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Corporate Information
公司資料

BOARD OF DIRECTORS
董事會

Executive Directors	執行董事
Mr. Cheung Kwok Wing *(Chairman)*	張國榮先生*(主席)*
Mr. Chan Wing Kwan *(Managing Director)*	陳永錕先生*(董事總經理)*
Mr. Cheung Kwong Kwan	張廣軍先生
Mr. Chang Wing Yiu	鄭永耀先生
Mr. Ho Yin Sang	何燕生先生
Ms. Cheung Wai Lin, Stephanie	張偉連女士
Mr. Mok Cham Hung, Chadwick	莫湛雄先生
Independent Non-Executive Directors	**獨立非執行董事**
Mr. Cheng Wai Chee, Christopher	鄭維志先生
Mr. Henry Tan	陳亨利先生
Mr. Lai Chung Wing, Robert	黎忠榮先生
Mr. Tse Kam Hung	謝錦洪先生

COMPANY SECRETARY
公司秘書

Mr. Lo Ka Leong
羅家亮先生

PRINCIPAL BANKERS
主要往來銀行

Bank of America, N.A.	美國銀行
Bank of Communications Co., Ltd., Hong Kong Branch	交通銀行股份有限公司香港分行
China Construction Bank Corporation	中國建設銀行股份有限公司
Citibank, N.A.	花旗銀行
DBS Bank Ltd., Hong Kong Branch	星展銀行香港分行
The Hongkong and Shanghai Banking Corporation Limited	香港上海滙豐銀行有限公司
Standard Chartered Bank (Hong Kong) Limited	渣打銀行(香港)有限公司

AUDITOR
核數師

Deloitte Touche Tohmatsu	德勤・關黃陳方會計師行
Certified Public Accountants	執業會計師

HONG KONG LEGAL ADVISORS
Mallesons Stephen Jaques

香港法律顧問
萬盛國際律師事務所

REGISTERED OFFICE
Ground Floor, Caledonian House
Mary Street, P.O. Box 1043
George Town
Grand Cayman
Cayman Islands
British West Indies

註冊辦事處
Ground Floor, Caledonian House
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George Town
Grand Cayman
Cayman Islands
British West Indies

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS
2nd Floor, Harbour View 1
No. 12 Science Park East Avenue
Phase 2 Hong Kong Science Park
Shatin
Hong Kong

總辦事處及主要營業地點
香港
沙田
香港科學園第二期
科技大道東十二號
海濱大樓一座二樓

PRINCIPAL SHARE REGISTRAR
The Harbour Trust Co. Ltd.
3rd Floor
One Regis Place
P.O. Box 1787
George Town
Grand Cayman Islands
British West Indies

股份登記處總處
The Harbour Trust Co. Ltd.
3rd Floor
One Regis Place
P.O. Box 1787
George Town
Grand Cayman Islands
British West Indies

BRANCH SHARE REGISTRAR IN HONG KONG
Tricor Secretaries Limited
26/F, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

股份登記處香港分處
卓佳秘書商務有限公司
香港灣仔
皇后大道東二十八號
金鐘匯中心二十六樓

Financial Highlights
財務摘要

		Year ended 31 December 2009 截至二零零九年十二月三十一日止年度 HK$'Million 百萬港元	Year ended 31 December 2008 截至二零零八年十二月三十一日止年度 HK$ 'Million 百萬港元
Revenue	營業額	23,772.5	23,681.4
Underlying profit before tax*	基本稅前溢利*	3,098.5	2,723.3
Net profit attributable to shareholders	股東應佔純利		
– Underlying net profit*	－基本純利*	2,239.0	2,103.6
– Reported net profit	－賬面純利	2,396.0	1,705.9
Basic earnings per share	每股基本盈利		
– Based on underlying net profit*	－以基本純利計算*	HK$2.651港元	HK$2.499港元
– Based on reported net profit	－以賬面純利計算	HK$2.837港元	HK$2.026港元
Full-year dividend per share	每股全年股息	HK75.0 cents 港仙	HK70.0 cents 港仙
– Interim dividend per share	－每股中期股息	HK30.0 cents 港仙	HK40.0 cents 港仙
– Proposed final dividend per share	－建議每股末期股息	HK45.0 cents 港仙	HK30.0 cents 港仙
Dividend payout ratio	派息比率	26%	35%
Net asset value per share	每股資產淨值	HK$25.5 港元	HK$23.1 港元
Net gearing	淨負債比率	22%	23%

* Excluding:

2009:
(1) net loss on disposal of subsidiaries of HK$82.6 million
(2) gain on disposal of partial interests in subsidiaries of HK$340.0 million
(3) impairment loss on available-for-sale investments of HK$111.8 million (net of the portion shared by minority shareholders)
(4) discount on acquisition of HK$11.4 million (net of the portion shared by minority shareholders)

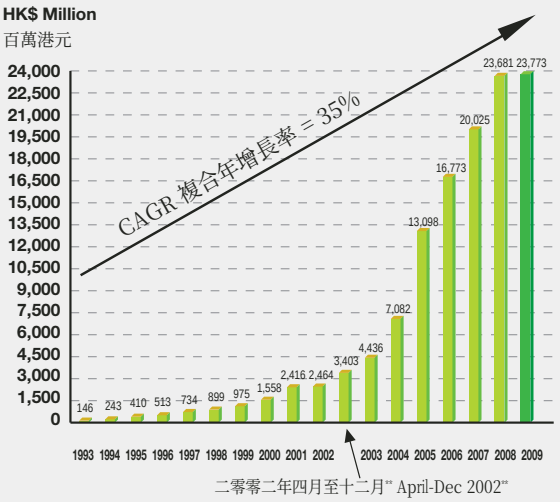
2008:
(1) loss on disposal of convertible bond and interest in an associate of HK$189.7 million
(2) impairment loss on available-for-sale investments of HK$253.2 million
(3) discount on acquisition of HK$45.1 million

* 不包括：

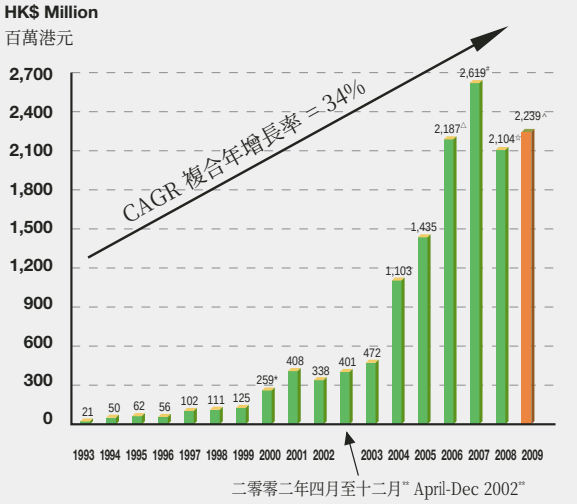
二零零九年：
(1) 出售附屬公司之虧損淨額八千二百六十萬港元
(2) 出售附屬公司部份權益之收益三億四千萬港元
(3) 可供出售投資之減值虧損一億一千一百八十萬港元(扣除少數股東所佔份額)
(4) 收購折讓一千一百四十萬港元(扣除少數股東所佔份額)

二零零八年：
(1) 出售可換股債券及一間聯營公司權益之虧損一億八千九百七十萬港元
(2) 可供出售投資之減值虧損二億五千三百二十萬港元
(3) 收購折讓四千五百一十萬港元

Revenue
營業額



Profit Attributable to Owners of the Company
本公司持有人應佔溢利



Note: Changed financial year end to December from March 2002 onwards

附註：自二零零二年三月起，財政年度年結日改為十二月

* Excluding the gain from the spin off of copper foil business of HK$178.4 million

** Annualized

△ Excluding the gain from the spin off of laminate business of HK$4.8 billion and discount on acquisition of HK$49.7 million

Excluding the gain on fair value change of conversion and redemption option derivative of HK$182.4 million; loss on disposal and deemed disposal of interest in an associate of HK$23.7 million and discount on acquisition of HK$1.0 million

☆ Excluding:

(1) loss on disposal of convertible bond and interest in an associate of HK$189.7 million

(2) impairment loss on available-for-sale investments of HK$253.2 million

(3) discount on acquisition of HK$45.1 million

^ Excluding:

(1) net loss on disposal of subsidiaries of HK$82.6 million

(2) gain on disposal of partial interests in subsidiaries of HK$340.0 million

(3) impairment loss on available-for-sale investments of HK$111.8 million (net of the portion shared by minority shareholders)

(4) discount on acquisition of HK$11.4 million (net of the portion shared by minority shareholders)

* 不包括分拆銅箔業務所得之178,400,000港元之收益

** 按年度基準計算

△ 不包括分拆覆銅面板業務所得之4,800,000,000港元之收益及收購折讓49,700,000港元

不包括可換股及贖回選擇權衍生工具之公平值變動收益182,400,000港元，出售及視作出售一間聯營公司權益之虧損23,700,000港元及收購折讓1,000,000港元

☆ 不包括：

(1) 出售可換股債券及一間聯營公司權益之虧損一億八千九百七十萬港元

(2) 可供出售投資之減值虧損二億五千三百二十萬港元

(3) 收購折讓四千五百一十萬港元

^ 不包括：

(1) 出售附屬公司之虧損淨額八千二百六十萬港元

(2) 出售附屬公司部份權益之收益三億四千萬港元

(3) 可供出售投資之減值虧損一億一千一百八十萬港元(扣除少數股東所佔份額)

(4) 收購折讓一千一百四十萬港元(扣除少數股東所佔份額)

Chairman's Statement
主席報告

BUSINESS REVIEW

It gives me great pleasure to report to the shareholders that Kingboard Chemical Holdings Limited ("the Group") delivered solid financial performance for the financial year ended 31 December 2009. Despite a tough start in the first quarter of 2009, the Group saw impressive operational improvement in three core businesses from the second quarter of 2009 due to massive stimulus packages implemented by governments worldwide. The Group continued to gain growth momentum in China as a result of our strategic focus on expanding the domestic China market, which was less affected by the global economic downturn.

Export demand for consumer products progressively improved in the second half of 2009 ("2H 2009") and domestic China market delivered sustained growth against the previous year. The Group's laminate business continues to maintain its number one position in the global laminate market and the printed circuit board ("PCB") division is the largest PCB manufacturer in China. Both divisions were able to leverage on their unrivaled market position to advance market share and made significant contributions to Group's earnings. Underpinned by rebound in construction and industrial activities in China, chemical division's performance turned around sharply in 2H 2009 with higher revenue and profit. As a result, both Group revenue and profit grew substantially in 2H 2009 against the first half of 2009 ("1H 2009"). Group revenue for the full year was 0.4% higher than the previous year at HK$23,772.5 million while underlying net profit (excluding non-recurring items) increased 6% to HK$2,239.0 million. Underscoring the Group's strategy of building a balanced business portfolio, these excellent achievements empowered the Group to ride out of the financial crisis with outstanding performance.

With over 60 manufacturing plants – most of them located in China and sales offices stretching over 3 continents, the Group has established a strong foothold in the past 20 years with total asset value over HK$43.4 billion. With our experienced and dedicated management team, excellent business model with robust financial position, the Group is in an advantageous position to seize business opportunities and deliver attractive returns to our shareholders in future.

