4. Principal accounting policies

(Continued)

Financial instruments (Continued)

(i) Financial assets (Continued)

Effective interest method

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

Impairment of financial assets

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

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

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

4. 主要會計政策 (續)

金融工具 (續)

(i) 金融資產 (續)

實際利息法

實際利息法乃計算金融資產之攤銷成本及分攤相關期間之利息收入之方法。實際利率乃按金融資產之預計可用年期或適用之較短期間內就初步確認時之賬面淨值確切貼現估計未來現金收入（包括構成實際利率不可或缺部份已付或已收之一切費用、交易成本及其他溢價及貼現）之利率。

利息收入乃按債務工具之實際利息基準確認。

金融資產之減值

金融資產（按公平值計入損益者除外）於報告期終進行評估作減值指標。倘有客觀證據顯示金融資產因一項或多項於初步確認後發生之事件而出現減值，投資之估計未來現金流量已受到影響。

與所有金融資產（貿易及其他應收款項除外）有關之減值虧損會直接於金融資產之賬面值中作出扣減，其賬面值會透過撥備賬作出扣減。當貿易及其他應收款項被視為不可收回時，其將於撥備賬內撇銷。於其後重新收取之先前撇銷之款項將計入撥備賬內。撥備賬內之賬面值變動會於綜合收益表中確認。

就以攤銷成本計量之金融資產而言，倘於後續期間減值虧損之數額減少，而此項減少可客觀地與確認減值後之某一事件發生聯繫，則先前確認之減值虧損於損益中予以撥回，惟於撥回減值當日之資產賬面值不得超逾假設未確認減值時之攤銷成本。

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

4. Principal accounting policies

(Continued)

Financial instruments (Continued)

(ii) Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Other financial liabilities

Other financial liabilities including trade payables, other payables and accruals, convertible notes interest payable and interest-bearing other borrowing are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Equity instruments

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

4. 主要會計政策 (續)

金融工具 (續)

(ii) 金融負債及股本

集團實體發行之金融負債及股本工具乃根據合同安排之性質與金融負債及股本工具之定義分類。

股本工具乃證明集團於扣減所有負債後之資產中擁有剩餘權益之任何合同。有關金融負債及股本工具所採納之會計政策詳情載於下文。

其他金融負債

包括應付貿易賬項、其他應付款項及應計款項、應付可換股票據利息及其他計息借貸之其他金融負債初步按公平值計量，其後採用實際利息法按攤銷成本計算。

實際利息法

實際利息法乃為計算金融負債之攤銷成本及按相關期間攤分利息開支之方法。實際利率乃可準確將預計年期或在較短期間（如適用）內金融負債產生之未來現金支出折算為現值之利率。

利息開支乃按實際利息基準確認。

股本工具

公司所發行股本工具於扣除直接發行成本後按已收所得款項記錄。

4. Principal accounting policies

(Continued)

Financial instruments (Continued)

(iii) Derecognition

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

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

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

4. 主要會計政策 (續)

金融工具 (續)

(iii) 終止確認

當從資產收取現金流量之權利屆滿或金融資產獲轉讓時，以及集團已轉讓金融資產擁有權之絕大部份風險及回報，則會終止確認金融資產。於終止確認金融資產時，資產賬面值與已直接於權益確認已收及應收代價以及累計收益或虧損之總和間之差額於綜合收益表確認。

當相關合約特定之責任獲解除、註銷或屆滿時，則金融負債會終止確認。已終止確認金融負債之賬面值與已付代價間之差額於綜合收益表確認。

租賃

凡將資產所有權（法定所有權除外）之絕大部份回報及風險轉讓予集團之租賃，均列為融資租賃。於融資租賃訂立時，租賃資產成本按最低租金付款之現值資本化，並連同債項（不包括利息部份）列賬，以反映購買及融資事項。按資本化融資租賃持有之資產（包括融資租賃之預付土地租賃款）按資產之租期及估計可用年期（以較短者為準）折舊。有關租賃之財務成本於收益表扣除，以在租期內反映一致之定期費用率。

透過融資性質之租購合約購入之資產均列為融資租賃，但按其估計可用年期折舊。

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

4. Principal accounting policies

(Continued)

Leases (Continued)

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the consolidated income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the consolidated income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

Employee benefits

(i) Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries operating in the PRC are required to participate in a central pension scheme (the "Central Scheme") operated by the local municipal government in the PRC. The respective local municipal government in the PRC undertakes to assume the retirement benefits obligations of all existing and future retired staff of these subsidiaries. The only obligation of these subsidiaries with respect to the Central Scheme is to meet the required contributions under the Central Scheme. The contributions are charged to the consolidated income statement as they become payable in accordance with the rules of the Central Scheme.

4. 主要會計政策 (續)

租賃 (續)

凡資產所有權之絕大部份回報及風險仍歸屬於出租人之租賃，均列為經營租賃。如集團為出租人，集團按經營租賃租用的資產計入非流動資產，而按經營租賃應收之租金按租期以直線法計入綜合收益表。如集團為承租人，按經營租賃應付之租金（扣除出租人給予之任何優惠）按租期以直線法於綜合收益表扣除。

經營租賃之預付土地租賃款初步按成本列賬，其後按租期以直線法確認。

僱員福利

(i) 退休福利計劃

根據強制性公積金計劃條例，集團為所有合資格參與強積金計劃之僱員設立定額供款強制性公積金退休福利計劃（「強積金計劃」）。供款乃按僱員基本薪金之百分比計算，並於根據強積金計劃之規定須作出供款時計入綜合收益表內。強積金計劃之資產以獨立管理基金形式持有，與集團之資產分開。集團就強積金計劃支付之僱主供款全部歸僱員所有。

集團於中國經營之附屬公司旗下僱員須參與由中國地方政府管理之中央退休金計劃（「中央計劃」）。中國之各別地方政府承諾會承擔該等附屬公司所有現時及日後退休員工之退休福利責任。該等附屬公司於中央計劃中之唯一責任乃根據中央計劃提供所需供款。有關供款會於根據中央計劃之規定須作出供款時自綜合收益表扣除。

4. Principal accounting policies

(Continued)

Employee benefits (Continued)

(ii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(iii) Employee entitlements

Employee entitlements to annual leave and long service payment are recognised when they accrue to the employees. A provision is made for the estimated liability for annual leave and long service payment as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

Share-based payments

Equity-settled-share based payment transactions

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated income statement on a straight-line basis over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at the end of each reporting period so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated income statement over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated income statement is charged with the fair value of goods and services received.

4. 主要會計政策 (續)

僱員福利 (續)

(ii) 終止福利

只有當集團顯示其承諾終止僱用或透過沒有機會撤回之詳細並正式之自願離職計劃所提供之福利時，該終止福利方被確認。

(iii) 僱員權益

僱員應享年假及長期服務金乃於應計予僱員時確認，並就截至報告期終因僱員所提供服務而產生之估計年假及長期服務金負債作出撥備。

僱員應享病假及分娩或陪產假僅於支取假期時始予確認。

以股份為基礎之付款

權益結算以股份為基礎付款之交易

倘僱員獲授購股權，則購股權之公平值乃於授出日期以直線法於歸屬期自綜合收益表扣除。倘出現非市場歸屬情況，則會考慮調整於各報告期終預期將予歸屬之股本工具數目，因此按歸屬期確認之累計金額乃根據最終歸屬之購股權數目計算。市場歸屬情況已計入所授出購股權之公平值。只要所有其他歸屬情況獲達成，則不論是否達致市場歸屬情況均會作出扣除。倘未能達致市場歸屬情況，累計開支不會作出調整。

倘購股權之條款及條件於歸屬前獲修訂，購股權之公平值於緊接修訂前及緊隨修訂後之增加亦按剩餘歸屬年期自綜合收益表扣除。

倘股本工具乃授予非僱員之人士，則按所取得貨品及服務之公平值自綜合收益表扣除。

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

4. Principal accounting policies

(Continued)

Revenue recognition

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

Revenue from sales of goods is recognised in the consolidated income statement when goods are delivered and title has passed or when the significant risks and rewards of ownership have been transferred to the buyer.

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

Dividend income is recognised when the shareholders' rights to receive payment is established.

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

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

4. 主要會計政策 (續)

收益確認

收益乃按已收或應收代價之公平值計量，指於日常業務過程中提供貨品及服務應收之款項（已扣除折扣及銷售相關稅項）。

銷貨收入於貨品交付及擁有權轉移後或於擁有權之絕大部份風險及回報已轉讓予買方時於綜合收益表確認。

利息收入按時間比例根據未償還本金額及適用實際利率計算入賬。實際利率乃指將金融資產預計年期之估計未來現金收入準確地折算至其賬面淨值之比率。

股息收入於股東收取付款之權利獲確立時確認。

撥備及或然負債

如集團因過往事件產生法定或推定責任而出現時間或金額未確定之負債，並可合理估計將可能導致經濟利益流出時，即會確認撥備。

如有關債務可能不會導致經濟利益流出，或未能可靠地估計金額，則有關債務會披露為或然負債，除非經濟利益流出之可能性很低。純粹視乎日後有否出現一個或多個情況而可能產生之債務，亦披露為或然負債，除非經濟利益流出之可能性很低。

4. Principal accounting policies

(Continued)

Income taxes

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in consolidated income statement except to the extent that they relate to items recognised in other comprehensive income or directly in equity. In this case they are recognised in other comprehensive income or directly in equity, respectively.

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

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

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

4. 主要會計政策 (續)

所得稅

本年度所得稅包括即期稅項及遞延稅項資產及負債之變動。即期稅項及遞延稅項資產及負債之變動均在綜合收益表內確認，惟如某部份之即期稅項及遞延稅項資產及負債之變動與直接於其他全面收入及權益中確認之項目有關，則該部份須分別於其他全面收入及權益中確認。

即期稅項是按本年度應課稅收入，以於報告期終採用或主要採用之稅率計算之預期應繳稅項，及任何有關以往年度應繳稅項之調整。

遞延稅項資產及負債分別由資產及負債按財務報表之賬面值及課稅值兩者之可予扣減及應課稅之暫時性差異所產生。遞延稅項資產亦可由未經使用之稅務虧損及未經使用之稅項優惠所產生。

除了若干有限之例外情況外，所有遞延稅項負債，及所有遞延稅項資產（僅限於將來很可能取得應課稅盈利而令該項資產得以運用之部份）均予確認。容許確認由可予扣減暫時性差異所產生之遞延稅項資產之未來應課稅盈利包括其將由目前之應課稅暫時性差異回撥之部份，而此等應課稅暫時性差異應由同一稅務當局向同一應課稅單位徵收，並預期在可予扣減暫時性差異預期回撥之同一期間內回撥或在由遞延稅項資產產生之稅務虧損能轉回或轉入之期間內回撥。在評定目前之應課稅暫時性差異是否容許確認由未經使用之稅務虧損及優惠所產生之遞延稅項資產時採用上述相同之標準，即該等暫時性差異由同一稅務當局向同一應課稅單位徵收，並預期在稅務虧損或優惠能應用之期間內回撥方計算在內。

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

4. Principal accounting policies

(Continued)

Income taxes (Continued)

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

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

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

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

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

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

4. 主要會計政策 (續)

所得稅 (續)

該等確認遞延稅項資產及負債之之有限例外情況，包括不可在稅務方面獲得扣減之商譽所引致之暫時性差異、首次確認但並不影響會計盈利及應課稅盈利之資產或負債（惟其不可為業務合併之部份）、以及有關於附屬公司之投資所引致之暫時性差異，如為應課稅差異，則集團控制回撥期限及該差異於可預見未來將可能不會回撥；或如為可予扣減差異，則只限於可能在未來回撥之差異。

應確認之遞延稅項數額是按照資產及負債賬面值之預期變現或清償方式，以報告期終採用或主要採用之稅率計算。遞延稅項資產及負債均無作貼現計算。

集團會在各報告期終評估遞延稅項資產之賬面值。如果不再可能取得足夠之應課稅盈利以運用有關之稅務利益，賬面金額則予以調低。如日後可能取得足夠之應課稅盈利時，任何已扣減金額則予以撥回。

分派股息所產生之額外所得稅在支付有關股息之責任確認時予以確認。

即期稅項及遞延稅項結餘及其變動，乃各自分開列示及並無相互抵銷。若公司或集團在法律上擁有抵銷即期稅項資產及即期稅項負債之行使權利及符合下列額外條件，則即期稅項資產可抵銷即期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 若為即期稅項資產及負債：公司或集團計劃以淨額清償，或計劃同時變現資產和清償負債；或

4. Principal accounting policies

(Continued)

Income taxes (Continued)

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

Foreign currency

Transactions entered into by the Group entities in a currency other than the currency of the primary economic environment in which it operates (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of the reporting period. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are similarly recognised immediately in the consolidated statement of comprehensive income, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation.

Change in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences are recognised in the consolidated statement of comprehensive income.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in the consolidated income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the fair value reserve in equity.