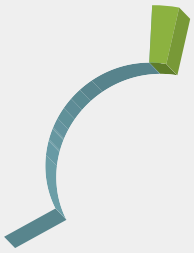
業務回顧

本人欣然公佈，建滔化工集團(「集團」)於截至二零零九年十二月三十一日止財政年度錄得卓越的業績。儘管二零零九年首季度集團業務表現略為放緩，憑藉全球各國政府積極推出刺激經濟方案，集團三大核心業務之表現於第二季度開始錄得顯著改善。集團一直專注拓展中國本土市場，由於該市場受環球經濟放緩影響較少，集團因此持續受惠於中國市場所帶來的強勁增長。

消費性產品之出口需求於二零零九年下半年大幅改善，中國本土市場亦較去年錄得可觀的增長。集團之覆銅面板部門市場佔有率穩據世界首位，印刷線路板部門則為中國最大印刷線路板生產商，兩個部門均能透過其無可匹敵的市場地位，進一步擴大市場佔有率，並為集團帶來豐碩的盈利貢獻。受惠於中國基建及工業活動轉趨活躍，化工部門的業務表現於二零零九年下半年明顯好轉，部門營業額和利潤均錄得增長。因此，二零零九年下半年集團之營業額及利潤均較上半年錄得顯著增長。集團全年營業額增長0.4%至二百三十七億七千二百五十萬港元，基本純利(不包括非經常性項目)亦增長6%至二十二億三千九百萬港元。集團獲得如此佳績，足以印證集團建立均衡業務組合的策略，成功令集團安然渡過經濟危機，並取得卓越的業績。

集團擁有超過六十家廠房，其中大部份設於中國，分銷辦事處遍佈全球三大洲。集團過去二十年建立了穩固的根基，總資產值超過四百三十四億港元。憑藉經驗豐富和專注的管理團隊，卓越的經營模式和雄厚的財務實力，集團深信定必能抓緊商機，並長遠為股東帶來可觀的回報。

Revenue Breakdown by Product 營業額分佈



Chemicals 化工產品

Others 其他

PERFORMANCE

With better than expected export demand and a thriving domestic China market, laminate business volume surged 30% in 2H 2009 against that in 1H 2009 with improved capacity utilization. Domestic consumption was effectively stimulated by the implementation of "home appliances to the country side" subsidy programme by PRC government which in turn boosted demand for paper laminates. China was our single largest geographic market with domestic sales denominated in Renminbi ("RMB") reaching approximately 40% of the Group laminates sales in 2009. Average selling price ("ASP") of laminate products was lower than the previous year. As a result, revenue (including inter-segment sales) for the laminate division declined 10% to HK$9,420.6 million. Volume sales increased around 4% with average monthly shipment reaching 8.1 million square meters. Earnings before interest and tax ("EBIT") increased substantially by 28% against 2008 to HK$1,955.8 million.

業務表現

由於出口需求較預期理想，加上中國本土市場需求蓬勃，因此，覆銅面板部門付運量於二零零九年下半年較上半年上升30%，同時下半年廠房的設備使用率亦持續改善。中國政府實施「家電下鄉」補貼政策，大大刺激本土消費，並帶動以紙覆銅面板為主的需求。中國目前為集團覆銅面板部門最大的單一市場，人民幣銷售額佔二零零九年的部門銷售額約40%。由於二零零九年覆銅面板的平均售價較二零零八年低，覆銅面板部門的營業額(包括分部間之銷售)下跌10%至九十四億二千零六十萬港元。銷售量增加約4%，每月的平均付運量達八百一十萬平方米。未扣除利息及稅項之盈利則較二零零八年大幅增長28%至十九億五千五百八十萬港元。

With strong demand for chemical products in 2H 2009, most of the Group's chemical plants operated near full capacity and achieved higher ASP. In order to secure stable feedstock supply for Huizhou phenol/acetone plant and further strengthen our vertically integrated business model, the Group strategically increased its stake in the chemical refinery plant in Yangzhou, Jiangsu province from 25% to 76% at the end of September 2009. Shortly after the take-over by the Group, the plant started to generate positive contributions to the chemical division earnings in the last quarter of 2009. In addition, Hebei acetic acid plant commenced trial production in September 2009 and continued to ramp up throughout Q4 2009. Back by additional output from these two projects, revenue (including inter-segment sales) for chemical division increased 24% to HK$9,490.1 million. Consequent to lower chemical ASP in 1H 2009 and lower capacity utilization at the initial startup at Hebei acetic acid plant in Q4 2009, EBIT of the chemical division reduced 11% to HK$590.9 million. Share of associates results (bulk of which contributed by our natural gas based methanol joint venture with China BlueChemical Limited) was down 83% to HK$64.3 million for 2009 mainly due to lower methanol ASP against last year.

由於二零零九年下半年化工產品的需求強勁，化工產品的平均售價錄得增長，集團旗下大部分化工廠房均接近滿負荷。為確保位於廣東省惠州的苯酚及丙酮廠獲得穩定的原材料供應和進一步深化集團垂直整合的經營模式，集團於二零零九年九月底策略性地增持江蘇省揚州煉化廠之權益，持股比例由25%增至76%。該廠由集團接手經營後，迅即於二零零九年第四季度為化工部門帶來正面的盈利貢獻。此外，河北醋酸廠已於二零零九年九月開始試產，並於第四季度逐步提升產能。受來自上述昀粻犵狉烻譂蘟鱖姅 6 4 畎畋磃荾 4 畎韗 4 譕鶤豷娗煣楁唱鞢飉鳷茸

LIQUIDITY AND CAPITAL RESOURCES

Our financial and liquidity position continued to be strong. As at 31 December 2009, net current assets and current ratio of the Group were approximately HK$9,520.2 million (31 December 2008 – HK$5,264.4 million) and 2.05 (31 December 2008 –1.72) respectively.

The net working capital cycle lengthened from 65 days as at 31 December 2008 to 81 days as at 31 December 2009 on the following key metrics:

– Inventories, in terms of stock turnover days, increased to 67 days (31 December 2008 – 48 days) as the Group stocked up key raw materials strategically in anticipation of rising commodity prices.

– Trade receivables, in terms of debtors turnover days, increased to 68 days (31 December 2008 – 61 days).

– Trade and bills payables, in terms of creditors turnover days, increased to 54 days (31 December 2008 – 44 days).

The Group's net gearing ratio (ratio of interest bearing borrowings net of cash and cash equivalents to total equity) was approximately 22% (31 December 2008: 23%). The proportion of bank borrowings between short term and long term stood at 30%: 70% (31 December 2008: 27%: 73%). About 10% of the bank borrowings was denominated in RMB and the rest in Hong Kong or US dollars. In 2009, the Group invested around HK$2.6 billion in new production capacities. As at 31 December 2009, the Group had approximately HK$1.98 billion properties held for development. As the Group set up over 60 manufacturing sites at various provinces in China in the past 20 years with good reputation, the Group has been invited recently by local provincial authorities to participate in certain urban redevelopment projects. With strong cash inflow generated from our core businesses together with our dedicated and experienced management team, the Group is confident that these projects will generate stable and attractive return to our shareholders in future.

流動資金及財務狀況

集團的財務狀況持續保持強健。集團於二零零九年十二月三十一日之流動資產淨值約為九十五億二千零二十萬港元(二零零八年十二月三十一日：五十二億六千四百四十萬港元)，流動比率為2.05(二零零八年十二月三十一日：1.72)。

淨營運資金週轉期由二零零八年十二月三十一日的六十五日，延長至二零零九年十二月三十一日的八十一日，細分如下：

— 由於集團預期主要原材料價格上升，因此策略性地增加主要原材料之庫存，存貨週轉期增加至六十七日(二零零八年十二月三十一日：四十八日)。

— 貿易應收款項週轉期增加至六十八日(二零零八年十二月三十一日：六十一日)。

— 貿易及應付票據賬款週轉期增加至五十四日(二零零八年十二月三十一日：四十四日)。

集團之淨負債比率(扣除現金及現金等值項目後之附息借貸與資本總額比率)約為22%(二零零八年十二月三十一日：23%)。短期與長期借貸的比例為30%：70%(二零零八年十二月三十一日：27%：73%)。銀行借貸中約10%為人民幣貸款，其餘則為港元或美元貸款。於二零零九年，集團投資了約二十六億港元添置新的生產設施。截至二零零九年十二月三十一日，集團的待發展物業約為十九億八千萬港元。集團於過去二十年在中國多個省份投資超過六十家廠房，聲譽良好，因此獲當地政府部門邀請參與一些城鎮發展的項目。憑藉集團來自核心業務的強勁現金流入及專注和經驗豐富的管理團隊，集團相信此等項目將可為股東長遠帶來穩定及可觀的回報。

The Group continued to adopt prudent financial management policy including the use of interest rate swap contract to minimize exposure to fluctuation in interest rates movement. At the end of 2009, we had entered into interest rate swap agreements of notional amount of HK$4.3 billion with reputable financial institutions for a weighed average duration and interest rate of 1.18 years and 2.99% respectively. We also entered into commodity forward contracts to manage the Group's exposure to fluctuation in commodity prices. The fair value of these contracts amounted to HK$11.6 million as at 31 December 2009. Other than derivative financial instruments in connection with our daily operations as mentioned above, the Group had not entered into any other type of derivative financial instruments throughout 2009. There was no material foreign exchange exposure to the Group during the year under review. The Group's revenue, mostly denominated in Hong Kong dollars, RMB and US dollars, was fairly matched with the currency requirement of operating expenses.

集團繼續採取審慎的財務政策，包括利用利率掉期合約，以減低利率波動所帶來的風險。於二零零九年底，集團與具良好信譽之金融機構簽訂面值為四十三億港元之利率掉期合約，有關合約之加權平均年期為1.18年，息率為2.99%。另外，集團亦訂立了商品遠期合約以減低商品價格波動對集團所帶來的風險。該等合約於二零零九年十二月三十一日之公平值為一千一百六十萬港元。除了上述與日常營運有關的衍生金融工具外，集團於年內並無訂立任何其他衍生金融工具。在回顧年度內，集團並無面對重大的外匯風險。集團的收入主要以港元、人民幣及美元結算，與營運開支的貨幣要求比例大致相符。

HUMAN RESOURCES

As at 31 December 2009, the Group had a global workforce of over 45,400 (31 December 2008: 40,800). The increase in headcount was in line with improved business volume against last year. In addition to offering competitive salary package, the Group grants share options and discretionary bonuses to eligible employees based on our overall financial achievement and their individual performance.

人力資源

於二零零九年十二月三十一日，集團在全球合共聘用員工約45,400人(二零零八年十二月三十一日：40,800人)，員工人數增加主要由於集團業務量較去年回升。集團除了提供具競爭力的薪酬待遇外，亦會根據公司的財務業績和個別員工的表現，發放優先購股權及特別獎金予合資格員工。

PROSPECTS

Laminate order bookings in the first two months of 2010 reflected continuous improvement against Q4 2009 with an uptrend of ASP against the previous quarter. Looking ahead, the Chinese government will continue to implement the subsidy policy of household appliances and automobile purchases in 2010. These measures will definitely have a positive impact on domestic consumption of electronic products which will translate into thriving demand for laminates. To capture buoyant growth in China domestic market and the recovering export market, the Group will scale up laminate production capacities by about 15% in 2010. Monthly capacity of paper laminates will expand by 400,000 sheets in 1H 2010, while monthly capacity of glass epoxy laminates and paper laminates will be raised by 400,000 sheets each in Jiangyin, Jiangsu province in 2H 2010. These additional capacities will enable us to achieve further market share gain in the global laminate market. To promote economic growth and achieve sustainable urban development, the Chinese government has initiated a new pilot scheme for the redevelopment of "Three Olds" – old towns, old villages and old factory buildings in Guangdong province. The Group has been in active discussions with local authorities in Shenzhen to explore the feasibility of redeveloping our plant in Longhua, Shenzhen.

PCB division also enjoyed good order intake momentum since the beginning of 2010 and most of our PCB plants were operating at full capacity in the first two months of 2010. Improving consumer confidence is expected to push demand growth for electronic products in most end market segments in 2010. PCB division will continue to enhance its product mix and technical capabilities especially on HDI business so as to meet customer requirements for quality products at competitive costs. In addition to organic capacity growth of approximately 15% planned in 2010, the Group will actively seek potential co-operation possibilities with other PCB shops in the market.

前景

覆銅面板部門於二零一零年首兩月的訂單情況，較二零零九年第四季度持續向好，產品平均售價較去年第四季度亦有所增加。展望未來，中國政府於二零一零年將繼續實行購買家庭電器及汽車的補貼政策。此等措施定必為中國本土電子產品需求帶來正面作用，從而帶動對覆銅面板的需求。集團將於二零一零年提升覆銅面板的產能約15%，藉此捕捉中國本土市場的強勁增長及出口需求復甦所帶來的商機。集團將於二零一零年上半年，增加紙覆銅面板之每月產能四十萬張，並於二零一零年下半年，增加位於江蘇省江陰的紙覆銅面板及玻璃纖維覆銅面板之每月產能各四十萬張。此等新產能將有助覆銅面板部門進一步提升市場佔有率。此外，中國政府最近提出以廣東省為試點的「三舊」(舊城鎮、舊村莊、舊廠房)改造政策，以達至推動經濟及城市可持續發展的目的。集團現正積極與當地政府探討優先發展深圳龍華廠房的可行性。

印刷線路板部門的訂單情況於二零一零年初亦十分理想，大部分廠房於二零一零年首兩月均達滿負荷運作。預期二零一零年消費者信心改善，將帶動大部份下游電子產品市場的需求增長。印刷線路板部門將繼續強化產品組合及生產技術(特別是HDI業務)，以滿足客戶對具成本競爭力且優質的產品的需求。集團除了計劃於二零一零年提升產能約15%，亦積極在市場上尋求與其他印刷線路板廠合作的機會。

Massive government stimulus and infrastructure plans boosting economic growth and domestic consumption are expected to continue in China in 2010 which in turn will stimulate the demand for key chemical products including coke, methanol, phenol and acetone. Additional contribution from the Yangzhou chemical refinery plant and the Hebei acetic acid plant will definitely be the key growth drivers for chemical division in 2010. Furthermore, Huizhou phenol/acetone plant delivered attractive returns for the Group in 2009 due to strong demand for these specialty chemical products in China. Modification plans are currently underway to improve the production efficiency of the Huizhou plant with the aim to reduce energy consumption and emission by the end of 2010.

預料中國政府在二零一零年將繼續在內地實行規模龐大的刺激經濟措施及推動基建項目，以推動經濟增長及本土消費。因此，市場對主要化工產品的需求，包括焦炭、甲醇、苯酚及丙酮等將會增加。來自揚州之煉化廠及河北之醋酸廠的貢獻，定必成為二零一零年化工部門主要的增長動力。此外，由於市場對苯酚及丙酮需求殷切，惠州苯酚及丙酮廠於二零零九年已為化工部門帶來可觀回報。該廠現正進行產能優化計劃，以達至節能減排的目的，並預期於二零一零年底完成。

APPRECIATION

Finally, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our shareholders, customers, banks, the management and employees for their unreserved support to the Group in the past year.

致謝

最後，本人謹代表董事會藉此向各位股東、客戶、銀行、管理人員及員工過去一年對集團毫無保留的支持致以衷心感謝。

Cheung Kwok Wing
Chairman

Hong Kong, 1 March 2010

主席
張國榮

香港，二零一零年三月一日

Directors' and Senior Management's Biographies
董事及高級管理人員之資歷

EXECUTIVE DIRECTORS

Mr. CHEUNG Kwok Wing, aged 54, is the chairman and a co-founder of the Group, the chairman of Kingboard Copper Foil Holdings Limited ("KCFH") as well as Elec & Eltek International Company Limited ("EEIC"), both of which are subsidiaries of the Company listed on the Singapore Exchange Securities Trading Limited ("SGX"). Mr. Cheung is the brother of Ms. Cheung Wai Lin, Stephanie, the cousin of Mr. Cheung Kwong Kwan and the brother-in-law of Mr. Chang Wing Yiu and Mr. Ho Yin Sang. Mr. Cheung had over 13 years' experience in the sales and distribution of electronic components including laminates prior to the establishment of the Group. Mr. Cheung is responsible for the overall strategic planning of the Group and sets the general direction and goals for the Group. Mr. Cheung won the Young Industrialist Award of Hong Kong 1993, which was organized by the Federation of Hong Kong Industries and was described as "far-sighted, enterprising, and having insight in the business". Mr. Cheung was the winner of the DHL/SCMP Hong Kong Business Award, accredited with the Owner-Operator Award in 2006.

執行董事

張國榮先生，54歲，本集團主席及創辦人之一，兼Kingboard Copper Foil Holdings Limited(「KCFH」)及依利安達集團有限公司(「EEIC」)(兩者均為本公司之附屬公司，並於新加坡證券交易所有限公司(「SGX」)上市)之主席。張先生為張偉連女士之兄；張廣軍先生之堂兄；而鄭永耀先生及何燕生先生則為其妹夫。創立本集團前，張先生於銷售及分銷電子零件(包括覆銅面板)有超過13年經驗。張先生現負責本集團整體策略規劃及為本集團制定整體方向及目標。張先生於一九九三年獲香港工業總會頒發香港青年工業家獎，並獲大會評審委員會評為「有遠見卓識」及「富有企業家精神和洞察力」工業家。張先生亦為二零零六年DHL／南華早報香港商業獎之東主營運獎得主。

Mr. CHAN Wing Kwan, aged 64, is the managing director and a co-founder of the Group, the managing director of KCFH and a non-executive director of EEIC. Mr. Chan acquired a degree of Doctor of Business Science from Pacific Western University L.A.. Prior to the establishment of the Group, Mr. Chan had over 22 years' experience in the sales and distribution of electronic components, industrial chemicals and printed circuit boards. Mr. Chan is responsible for the overall implementation of the strategic plans and goals of the Group.

陳永錕先生，64歲，本集團董事總經理及創辦人之一，兼KCFH之董事總經理及EEIC之非執行董事。陳先生持有洛杉磯Pacific Western University商業科學系博士學位。創立本集團之前，陳先生對銷售及分銷電子零件、工業化工產品及印刷線路板有超過22年經驗。陳先生現負責本集團策略規劃及目標之整體執行工作。

Mr. CHEUNG Kwong Kwan, aged 45, is the cousin of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie. He joined the Group in 1988 and has been working in the PCB industry since 1984 with particularly extensive experience in marketing components and materials required for PCB production. Mr. Cheung is responsible for the Group's chemical business operations and property developments in the southern region of China.

張廣軍先生，45歲，為張國榮先生之堂弟及張偉連女士之堂兄，於一九八八年加盟本集團。張先生自一九八四年起投身印刷線路板行業，對推廣生產印刷線路板所需零件及材料之經驗尤其豐富。張先生主要負責本集團中國華南地區之化工和房地產發展業務。

EXECUTIVE DIRECTORS *(continued)*

Mr. CHANG Wing Yiu, aged 43, is the brother-in-law of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie. He joined the Group in 1989 and has over 20 years' experience in laminates production. Mr. Chang graduated from the Hong Kong Polytechnic University with a higher diploma in marine electronics. He is responsible for the Group's methanol plant in Chongqing, chemical refinery plant in Yangzhou, Jiangsu province and phenol/acetone plant in Huizhou, Guangdong province. He is also a non-executive director of EEIC.

Mr. MOK Cham Hung, Chadwick, aged 45, joined the Group in 2000. Prior to this he worked in the financial services industry for over 11 years. Mr. Mok is an associate member of the Institute of Chartered Accountants in England & Wales and a fellow member of Hong Kong Institute of Certified Public Accountants. He holds an MA in Electrical and Information Engineering from the University of Cambridge and an MBA with distinction from Imperial College, the University of London. He is also an executive director of EEIC and responsible for the strategic planning of EEIC.

Mr. HO Yin Sang, aged 55, is the brother-in-law of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie. He joined the Group in 1989 and is responsible for the Group's chemical business operations in Hebei and Shanxi province. He is also a non-executive director of KCFH.

Ms. CHEUNG Wai Lin, Stephanie, aged 39, is the sister of Mr. Cheung Kwok Wing. She joined the Group in 2002 and is responsible for the business operations of Techwise PCB group. Prior to joining the Group, she worked as an administration assistant manager in a listed company for about 5 years.

執行董事*(續)*

鄭永耀先生，43歲，為張國榮先生之妹夫及張偉連女士之姐夫。一九八九年加盟本集團，於製造覆銅面板方面累積逾20年經驗。鄭先生畢業於香港理工大學，持有航海電子高級文憑。鄭先生負責本集團位於重慶的甲醇廠、江蘇省揚州煉化廠和廣東省惠州的苯酚及丙酮廠之業務。彼亦為EEIC之非執行董事。

莫湛雄先生，45歲，於二零零零年加盟本集團。於加盟本集團前，莫先生於金融服務業工作逾11年。莫先生為英格蘭及威爾斯特許會計師公會會員和香港會計師公會資深會員。彼持有劍橋大學頒授之電子及資訊工程碩士學位，並以優異成績獲倫敦大學帝國學院頒授之工商管理碩士學位。彼亦為EEIC之執行董事，負責EEIC之策略規劃工作。

何燕生先生，55歲，為張國榮先生之妹夫及張偉連女士之姐夫，自一九八九年起加盟於本集團，現時負責本集團於河北省及山西省之化工業務營運。彼亦為KCFH之非執行董事。

張偉連女士，39歲，為張國榮先生之胞妹，於二零零二年加盟本集團，現時負責科惠印刷線路板集團之業務營運。於加盟本集團前，彼於一家上市公司任職助理行政經理約五年。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHENG Wai Chee, Christopher, aged 61, was appointed as an independent non-executive Director in 2007. He holds directorships in various listed companies in the last three years. He is currently the chairman of two listed companies in Hong Kong, namely USI Holdings Limited and Winsor Properties Holdings Limited. He is an independent non-executive director of New World China Land Limited and NWS Holdings Limited. Mr. Cheng is also an independent director of DBS Group Holdings Limited which is listed in Singapore. He is the Chairman of the Standing Committee on Judicial Salaries and Conditions of Services. Mr. Cheng was appointed a Justice of the Peace in 1985, and awarded an OBE in 1992 and a Gold Bauhinia Star in 2004. He is a member of the Exchange Fund Advisory Committee of the HKSAR Government and a Steward of the Hong Kong Jockey Club. He is also a non-executive director of Temasek Foundation CLG Limited.