4. 主要會計政策 (續)

所得稅 (續)

- 若為遞延稅項資產及負債：如其與同一稅務當局向下述者徵收之所得稅有關：
 - 同一應課稅單位；或
 - 如為不同之應課稅單位，預期在未來每一個期間將清償或追償顯著數目之遞延稅項負債或資產及計劃以淨額基準清償即期稅項資產及即期稅項負債或計劃同時變現即期稅項資產及清償即期稅項負債。

外幣

集團實體以所經營之主要經濟環境之貨幣（「功能貨幣」）以外之其他貨幣訂立之交易，則按進行交易時之匯率記錄。外幣貨幣資產及負債於報告期終按匯率換算。因重新換算未償付貨幣資產及負債所產生之匯兌差額一般會即時於綜合全面收入報表確認，除非外幣借貸合資格被列作對沖海外業務投資淨額。

以外幣為單位及被分類為可供出售證券之貨幣證券公平值轉變將在其證券攤銷成本轉變衍生之匯兌差額及其他證券賬面值轉變之間分配。匯兌差額會在綜合全面收入報表中確認。

非貨幣金融資產及負債之匯兌差額呈報為公平值收益或虧損之一部份。非貨幣金融資產及負債（例如按公平值計入損益之權益）之匯兌差額將於綜合收益表中確認為公平值收益或虧損一部份。非貨幣金融資產（例如分類為可供出售之權益）之匯兌差額在權益之公平值儲備內列賬。

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

4. Principal accounting policies

(Continued)

Foreign currency (Continued)

On consolidation, the results of overseas operations are translated into Hong Kong dollars at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the rate ruling at the end of the reporting period. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised directly in consolidated statement of comprehensive income and accumulated in equity. Exchange differences recognised in the consolidated statement of comprehensive income of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the overseas operation concerned are reclassified to the foreign currency translation reserve if the item is denominated in the functional currency of the Group or the overseas operation concerned.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign currency translation reserve relating to that operation up to the date of disposal are transferred to the consolidated statement of comprehensive income as part of the profit or loss on disposal.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred.

Related parties

A party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;

4. 主要會計政策 (續)

外幣 (續)

於綜合賬目時，海外業務之業績乃按交易進行之概約匯率換算為港元。海外業務之所有資產及負債（包括因收購該等業務而產生之商譽）按報告期終之匯率換算。按開盤匯價換算之期初資產淨值與按實際匯率計算海外業務之業績之匯兌差額乃直接於綜合全面收入報表中確認，並於權益中累計。倘項目乃以集團或海外業務之功能貨幣計值，則於集團實體之獨立財務報表中就換算組成集團海外業務投資淨額部份之長期貨幣項目而於綜合全面收入報表確認之匯兌差額重新分類為匯兌儲備。

於出售海外業務時，有關該業務於匯兌儲備中直至出售日期為止所確認之累計匯兌差額乃轉撥至綜合全面收入報表列作出售之損益。

借貸成本

所有借貸成本均在產生之期間支銷。

關連人士

倘任何人士符合以下條件，則視為集團之關連人士：

- (i) 該名人士能直接或間接透過一間或多間中介機構控制集團，或於集團作出財務及經營決策時能對集團行使重大影響力，或能與他人共同控制集團；
- (ii) 集團及該名人士受到共同控制；

4. Principal accounting policies

(Continued)

Related parties (Continued)

- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group; or
- (vii) close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

Segment reporting

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

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

4. 主要會計政策 (續)

關連人士 (續)

- (iii) 該名人士為集團之聯營公司或該名人士為合資公司而集團為合資方；
- (iv) 該名人士為集團或集團母公司之主要管理人員或該人員之近親，或受該等人士控制、共同控制或重大影響之實體；
- (v) 該名人士為第(i)項所指的人士的近親，或該個人所控制、共同控制或受其重大影響的實；
- (vi) 該名人士乃為集團或屬集團關連人士之任何實體之僱員福利而設之離職後福利計劃；或
- (vii) 任何個別人士之近親為與該實體交易時預期可能影響該個別人士或受該個別人士影響之家庭成員。

分類呈報

於綜合財務報表中呈報之經營分類及各分類項目之金額乃自財務資料中確認，該財務資料定期向集團最高行政管理層提供，以向集團各業務及地區分配資源及作出評估。

就財務呈報目的而言，除非分類具備相似的經濟特徵及在產品及服務性質、生產工序性質、客戶類型或類別、用作分配產品或提供服務之方法及監管環境之性質相似，否則個別重大經營分類不會合併計算。若個別非重大經營分類符合上述大部份標準，則可合併計算。

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

5. Significant Accounting Judgments and Estimates

In the process of applying the Group's accounting policies which are described in note 4, management has made the following judgments that have significant effect on the amounts recognised in the consolidated financial statements. The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also discussed below.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual value. The company assesses annually the residual value and the useful lives of the property, plant and equipment and if the expectation differs from the original estimates, such differences from the original estimates will affect the depreciation charges in the year in which the estimates change.

5. 主要會計判斷及估計

於應用集團之會計政策（如附註4所述）時，管理層作出下列對於綜合財務報表中已確認之數額產生重大影響之判斷。涉及日後之主要假設及於報告期終估計不確定性之其他主要來源（彼等均擁有導致下個財政年度之資產及負債之賬面值出現大幅調整之重大風險）亦討論如下。

非金融資產減值

集團於各報告期評估是否有任何跡象顯示所有非金融資產已減值。非金融資產則於有跡象顯示可能無法收回賬面值時進行減值測試。當資產或現金產生單位之賬面值高於其可收回金額（即資產公平值減出售成本與其使用價值兩者之較高者）時便存在減值。公平值減出售成本根據類似資產之公平且具約束力之銷售交易之可得數據或可觀察市價減出售資產之遞增成本計算。計算使用價值時，管理層必須估計該資產或現金產生單位之預計未來現金流量，並選擇適合之折現率以計算該等現金流量之現值。

物業、廠房及設備之折舊

物業、廠房及設備於考慮估計剩餘價值後按直線法於其估計可用年期內計提折舊。公司每年評估物業、廠房及設備之剩餘價值及可用年期，倘預期偏離原先估計，則與原先估計之差異將影響估計改變年度之折舊費用。

5. Significant Accounting Judgments and Estimates

(Continued)

Impairment loss recognised in respect of trade and other receivables

The policy for impairment loss recognised in respect of trade and other receivables of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in impairment of their ability to make payments, additional impairment loss may be required.

Valuation of share options granted

The fair value of share options granted was calculated using the Black-Scholes valuation model which requires the management's estimates and assumptions on significant calculation inputs, including the estimated life of share options granted, the volatility of share price and expected dividend yield. Change in the subjective input assumptions could materially affect the fair value estimate.

Fair values of biological assets

Management estimates at the end of the reporting period fair values less costs to sell of biological assets of paper mulberry trees and pine trees with reference to market prices and professional valuations. Management considers that there are presently an absence of effective financial instruments for hedging against the pricing risks with the underlying agricultural produce. Un-anticipated volatile changes in market prices of the underlying agricultural produce could significantly affect the fair values of these biological assets and result in fair value remeasurement losses in future accounting periods.

5. 主要會計判斷及估計 (續)

就貿易及其他應收款項確認之減值虧損

集團就貿易及其他應收款項確認之減值虧損之政策以評估可收回性及賬目之賬齡分析及管理層之判斷為基準。評估此等應收款項之最終變現需要使用一定程度之判斷，包括各客戶之目前信譽及過往收回款項之記錄。倘集團客戶之財務狀況變差，導致其支付能力出現減弱，則可能須作出額外之減值虧損。

已授出購股權之估值

已授出購股權之公平值乃採用「柏力克－舒爾斯」估值模式計算，該模式要求管理層對重大計算輸入數值作出估計及假設，包括已授出購股權之估計年期、股價波幅及預計股息率。倘主觀輸入數值假設有任何改變，可能對公平值估計造成重大影響。

生物資產之公平值

管理層乃參考市價及專業估值於報告期終估計紙桑樹及松樹之生物資產之公平值減銷售成本。管理層認為，現時缺乏有效之金融工具對沖有關農產品之價格風險。有關農產品市價之未能預測波動對該等生物資產之公平值造成重大影響，致使於日後會計期間出現公平值重新計量虧損。

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

6. Segment Information

(a) Operating segment information

From the perspective of the Group's senior management, it is considered that assessment of operating performance is focused on the Group as a whole for the purposes of resource allocation and performance assessment. Therefore management considers the Group has one reporting segment i.e. the integrated timber business.

The electronic consumer products business was disposed of in 2010 (note 15).

Reconciliation of segment information to the information presented in the consolidated financial statements has not been presented, as the reconciling items are considered to be immaterial.

(b) Geographical information

No geographical information is shown as the revenue from external customers and non-current assets from continuing operations of the Group are substantially derived from activities or located in the PRC.

(c) Information about major customers

Included in revenues arising from the integrated timber business are revenues of approximately HK\$46,858,000 (2010: HK\$45,084,000) which arose from sales to the Group's significant customers who individually contributed over 10% of the Group's turnover.

7. Revenue

An analysis of revenue 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
Income from logging and trading of timber and related products	木材採伐及買賣以及銷售相關產品之收入	49,550	53,677

6. 分類資料

(a) 經營分類資料

集團高級管理層認為，就分配資源及評估表現而言，評估經營表現時應著重於集團作為一個整體。因此，管理層認為集團擁有一個呈報分類，即綜合林木業務。

電子消費產品業務已於二零一零年出售（附註15）。

由於對賬項目被視為不重要，故並無呈列分類資料與綜合財務報表所載資料之對賬。

(b) 地區資料

由於集團來自外部客戶之收益及來自持續經營業務之非流動資產大部份來自中國或位於中國之業務，故並無呈列地區資料。

(c) 主要客戶資料

來自綜合林木業務之收益包括向集團大客戶（個別佔本集團營業額超過10%）銷售產生之收益約46,858,000港元（二零一零年：45,084,000港元）。

7. 收益

收益分析載列如下：

8. Other income

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Continuing operations	持續經營業務		
Interest on bank deposits	銀行存款之利息	113	157
Sundry income	雜項收入	544	621
		657	778

8. 其他收入

9. Other gains and losses

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Continuing operations	持續經營業務		
(Loss)/Gain arising from changes in fair value less costs to sell of biological assets	生物資產之公平值變動減銷售成本產生之(虧損)/收益	(576,335)	83,498
Reversal of impairment losses on prepaid land lease payments	撥回預付土地租賃款減值虧損	12,286	—
Net gain on disposal of subsidiaries	出售附屬公司之收益淨額	—	66,572
Fair value loss on in equity investments at fair value through profit or loss, net	按公平值計入損益之股本投資公平值虧損，淨額	(5,243)	—
Gain on disposal of equity investments at fair value through profit or loss, net	出售按公平值計入損益之股本投資收益，淨額	375	—
Exchange gains, net	匯兌收益，淨額	—	1,961
		(568,917)	152,031

9. 其他收益及虧損

10. Finance costs

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Continuing operations	持續經營業務		
Interest on:	以下項目之利息：		
Convertible notes	可換股票據	433	1,192
Other borrowings	其他借貸	17	—
		450	1,192

10. 財務成本

Notes to the Consolidated Financial Statements

綜合財務報表附註

11. (Loss)/Profit before Tax

Continuing operations

The Group's (loss)/profit before tax is arrived at after charging/(crediting):

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Cost of inventories sold	已售存貨之成本	41,157	44,502
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	2,744	1,608
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	1,561	2,963
Lease payments under operating leases for	經營租賃之租金付款：		
— Leasehold land and buildings	— 租賃土地及樓宇	10,490	—
— Motor vehicles	— 汽車	92	—
Auditors' remuneration	核數師酬金		
— Current year	— 本年度	660	1,006
— Under-provision in prior years	— 往年撥備不足	—	328
Employee benefit expense (excluding directors' remuneration — note 12)	僱員福利開支 (不包括董事酬金 — 附註 12)		
— Wages and salaries and other benefits	— 工資及薪金及 其他福利	8,728	11,749
— Retirement benefits scheme contributions	— 退休福利計劃供款	388	148
— Share-based payments	— 以股份為基礎之付款	—	1,268
		9,116	13,165
Other share-based payments	其他以股份為基礎之付款	9,970	11,886
Impairment loss on trade receivables	應收貿易賬項之減值虧損	30	—
Impairment loss on other receivables	其他應收款項之減值虧損	9,769	—
Exchange losses/(gains), net	匯兌(收益)/虧損, 淨額	898	(1,962)

11. 除稅前(虧損)/溢利

持續經營業務

集團之除稅前(虧損)/溢利已扣除/(計入)：

12. Directors' remuneration

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and section 161 of the Hong Kong Companies Ordinance, is as follows:

12. 董事酬金

根據上市規則及香港公司條例第 161 條披露之本年度董事酬金如下：

		Group 集團	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Fees	袍金	—	225
Other emoluments	其他酬金		
— Salaries and other benefits	— 薪金及其他福利	3,496	4,067
— Retirement benefits scheme contributions	— 退休福利計劃供款	36	42
— Share-based payments	— 以股份為基礎之付款	—	1,268
		3,532	5,377
		3,532	5,602

Details of directors' remuneration for the year ended 31 December 2011 are as follows:

截至二零一一年十二月三十一日止年度之董事酬金詳情如下：

		Retirement					Total
		Salaries and other benefits	benefits scheme contributions	Performance related bonuses	Share-based payments		
Fees	袍金	薪金及 其他福利	退休福利 計劃供款	與表現 掛鈎之花紅	以股份 為基礎之付款	總計	
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Executive Directors	執行董事						
Mr. LEE Chi Kong	李志剛先生	—	1,040	12	—	1,052	
Mr. JING Bin	景濱先生	—	1,000	12	—	1,012	
Mr. CHENG Man For	鄭文科先生	—	1,156	12	—	1,168	
Independent Non-Executive Directors	獨立非執行董事						
Mr. CHEUNG Wai Tak	張偉德先生	—	100	—	—	100	
Mr. LI Xiang jun	李湘軍先生	—	100	—	—	100	
Mr. CHEN Xiaoming	陳小明先生	—	100	—	—	100	
Total	總計	—	3,496	36	—	3,532	

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

12. Directors' remuneration (Continued)

Details of directors' remuneration for the year ended 31 December 2010 are as follows:

12. 董事酬金 (續)

截至二零一零年十二月三十一日止年度之董事酬金詳情如下：

		Fees	Salaries and other benefits	Retirement benefits contributions	Performance related bonuses	Share-based payments	Total
		袍金	薪金及其他福利	退休福利計劃供款	與表現掛鈎之花紅	以股份為基礎之付款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事						
Mr. LEE Chi Kong	李志剛先生	—	1,000	12	—	235	1,247
Mr. JING Bin	景濱先生	—	700	12	—	469	1,181
Mr. CHENG Man For	鄭文科先生	—	982	12	—	235	1,229
Mr. LAW Wai Fai (Note)*	羅偉輝先生 (附註)*	—	1,385	6	—	—	1,391
		—	4,067	42	—	939	5,048
Independent Non-Executive Directors	獨立非執行董事						
Mr. CHEUNG Wai Tak**	張偉德先生**	56	—	—	—	141	197
Mr. LI Xiangjun**	李湘軍先生**	41	—	—	—	94	135
Mr. CHEN Xiaoming**	陳小明先生**	10	—	—	—	—	10
Mr. CHAN Chi Yuen*	陳志遠先生*	29	—	—	—	—	29
Mr. WONG Yun Kuen*	黃潤權先生*	29	—	—	—	—	29
Mr. ZHU Quang Qian*	朱光前先生*	60	—	—	—	94	154
		225	—	—	—	329	554
Total	總計	225	4,067	42	—	1,268	5,602

Note: Salaries and other benefits of Mr. Law included compensation for early termination of service contract of HK\$800,000.

附註：羅先生之薪金及其他福利包括提前終止服務合約之賠償800,000港元。

* resigned during the relevant year

* 於有關年度辭任

** appointed during the relevant year

** 於有關年度獲委任

There was no arrangement under which a director waived or agreed to waive any remuneration during 2010 and 2011.

概無董事放棄或同意放棄二零一零年及二零一一年任何酬金之安排。

13. Five highest paid individuals

The five highest paid individuals during the year included three (2010: four) directors, details of whose emoluments are set out in note 12 above. Details of the remaining two (2010: one) non-directors, highest paid individual, for the year 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
Salaries and other benefits	薪金及其他福利	1,430	500
Retirement benefits scheme contributions	退休福利計劃供款	12	—
		1,442	500

The non-directors, highest paid individuals remuneration were all within HK\$ nil to HK\$1,000,000.

During the year, except as disclosed in note 12, no emoluments were paid to the five highest paid individuals (including directors and other employees) as inducement to join or upon joining the Group or as compensation for loss to office (2010: Nil).

13. 五位最高薪酬人士

年內，五位最高薪酬人士包括三位（二零一零年：四位）董事，彼等之酬金詳情已載於附註12。本年度餘下兩位（二零一零年：一位）非董事最高薪酬人士之詳情如下：

非董事最高薪酬人士之酬金均界乎0港元至1,000,000港元之間。

於本年度內，除附註12所披露者外，概無對五位最高薪酬人士（包括董事及其他僱員）支付任何酬金作為加入集團之獎金或離職補償（二零一零年：無）。

14. Income tax expense

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Continuing operations	持續經營業務		
Current tax:	本年度稅項：		
Hong Kong	香港	—	—
The PRC	中國	—	19
		—	19

Hong Kong profits tax is calculated at the rate of 16.5% (2010: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

14. 所得稅開支

香港利得稅按本年度於香港產生之估計應課稅溢利按稅率16.5%（二零一零年：16.5%）計算。

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14. Income tax expense (Continued)

During the year ended 31 December 2011, no Hong Kong profits tax has been provided for as the Group did not generate any taxable profits from continuing operations in Hong Kong (2010: nil).

During the year ended 31 December 2011, no taxation arising in other jurisdictions is calculated.

During the year ended 31 December 2010, taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

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

14. 所得稅開支 (續)

於截至二零一一年十二月三十一日止年度，由於集團於香港之持續經營業務並無產生任何應課稅溢利，故並無提撥香港利得稅（二零一零年：無）。

截至二零一一年十二月三十一日止年度，並無計算於其他司法權區產生的稅項。

截至二零一零年十二月三十一日止年度，在其他司法權區產生之稅項乃根據各司法權區之現行稅率計算。根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法實施條例，中國附屬公司之稅率劃一為25%。

本年度稅務開支與（虧損）/溢利於綜合收益表之對賬如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Continuing operations	持續經營業務		
(Loss)/Profit before tax	除稅前（虧損）／溢利	(661,232)	81,571
Tax at Hong Kong profits tax rate of 16.5% (2010: 16.5%)	按香港利得稅稅率 16.5% 繳稅（二零一零年：16.5%）	(109,103)	13,459
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之附屬公司之不同稅率之影響	—	19
The effect of expenses not deductible for tax purpose	不可扣除開支之稅務影響	116,022	2,403
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(10,299)	(17,692)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	3,380	1,830
Income tax expense for the year	本年度所得稅開支	—	19

15. Disposal group held for sale

On 8 April 2010, the Company entered into a conditional sale and purchase agreement with Super Giant Assets Limited, which is wholly owned by Mr. LAM Ping Kei, a substantial shareholder and a former executive director of the Company, to dispose of the entire interest in a subsidiary of the Group, E-Today Technology Limited (“E-Today”) and its subsidiaries carried out all of the Group’s electronic consumer products business. The disposal of electronic consumer products business is in consistent with the Group’s long-term policy to focus its timber business.

The disposal was completed on 23 June 2010. Details of the assets and liabilities disposed of, and the calculation of the profit or loss on disposal, are disclosed in note 35.

The discontinued operations’ results of electronic consumer products business for the year 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
Revenue	收益	—	204,071
Cost of sales	銷售成本	—	(187,873)
Other income	其他收入	—	832
Selling and distribution expenses	銷售及分銷開支	—	(6,958)
Administrative expenses	行政開支	—	(10,866)
Other expenses	其他開支	—	(5,664)
Loss before tax	除稅前虧損	—	(6,458)
Income tax expense	所得稅開支	—	(633)
Loss for the year	本年度虧損	—	(7,091)

At the end of the reporting period, none of the electronic consume product business classified as hold for sale, as the disposal was completed on 23 June 2010.

16. Dividend

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

15. 持作出售之出售組別

於二零一零年四月八日，公司與Super Giant Assets Limited（由公司主要股東及前執行董事林平基先生全資擁有）就出售集團之附屬公司E-Today Technology Limited（「E-Today」，該公司及其附屬公司從事集團之所有電子消費產品業務）之全部權益訂立有條件買賣協議。電子消費產品業務之出售符合集團專注於其林木業務之長期政策。

出售事項已於二零一零年六月二十三日完成。所出售資產及負債之詳情及出售之損益計算於附註35披露。

本年度電子消費產品業務之已終止經營業務之業績如下：

		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	—	204,071
Cost of sales	銷售成本	—	(187,873)
Other income	其他收入	—	832
Selling and distribution expenses	銷售及分銷開支	—	(6,958)
Administrative expenses	行政開支	—	(10,866)
Other expenses	其他開支	—	(5,664)
Loss before tax	除稅前虧損	—	(6,458)
Income tax expense	所得稅開支	—	(633)
Loss for the year	本年度虧損	—	(7,091)

於報告期終，概無電子消費產品業務分類為持作出售，因為出售已於二零一零年六月二十三日完成。

16. 股息

二零一一年並無派付或擬派股息，而自報告期終以來亦無擬派任何股息（二零一零年：無）。

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17. (Loss)/Earnings per share

From continuing and discontinued operations

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

17. 每股(虧損)/盈利

來自持續及已終止經營業務

公司擁有人應佔每股基本及攤薄盈利乃根據下列數據計算：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss)/Earnings	(虧損)/盈利		
(Loss)/Earnings for the purpose of basic earnings per share ((loss)/profit for the year attributable to owners of the Company)	計算每股基本(虧損)/盈利所用之盈利(公司擁有人應佔本年度(虧損)/溢利)	(658,285)	74,461
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
Interest on convertible notes	可換股票據之利息	N/A [#]	1,192
Earnings for the purpose of diluted earnings per share	計算每股攤薄盈利所用之盈利	N/A [#]	75,653
		2011 二零一一年 Number of shares 股份數目	2010 二零一零年 Number of shares 股份數目
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利所用之普通股加權平均數	4,035,035,620	3,298,576,581
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
Share options issued by the Company	公司發行之購股權	N/A 不適用 [#]	5,748,551
Convertible notes	可換股票據	N/A 不適用 [#]	1,192,320,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利所用之普通股加權平均數	N/A 不適用 [#]	4,496,645,132

17. (Loss)/Earnings per share*(Continued)***From continuing operations**

The calculation of the basic and diluted earnings per share from continuing operations attributable to owners of the Company is based on the following data:

(Losses)/Earnings figures are calculated as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss)/Profit for the year attributable to owners of the Company	公司擁有人應佔本年度(虧損)／溢利	(658,285)	74,461
Loss for the year from discontinued operations	來自已終止經營業務之本年度虧損	—	7,091
(Loss)/Earnings for the purpose of basic earnings per share from continuing operations	計算來自持續經營業務之每股基本盈利所用之(虧損)／盈利	(658,285)	81,552
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
Interest on convertible notes	可換股票據之利息	N/A 不適用 [#]	1,192
Earnings for the purpose of diluted earnings per share from continuing operations	計算來自持續經營業務之每股攤薄盈利所用之盈利	N/A 不適用 [#]	82,744

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

[#] No diluted loss per share has been presented for 2011 as the share options and convertible notes outstanding have anti-dilutive effects on the basic loss per share amounts presented.

17. 每股(虧損)／盈利(續)**來自持續經營業務**

公司擁有人應佔來自持續經營業務每股基本及攤薄盈利乃根據下列數據計算：

(虧損)／盈利數字乃按下表計算：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss)/Profit for the year attributable to owners of the Company	公司擁有人應佔本年度(虧損)／溢利	(658,285)	74,461
Loss for the year from discontinued operations	來自已終止經營業務之本年度虧損	—	7,091
(Loss)/Earnings for the purpose of basic earnings per share from continuing operations	計算來自持續經營業務之每股基本盈利所用之(虧損)／盈利	(658,285)	81,552
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
Interest on convertible notes	可換股票據之利息	N/A 不適用 [#]	1,192
Earnings for the purpose of diluted earnings per share from continuing operations	計算來自持續經營業務之每股攤薄盈利所用之盈利	N/A 不適用 [#]	82,744

上述每股基本及攤薄盈利乃按相同單位計算。

[#] 並無呈列二零一一年每股攤薄虧損，因為已發行但未行使的購股權及可換股票據對所呈列的每股基本虧損具有反攤薄效應。

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17. (Loss)/Earnings per share

(Continued)

From discontinued operations

During the year ended 31 December 2010, loss per share for the discontinued operations is HK0.215 cents per share. The calculation is based on the loss for the year from the discontinued operations and the denominators detailed above for basic per share. No diluted loss per share has been presented for 2010 as the share options and convertible notes outstanding have anti-dilutive effects on the basic loss per share amounts presented.

17. 每股(虧損)/盈利(續)

來自已終止經營業務

截至二零一零年十二月三十一日止年度，已終止經營業務之每股虧損為每股0.215港仙。此乃根據已終止經營業務之本年度虧損及上述計算每股基本之單位計算。由於尚未行使之購股權及可換股票據對所呈列之每股基本虧損金額具有反攤薄效應，故並無就二零一零年呈列每股攤薄虧損。

18. Prepaid land lease payments

The Group's prepaid land lease payments represent land use rights in the PRC under medium term lease:

18. 預付土地租賃款

集團之預付土地租賃款指根據中期租賃在中國持有的土地使用權：

		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	61,311	87,512
Disposal through disposal group classified held for sale	透過出售分類為 持作出售的組合而出售	—	(24,875)
Amortisation for the year	年內攤銷	(1,561)	(2,963)
Reversal of impairment losses	減值虧損撥回	12,286	—
Exchange realignment	匯兌調整	3,238	1,637
At 31 December	於十二月三十一日	75,274	61,311
Classified as current portion	分類為即期部份	1,596	1,521
Classified as non-current portion	分類為非即期部份	73,678	59,790

19. Property, plant and equipment 19. 物業、廠房及設備

		Leasehold improvements, furniture, fixtures, equipment and motor vehicles 租賃物業裝修、 傢俱、固定附着物、 設備及汽車 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	4,238	—	4,238
Additions	添置	2,139	—	2,139
Disposals	出售	(1,514)	—	(1,514)
Exchange realignment	匯兌調整	92	—	92
At 31 December 2010	於二零一零年十二月三十一日	4,955	—	4,955
Additions	添置	5,559	10,596	16,155
Disposals	出售	(283)	—	(283)
Exchange realignment	匯兌調整	362	288	650
At 31 December 2011	於二零一一年十二月三十一日	10,593	10,884	21,477
Accumulated depreciation:	累計折舊：			
At 1 January 2010	於二零一零年一月一日	1,696	—	1,696
Provided for the year	年內撥備	1,608	—	1,608
Written back on disposals	於出售時撥回	(652)	—	(652)
Exchange realignment	匯兌調整	30	—	30
At 31 December 2010	於二零一零年十二月三十一日	2,682	—	2,682
Provided for the year	年內撥備	2,744	—	2,744
Written back on disposals	於出售時撥回	(187)	—	(187)
Exchange realignment	匯兌調整	210	—	210
At 31 December 2011	於二零一一年十二月三十一日	5,449	—	5,449
Net carrying amount:	賬面淨值：			
At 31 December 2011	於二零一一年十二月三十一日	5,144	10,884	16,028
At 31 December 2010	於二零一零年十二月三十一日	2,273	—	2,273

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綜合財務報表附註

20. Biological Assets

20. 生物資產

		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	3,777,057	3,591,610
Direct sales	直接出售	(28,493)	(34,430)
(Loss)/Gain arising from changes in fair value less costs to sell of Biological assets	生物資產之公平值變動減 銷售成本產生之(虧損)/收益	(576,335)	83,498
Exchange realignment	匯兌調整	171,171	136,379
At 31 December	於十二月三十一日	3,343,400	3,777,057

The analysis of fair value of biological assets by location is as follows:

生物資產之公平值按地區分類如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
The PRC	中國		
Hebei	河北	29,863	34,941
Yunan	雲南	3,313,537	3,742,116
		3,343,400	3,777,057

At 31 December 2011 and 2010, the Group's biological assets were valued by an independent valuer, LCH (Asia-Pacific) Surveyors Limited.

於二零一一年及二零一零年十二月三十一日，集團之生物資產乃由獨立估值師利駿行測量師有限公司估值。

Land related to biological assets are separately disclosed and accounted for under prepaid land lease payments.

與生物資產有關之土地乃單獨披露，並計入預付土地租賃款項下。

20. Biological Assets (Continued)

In valuing the inventory of standing trees, the valuer has considered the three approaches to value with reference to inventory of standing trees as well as the accounting standard, and found that market approach i.e. the market-based comparable method is the most reasonable approach to value. This method uses the present market value in terms of price per unit volume of the final product and the total merchantable volume of timber in the concession as basis for coming up with the estimated value. The underlying theory of this approach is existing market price is dependent parameter since it reflects how much the buyer is willing to pay and how much the seller is willing to give up his goods and services.

In using the market approach the valuer has taken the following into consideration:

- Average diameter and length of round logs being sold in the locality;
- The diameter at breast height and the merchantable height of the standing trees;
- Parameters used in classifying young, mid-aged, near mature and mature trees;
- Species of the standing trees;
- The quantity of timber based on the adjusted inventory provided to us; and
- Cutting cost, transportation cost, forestry fund, and other associated costs necessary to process the standing trees to round logs.

The valuer understands, that it is the intention of the Group to sell the biological assets as i) round logs to sawmills in their respective locality, ii) raw material in its solid and engineered wood factory and iii) process some of the harvested timber to sawn timber in its sawmill. Factors considered in selling harvested timber are location of the forest area, species of timber, volume of timber and requirement of the Group's subsidiaries owned factories. The valuer has assumed in its valuation that the entire inventory will be sold in their respect locality as round logs since the Group's subsidiaries intend to use only a small quantity of the timber for processing in owned factories.

20. 生物資產 (續)

於對現時存活之樹木估值時，估值師曾參考現時存活之樹木之存量及會計準則而考慮三種估值方法，並發現市場估價法是此項估值之最合理方法。此估價法乃採用木材之最終產品之每單位數量之現行市值及有關林場內可供出售之木材總數量為計算基準，以計算有關之估計價值。此估價法之基本理論為，現行市價為足以依據之參數，因其反映買方願意付出之價格及賣方就售出及提供貨物及服務而願意收取之價格。

在採用市場估價法時，估值師曾考慮以下各點：

- 在當地出售之圓材之平均圓周及長度；
- 現時存活之樹木之胸高直徑及商用材高；
- 分辨幼樹、半長成樹、接近長成樹及已長成樹之參數；
- 現時存活樹木之種類；
- 根據吾等所獲提供之經調整木材存量計算之木材數量；及
- 把現時存活之樹木處理成為圓材所需動用之採伐成本、運輸成本、林產業基金及其他相關成本。

估值師知悉，集團有意將生物資產作為：i) 圓材，售予彼等各自所在地區之鋸木廠；ii) 原材料，售予硬木及複合木材廠及 iii) 部份已採伐木材售予鋸木廠加以處理成為經鋸切之木材。就出售已採伐木材所考慮之因素為林場之所在地點、木材之樹種、木材存量及是否需要集團之附屬公司本身之廠房加以處理。估值師在估值報告中已假設全部木材存量將會在彼等各自之所在地區以圓材形式出售，因集團之附屬公司僅有意經本身廠房處理少量木材。

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20. Biological Assets (Continued)

During the valuer's on-site inspection, the valuer was informed that young and mid-age trees are also marketable but at lower prices compared to near mature, mature and over mature trees. For this reason, the valuer has valued the entire timber inventory in the Forestry Reports.

In valuing the inventory of standing tree using the market approach, the valuer has used the average mill gate round log prices taking into consideration tree species, age and location.

Reasonable recovery rates to allow for losses before and during harvesting as well as costs required to harvest and transport the timber from the forest to local point of sales were then deducted to arrive at its opinion of value. The other costs that were considered in the valuer's valuation are: harvesting and transportation cost to main road or point of sales, local and national taxed fund, forestry road allowance and forest management cost.

20. 生物資產 (續)

在實地視察期內，估值師得悉幼樹及半長成樹亦可在市場上出售，惟與接近長成、已長成及年老之樹木相較則價格偏低。基於此理由，估值師已為林產業報告內之全部木材存量進行估值。

估值師在採用市場估值法對現時存活之樹木之存量進行估值時，已採用鋸木廠之圓材平均價（已計入樹木種類、樹齡及所在地點）計算。

估值師之估值意見已計入合理之再購率（已就採伐前及採伐時之損失作準備，並扣除採伐及將木材由樹林運輸至銷售點所需之成本）。估值師在估值時曾考慮之其他成本分別為：採伐及運輸至大路或銷售點之成本、當地及國家稅項基金、林產業津貼及森林管理成本。

21. Investment in subsidiaries

21. 於附屬公司之投資

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	1,455,350	1,455,350

The balances due from subsidiaries included in the Company's current assets and current liabilities are unsecured, interest-free and have no fixed terms of repayment.

計入公司之流動資產及流動負債之應收附屬公司之結餘為無抵押、免息及無固定償還期限。

21. Investment in subsidiaries

(Continued)

Particulars of the principal subsidiaries are as follows:

Name 公司名稱	Place of Incorporation/ establishment and operations 註冊成立/成立 及營業地點	Nominal value of Paid-upshare/ registered capital 實繳股本/ 註冊資本面值	Percentage of equity attributable to the Company 公司應佔股本百分比				Principal activities 主要業務
			2011 二零一一年		2010 二零一零年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Green & Good Group Limited ("Green & Good") 綠之嘉集團有限公司 (「綠之嘉」)	British Virgin Islands 英屬處女群島	Ordinary US\$100 普通股 100 美元	100	—	100	—	Investment holding 投資控股
Leeka Wood Co., Ltd. ("Leeka Wood") 綠之嘉木業有限公司 (「綠之嘉木業」)	The PRC 中國	RMB100,000,000 人民幣 100,000,000 元	—	100	—	100	Exploitation and management of timber resources 開發及管理林木資源
綠之嘉木業(普洱)有限公司	The PRC 中國	RMB5,000,000 人民幣 5,000,000 元	—	100	—	100	Exploitation and management of timber resources 開發及管理林木資源
Superb Summit (Hong Kong) Management Company Limited 奇峰(香港)管理有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通股 1,000 港元	100	—	100	—	Provision of management services 提供管理服務
北京奇峰乾元信息科技 有限公司	The PRC 中國	RMB23,000,000 人民幣 23,000,000 元	—	100	—	100	Provision of platform for timber trading 提供木材交易的平台
Felicity Max Limited 盛運有限公司	British Virgin Islands 英屬處女群島	Ordinary US\$10 普通股 10 美元	100	—	100	—	Investment holding 投資控股
Superb Summit International Exchange and Logistics Company Limited 奇峰國際交易物流有限公司	Hong Kong 香港	Ordinary HK\$10 普通股 10 港元	—	100	—	100	Investment holding 投資控股

21. 於附屬公司之投資 (續)

主要附屬公司之詳情如下：

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

21. Investment in subsidiaries

(Continued)

21. 於附屬公司之投資 (續)

Name 公司名稱	Place of Incorporation/ establishment and operations 註冊成立/成立 及營業地點	Nominal value of Paid-upshare/ registered capital 實繳股本/ 註冊資本面值	Percentage of equity attributable to the Company 公司應佔股本百分比				Principal activities 主要業務
			2011 二零一一年		2010 二零一零年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
聖奇峰木材交易市場(天津)有限公司 (Superb Summit Timber Exchange Market (Tianjin) Co. Ltd.)(Note) (附註)	The PRC 中國	RMB12,628,650 人民幣 12,628,650 元	—	100	N/A 不適用	N/A 不適用	Investment holding 投資控股
錦輝國際貿易(天津)有限公司 (JinHui International Trade (Tianjin) Co. Ltd.) (Note) (附註)	The PRC 中國	RMB12,627,600 人民幣 12,627,600 元	—	100	N/A 不適用	N/A 不適用	Management of port and trading of timber 管理港口及木材貿易
林博園科技(天津)有限公司 (Linboyuan Science and Technology (Tianjin) Co. Ltd.) (Note) (附註)	The PRC 中國	RMB4,925,174 人民幣 4,925,174 元	—	100	N/A 不適用	N/A 不適用	Research and development new energy 研發新能源
林博園物流(天津)有限公司 (Linboyuan Logistic (Tianjin) (Note) (附註)	The PRC 中國	RMB4,925,174 人民幣 4,925,174 元	—	51	N/A 不適用	N/A 不適用	Provision of logistics services 提供物流服務

21. Investment in subsidiaries

(Continued)

Name 公司名稱	Place of Incorporation/ establishment and operations 註冊成立/成立 及營業地點	Nominal value of Paid-upshare/ registered capital 實繳股本/ 註冊資本面值	Percentage of equity attributable to the Company 公司應佔股本百分比				Principal activities 主要業務
			2011 二零一一年		2010 二零一零年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
林博園木業(天津)有限公司 (Linboyuan Timber (Tianjin) Co. Ltd.) (Note) (附註)	The PRC 中國	RMB4,925,174 人民幣 4,925,174 元	—	51	N/A 不適用	N/A 不適用	Sales of building material and timber 銷售建築材料及木材
林博園物業服務(天津)有限公司 (Linboyuan Pealty Service (Tianjin) Co. Ltd.) (Note) (附註)	The PRC 中國	RMB7,577,190 人民幣 7,577,190 元	—	51	N/A 不適用	N/A 不適用	Property management 物業管理
林博園木制品(天津)有限公司 (Linboyuan Wood Product (Tianjin) Co. Ltd.) (Note) (附註)	The PRC 中國	RMB1,641,725 人民幣 1,641,725 元	—	51	N/A 不適用	N/A 不適用	Sales of building material and timber 銷售建築材料及木材

Note: The company was established in 2011.