獨立非執行董事

鄭維志先生，61歲，於二零零七年獲委任為獨立非執行董事。彼過去三年在多家上市公司擔任董事職位。彼現為香港兩家上市公司富聯國際集團有限公司及南聯地產控股有限公司之主席。彼為新世界中國地產有限公司及新創建集團有限公司之獨立非執行董事。鄭先生同時為新加坡上市公司DBS Group Holdings Limited之獨立董事。彼為司法人員薪俸及服務條件常務委員會之主席。彼於一九八五年獲委任為太平紳士，並於一九九二年獲頒授OBE勳銜及二零零四年獲頒授金紫荊星章。彼為香港政府外匯基金諮詢委員會委員及香港賽馬會董事。彼亦為Temasek Foundation CLG Limited之非執行董事。

Mr. Henry TAN, aged 56, is the chief executive officer of Luen Thai Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Tan has over 25 years of experience in apparel and logistics industries. Mr. Tan is an active leader and contributor to charity and community programmes. He is the former chairman of the board of directors of Po Leung Kuk of the year 2004-2005, an authorised charitable organization in Hong Kong. He also acts as a committee member of the Chinese People's Political Consultative Conference in Fujian province, the PRC, the member of Standing Committee of the Chinese People's Political Consultative Conference in Qingyuan City of Guangdong province and is a member of Election Committee (Textiles and Garment Subsector). Mr. Tan obtained his Master's Degree in Business Administration in 1980 and Bachelor's Degree in Business Administration in 1975 from the University of Guam, the United States of America. Mr. Tan was also an independent non-executive director of China Resources Peoples Telephone Company Limited, a company formerly listed on the Stock Exchange. Mr. Tan was appointed as an independent non-executive director of the Company in 2005.

陳亨利先生，56歲，為聯泰控股有限公司(於香港聯合交易所有限公司(「聯交所」)上市之公司)之行政總裁，於服裝及物流行業擁有逾25年經驗。彼為活躍於慈善及社區活動之領袖及善長。陳先生於二零零四年至二零零五年間出任香港認可慈善機構保良局之主席，並為中國人民政治協商會議福建省委員會委員、中國廣東省清遠市政協常委及選舉委員會委員(紡織及製衣界)。陳先生於一九七五年及一九八零年分別於美國關島大學獲得工商管理學士學位及工商管理碩士學位。陳先生曾為前聯交所上市公司華潤萬眾電話有限公司之獨立非執行董事。彼於二零零五年獲本公司委任為獨立非執行董事。

INDEPENDENT NON-EXECUTIVE DIRECTORS *(continued)*

Mr. LAI Chung Wing, Robert, aged 62, was appointed as an independent non-executive director of the Company in February 2009. He has more than 25 years of experience in trading and investment and was previously the managing director of Seaunion Holdings Ltd (now known as South Sea Petroleum Holdings Limited), a company listed on the Stock Exchange. He holds a Bachelor-of-Laws (Honours) degree from the University of London and is currently involved in business consultancy work in the Asia-Pacific region. He is also an independent non-executive director of Kee Shing (Holdings) Limited, a company whose shares are listed on the Stock Exchange. Mr. Lai was an independent non-executive director of KCFH, from 29 November 1999 to 27 February 2009. He is a brother of Mr. Larry Lai Chong Tuck, an independent non-executive director of EEIC.

Mr. TSE Kam Hung, aged 58, has over 30 years of experience in the field of electronic industry. He was appointed as an independent non-executive director of the Company in 2004.

SENIOR MANAGEMENT

Mr. LO Ka Leong, aged 36, the Company Secretary, joined the Group in May 1999. Prior to that, he was an accountant at an international accounting firm. Mr. Lo is a fellow member of Hong Kong Institute of Certified Public Accountants. He holds a Bachelor's Degree in Professional Accountancy from The Chinese University of Hong Kong. He is in charge of the company secretarial work of the Group. He is a non-executive director of Kingboard Laminates Holdings Limited ("KLHL"), a 71.53%-owned subsidiary listed on the main board of the Stock Exchange.

獨立非執行董事*(續)*

黎忠榮先生，62歲，於二零零九年二月獲本公司委任為獨立非執行董事。彼於貿易及投資方面擁有逾二十五的經驗，曾出任一間於聯交所上市的辛康海聯控股有限公司(現稱南海石油控股有限公司)之董事總經理。黎先生持有倫敦大學法律學士榮譽學位，現正從事亞太區商業顧問工作。彼現亦為聯交所上市公司奇盛(集團)有限公司的獨立非執行董事。黎忠榮曾於一九九九年十一月二十九日至二零零九年二月二十七日出任KCFH之獨立非執行董事。彼亦為EEIC獨立非執行董事黎忠德先生之胞兄。

謝錦洪先生，58歲，於電子業有30年以上經驗。彼於二零零四年獲本公司委任為獨立非執行董事。

高級管理人員

羅家亮先生，36歲，公司秘書，於一九九九年五月加盟本集團。於加盟本集團前，羅先生於一所國際會計師行任職會計師。彼為香港會計師公會資深會員，並持有香港中文大學專業會計學學士學位。彼現負責處理本集團之公司秘書工作。羅先生同時為建滔積層板控股有限公司(「建滔積層板」，本公司擁有71.53%權益的附屬公司，其股份於聯交所主板上市)之非執行董事。

Directors' Report
董事會報告

The directors of the Company (the "Directors") have pleasure in presenting their report and the audited consolidated financial statements of the Group for the year ended 31 December 2009.

本公司董事會(「董事會」)欣然提呈本集團截至二零零九年十二月三十一日止年度之年報及經審核綜合財務報表。

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of associates, jointly controlled entities and principal subsidiaries of the Company are set out in Notes 23, 25 and 44 respectively to the consolidated financial statements.

主要業務

本公司為投資控股公司，其聯營公司、共同控制實體及主要附屬公司之主要業務分別載於綜合財務報表附註23、25及44。

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 53.

An interim dividend of HK30 cents per ordinary share was paid to the shareholders of the Company during the year. The Directors now recommend the payment of a final dividend of HK45 cents per ordinary share to the Company's shareholders whose names appear on the register of members of the Company on 26 April 2010, and the retention of the remaining profit in the Company.

業績及分派

本集團之本年度業績載於第53頁綜合收益表內。

年內，本公司已派付中期股息每股普通股30港仙予本公司股東。董事現建議向於二零一零年四月二十六日名列本公司股東名冊之股東派付末期股息每股普通股45港仙，並保留剩餘的溢利於本公司。

SHARE CAPITAL

Details of the movements during the year in the issued share capital of the Company are set out in Note 35 to the consolidated financial statements.

股本

本公司已發行股本於年內之變動詳情載於綜合財務報表附註35。

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year, there was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company's listed securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

購買、出售或贖回股份

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司於香港聯合交易所有限公司(「聯交所」)之上市證券。

RESERVES

Details of the movements during the year in the reserves of the Group are set out in the consolidated statement of changes in equity on pages 57 and 58.

In addition to the retained profits of the Company, the share premium and the special surplus account of the Company are also available for distribution to shareholders provided that the Company will be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which any such distribution is proposed to be paid.

At 31 December 2009, the sum of the retained profits, the share premium and the special surplus account of the Company amounted to approximately HK$5,024 million.

儲備

年內，本集團之儲備變動詳情載於第57頁及58頁綜合權益變動表內。

除本公司之保留溢利外，本公司之股份溢價及特別盈餘賬目亦可向股東分派，惟於緊隨建議進行上述分派當日之後，本公司必須仍有能力償還在日常業務中到期支付之欠款。

於二零零九年十二月三十一日，本公司之保留溢利、股份溢價及特別盈餘賬目之總額約為5,024,000,000港元。

INVESTMENT PROPERTIES

The Group's investment properties were revalued as at 31 December 2009, resulting in an increase in fair value of approximately HK$51,425,000 which has been credited directly to profit or loss.

投資物業

本集團之投資物業於二零零九年十二月三十一日重新估值，導致公平值增加約51,425,000港元，已直接確認為損益。

PROPERTIES, PLANT AND EQUIPMENT

Expenditure of approximately HK$2,636 million was incurred during the year primarily to expand the production capacity of the Group. Details of all the changes during the year are set out in Note 20 to the consolidated financial statements.

物業、廠房及設備

年內主要因提高本集團生產力之支出約為2,636,000,000港元。年內所有變動詳情載於綜合財務報表附註20。

PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 December 2009 are set out in Note 44 to the consolidated financial statements.

主要附屬公司

本公司主要附屬公司於二零零九年十二月三十一日之詳情載於綜合財務報表附註44。

DONATIONS

During the year, the Group made charitable and other donations totalling HK$4,403,000.

捐款

年內，本集團作出之慈善及其他捐款共4,403,000港元。

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

董事及董事之服務合約

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

年內及直至本報告日期止之本公司董事如下：

Executive Directors:	執行董事：
Mr. Cheung Kwok Wing *(Chairman)*	張國榮先生*(主席)*
Mr. Chan Wing Kwan *(Managing Director)*	陳永錕先生*(董事總經理)*
Mr. Cheung Kwong Kwan	張廣軍先生
Mr. Chang Wing Yiu	鄭永耀先生
Mr. Ho Yin Sang	何燕生先生
Ms. Cheung Wai Lin, Stephanie	張偉連女士
Mr. Mok Cham Hung, Chadwick	莫湛雄先生
Independent non-executive Directors:	獨立非執行董事：
Mr. Cheng Wai Chee, Christopher	鄭維志先生
Mr. Henry Tan	陳亨利先生
Mr. Lai Chung Wing, Robert (appointed on 27 February 2009)	黎忠榮先生（於二零零九年二月二十七日獲委任）
Mr. Tse Kam Hung	謝錦洪先生
Mr. Cheng Ming Fun, Paul (resigned on 27 February 2009)	鄭明訓先生（於二零零九年二月二十七日辭任）

In accordance with Article 92 of the Company's Articles of Association, Messrs. Cheung Kwong Kwan, Chang Wing Yiu, Mok Cham Hung, Chadwick and Ho Yin Sang, being executive Directors, will retire from directorship by rotation and will offer themselves for re-election at the forthcoming annual general meeting of the Company.

執行董事張廣軍先生、鄭永耀先生、莫湛雄先生及何燕生先生將依據本公司之公司組織章程第九十二條於本公司應屆股東週年大會上輪值退任，並願意膺選連任。

Biographical details of the above Directors are set out in the section "Directors' and Senior Management's Biographies" on pages 14 to 17.