附註：該公司於二零一一年成立。

21. 於附屬公司之投資 (續)

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

21. Investment in subsidiaries

(Continued)

During 2010, the Group disposed E-Today and its subsidiaries and 湖南綠之嘉木業有限公司 (“Hunan Leeka Wood”) and struck off a subsidiary. Further details of these disposals are included in notes 35 to the consolidated financial statements.

None of the subsidiaries had any debt securities subsisting at the end of the reporting period or at any time during the year.

The above table lists the subsidiaries of the Company which in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would in the opinion of the directors, result in particulars of excessive length.

21. 於附屬公司之投資 (續)

於二零一一年，集團已出售E-Today及其附屬公司以及湖南綠之嘉木業有限公司（「湖南綠之嘉」），並出清一間附屬公司。該等出售之進一步詳情載於綜合財務報表附註35。

並無附屬公司於報告期終及年內任何時間有任何債務證券。

董事認為，上表所載列之公司附屬公司，對本年度業績構成主要影響或佔集團資產淨值之主要部份。董事認為，刊載其他附屬公司之詳細資料會令本文過於冗長。

22. Investments in jointly-controlled entities

As at 31 December 2011, the Group had interests in the following significant jointly-controlled entities:

22. 於共同控制實體之投資

於二零一一年十二月三十一日，集團擁有以下重大共同控制實體之權益：

Name of entity 實體名稱	Place of establishment and operations 成立及營業地點	Class of Shares held 所持股份類別	Proportion of nominal value of registered capital held by the Group 集團所持註冊資本面值比例	Proportion of voting power and profit sharing 所佔投票權及溢利比例	Principal activities 主要業務
滿洲里中木木材交易 有限責任公司	The PRC 中國	Registered capital of Renminbi (“RMB”) 1 each 註冊資本每股面值 人民幣（「人民幣」）1元	70%	70%	Measurement, inspection, technology development and sales of timber and building material 木材及建材之計量、視察、技術開發及銷售
上海奇聽木業有限公司	The PRC 中國	Registered capital of RMB1 each 註冊資本每股面值 人民幣1元	70%	70%	Sales of building material and timber 銷售建材及木材

22. Investments in jointly-controlled entities (Continued)

The summarised financial information in respect of the Group's interests in the jointly-controlled entities which are accounted for using proportionate consolidation with the line-by-line reporting format is set out below:

		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	182	222
Current assets	流動資產	4,414	5,874
Current liabilities	流動負債	(1,676)	(2,838)
Net assets	資產淨值	2,920	3,258
Income	收入	12,924	15,412
Expenses	開支	(13,514)	(18,251)
Loss before tax	除稅前虧損	(590)	(2,839)
Income tax expense	所得稅開支	—	(19)
Loss for the year	本年度虧損	(590)	(2,858)

22. 於共同控制實體之投資 (續)

下文載列集團於共同控制實體權益之財務資料摘要，乃按逐項報告形式以比例綜合列賬：

23. Equity investments at fair value through profit or loss

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Listed equity investments in Hong Kong, 香港的上市股本投資 at market value 按市值		10,036	—

The above equity investments at 31 December 2011 were classified as held for trading and were, upon initial recognition, designated by the Group as equity investments as at fair value through profit or loss.

The market value of the Group's short term investments at the date of approval of these consolidated financial statements was approximately HK\$4,200,000.

23. 按公平值計入損益之股本投資

於二零一一年十二月三十一日，上述股本投資分類為持作買賣，並於初步確認時被集團指定為按公平值計入損益之股本投資。

於批准此等綜合財務報表日期集團的短期投資的市值約為4,200,000港元。

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

24. Trade receivables

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade receivables	應收貿易賬項	31	239
Less: allowance for doubtful debts	減：呆賬撥備	(31)	—
		—	239

The Group normally allows credit terms ranging from 30 to 90 days to its customers.

An aging analysis of the trade receivables net of allowance for doubtful debts at the end of the reporting period, based on the date of recognition of the sale, is as follows:

24. 應收貿易賬項

集團一般給予客戶30至90日之信貸期。

根據銷售確認日期而劃分於報告期終應收貿易賬項(扣除呆賬撥備)之賬齡分析如下：

		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 - 30日	—	210
31 - 60 days	31 - 60日	—	—
61 - 90 days	61 - 90日	—	—
Over 90 days	90日以上	31	29
		31	239

In the opinion of directors, the Group has provided sufficient impairment on those trade receivables which are past due.

董事認為，集團已就該等已逾期之應收貿易賬項計提足夠減值撥備。

24. Trade receivables (Continued)

Movement in the allowance for doubtful debts 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
1 January	一月一日	—	14,721
Impairment losses recognised in respect of trade receivables	就應收貿易賬項確認 之減值虧損	30	—
Amount written off as uncollectible	作為不可收回項目撇銷之金額	—	(14,721)
Exchange realignment	匯兌調整	1	—
31 December	十二月三十一日	31	—

As at 31 December 2011, included in the allowance for doubtful debts were individually impaired trade receivables with an aggregate balance of HK\$31,000, which is 1 year past due.

The Group did not hold any collateral over these balances.

24. 應收貿易賬項 (續)

呆賬撥備之變動如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
1 January	一月一日	—	14,721
Impairment losses recognised in respect of trade receivables	就應收貿易賬項確認 之減值虧損	30	—
Amount written off as uncollectible	作為不可收回項目撇銷之金額	—	(14,721)
Exchange realignment	匯兌調整	1	—
31 December	十二月三十一日	31	—

於二零一一年十二月三十一日，呆賬撥備包括個別已減值並已逾期一年之應收貿易賬項，結餘總額為31,000港元。

集團並無就該等結餘持有任何抵押品。

25. Prepayments, deposits and other receivables

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Prepayment	預付款項	18,274	9,802
Deposits	訂金	302	116
Other receivables	其他應收款項	36,002	33,566
Amount due from a jointly-controlled entity	應收共同控制實體之款項	219	—
Amount due from a related company — (“G&G Wood”)	應收關聯公司之款項 — (“綠之嘉木制品”)	—	5,983
		54,797	49,467

The amount due from a jointly-controlled entity and a related company is unsecured interest free and has no fixed terms of repayment.

25. 預付款項、訂金及其他應收款項

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Prepayment	預付款項	18,274	9,802
Deposits	訂金	302	116
Other receivables	其他應收款項	36,002	33,566
Amount due from a jointly-controlled entity	應收共同控制實體之款項	219	—
Amount due from a related company — (“G&G Wood”)	應收關聯公司之款項 — (“綠之嘉木制品”)	—	5,983
		54,797	49,467

應收共同控制實體及關聯公司之款項為無抵押、不計息及無固定還款期。

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

26. Cash and cash equivalents

26. 現金及現金等值項目

		The Group 集團	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Bank balances	銀行結餘	5,203	6,551
Cash in hand	手頭現金	498	136
Cash held in a licensed corporation	於持牌法團持有之現金	12	93,277
		5,713	99,964

Cash and cash equivalents from continuing operations are denominated in the following currencies:

持續經營業務所產生之現金及現金等值項目以下列貨幣列值：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Hong Kong Dollars	港元	3,659	93,402
Renminbi	人民幣	1,861	6,509
US Dollars	美元	193	53
		5,713	99,964

Cash and deposits with banks of HK\$1,861,000 (2010:HK\$6,509,000) for the Group are denominated in RMB, which is not a freely convertible currency and the remittance of funds out of the PRC is subject to the exchange control imposed by the PRC government.

集團之現金及銀行存款1,861,000港元(二零一零年：6,509,000港元)乃以人民幣列值，人民幣並非可自由兌換之貨幣，將資金自中國匯出須遵守中國政府實施之外匯管制。

Deposits with banks are interest bearing at the prevailing market rates.

銀行存款按現行市場利率計息。

27. Trade payables

An aging analysis of the trade payables at the end of the reporting period, based on the receipt of goods purchased, 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 - 30 日	—	—
31 - 60 days	31 - 60 日	—	—
61 - 90 days	61 - 90 日	—	—
90 - 180 days	91 - 180 日	—	—
Over 180 days	180 日以上	226	215
		226	215

27. 應付貿易賬項

根據所購買之貨物收訖日期而劃分之報告期終應付貿易賬項之賬齡分析如下：

28. Other payables and accruals

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Other payables	其他應付款項	22,087	32,960
Accruals	應計款項	5,349	2,988
Receipt in advance	預收款項	11,473	12,768
Amount due from a jointly-controlled entity	應收共同控制實體之款項	1,341	—
Amount due to a related company — G&G Wood	應付關聯公司之款項 — 綠之嘉木制品	—	570
		40,250	49,286

28. 其他應付款項及應計款項

The amount due to a jointly-controlled entity and the amount due to a related company are unsecured, interest free and have no fixed terms of repayment.

應付共同控制實體及關聯公司的款項為無抵押、免息及無固定償還期限。

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

29. Deferred taxation

No provision for deferred tax had been made as the Group did not have any significant unprovided deferred tax in respect of the year (2010: Nil).

29. 遞延稅項

集團於年內並無任何重大未撥備遞延稅項，故並無就遞延稅項作出撥備（二零一零年：無）。

30. Convertible notes

On 27 November 2009, the Group completed the acquisition of 30% equity interests in Green & Good, which owned 100% equity interests in Leeka Wood from Superview International Limited (“Superview”), the Company issued convertible notes (A) (the “Convertible Notes (A)”) as partial settlement of the acquisition consideration.

On 27 November 2009, pursuant to the release of the counter guarantee obligations of Leeka Wood and G&G Wood under the Counter Guarantee Agreements. The Company issued convertible notes (B) (the “Convertible Notes (B)”) to Superview as the partial settlement of the consideration.

30. 可換股票據

於二零零九年十一月二十七日，集團完成向超景國際有限公司（「超景」）收購綠之嘉30%股本權益，綠之嘉擁有綠之嘉木業100%股本權益，公司發行可換股票據(A)（「可換股票據(A)」）以結付部份收購代價。

於二零零九年十一月二十七日，綠之嘉木業及綠之嘉木制品各自於反擔保協議下之反擔保責任獲解除。公司向超景發行可換股票據(B)（「可換股票據(B)」）以結付部份代價。

30. Convertible notes (Continued)

Each of convertible notes is bifurcated into liability component and equity component. The equity component is presented in equity heading (“convertible notes equity reserve”). The movement of the liability and equity components of the convertible notes for the year is set out below:

30. 可換股票據 (續)

各可換股票據乃分為負債部份及權益部份。權益部份於(「可換股票據權益儲備」)之權益內列賬。可換股票據之負債及權益部份於年內之變動載列如下：

		Convertible Notes Notes (A) and (B) 可換股票據(A)及(B)
Date of issue		27.11.2009
Maturity date		26.11.2012
發行日期		二零零九年 十一月二十七日
到期日		二零一二年 十一月二十六日
		HK\$'000 千港元
<hr/>		
Liability components	負債部份	
At 1 January 2010	於二零一零年一月一日	153
Interest expenses	利息開支	1,192
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At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日 及二零一一年一月一日	1,345
Interest expenses	利息開支	433
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At 31 December 2011	於二零一一年十二月三十一日	1,778
<hr/>		
Equity components	權益部份	
At 1 January 2010	於二零一零年一月一日	334,151
Conversion of convertible notes	轉換可換股票據	(159,624)
<hr/>		
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日 及二零一一年一月一日	174,527
Conversion of convertible notes	轉換可換股票據	(117,826)
<hr/>		
At 31 December 2011	於二零一一年十二月三十一日	56,701

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

30. Convertible notes (Continued)

ACQUISITION OF 30% EQUITY INTERESTS IN GREEN & GOOD GROUP LIMITED AND RELEASE OF COUNTER GUARANTEE

The principal terms of the Convertible Notes (A) are as follows:

Date of issue	27 November 2009
Aggregate principal amount	HK\$417 million
Denomination in multiple of	HK\$10,000,000
Interest rate per annum	0.2%, payable annually in arrears
Conversion price applicable	HK\$0.50 (Note)
Maturity date	3 years from the date of issue

The principal terms of the Convertible Notes (B) are as follows:

Date of issue	27 November 2009
Aggregate principal amount	HK\$382 million
Denomination in multiple of	HK\$10,000,000
Interest rate per annum	0.2%, payable annually in arrears
Conversion price applicable	HK\$0.50 (Note)
Maturity date	3 years from the date of issue

Note: Conversion price was adjusted from HK\$0.05 to HK\$0.50 due to the 10 to 1 share consolidation on 23 October 2009.