上述董事之履歷詳情載於第14頁至17頁之「董事及高級管理人員之資歷」一節。

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

擬在本公司應屆股東週年大會重選連任之董事概無與本集團訂有任何不可於一年內毋須賠償(法定賠償除外)而終止之服務合約。

DIRECTORS' INTERESTS IN SHARES

At 31 December 2009, the interests of the Directors and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

董事之股份權益

於二零零九年十二月三十一日，董事及彼等之聯繫人士於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中，擁有本公司根據證券及期貨條例第352條存置之登記冊所記錄之權益，或根據上市發行人董事進行證券交易的標準守則已知會本公司及聯交所之權益如下：

Long position

(a) Ordinary shares of HK$0.10 each of the Company ("Shares")

長倉

(a) 本公司每股面值0.10港元之普通股(「股份」)

Name of Director 董事姓名	Capacity 權益性質	Number of issued Shares held 所持已發行股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	3,301,725	0.39
Mr. Chan Wing Kwan (Note 1) 陳永錕先生(附註1)	Beneficial owner 實益擁有人	1,080,250	0.12
Mr. Cheung Kwong Kwan 張廣軍先生	Beneficial owner 實益擁有人	563,200	0.06
Mr. Chang Wing Yiu (Note 2) 鄭永耀先生(附註2)	Beneficial owner 實益擁有人	3,355,274	0.39
Mr. Ho Yin Sang (Note 3) 何燕生先生(附註3)	Beneficial owner 實益擁有人	2,194,129	0.25
Mr. Mok Cham Hung, Chadwick 莫湛雄先生	Beneficial owner 實益擁有人	1,810,000	0.21

Notes:

(1) Out of the 1,080,250 Shares, 1,020,250 Shares were held by Mr. Chan Wing Kwan and 60,000 Shares were held by his spouse.

(2) Out of the 3,355,274 Shares, 2,677,074 Shares were held by Mr. Chang Wing Yiu and 678,200 Shares were held by his spouse.

(3) Out of the 2,194,129 Shares, 1,026,629 Shares were held by Mr. Ho Yin Sang and 1,167,500 Shares were held by his spouse.

附註：

(1) 於該1,080,250股股份當中，其中1,020,250股股份乃由陳永錕先生本人持有，而60,000股股份則由其配偶持有。

(2) 於該3,355,274股股份當中，其中2,677,074股股份乃由鄭永耀先生本人持有，而678,200股股份則由其配偶持有。

(3) 於該2,194,129股股份當中，其中1,026,629股股份乃由何燕生先生本人持有，而1,167,500股股份則由其配偶持有。

DIRECTORS' INTERESTS IN SHARES *(continued)*

Long position *(continued)*

(c) Ordinary shares of HK$0.10 each ("KLHL Shares") in Kingboard Laminates Holdings Limited ("KLHL"), a non wholly-owned subsidiary of the Company

董事之股份權益*(續)*

長倉*(續)*

(c) 本公司非全資擁有附屬公司建滔積層板控股有限公司(「建滔積層板」)每股面值0.10港元之普通股(「建滔積層板股份」)

Name of Director 董事姓名	Capacity 權益性質	Number of issued KLHL Shares held 所持已發行建滔積層板股份數目	Approximate percentage of the issued share capital of KLHL 佔建滔積層板已發行股本之概約百分比
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	1,641,500	0.05
Mr. Chan Wing Kwan (Note 1) 陳永錕先生(附註1)	Beneficial owner 實益擁有人	100,000	0.003
Mr. Chang Wing Yiu (Note 2) 鄭永耀先生(附註2)	Beneficial owner 實益擁有人	100,000	0.003
Mr. Ho Yin Sang (Note 3) 何燕生先生(附註3)	Beneficial owner 實益擁有人	540,000	0.01
Ms. Cheung Wai Lin, Stephanie 張偉連女士	Beneficial owner 實益擁有人	804,000	0.02

Notes:

(1) The 100,000 KLHL Shares were held by the spouse of Mr. Chan Wing Kwan.

(2) The 100,000 KLHL Shares were held by the spouse of Mr. Chang Wing Yiu.

(3) The 540,000 KLHL Shares were held by the spouse of Mr. Ho Yin Sang.

附註：

(1) 陳永錕先生之配偶持有該100,000股建滔積層板股份。

(2) 鄭永耀先生之配偶持有該100,000股建滔積層板股份。

(3) 何燕生先生之配偶持有該540,000股建滔積層板股份。

DIRECTORS' INTERESTS IN SHARES *(continued)*

Long position *(continued)*

(d) Non-voting deferred shares of HK$1 each in the share capital of Kingboard Laminates Limited, a non wholly-owned subsidiary of the Company

董事之股份權益*(續)*

長倉*(續)*

(d) 本公司非全資擁有附屬公司建滔積層板有限公司股本中每股面值1港元之無投票權遞延股份

Name of Director 董事姓名	Capacity 權益性質	Number of non-voting deferred shares held (Note) 所持無投票權遞延股份數目（附註）
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	1,904,400
Mr. Chan Wing Kwan 陳永錕先生	Beneficial owner 實益擁有人	1,481,200
Mr. Cheung Kwong Kwan 張廣軍先生	Beneficial owner 實益擁有人	846,400
Mr. Ho Yin Sang 何燕生先生	Beneficial owner 實益擁有人	529,000
Mr. Chang Wing Yiu 鄭永耀先生	Beneficial owner 實益擁有人	423,200

Note: None of the non-voting deferred shares of Kingboard Laminates Limited are held by the Group. Such deferred shares carry no rights to receive notice of or to attend or vote at any general meeting of Kingboard Laminates Limited and have practically no rights to dividends or to participate in any distribution on winding up.

附註： 本集團概無持有建滔積層板有限公司之無投票權遞延股份。該等遞延股份並無附帶可收取建滔積層板有限公司任何股東大會通告或出席股東大會及於會上投票之權利，亦沒有收取股息或於清盤時獲得任何分派之實際權利。

DIRECTORS' INTERESTS IN SHARES *(continued)*

Long position *(continued)*

(e) Ordinary shares ("EEIC Shares") in the share capital of Elec & Eltek International Company Limited ("EEIC"), a non wholly-owned subsidiary of the Company

董事之股份權益*(續)*

長倉*(續)*

(e) 本公司非全資擁有附屬公司依利安達集團有限公司(「EEIC」)股本中之普通股(「EEIC股份」)

Name of Director 董事姓名	Capacity 權益性質	Number of issued EEIC Shares held 所持已發行EEIC股份數目	Approximate percentage of the issued share capital of EEIC 佔EEIC已發行股本之概約百分比
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	160,000	0.09
Mr. Mok Cham Hung, Chadwick 莫湛雄先生	Beneficial owner 實益擁有人	147,000	0.08

(f) Share options of EEIC

(f) EEIC之優先購股權

Name of Director 董事姓名	Capacity 權益性質	Interest in underlying EEIC Shares pursuant to share options of EEIC (Note) EEIC優先購股權項下相關EEIC股份權益(附註)
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	973,200
Mr. Chan Wing Kwan 陳永錕先生	Beneficial owner 實益擁有人	973,200
Mr. Chang Wing Yiu 鄭永耀先生	Beneficial owner 實益擁有人	973,200
Mr. Mok Cham Hung, Chadwick 莫湛雄先生	Beneficial owner 實益擁有人	973,200

Note: The interests are held by virtue of an aggregate of 3,244,000 share options of EEIC accepted by the Directors on 24 June 2005. The number of share options were subsequently adjusted pursuant to the 1 for 5 bonus issue effected on 13 October 2005. The relevant Directors are entitled to subscribe for EEIC Shares at an adjusted subscription price of US$2.033 per EEIC Share. The share options are exercisable in whole or in part at the staggered manner within 5 option periods, commencing on 26 November 2006, 26 November 2007, 26 November 2008, 26 November 2009 and 26 March 2010 respectively and all ending on 24 May 2010.

附註： 該等權益基於董事於二零零五年六月二十四日接納合共3,244,000份EEIC優先購股權而擁有。優先購股權數目，其後因二零零五年十月十三日按一比五基準進行之紅股發行而調整。有關董事可按經調整認購價每股EEIC股份2.033美元認購EEIC股份。優先購股權分別自二零零六年十一月二十六日、二零零七年十一月二十六日、二零零八年十一月二十六日、二零零九年十一月二十六日及二零一零年三月二十六日至二零一零年五月二十四日止五個優先購股權行使期間內分段行使全部或其中部分。

DIRECTORS' INTERESTS IN SHARES *(continued)*

Long position *(continued)*

(g) Ordinary shares ("KCFH Shares") of US$0.10 each in the share capital of Kingboard Copper Foil Holdings Limited ("KCFH"), a non wholly-owned subsidiary of the Company

董事之股份權益*(續)*

長倉*(續)*

(g) 本公司非全資擁有附屬公司Kingboard Copper Foil Holdings Limited(「KCFH」)股本中每股面值0.10美元之普通股(「KCFH股份」)

Name of Director 董事姓名	Capacity 權益性質	Number of issued KCFH Shares held 所持已發行KCFH股份數目	Approximate percentage of the issued share capital of KCFH 佔KCFH已發行股本之概約百分比
Mr. Cheung Kwok Wing 張國榮先生	Beneficial owner 實益擁有人	1,000,000	0.14
Mr. Ho Yin Sang (Note) 何燕生先生(附註)	Beneficial owner 實益擁有人	2,000	0.0003
Mr. Lai Chung Wing, Robert 黎忠榮先生	Beneficial owner 實益擁有人	72,000	0.01

Note: The 2,000 KCFH Shares were held by the spouse of Mr. Ho Yin Sang.

附註： 何燕生先生之配偶持有該2,000股KCFH股份。

Other than as disclosed above, none of the Directors nor 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 2009.

除上述披露者外，於二零零九年十二月三十一日，概無董事或彼等之聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中擁有任何權益或短倉。

SHARE OPTIONS

Particulars of the share option schemes of the Company, EEIC and KLHL are set out in Note 36 to the consolidated financial statements.

優先購股權

本公司、EEIC及建滔積層板之優先購股權計劃詳情載於綜合財務報表附註36。

The following table discloses movements in the Share Options under the 2002 Scheme during the year:

下表披露二零零二年計劃項下優先購股權於年內之變動：

		Outstanding as at 1.1.2009 於二零零九年一月一日尚未行使	Exercised during the year 已於本年度行使	Outstanding as at 31.12.2009 於二零零九年十二月三十一日尚未行使
Category 1: Directors	第1類：董事			
Mr. Chan Wing Kwan	陳永錕先生	1,341,600	(375,000)	966,600
Mr. Cheung Kwong Kwan	張廣軍先生	1,734,600	(625,000)	1,109,600
Mr. Chang Wing Yiu	鄭永耀先生	1,234,800	(375,000)	859,800
Mr. Ho Yin Sang	何燕生先生	1,903,600	(925,000)	978,600
		6,214,600	(2,300,000)	3,914,600
Category 2: Employees	第2類：僱員	8,407,400	(3,178,000)	5,229,400
Total all categories	所有類別合計	14,622,000	(5,478,000)	9,144,000

The weighted average closing price of the Shares on the five trading days immediately before the dates on which the Share Options were exercised was HK$13.10.