(a) Conversion period

The holders of the Convertible Notes (A) and (B) shall have the rights to convert the whole or part of the principal amounts of the Convertible Notes (A) and (B) into shares at any time and from time to time, following the date of issue up to (but excluding) the period of three business days ending on the maturity date. The shares to be issued and allotted upon conversion shall rank pari passu in all respects among themselves and with all other ordinary shares in issue by the Company on the date of such allotment and issue.

30. 可換股票據 (續)

收購綠之嘉集團有限公司30%股本權益及解除反擔保

可換股票據(A)之主要條款如下：

發行日期	二零零九年十一月二十七日
本金總額	417,000,000 港元
定值倍數	10,000,000 港元
年利率	0.2%，須每滿一年付息一次
適用換股價	0.50 港元 (附註)
到期日	發行日期起計三年

可換股票據(B)之主要條款如下：

發行日期	二零零九年十一月二十七日
本金總額	382,000,000 港元
定值倍數	10,000,000 港元
年利率	0.2%，須每滿一年付息一次
適用換股價	0.50 港元 (附註)
到期日	發行日期起計三年

附註：換股價已就於二零零九年十月二十三日之每十股合併為一股之股份合併由0.05港元調整至0.50港元。

(a) 換股期

可換股票據(A)及(B)持有人有權於發行日期後直至(但不包括)到期日止三個營業日為止期間隨時及不時將全部或部份可換股票據(A)及(B)本金額兌換為股份。於兌換時將予發行及配發之股份將在所有方面各自及與於有關配發及發行當日公司之所有其他已發行普通股享有同等地位。

30. Convertible notes (Continued)

(b) Put option

The Company shall be entitled to serve a written notice to the holder of the Convertible Notes (A) and (B) to convert the whole or part of the principal amounts of the Convertible Notes (A) and (B) into shares at any time and from time to time, following the date of issue of the Convertible Notes (A) and (B) up to (but excluding) the period of three business days ending on the maturity date. The shares to be issued and allotted upon conversion shall rank pari passu in all respects among themselves and with all other ordinary shares in issue by the Company on the date of such allotment and issue.

(c) Redemption option

The Company shall have the right to redeem any portion of the Convertible Notes (A) and (B) outstanding at an amount equals to the principal amounts of the Convertible Notes (A) and (B) together with any interest accrued thereon in its sole and absolute discretion at any time prior to the maturity date.

The Convertible Notes (A) and (B) contains liability component, equity component and an embedded put option and redemption option. The equity component is presented in the consolidated statement of changes in equity under the heading of “convertible notes equity reserve”. The effective interest rate of the liability component is 0.2% per annum. The directors of the Company have assessed the fair value of the Convertible Notes (A) and (B) as at 27 November 2009. The methods and assumptions applied for the valuation of the Convertible Notes (A) and (B) are as follows:

Valuation of liability and equity component

The fair values of liability and equity component were calculated based on the assumption that the Convertible Notes (A) and (B) are highly probable to convert into Company's shares. Therefore, the fair values of the Convertible Notes (A) and (B) have minimal liability portion and substantially represents the equity portion of the Convertible Notes (A) and (B).

The Group's Convertible Notes (A) and (B) issued during 2009 were valued by LCH (Asia-Pacific) Surveyors Limited.

30. 可換股票據 (續)

(b) 認沽期權

公司有權向可換股票據(A)及(B)持有人發出書面通知，以於可換股票據(A)及(B)發行日期後直至(但不包括)到期日止三個營業日為止期間隨時及不時將全部或部份可換股票據(A)及(B)本金額兌換為股份。於兌換時將予發行及配發之股份將在所有方面各自及與於有關配發及發行當日公司之所有其他已發行普通股享有同等地位。

(c) 贖回選擇權

公司有權於到期日前隨時全權酌情按相當於可換股票據(A)及(B)本金額連同任何相關應計利息之金額贖回任何部份未償還可換股票據(A)及(B)。

可換股票據(A)及(B)包含負債部份、權益部份、嵌入式認沽期權及贖回選擇權。權益部份於綜合權益變動表之「可換股票據權益儲備」內列賬。負債部份之實際利率為每年0.2%。公司董事已評估可換股票據(A)及(B)於二零零九年十一月二十七日之公平值。可換股票據(A)及(B)估值所應用之方法及假設如下：

負債及權益部份估值

負債及權益部份之公平值乃假設可換股票據(A)及(B)兌換為公司股份之可能性較高而計算。因此，可換股票據(A)及(B)之公平值所包含之負債部份甚少，主要指可換股票據(A)及(B)之權益部份。

集團於二零零九年發行之可換股票據(A)及(B)由利駿行測量師有限公司進行估值。

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31. Interest-bearing other borrowing

31. 其他計息借貸

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Current	即期		
Other loan — unsecured	其他貸款 — 無抵押	1,000	—

The Group's other loan is unsecured, bear interest at 5% per annum, and repayable within one year.

集團的其他貸款為無抵押、按年利率5%計息及須一年內償還。

32. Share capital

32. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised	法定		
Ordinary shares of HK\$0.1 each at 31 December 2010 and 2011	於二零一零年及於二零一一年 十二月三十一日 每股面值0.10港元之普通股	10,000,000,000	1,000,000
Issue and fully paid	已發行及繳足		
Ordinary shares of HK\$0.1 each at 1 January 2010	於二零一零年一月一日 每股面值0.1港元之普通股	2,892,896,581	289,290
Issue of new shares upon conversion of convertible notes (Note (a))	於轉換可換股票據時 發行新股份(附註(a))	735,960,000	73,596
Ordinary shares of HK\$0.1 each at 31 December 2010	於二零一零年十二月三十一日 每股面值0.1港元之普通股	3,628,856,581	362,886
Issue of new shares upon conversion of convertible notes (Notes (b))	於轉換可換股票據時 發行新股份(附註(b))	575,240,218	57,524
Repurchase of ordinary shares (Notes (c))	購回普通股 (附註(c))	(7,940,000)	(794)
Ordinary shares of HK\$0.1 each at 31 December 2011	於二零一一年十二月三十一日 每股面值0.1港元之普通股	4,196,156,799	419,616

32. Share capital (Continued)

Notes:

The movements in the share capital during the year ended 31 December 2010 and 2011 are as follows:

- (a) Convertible notes holders had converted their convertible notes into 735,960,000 ordinary shares during 2010.
- (b) Convertible notes holders had converted their convertible notes into 575,240,218 ordinary shares during 2011.
- (c) During the year ended 31 December 2011, the Company repurchased 7,940,000 ordinary shares on the Stock Exchange. These repurchased shares were cancelled immediately upon repurchased. The total amount paid to acquire these ordinary shares of HK\$2,041,000 was deducted from the shareholders' equity.

32. 股本 (續)

附註：

截至二零一零年及二零一一年十二月三十一日止年度之股本變動如下：

- (a) 可換股票據持有人已於二零一零年將其可換股票據轉換成735,960,000股普通股。
- (b) 可換股票據持有人已於二零一一年將其可換股票據轉換成575,240,218股普通股。
- (c) 截至二零一一年十二月三十一日止年度，公司於聯交所購回7,940,000股普通股。此等購回的股份已於購回後即時註銷。收購此等普通股所付的總額2,041,000港元從股東權益中扣除。

Month of repurchases	購回之月份	Total number of ordinary shares repurchased 購回的普通股總數	Price per share 每股價格		Aggregate consideration paid 已付代價總額 HK\$'000 千港元
			Highest 最高	Lowest 最低	
May 2011	二零一一年五月	3,395,000	0.260	0.260	886
June 2011	二零一一年六月	4,545,000	0.255	0.250	1,155
		7,940,000			2,041

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33. Share option scheme

On 11 November 2011, the Company adopted a new share option scheme (the “New Scheme”) as the share option scheme adopted 14 September 2001 (the “Old Scheme”) expired on 13 September 2011. The New Scheme became effective on 11 November 2011 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

All the share options granted under the Old Scheme for an aggregate of 794,000,000 shares of the Company lapsed on 13 September 2011.

The Company operates the share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of share option schemes include the Company’s directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, any person or entity providing research, development or other technological support to the Group, and any other person or entity determined by the directors as having contributed or may contribute to the development and growth of the Group.

At 31 December 2011, no share options have been granted under the New Scheme. The maximum number of shares issuable under share options to each eligible participant in the New Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time.

The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the grant of the share options.

33. 購股權計劃

於二零一一年十一月十一日，公司採納新的購股權計劃（「新計劃」），因為於二零零一年九月十四日採納的現有購股權計劃（「舊計劃」）已於二零一一年九月十三日屆滿。新計劃於二零一一年十一月十一日生效，除非已被註銷或修訂，否則將由該日起十年有效。

根據舊計劃授出涉及合共794,000,000股本公司股份的購股權已全部於二零一一年九月十三日失效。

公司營運購股權計劃，藉此獎勵及回饋對集團營運業績有寶貴貢獻之合資格參與者。購股權計劃之合資格參與者包括公司之董事（獨立非執行董事亦包括在內）、集團其他僱員、集團之貨品或服務供應商、集團客戶、為集團提供研究、開發或其他技術支援之個人或實體以及董事認為曾為或將為集團發展及成長帶來貢獻之任何其他人士或實體。

於二零一一年十二月三十一日，並無根據新計劃已授出的股份。於任何十二個月期間內根據新計劃可向各合資格參與者發行之最高股份數目不得超出公司於任何時間已發行股份之1%。

授出購股權之建議須於授出購股權建議之日期起計21日內獲接納，承授人亦須就此繳交合共1港元之名義代價。所授出之購股權之行使期由董事決定，期限在購股權歸屬承授人後開始，而屆滿日期不得遲於購股權授出日期起計十年。

33. Share option scheme (Continued)

Share options do not confer rights on the holders to dividends or to vote at shareholder's meetings.

33. 購股權計劃 (續)

購股權並不附予其持有人獲派股息及於股東大會上投票之權利。

Name or category of participant	參與者姓名或類別	At January 2011 於二零一一年一月	Granted during the year 年內已授出	Lapsed during the year 年內已失效	At 31 December 2011 於二零一一年十二月三十一日	Date of grant of share options ¹ 授出購股權日期 ¹	Exercise period of share options 購股權行使期限	Exercise price of share option ^{2,3} 購股權行使價 ^{2,3}
								HK\$ 港元
Directors	董事							
Lee Chi Kong	李志剛	20,000,000	—	(20,000,000)	—	10/2/2009	10/2/2009 to 13/9/2011	0.58
		2,000,000	—	(2,000,000)	—	24/7/2009	24/7/2009 to 13/9/2011	0.65
		5,000,000	—	(5,000,000)	—	15/9/2010	15/9/2010 to 13/9/2011	0.285
Jing Bin	景濱	7,500,000	—	(7,500,000)	—	13/10/2007	15/10/2007 to 13/9/2011	1.94
		2,000,000	—	(2,000,000)	—	3/3/2008	3/3/2008 to 13/9/2011	1.59
		10,000,000	—	(10,000,000)	—	10/2/2009	10/2/2009 to 13/9/2011	0.58
		6,000,000	—	(6,000,000)	—	24/7/2009	24/7/2009 to 13/9/2011	0.65
		10,000,000	—	(10,000,000)	—	15/9/2010	15/9/2010 to 13/9/2011	0.285
Cheng Man For	鄭文科	5,000,000	—	(5,000,000)	—	13/10/2007	15/09/2010 to 13/9/2011	1.94
		2,000,000	—	(2,000,000)	—	3/3/2008	3/3/2008 to 13/9/2011	1.59
		10,000,000	—	(10,000,000)	—	10/2/2009	10/2/2009 to 13/9/2011	0.58
		10,000,000	—	(10,000,000)	—	24/7/2009	24/7/2009 to 13/9/2011	0.65
		5,000,000	—	(5,000,000)	—	15/9/2010	15/9/2010 to 13/9/2011	0.285
Cheung Wai Tak	張偉德	3,000,000	—	(3,000,000)	—	15/9/2010	15/9/2010 to 13/9/2011	0.285
Li Xiangjun	李湘軍	2,000,000	—	(2,000,000)	—	15/9/2010	15/9/2010 to 13/9/2011	0.285
Zhu Guang Qian	朱光前	2,000,000	—	(2,000,000)	—	15/9/2010	15/9/2010 to 13/9/2011	0.285
Former director	前董事							
Law Wai Fai (Note)	羅偉輝 (附註)	600,000	—	(600,000)	—	3/3/2008	3/3/2008 to 13/9/2011	1.59
		200,000	—	(200,000)	—	10/2/2009	10/2/2009 to 13/9/2011	0.58
		2,000,000	—	(2,000,000)	—	24/7/2009	24/7/2009 to 13/9/2011	0.65
Consultants	顧問							
In aggregate	合計	7,500,000	—	(7,500,000)	—	13/10/2007	15/10/2007 to 13/9/2011	1.94
		14,800,000	—	(14,800,000)	—	3/3/2008	3/3/2008 to 13/9/2011	1.59
		30,000,000	—	(30,000,000)	—	10/2/2009	10/2/2009 to 13/9/2011	0.58
		130,000,000	—	(130,000,000)	—	24/7/2009	24/7/2009 to 13/9/2011	0.65
		198,600,000	—	(198,600,000)	—	15/9/2010	15/9/2010 to 13/9/2011	0.285
		—	105,000,000	(105,000,000)	—	18/1/2011	18/1/2011 to 13/9/2011	0.405
		—	30,000,000	(30,000,000)	—	14/4/2011	14/4/2011 to 13/9/2011	0.326
Employees	僱員							
In aggregate	合計	29,800,000	—	(29,800,000)	—	10/2/2009	10/2/2009 to 13/9/2011	0.58
		90,000,000	—	(90,000,000)	—	24/7/2009	24/7/2009 to 13/9/2011	0.65
		54,400,000	—	(54,400,000)	—	15/9/2010	15/9/2010 to 13/9/2011	0.285
		659,400,000	135,000,000	(794,400,000)	—			

Note: Resigned as director of the Company on 22 June 2010

附註：於二零一零年六月二十二日辭任公司董事

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33. Share option scheme (Continued)

Note: (Continued)

- (1) The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
- (2) The exercise price of the share option is subject to adjustment in the case of a capitalisation issue, rights issue, sub-division or consolidation of the Company's shares or reduction of the Company's share capital.
- (3) The number of share options and exercised price had been adjusted due to the 10 to 1 share consolidation effective from 23 October 2009.
- (4) No options were exercised during the year ended 31 December 2011 (2010: nil).