於緊接行使優先購股權之前五個交易日，股份之加權平均收市價為13.10港元。

SHARE OPTIONS *(continued)*

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

優先購股權*(續)*

下表披露EEIC優先購股權於年內之變動：

		Outstanding as at 1.1.2009 於二零零九年一月一日尚未行使	Lapsed during the year 已於年內失效	Outstanding as at 31.12.2009 於二零零九年十二月三十一日尚未行使
Category 1: Directors	第1類：董事			
Mr. Cheung Kwok Wing	張國榮先生	973,200	–	973,200
Mr. Chan Wing Kwan	陳永錕先生	973,200	–	973,200
Mr. Chang Wing Yiu	鄭永耀先生	973,200	–	973,200
Mr. Mok Cham Hung, Chadwick	莫湛雄先生	973,200	–	973,200
		3,892,800	–	3,892,800
Category 2: Employees	第2類：僱員	5,441,000	(207,600)	5,233,400
Total all categories	所有類別合計	9,333,800	(207,600)	9,126,200

During the year ended 31 December 2009, no share option was granted pursuant to the employees' share option scheme of KLHL.

截至二零零九年十二月三十一日止年度，並無根據建滔積層板僱員優先購股權計劃授出任何優先購股權。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

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

購買股份或債券之安排

除上文披露所持優先購股權外，本公司或其任何附屬公司於年內任何時間概無參與訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

No contract 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.

董事之重大合約權益

本公司或其任何附屬公司概無訂立任何於年度終結或年內任何時間仍然生效而本公司董事直接或間接擁有重大權益之重大合約。

SUBSTANTIAL SHAREHOLDERS

At 31 December 2009, 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, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

主要股東

根據本公司按證券及期貨條例第336條須存置之主要股東登記冊所記錄，於二零零九年十二月三十一日，下列股東(上文所披露若干董事之權益除外)已知會本公司彼等於本公司已發行股本中擁有之相關權益。

Long position

Ordinary shares of HK$0.10 each of the Company

長倉

本公司每股面值0.10港元之普通股

Name of shareholder 股東名稱	Nature of interest 權益性質	Number of issued Shares held 所持已發行股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比
Hallgain Management Limited ("Hallgain") (Note)(附註)	Beneficial owner 實益擁有人	261,131,929	30.97
Capital Research and Management Company	Investment manager 投資經理	93,334,040	11.05
FIL Limited	Investment manager 投資經理	50,703,100	6.00
FMR LLC	Investment manager 投資經理	50,190,400	5.94
Value Partners Limited	Investment manager 投資經理	42,970,500	5.09

Note: As at 31 December 2009: (i) no shareholder of Hallgain is entitled to exercise, or control the exercise of, directly or indirectly, one-third or more of the voting power at general meetings of Hallgain, and Hallgain and its directors are not accustomed to act in accordance with any shareholder's direction; and (ii) Messrs. Cheung Kwok Wing and Chan Wing Kwan, being Directors, are also directors of Hallgain.

附註： 於二零零九年十二月三十一日：(i)概無Hallgain股東有權於Hallgain股東大會行使或直接或間接控制行使三分一或以上之表決權，而Hallgain及其董事並不慣常根據任何股東指示行事；及(ii)董事張國榮先生及陳永錕先生亦為Hallgain之董事。

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31 December 2009.

除上述披露者外，本公司概無獲知會於二零零九年十二月三十一日之本公司已發行股本之任何其他相關權益或短倉。

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the code provisions of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules throughout the year ended 31 December 2009, save for the deviation that the independent non-executive Directors were not appointed for specific terms pursuant to code provision A.4.1 of the Code. Notwithstanding the aforesaid deviation, all the Directors (including the independent non-executive Directors) are subject to retirement by rotation and will be eligible for re-election at the Company's annual general meeting in accordance with the Company's Articles of Association. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company throughout the year ended 31 December 2009.

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

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales or purchases attributable to the Group's five largest customers combined or suppliers combined were less than 30% of the Group's sales or purchases respectively.

企業管治

董事認為，截至二零零九年十二月三十一日止年度內，除獨立非執行董事並非根據守則第A.4.1條按特定任期委任之偏離情況之外，本公司一直遵守上市規則附錄14所載企業管治常規守則(「守則」)之守則條文。儘管有上述偏離情況，所有董事(包括獨立非執行董事)均遵照本公司組織章程細則輪值退任，並可於本公司股東週年大會重選連任。因

CONNECTED TRANSACTIONS

During the year, Techwise Circuits Company Limited ("Techwise") and its subsidiaries (collectively referred to as the "Techwise Group") sold printed circuit boards ("PCBs") to and purchased laminates from Shirai Electronics Industrial Co., Ltd. ("Shirai") and its subsidiaries (collectively referred to as the "Shirai Group") amounting to approximately HK$326,862,000 and HK$92,468,000 respectively. The Techwise Group also sub-contracted the services of the Shirai Group, namely the drilling of laminates by the Shirai Group on the Techwise Group's behalf, amounting to approximately HK$2,712,000 during the year. Techwise is a non wholly-owned subsidiary of the Company, while Shirai is a substantial shareholder of Techwise Shirai Circuits Limited (a 70% owned subsidiary of Techwise). As such, Shirai and its subsidiaries are connected persons of the Company pursuant to Chapter 14A of the Listing Rules.

The sale of PCBs to the Shirai Group and the subcontracting transactions with the Shirai Group did not exceed the revised corresponding annual caps for the financial year ended 31 December 2009 amounting to HK$818,079,000 and HK$57,350,000, respectively, which was approved by the shareholders of the Company at an extraordinary general meeting held on 10 December 2007. The purchase of laminates from the Shirai Group during the year did not exceed the corresponding annual cap for the financial year ended 31 December 2009 as announced by the Company on 27 October 2006, namely an amount of HK$315,560,000.

The Directors have engaged the auditor of the Company to perform certain agreed upon procedures in respect of the continuing connected transactions of the Group. The auditor of the Company has reported its factual findings on these procedures to the board of Directors. The independent non-executive Directors, for the purpose of Rule 14A.37 of the Listing Rules, have reviewed the continuing connected transactions and the report of the auditor and have confirmed that the aforesaid continuing connected transactions have been entered into by the Group in the ordinary course of its business, on normal commercial terms, and in accordance with the terms of the agreements governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

關連交易

年內，科惠線路有限公司(「科惠」)及其附屬公司(統稱「科惠集團」)向Shirai Electronics Industrial Co., Ltd.(「Shirai」)及其附屬公司(統稱「Shirai集團」)出售為數約326,862,000港元之印刷線路板(「印刷線路板」)及購買為數約92,468,000港元之覆銅面板。科惠集團另於年內向Shirai集團外判為數約2,712,000港元之服務，即由Shirai集團代科惠集團為覆銅面板鑽孔。科惠為本公司非全資擁有附屬公司，而Shirai則為科惠擁有70%權益之附屬公司科惠白井電路有限公司之主要股東。因此，根據上市規則第14A章，Shirai及其附屬公司為本公司關連人士。

向Shirai集團銷售印刷線路板及與Shirai集團進行外判交易分別不超過本公司股東於二零零七年十二月十日舉行之股東特別大會所批准截至二零零九年十二月三十一日止財政年度經修訂相關年度上限818,079,000港元及57,350,000港元。年內向Shirai集團購買覆銅面板不超過本公司於二零零六年十月二十七日所宣布截至二零零九年十二月三十一日止財政年度之相關年度上限315,560,000港元。

董事已聘用本公司核數師對本集團之持續關連交易進行若干已協定程序。本公司核數師亦已向董事會報告此等程序所得之實際結果。就上市規則第14A.37條而言，獨立非執行董事已審閱持續關連交易及核數師之報告，並確認上述持續關連交易乃由本集團於一般業務過程中訂立，且按一般商業條款及就該等交易所訂協議之條款進行，有關條款屬公平合理，並符合本公司股東之整體利益。

CONNECTED TRANSACTIONS *(continued)*

Other than as disclosed above, the Company has also provided guarantees to financial institutions to secure general credit facilities for a non wholly-owned subsidiary, namely Techwise, in the amounts of approximately HK$364 million during the year.

關連交易*(續)*

除上文所披露者外，本公司年內亦為一間非全資擁有附屬公司－科惠取得一般信貸額而向財務機構提供擔保，涉及款額約364,000,000港元。

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

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

The Company has adopted a share option scheme as an incentive to Directors and eligible employees. Details of the scheme is set out in Note 36 to the consolidated financial statements.

薪酬政策

薪酬委員會根據本集團僱員之表現、資歷及工作能力制定僱員之薪酬政策。

薪酬委員會經參考本公司經營業績、個別董事之表現及可比較之市場統計數據後決定董事之薪酬。

本公司已採納優先購股權計劃，作為對董事及合資格僱員之獎勵。計劃詳情載於綜合財務報表附註36。

PRE-EMPTIVE RIGHTS

There are no provision for pre-emptive rights under the Company's Articles of Association although there are no restrictions against such rights under company laws in the Cayman Islands.

優先權

本公司之公司組織章程並無關於優先權之規定，儘管開曼群島公司法例並無對優先權作出任何限制。

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 December 2009.

充足公眾持股量

截至二零零九年十二月三十一日止年度，本公司一直維持充足公眾持股量。

EVENTS AFTER THE REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in Note 46 to the consolidated financial statements.

報告期後事件

報告期後發生的重大事件詳情載於綜合財務報表附註46。

AUDITOR

A resolution to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company will be proposed for approval by shareholders of the Company at the forthcoming annual general meeting of the Company.

核數師

續聘德勤・關黃陳方會計師行為本公司核數師之決議案將於本公司應屆股東週年大會上提呈以供本公司股東審批。

On behalf of the Board
Cheung Kwok Wing
CHAIRMAN

1 March 2010

承董事會命
張國榮
主席

二零一零年三月一日

Corporate Governance Report
企業管治報告

The Board of Kingboard Chemical Holdings Limited (the "Company", together with its subsidiaries, the "Group") recognises the importance of corporate governance practice of a listed company. It is in the interest of the stakeholders and shareholders for a listed company to operate in a transparent manner with the adoptions of various self-regulatory policies, procedures and monitoring mechanisms and a clear definition of accountability of directors and management.

建滔化工集團(「本公司」及其附屬公司(統稱「本集團」))董事會明瞭上市公司企業管治常規之重要性。上市公司之營運具透明度，採納各種自行規管政策與程序以及監控機制，並清楚界定董事與管理層權責，乃符合權益持有人及股東之利益。

During the year under review, the Board has complied with the provisions of the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") except with a deviation from code provision A.4.1 of the Code. Under code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term, subject to re-election. Currently, the Company does not have any non-executive director and the independent non-executive directors of the Company were not appointed for specific terms but are subject to retirement by rotation and are eligible for re-election.

於回顧年度，董事會一直遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「守則」)之條文，惟偏離守則條文A.4.1條除外。根據守則條文A.4.1條，非執行董事的委任應有指定任期，並須接受重新選舉。本公司現時並無任何非執行董事，而本公司獨立非執行董事之委任並無指定任期，惟須輪值退任及符合資格膺選連任。

In addition to the Code, which is mandatory in nature, the Board also observes certain recommended best practices ("Recommended Best Practices") contained in Appendix 14 to the Listing Rules and has adopted certain Recommended Best Practices which are suitable to the Company's current situation. The Board will continuously enhance the corporate governance standard of the Company by reference to the Recommended Best Practices whenever suitable and appropriate.

除屬強制性質之守則外，董事會亦參考上市規則附錄14所載之建議最佳常規(「建議最佳常規」)，並採納適合本公司現行情況之若干建議最佳常規。董事會將於合適及適當情況下參考建議最佳常規，從而不斷提升本公司之企業管治水平。

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all directors, all directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding directors' securities transactions adopted by the Company.

就董事進行證券交易方面，本公司已採納條款不寬鬆於上市規則附錄10所載之上市公司董事進行證券交易之操守守則(「標準守則」)。經向全體董事作出特定查詢後，全體董事確認，彼等一直遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易之操守守則。

A. DIRECTORS

The Board

The Board is responsible for the leadership and control of the Group and is entrusted with the responsibility to supervise the management of the business and the affairs of the Group. The Group has adopted internal guidelines in setting forth matters that require the Board's approval. Apart from its statutory responsibilities, the Board approves the Group's strategic plan, annual budget, key operational initiatives, major investments and funding decisions. It also reviews the Group's financial performance, identifies principal risks of the Group's business and ensures implementation of appropriate systems to manage these risks. Daily business operations and administrative functions of the Group are delegated to the management.

The Board meets regularly and as warranted by particular circumstances. Notices and agendas are prepared by the Company Secretary as delegated by the Chairman of the Board and distributed to the Board members within reasonable time before the meetings. Relevant meeting papers are also sent to directors well before the meetings, informing them of the background and giving explanation on matters to be brought before the Board. All directors are given the opportunity to include matters in the agendas for Board meetings. To ensure the directors make decisions objectively and in the interests of the Company, the Company's articles of association provide that any director shall abstain from voting on any

A. DIRECTORS *(continued)*

The Board *(continued)*

During the year under review, the Board had held four meetings and the directors' attendance at Board meetings and Board committees' meetings were as follows:

A. 董事*(續)*

董事會*(續)*

於回顧年度內，董事會舉行了四次會議，董事於董事會會議及董事委員會會議之出席記錄如下：

		Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議
Number of Meeting	會議數目	4	3	1	2
Executive directors	執行董事				
Cheung Kwok Wing *(Chairman)*	張國榮*(主席)*	4	–	–	–
Chan Wing Kwan *(Managing Director)*	陳永錕*(董事總經理)*	4	–	–	–
Cheung Kwong Kwan	張廣軍	4	–	–	–
Chang Wing Yiu	鄭永耀	4	–	–	–
Mok Cham Hung, Chadwick	莫湛雄	4	–	–	–
Ho Yin Sang	何燕生	4	–	–	–
Cheung Wai Lin, Stephanie	張偉連	4	–	–	–
Independent non-executive directors	獨立非執行董事				
Cheng Wai Chee, Christopher	鄭維志	4	–	–	–
Henry Tan	陳亨利	4	3	1	2
Lai Chung Wing, Robert (appointed on 27 February 2009)	黎忠榮（於二零零九年二月二十七日獲委任）	3	2	1	2
Tse Kam Hung	謝錦洪	4	3	1	2

The directors have observed the importance of directing and supervising the Company's affairs at a more regular interval. After consulting all directors, Board meetings have been preliminarily scheduled to be held at quarterly interval and no less than four times in the coming year.

董事明瞭更頻密地定期領導及監管本公司事務之重要性。經徵詢全體董事後，董事會初步計劃來年董事會將每季度舉行及全年舉行不少於四次會議。

A. DIRECTORS *(continued)*

Division and responsibilities

The Board is headed by the Chairman whose role differs from that of the Managing Director of the Company. The roles of the Chairman and Managing Director are segregated and are not exercised by the same individual.

The duties of the Chairman include (but not limited to) the following:

- schedule meetings that enable the Board to perform its duties and responsibilities and to ensure all key and appropriate issues are discussed by the Board in a timely manner without interfering the Company's operations;
- prepare meeting agenda after consultation with the Managing Director;
- exercise control over quality, quantity and timeliness of the flow of information between Management and the Board and to ensure decisions are made on a fully informed basis by the directors; and
- assist in ensuring compliance with the Listing Rules and the Company's guidelines on corporate governance.

The Managing Director is mainly responsible for the overall strategic planning and day-to-day management of the Group.

A. 董事*(續)*

分工及職責

董事會由主席領導，其職務有別於本公司董事總經理。主席及董事總經理各有獨立職務，且非由同一名人士擔任。

主席職責包括但不限於：

- 安排會議以便董事會履行職責，並確保董事會及時討論所有重要及適當事宜，而不會干擾本公司之營運；
- 經與董事總經理磋商後編製會議議程；
- 控制管理層與董事會之間及時進行溝通和其質量，確保董事於知情情況下作出決定；及
- 協助確保遵從上市規則及本公司之企業管治指引。

董事總經理主要負責整體策略規劃及本集團日常管理工作。

A. DIRECTORS *(continued)*

Board composition

The Board currently comprises eleven members, four of whom are independent non-executive directors who are expressly identified in all corporate communications that disclose the names of directors of the Company. One of the independent non-executive directors possesses appropriate professional qualifications (or accounting or related financial management expertise) as required by the Listing Rules. The composition of the Board is as follows:

Executive Directors
Cheung Kwok Wing *(Chairman)*
Chan Wing Kwan *(Managing Director)*
Cheung Kwong Kwan
Chang Wing Yiu
Mok Cham Hung, Chadwick
Ho Yin Sang
Cheung Wai Lin, Stephanie

Independent non-executive Directors
Cheng Wai Chee, Christopher
Henry Tan
Lai Chung Wing, Robert
(appointed on 27 February 2009)
Tse Kam Hung
Cheng Ming Fun, Paul
(resigned on 27 February 2009)

Ms. Cheung Wai Lin, Stephanie is the sister of Mr. Cheung Kwok Wing. Mr. Cheung Kwong Kwan is a cousin of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie. Mr. Chang Wing Yiu and Mr. Ho Yin Sang are brothers-in-law of Mr. Cheung Kwok Wing and Ms. Cheung Wai Lin, Stephanie.

Currently, the Company does not have any non-executive director and the independent non-executive directors of the Company were not appointed for specific terms but are subject to retirement by rotation and are eligible for re-election. The Board considers that although such arrangement deviates from code provision A.4.1 of the Code, sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

A. 董事*(續)*

董事會成員

董事會現由十一名成員組成，其中四名為獨立非執行董事，彼等之獨立非執行董事身分均於所有載有董事姓名的公司通訊中明確說明。其中一名獨立非執行董事具備上市規則規定之適當專業資格或會計或相關財務管理專業知識。董事會由下列成員組成：

執行董事
張國榮*(主席)*
陳永銀*(董事總經理)*
張廣軍
鄭永耀
莫湛雄
何燕生
張偉連

獨立非執行董事
鄭維志
陳亨利
黎忠榮
（於二零零九年二月二十七日獲委任）
謝錦洪
鄭明訓
（於二零零九年二月二十七日辭任）

張偉連女士為張國榮先生之胞妹。張廣軍先生為張國榮先生及張偉連女士之堂兄弟。鄭永耀先生及何燕生先生為張國榮先生及張偉連女士之妹夫／姐夫。

本公司現時並無任何非執行董事，而本公司獨立非執行董事之委任並無指定任期，惟須輪值退任並符合資格膺選連任。董事會認為雖然上述安排與守則條文A.4.1條有所偏離，但本公司已採取足夠措施以確保企業管治常規不會寬鬆於守則。

A. DIRECTORS *(continued)*

Board composition *(continued)*

The Company has received from each of the independent non-executive directors an annual confirmation of his independence as required under Rule 3.13 of the Listing Rules.

The Board comprises directors who collectively provide core competencies, sales and marketing experience and technical knowledge in laminates, printed circuit boards, property developments and chemical products, administration and management experience in the PRC factories, financial and accounting skills, as well as in-house advices to comply with international laws and regulations. The current Board size of eleven directors with a balance of skills and experience is appropriate for effective decision making, taking into account the nature and scope of the operations of the Company.

Appointment, re-election and removal

The Company's Articles of Association set out a formal, considered and transparent procedure for the appointment of new directors to the Board. Any director appointed by the Board either to fill a casual vacancy or as addition to the Board, shall retire and be eligible for re-appointment at the next following annual general meeting after appointment. The appointment of directors are not fixed for a specified term, but at every annual general meeting one-third of the directors, including the Chairman, shall be subject to retirement by rotation and re-appointment by shareholders. The directors appointed by the Board who are subject to retirement and re-appointment as mentioned above shall be taken into account in calculating the total number of directors for the time being but shall not be taken into account in calculating the number of directors who are to retire by rotation. All directors eligible for re-appointment shall have their biographical details made available to the shareholders to enable them to make an informed decision on their re-appointment. Any appointment, resignation, removal or re-designation of director shall be timely disclosed to the shareholders by announcement and shall include in such announcement, the reasons given by the director for his resignation.

A. 董事*(續)*

董事會成員*(續)*

本公司已按上市規則第3.13條的規定，取得每名獨立非執行董事之年度獨立性確認書。

董事會由多名董事組成，共同提供有關覆銅面板、印刷線路板、房地產發展及化工產品之核心能力、銷售及市場推廣經驗及技術知識、中國工廠之行政及管理經驗、財務及會計技巧以及有關遵守國際法律及規例之內部顧問。董事會現有十一名成員，擁有不同資歷及經驗，考慮到本公司之業務性質及規模，董事會成員人數對其決策效率而言實屬合適。

委任、重選及罷免

本公司之組織章程細則訂明一套正式、考慮周詳及具透明度之委任新董事程序。董事會委任之任何董事(不論為填補臨時空缺或屬董事會新增成員)均須於獲委任後首個股東週年大會退任並合資格膺選連任。董事之委任並無固定任期，惟於每屆股東週年大會上，三分一之董事(包括主席)均須輪值退任及由股東重新委任。於計算當時董事總數時，將會計入按上文所述由董事會委任而須輪值退任及獲重新委任之董事，惟於計算將輪值退任董事人數時則不予計算。所有符合資格獲重新委任之董事均須向股東披露個人履歷，以便股東於重新委任時作出知情決定。任何董事委任、辭任、罷免或調任事宜均須以公佈形式及時向股東披露，並須在公佈中註明該董事辭任之理由。

A. DIRECTORS *(continued)*

Responsibilities of Directors

The Company and the Board require each director to keep abreast of his responsibilities as a director of the Company and of the conduct, business activities and development of the Company. Every director is required to devote sufficient time and involvement in the affairs of the Board and the material matters of the Company and to serve the Board with such degree of care and due diligence given his own expertise, qualification and professionalism.

Every newly appointed director shall receive a comprehensive, formal and tailored induction on the first occasion of his appointment. All directors shall be updated and briefed on continuing professional development as is necessary to ensure that they have a proper understanding of the operations and the business of the Company and that they are fully aware of their responsibilities under the applicable laws and regulations. The Board has a procedure for directors, either individually or as a group, in the furtherance of their duties, to take independent professional advice, if necessary, at the Company's expenses to enable and facilitate the directors to make well considered decisions. Appropriate insurance coverage for directors' and officers' liability has been arranged against possibility of legal action to be taken against the directors and the management.