These fair value of the share options granted on 13 October 2007, 3 March 2008, 10 February 2009, 24 July 2009, 15 September 2010, 18 January 2011 and 14 April 2011 were calculated using the Black-Scholes pricing model. The inputs into the model were at the respective dates of grant of options as follows:

		13 October 2007 二零零七年 十月十三日	3 March 2008 二零零八年 三月三日	10 February 2009 二零零九年 二月十日	24 July 2009 二零零九年 七月二十四日	15 September 2010 二零一零年 九月十五日	18 January 2011 二零一零年 一月十八日	14 April 2011 二零一零年 四月十四日
Weighted average share price	加權平均股價	\$0.194 港元	\$0.156 港元	\$0.058 港元	\$0.065 港元	\$0.285 港元	0.405 港元	0.326
Exercise price	行使價	\$0.194 港元	\$0.159 港元	\$0.058 港元	\$0.065 港元	\$0.285 港元	0.405 港元	0.325
Expected volatility	預計波幅	91.32%	78.35%	98%	101.6%	74%	68%	57%
Expected life	預計年期	4	3.5	2.6	2.138	0.5	0.65	0.42
Risk-free rate	無風險利率	3.75%	1.17%	0.368%	0.128%	0.170%	0.26%	0.21%
Expected dividend yield	預計股息率	0%	0%	0%	0%	0%	0%	0%
Employee exit rate pre-vesting	歸屬前僱員離職率	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用

33. 購股權計劃 (續)

附註：(續)

- (1) 購股權之歸屬期乃自授出日期起直至行使期限開始止。
- (2) 購股權之行使價可就資本化發行、供股、公司股份分拆或合併或公司股本削減予以調整。
- (3) 購股權數目及行使價已就由二零零九年十月二十三日起每十股合併為一股之股份合併作出調整。
- (4) 於截至二零一一年十二月三十一日止年度概無任何購股權獲行使(二零一零年：無)。

該等於二零零七年十月十三日、二零零八年三月三日、二零零九年二月十日、二零零九年七月二十四日、二零一零年九月十五日、二零一一年一月十八日及二零一一年四月十四日授出之購股權之公平值乃採用「柏力克-舒爾斯」定價模式進行計算。於各授出購股權當日，該模式之輸入數值列明如下：

33. Share option scheme (Continued)

Expected volatility was determined by using the historical volatility of the Company's share price over the previous year prior to the date of grant of options. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of approximately HK\$9,970,000 for the year ended 31 December 2011 (2010: HK\$13,154,000) in relation to share options granted by the Company.

At 31 December 2011, the Company had no share options outstanding under the New Scheme.

33. 購股權計劃 (續)

預計波幅乃依據公司股價於授出購股權當日前過往一年內之歷史波幅測算。就非轉讓性、行使限制及行為考慮而言，根據管理層之最佳估計，該模式所使用之預計年期已作出調整。

截至二零一一年十二月三十一日止年度，集團就公司所授出購股權確認之總開支約為9,970,000港元（二零一零年：13,154,000港元）。

於二零一一年十二月三十一日，公司並無根據新計劃已授出但尚未行使的購股權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

34. Reserves

34. 儲備

		Share premium	Share options reserve	Convertible notes equity reserve	(Accumulated losses)/ retained profits	Total
		股份溢價	購股權儲備	可換股票據權益儲備	(累計虧損) / 保留溢利	合計
		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
Company	公司					
At 1 January 2010	於二零一零年一月一日	1,408,641	190,462	334,151	87,171	2,020,425
Premium arising from conversion of convertible notes into new shares	轉換可換股票據為新股份產生之溢價	86,028	—	(159,624)	—	(73,596)
Cancellation of share options	註銷購股權	—	(81,474)	—	81,474	—
Equity-settled share option arrangements	以股份為基礎之購股權安排	—	13,154	—	—	13,154
Loss for the year	本年度虧損	—	—	—	(96,585)	(96,585)
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及二零一一年一月一日	1,494,669	122,142	174,527	72,060	1,863,398
Premium arising from conversion of convertible notes into new shares	轉換可換股票據為新股份產生之溢價	60,302	—	(117,826)	—	(57,524)
Equity-settled share option arrangements	以股份為基礎之購股權安排	—	9,970	—	—	9,970
Cancellation of own shares	註銷本身股份	(1,247)	—	—	—	(1,247)
Cancellation of share option	註銷購股權	—	(132,112)	—	132,112	—
Loss for the year	本年度虧損	—	—	—	(116,184)	(116,184)
At 31 December 2011	於二零一一年十二月三十一日	1,553,724	—	56,701	87,988	1,698,413

Note:

The share premium of the Company represents: (i) the excess of the then combined net assets of the subsidiaries acquired pursuant to the Group Reorganisation over the nominal value of the share capital of the Company issued in exchange therefor; (ii) the premium utilised as a result of the capitalisation issue of shares of the Company; and (iii) the premium arising from the new issue of shares of the Company.

In accordance with the Companies Law (Revised) of the Cayman Islands, the share premium is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The share premium may also be distributed in the form of fully paid bonus shares.

附註：

公司之股份溢價包括：(i) 根據集團重組收購之附屬公司當時之合併資產淨值超出公司就交換有關資產而發行之股本面值之差額；(ii) 因資本化發行公司股份所動用之溢價；及(iii) 公司發售新股產生之溢價。

根據開曼群島公司法(經修訂)之規定，股份溢價可分派予公司股東，惟緊隨作出股息分派後，公司須能償付日常業務過程中到期應付之債務。股份溢價賬亦可以繳足紅股之方式分派。

35. Disposal of other subsidiaries

- (a) On 23 June 2010, the Group disposed of its entire equity interests in E-Today which carried out all of its electronic consumer products business.

35. 出售其他附屬公司

- (a) 於二零一零年六月二十三日，集團出售其於E-Today之全部股本權益，該公司從事其所有電子消費產品業務。

		HK\$'000 千港元
Net assets disposed of:	出售之資產淨值：	
Prepaid land lease payments	預付土地租賃款	25,706
Property, plant and equipment	物業、廠房及設備	164,370
Inventories	存貨	72,960
Trade receivables	應收貿易賬項	86,504
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	39,067
Cash and cash equivalents	現金及現金等值項目	138,293
Trade payables	應付貿易賬項	(59,004)
Other payables and accruals	其他應付款項及應計款項	(73,781)
Tax payables	應付稅項	(34,096)
Interest-bearing bank borrowings	計息銀行借貸	(45,714)
		314,305
Impairment loss of disposal group recognised in 2009	於二零零九年確認出售組別之減值虧損	(222,571)
		91,734
Cumulative exchange differences in respect of the net assets of E-Today reclassified from equity to profit or loss on loss of control of E-Today	因失去對E-Today之控制權而將其資產淨值自權益重新分類為損益產生之累計匯兌差額	(83,579)
Gain on disposal	出售收益	79,845
Satisfied by:	以下列方式支付：	
Cash	現金	88,000
An analysis of the net outflow of cash and cash equivalents in respect of the disposal of E-Today is as follows:	有關出售E-Today之現金及現金等值項目流出淨額之分析如下：	
		2010 二零一零年 HK\$'000 千港元
Cash consideration	現金代價	88,000
Cash and cash equivalents disposed of	出售之現金及現金等值項目	(138,293)
Net outflow of cash and cash equivalents in respect of the disposal of E-Today	有關出售E-Today之現金及現金等值項目流出淨額	(50,293)

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

35. Disposal of other subsidiaries

(Continued)

- (b) On 31 October 2010, the Group disposed its entire equity interests in Hunan Leeka Wood™, a wholly-owned subsidiary of the Leeka Wood, to an independent third party in a consideration of RMB29,722,000 (equivalent to approximately HK\$34,968,000).

35. 出售其他附屬公司 (續)

- (b) 於二零一零年十月三十一日，集團向一名獨立第三方出售其於湖南綠之嘉（綠之嘉木業之全資附屬公司）之全部股本權益，代價為人民幣29,722,000元（相當於約34,968,000港元）。

		HK\$'000 千港元
Net assets disposed of:	出售之資產淨值：	
Prepaid land lease payments	預付土地租賃款	25,954
Amount due from Leeka Wood	應收綠之嘉木業款項	27,791
Cash and cash equivalents	現金及現金等值項目	180
Other payables and accruals	其他應付款項及應計款項	(4,473)
Tax payables	應付稅項	(2)
		49,450
Cumulative exchange differences in respect of the net assets of Hunan Leeka Wood reclassified from equity to profit or loss on loss of control of Hunan Leeka Wood	有關湖南綠之嘉淨資產因喪失對湖南綠之嘉之控制權而由權益重新分類至損益之累計滙兌差額	1,311
Loss on disposal	出售虧損	(15,793)
Consideration	代價	34,968
Satisfied by:	以下列方式支付：	
Elimination of the amount due from Leeka Wood and other payables of the Group	對銷應收綠之嘉木業款項及集團其他應付款項	(34,733)
Cash	現金	(235)
		—
An analysis of the net inflow of cash and cash equivalents in respect of the disposal of Hunan Leeka Wood is as follows:	有關出售湖南綠之嘉之現金及現金等值項目流入淨額之分析如下：	
		HK\$'000 千港元
Cash consideration	現金代價	235
Cash and cash equivalents disposed of	出售之現金及現金等值項目	(180)
Net inflow of cash and cash equivalents in respect of the disposal of Hunan Leeka Wood	有關出售湖南綠之嘉之現金及現金等值項目流入淨額	55

35. Disposal of other subsidiaries*(Continued)*

- (c) During 2010, the Group struck off a subsidiary, Stack Gains Investments Limited.

	HK\$'000 千港元
Net liabilities disposed of:	
Other payables and accruals	(2,520)
Gain on disposal	2,520

35. 出售其他附屬公司 (續)

- (c) 於二零一零年，集團已出清其附屬公司 Stack Gains Investments Limited。

36. Major non-cash transactions

During the year ended 31 December 2011, the Group disposed of certain biological assets for a consideration of approximately HK\$36,912,000 which was used to net off against forest maintenance fee of approximately HK\$21,002,000 and an amount of approximately HK\$15,910,000 due to the buyer of these biological assets.

37. Contingent liabilities

The Group did not have any contingent liabilities at the end of the reporting period (2010: Nil).

38. Pledge of assets

At the end of the reporting period, none of the Group's assets (2010: Nil) were pledged to secure the Group's banking facilities.

36. 重大非現金交易

截至二零一一年十二月三十一日止年度，本集團出售若干生物資產，代價約為36,912,000港元，該等款項乃用作抵銷森林維護費約21,002,000港元以及應付此等生物資產買方的一筆款項為數約15,910,000港元。

37. 或然負債

於報告期終，集團並無任何或然負債（二零一零年：無）。

38. 資產抵押

於報告期終並無集團資產（二零一零年：無）已抵押作集團銀行融資之抵押。

Notes to the Consolidated Financial Statements

綜合財務報表附註

39. Commitments

- a) Capital commitments outstanding at the end of the reporting period not provided for in the consolidated financial statements 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
Contracted for:	已訂約：		
Capital expenditure in relation to infrastructure in Tianjin	與於天津的基建有關的資本開支	10,100	—

- b) The Group leases certain leasehold land and buildings under operating lease. The original lease terms for these leasehold land and buildings ranged from one to twenty years.

At the end of the reporting period, the Group had commitment for future minimum lease payments under non-cancellable operating leases falling due as follows:

		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	8,474	371
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	16,193	—
After 5 years	五年後	9,281	—
		33,948	371

39. 承擔

- a) 於本報告期末並無於此等綜合財務報表內撥備的未償還資本承擔如下：

- b) 集團根據經營租賃租賃若干租賃土地及樓宇。該等租賃土地及樓宇之原定租期介乎一至二十年。

於報告期終，集團於下列年期內屆滿之不可撤銷經營租賃之未來最低租金付款承擔如下：

40. Financial instruments by categories

The carrying amounts of each of the categories of financial instruments of the Group as at the end of the reporting period are as follows:

Financial assets

2011	二零一一年	Fair value through profit or loss 按公平值計入損益 HK\$'000 千港元	Loans and receivables 貸款及應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Equity investments at fair value through profit or loss	按公平值計入損益之股本工具	10,036	—	10,036
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	—	54,797	54,797
Cash and cash equivalents	現金及現金等值項目	—	5,713	5,713
		10,036	60,510	70,546
			Loans and receivables 貸款及應收款項 HK\$'000 千港元	
2010	二零一零年			
Trade receivables	應收貿易賬項			239
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項			49,467
Cash and cash equivalents	現金及現金等值項目			99,964
				149,670

Financial liabilities

金融負債

Financial liabilities at amortised cost	按攤銷成本列值之金融負債	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade payables	應付貿易賬項	226	215
Other payables and accruals	其他應付款項及應計款項	40,250	49,286
Convertible notes interest payable	應付可換股票據利息	1,778	1,345
Interest-bearing other borrowing	其他計息借貸	1,000	—
		43,254	50,846

40. 按類別劃分之金融工具

於報告期終，集團各金融工具類別之賬面值如下：

金融資產

2011	二零一一年	Fair value through profit or loss 按公平值計入損益 HK\$'000 千港元	Loans and receivables 貸款及應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Equity investments at fair value through profit or loss	按公平值計入損益之股本工具	10,036	—	10,036
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	—	54,797	54,797
Cash and cash equivalents	現金及現金等值項目	—	5,713	5,713
		10,036	60,510	70,546

Loans and receivables
貸款及應收款項
HK\$'000
千港元

2010	二零一零年			
Trade receivables	應收貿易賬項			239
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項			49,467
Cash and cash equivalents	現金及現金等值項目			99,964
				149,670

Financial liabilities

金融負債

Financial liabilities at amortised cost	按攤銷成本列值之金融負債	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade payables	應付貿易賬項	226	215
Other payables and accruals	其他應付款項及應計款項	40,250	49,286
Convertible notes interest payable	應付可換股票據利息	1,778	1,345
Interest-bearing other borrowing	其他計息借貸	1,000	—
		43,254	50,846

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

40. Financial instruments by categories (Continued)

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: Fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: Fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

As at the end of the reporting periods, the financial instruments of convertible bonds are measured at fair value based on Level 3 to determine their fair values.

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.

41. Related party transactions

- a) Except for transactions and balances disclosed elsewhere in the consolidated financial statements, the Group has no other significant transactions and balances with its related party during the year.
- b) Compensation of key management personnel of the Group:

Details of directors' emoluments are included in Note 12 to the consolidated financial statements.

40. 按類別劃分之金融工具 (續)

本集團利用以下等級釐定及披露金融工具之公平值：

- 第一層：公平值計量乃從已識別資產或負債於活躍市場中所報未調整價格得出
- 第二層：公平值計量乃基於對所記錄公平值有重大影響之所有輸入數據均可直接或間接被觀察之估值方法得出
- 第三層：公平值計量乃基於對所記錄公平值有重大影響之任何輸入數據並非來自可觀察市場數據（不可觀察輸入數據）之估值方法得出按公平值計量之資產

於報告期終，可換股債券之金融工具根據第三層釐定之公平值按公平值計量。

公司董事認為，於綜合財務報表內按攤銷成本列值之金融資產及金融負債之賬面值與其公平值相若。

41. 關連人士交易

- a) 除綜合財務報表另行披露之交易及結餘外，集團年內與關連人士之間並無其他重大交易及結餘。
- b) 集團主要管理人員之酬金：

董事酬金之詳情列於綜合財務報表附註12。

42. Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, deposits and other receivables, and cash and cash equivalents, trade payables, other payables and accruals and convertible notes interest payable. Details of these financial instruments are disclosed in respective notes to the consolidated financial statements. The risks associated with these financial instruments and 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.

(a) Credit risks

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 December 2011 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. The Group manages its exposure to credit risk through continual monitoring of the credit quality of its customers, taking into account their financial position, collection history, past experience and other relevant factors. In addition, the Group reviews regularly the recoverable amount of each individual trade receivable to ensure that adequate impairment loss provision are made for probable irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

(b) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

42. 金融風險管理目標及政策

集團主要金融工具包括應收貿易賬項、訂金及其他應收款項、現金及現金等值項目、應付貿易賬項、其他應付款項及應計款項以及應付可換股票據利息。該等金融工具詳情於各自之綜合財務報表附註披露。該等金融工具相關風險及如何減輕風險之政策載列於下文。管理層管理及監察風險承擔，確保以及時及有效方式實施適當措施。

(a) 信貸風險

於二零一一年十二月三十一日，在對手方未能履行責任之情況下，就各類別已確認金融資產而言，集團之最高信貸風險承擔為綜合財務狀況報表所列該等資產之賬面值。集團透過持續監察其客戶之信貸質素管理其信貸風險承擔，並經考慮其財政狀況、追討歷史、過往經驗及其他相關因素。此外，集團定期檢討各個別應收貿易賬項之可收回金額，確保可能不可收回金額計提充足減值虧損撥備。就此，公司董事認為，集團之信貸風險顯著減少。

(b) 現金流量及公平值利率風險

由於集團並無重大附息資產，故集團之收入及經營現金流量大部份與市場利率變動無關。

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

42. Financial risk management objectives and policies (Continued)

(c) Foreign currency risk

The Group has transactional currency exposures, primarily with respect to Renminbi for the year ended 31 December 2011. Such exposures arise from sales of goods in currencies other than the Group's functional currency. All of the Group's sales are denominated in Hong Kong Dollars and Renminbi for the year ended 31 December 2011.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The Group conducts its business transactions principally on Hong Kong Dollar and Renminbi. The exchange rate risk of the Group is not significant.

(d) Liquidity risk

Regarding the present policy in the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

Internally generated cash flow is the general sources of funds to finance the operations of the Group. The Group's liquidity risk management includes diversifying the funding sources. The Group regularly reviews its major funding positions to ensure it has adequate financial resources in meeting its financial obligations.

Prudent liquidity risk management implies maintaining sufficient cash, the available of funding through an adequate amount of committed credit facilities and the ability to close our market positions. Due to the dynamic nature of the underlying business, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

42. 金融風險管理目標及政策 (續)

(c) 外幣風險

截至二零一一年十二月三十一日止年度，集團承擔之交易貨幣風險主要與人民幣有關。有關風險源自按集團功能貨幣以外貨幣銷售貨品。截至二零一一年十二月三十一日止年度，集團所有銷售均以港元及人民幣計值。

集團現時並無外幣對沖政策。然而，管理層密切監察外匯風險承擔，並將考慮在必要時對沖重大外幣風險。

集團主要以港元及人民幣進行業務交易。集團之匯率風險輕微。

(d) 流動資金風險

就管理層有關流動資金之現行政策而言，集團監察及維持管理層視作充足之現金及現金等值項目水平，以撥付集團營運及減低現金流量波動之影響。

集團一般以內部產生之現金流量為業務提供資金。集團之流動資金風險管理包括多元化之資金來源。集團定期審閱其主要資金狀況，以確保擁有足夠之財務資源應付財務責任。

審慎流動資金風險管理包括維持充足現金、透過已承諾信貸融資之足夠金額提供可動用資金以及提升集團市場地位之能力。由於相關業務之互動性質，集團致力保持可動用之已承諾信貸，藉以維持資金供應之靈活性。

42. Financial risk management objectives and policies *(Continued)*

(d) Liquidity risk *(Continued)*

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments is within 1 year (2010: within 1 year).

(e) Fair values of financial assets and financial liabilities

The fair value of financial assets and financial liabilities are assumed to be the same as their carrying values.

43. Capital risk management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and various reserves. The directors of the Company review the capital structure on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the associated risks and take appropriate actions to adjust the Group's capital structure. The overall strategy of the Group remained unchanged during the two years ended 31 December 2011 and 2010.

42. 金融風險管理目標及政策 (續)

(d) 流動資金風險 (續)

於報告期終，根據已訂約未折現付款，集團金融負債之到期期限為一年內（二零一零年：一年內）。

(e) 金融資產及金融負債之公平值

金融資產及金融負債公平值假設與其賬面值相同。

43. 資本風險管理

集團管理其資本以確保集團將能夠以持續經營方式營運，同時亦透過達致債務與股本之間最佳之平衡而為股東爭取最大回報。

集團之資本架構包括現金及現金等值項目及公司擁有人應佔權益，包括已發行股本及各種儲備。公司董事定期檢討資本架構。作為檢討一部份，公司董事考慮資本成本及相關風險，並採取適當行動調整集團之資本架構。截至二零一一年及二零一零年十二月三十一日止兩年內，集團之整體策略維持不變。

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

44. Event after the reporting period

Grant of Share Options

On 17 January 2012, the Group granted 400,000,000 share options to subscribe for ordinary shares of HK\$0.10 each to individuals. The exercise price is HK\$0.145 per share and the validity period of the share options is from 17 January 2012 to 10 November 2021. Among the total 400,000,000 share options, none of share options were granted to the directors of the Company.

Proposed Investments

On 17 November 2011, the Company and Stone Group Holdings Limited, a company incorporated in Hong Kong with limited liability, entered into a framework agreement, pursuant to which, subject to the conclusion of and entering into formal sale and purchase agreements, the Company proposed to acquire: 1) not less than 51% of the issued share capital of Stone Resources Limited ("SRL"), a company incorporated in Bermuda with limited liability and its shares are listed on the TSX Venture Exchange in Canada; and 2) not less than 14% of CGL, a company incorporated in Australia with limited liability and its shares are listed on the Australian Securities Exchange and Frankfurt Stock Exchange. SRL owns approximately 67.04% of Stone Resources Australia Limited ("SRAL") (formerly known as A1 Minerals Limited), a company incorporated in Australia with limited liability and its shares are listed on the Australian Securities Exchange. The principal activities of both SRAL and CGL are mineral exploration and gold production and their mining tenements are located in the region of Laverton in Western Australia.

On 10 February 2012, the Group entered into HK\$39,000,000 loan agreement with Stone Resources Limited (the "borrower"), a company incorporated in Bermuda and listed on the TSX Venture Exchange in Canada. The Company aims to provide interest income to the Company and provide the Group with an opportunity to participate in the investment in the borrower in the event of conversion of the Loan into convertible notes.

On 4 March 2012, the Group entered into formal agreements in relation to the above-mentioned proposed investments. Details of these proposed investments are included in the announcement that will be published by the Company once clearance on the announcement from The Stock Exchange of Hong Kong Limited has been obtained.

44. 報告期後事項

授出購股權

於二零一二年一月十七日，集團向多名個人授出400,000,000份購股權，該等購股權可認購本公司每股面值0.10港元的普通股。該等購股權的行使價為每股0.145港元，有效期由二零一二年一月十七日至二零一二年十一月十日止。在該等合共400,000,000份購股權中，並無向公司的董事授出的購股權。

建議投資

於二零一一年十一月十七日，本公司與四通控股有限公司（於香港註冊成立之有限公司）訂立一項框架協議，據此，受限於落實及訂立正式的買賣協議規限下，公司建議收購：1) 四通資源有限公司（「四通」，於百慕達註冊成立之有限公司，其股份於加拿大多倫多證券交易所創業板上市）已發行股本不少於51%；及；2) CGL（於澳洲註冊成立的有限公司，其股份於澳洲證券交易所及法蘭克福證券交易所上市）不少於14%。四通擁有 Stone Resources Australia Limited（「SRAL」，前稱A1 Minerals Limited，一間於澳洲註冊成立的有限公司，其股份於澳洲證券交易所上市）已發行股本約67.04%。SRAL及CGL的主要業務為礦物開採及黃金生產，其採礦場均位於西澳洲Laverton。

於二零一二年二月十日，集團與四通資源有限公司（「借方」，於百慕達註冊成立之有限公司，其股份於加拿大多倫多證券交易所創業板上市）訂立39,000,000港元之貸款協議。公司旨在賺取利息收入及待貸款轉換為可換股票據後讓集團有機會投資於借方。

於二零一二年三月四日，集團就上述的建議投資訂立正式的協議。有關此等建議投資之詳情載於公司將作出之公佈，該公佈待獲得香港聯合交易所有限公司審批後將予刊登。



奇峰國際
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