Supply of and access to information

The management of the Company has an obligation to furnish the Board with complete, adequate and appropriate information in such form and such quality in a timely manner so as to enable them to make an informed decision and to discharge their duties and responsibilities as directors of the Company. All the directors are given separate and independent access to the Company's senior management.

A. 董事*(續)*

董事責任

本公司及董事會要求每名董事清楚彼作為本公司董事之職責，以及了解本公司之經營方式、業務活動及發展。每名董事均須投入足夠時間及精神處理董事會事務及本公司重要事宜，並按照各自之專門知識、資歷及專業技能，以謹慎盡責之態度為董事會服務。

每名新委任董事於首次獲委任時均會獲得一份全面兼特為其而設的正式就任須知。全體董事於有需要時將參與持續專業發展計劃，以確保彼等清楚了解本公司之營運及業務，且充分明瞭彼等於適用法律及規定下之責任。董事會設立既定程序，董事於履行職務時，在有需要的情況下可個別或共同徵詢獨立專業顧問意見，以作出充份考慮的決定，有關費用由本公司承擔。本公司已就董事及管理人員可能面對之法律行動而為董事及管理人員安排適當責任保險。

資料提供及使用

本公司管理層有責任及時向董事會提供完整、充足及適當形式和質量的資料，以便董事會作出知情決定及履行作為本公司董事之職務。全體董事均可個別地及獨立地接觸本公司高級管理人員。

A. DIRECTORS *(continued)*

Supply of and access to information *(continued)*

All the directors are given separate and independent access to the Company Secretary, whose role includes ensuring that Board procedures are observed and followed, and that applicable rules and regulations are complied with. The Company Secretary attends all the meetings of the Board and Board committees and is responsible for drafting minutes and keeping minutes records which can be accessed by any director for inspection.

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The level and make-up of remuneration and disclosure

The Board has set up a remuneration committee (the "Remuneration Committee") which comprises three independent non-executive directors, namely Mr. Tse Kam Hung (Chairman), Mr. Lai Chung Wing, Robert and Mr. Henry Tan, to formulate policies and procedures for determining the remuneration of directors and senior management and other remuneration related matters. The Remuneration Committee is set up with written terms of reference which set out clearly its duties and authorities delegated by the Board of directors, including the following specific duties:

- formulate the framework or Board policy for determining the remuneration of the Company's Board and senior management. The objective of such policy should ensure that members of the senior management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and j ET /GS1 g27 -11

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

The level and make-up of remuneration and disclosure *(continued)*

- recommend specific remuneration packages including, where appropriate, allowances, bonuses, benefits in kind, incentive payments, and share options, if any, for each executive director and the Managing Director and such other members of senior management as it is designated to consider;

- recommend targets for any performance-linked pay schemes operated by the Company, taking into account remuneration and employment conditions within the industry and in comparable companies; and

- recommend to the Board the remuneration of independent non-executive directors (including non-executive directors, if any), taking into account factors such as effort, time spent and responsibilities.

When recommending the remuneration package for each individual director, the Remuneration Committee will consider his qualification and experience, specific duties and responsibilities assigned to him by the Board and the prevailing market packages available for similar position. The emoluments of the Directors on a named basis for the year under review is set out on page 126 and 127 in Note 16 to the financial statements. Review and comparison in terms of Directors' emoluments package and net profits of the Group are made from time to time with comparable listed industrial companies with similar capitalisation to the Group. Considering all such factors, the Remuneration Committee would make recommendation on the remuneration package for each Director after consultation with the Chairman.

During the year under review, the Remuneration Committee had convened two meetings during which, among other things, the remuneration packages for all Directors were considered.

B. 董事及高級管理人員薪酬*(續)*

薪酬及披露的水平及組成*(續)*

- 就每名執行董事、董事總經理及其他指定高級管理人員，建議特定薪酬待遇，包括(如適用)津貼、花紅、實物利益、獎金及優先購股權(如有)；

- 按照業內及同類型公司之薪酬水平及就業狀況，為本公司任何與表現掛鈎的獎勵計劃建議目標；及

- 參考獨立非執行董事(包括非執行董事(如有))所付出之時間、精力及職責，就彼等之薪酬向董事會提出建議。

薪酬委員會為個別董事建議薪酬待遇時，將考慮彼之資格及經驗、董事會指派予彼之特定職責以及市場現行給予同類職位之待遇。於回顧年度內，每名董事之酬金詳列於第126及127頁財務報表附註16。本公司不時就董事薪酬待遇及集團純利狀況，與本集團市值相若之上市工業公司進行檢討及比較。考慮上述因素後，薪酬委員會經諮詢主席意見後將就每名董事之薪酬待遇提出建議。

於回顧年度內，薪酬委員會召開兩次會議，並已考慮(其中包括)所有董事之薪酬待遇。

C. ACCOUNTABILITY AND AUDIT

Financial reporting

The directors acknowledge their responsibilities for preparing the Company's account which gives a true and fair view of the financial position of the Group. The Company deploys appropriate and sufficient resources to prepare unaudited half-yearly account and audited yearly account. Senior management is required to present and explain the financial reporting and matters that materially affect or may have material impact on the financial performance and operations of the Company to the Audit Committee and the Board and respond to the queries and concerns raised by the Audit Committee and the Board to their satisfaction. The statement of the auditor of the Company about their reporting responsibilities on the financial statements is set out in Independent Auditor's Report on pages 51 and 52 of this annual report.

Internal controls

The Group has in place a system of internal controls, the key elements of which are as follows:

- formal policies and procedures are in place, including the documentation of key processes, procedures and rules relating to the delegation of authorities. These allow the monitoring of controls and restrict the unauthorised use of the Group assets;
- experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance;
- monthly business and financial reports are prepared, providing relevant, timely, reliable and up-to-date financial and other information; budget variances are investigated as appropriate; and
- an internal audit function, which reports directly to the Audit Committee, is in place to determine whether the above procedures are properly carried out.

C. 問責及核數

財務匯報

董事確認編製能真實及公平反映本集團的財務狀況之賬目乃彼等之責任。本公司調配合適及足夠的資源編製未經審核半年度賬目及經審核年度賬目。高級管理層須向審核委員會及董事會呈報及闡釋對本公司財務表現及營運構成或可能構成重大影響之財務匯報及事宜，並就審核委員會及董事會提出之查詢及關注作出令彼等信納之回應。本公司核數師就其對財務報表承擔之申報責任作出之聲明載於本年報第51及52頁之獨立核數師報告。

內部監控

本集團已設立內部監控制度，其主要要點如下：

- 設立正式政策及程序，包括有關授權之主要過程、程序及規則。上述措施令本集團得以監控及防止未經授權而挪用本集團資產；
- 由具備經驗及合適資格之員工擔任重要業務職責。本集團已設立每年評審程序，以維持表現水準；
- 編製每月業務及財務報告，提供相關、適時、可靠及最新財務及其他資料，並於適當時調查預算偏差；及
- 設立內部核數職能，直接向審核委員會匯報，以確定上述程序已適當執行。

C. ACCOUNTABILITY AND AUDIT *(continued)*

Internal controls *(continued)*

The Board has conducted a review on the effectiveness of the above internal control system of the Group including financial, operational and compliance controls and risk management and will conduct such review at least once a year, so as to ensure the shareholders' investment and the Group's assets are properly safeguarded. The Board is satisfied that, based on the information supplied, coupled with its own observations and with the assistance of the Audit Committee, the present internal controls and risk management processes are satisfactory for the nature and size of the Group's operations and business.

In addition to the internal control system, the Board has established an internal audit team that reports directly to the Audit Committee. The internal audit team will independently audit various functions, operations and systems existed in the Company according to their weight of significance to the Company as well as the priority list recommended by the Audit Committee. The internal audit team will prepare an internal audit report highlighting the deficiencies and weaknesses in existing audit functions, operations and systems for discussion by the Audit Committee and the Board, and based on these findings the Board will instruct senior management to take appropriate corrective and improvement actions.

Audit Committee

The Board has established the Audit Committee with specific written terms of reference setting out duties, responsibilities and authorities delegated to them by the Board of directors. The major duties and responsibilities of the Audit Committee include the following:

- review with the external auditor, the audit plan;
- review with the external auditor, their evaluation of the system of internal accounting controls;
- review the scope and results of the internal audit procedures;

C. 問責及核數*(續)*

內部監控*(續)*

董事會已檢討上述本集團內部監控制度之效能，包括財務、營運及規章監控及風險管理功能，並將每年至少進行一次該等檢討，以確保妥善保障股東的投資及本集團資產。董事會根據獲提供之資料，連同其本身觀察及在審核委員會協助下，信納就本集團營運及業務之性質及規模而言，現行內部監控及風險管理程序達滿意水平。

除內部監控制度外，董事會已設立內部核數隊伍，直接向審核委員會匯報。內部核數隊伍將會按照本公司現存各項職能、運作及系統之重要性，以及審核委員會建議之優先次序，獨立審核該等職能、運作及系統。內部核數隊伍將會編製內部核數報告，指出現時經審核職能、運作及系統之漏洞及缺點，以供審核委員會及董事會討論，而董事會將根據該等核數結果指示高級管理層採取適當糾正及改善措施。

審核委員會

董事會已設立審核委員會，並已書面訂明其具體職權範圍，載列董事會委派予其之職責及權力。審核委員會之主要職責包括下列各項：

- 與外聘核數師審閱核數計劃；
- 與外聘核數師檢討彼等對內部會計監控制度之評審；
- 檢討內部核數程序之範圍及成效；

C. ACCOUNTABILITY AND AUDIT *(continued)*

Audit Committee *(continued)*

- review the statement of financial position and income statement of the Company and the consolidated statement of financial position and income statement of the Group and submit them to the Board;
- nominate persons as auditor;
- review with the internal and external auditors their findings on their evaluation of the Company's system of internal controls for the purpose of assisting the Board in developing policies that would enhance the controls and operating systems of the Company; and
- review connected transactions and examine the adequacy of internal controls of the Group as part of the standard procedures.

C. 問責及核數*(續)*

審核委員會*(續)*

- 審閱本公司之財務狀況表及收益表以及本集團之綜合財務狀況表及收益表，並呈交董事會；
- 提名核數師；
- 與內部及外聘核數師檢討彼等對本公司內部控制度之評審結果，以協助董事會制訂有助提升本公司監控及運作制度之政策；及
- 作為正常程序之一部分，審閱關連交易及審查本集團內部監控是否足夠。

C. ACCOUNTABILITY AND AUDIT *(continued)*

Audit Committee *(continued)*

The duties of the Audit Committee include reviewing the scope and results of the audit and its cost effectiveness, and the independence and objectivity of the Company's auditor, Deloitte Touche Tohmatsu. The Audit Committee will review the independence of the Company's auditor, the resources and adequacy of the internal audit function, at least once a year. Where the auditor also supply non-audit services to the Company, the Committee will keep the nature and extent of such services under review, seeking to balance between the maintenance of objectivity and value for money. During the year under review, the fees paid/payable to the Company's auditor in respect of audit and non-audit services provided by the Company's auditor to the Group were as follows:

C. 問責及核數*(續)*

審核委員會*(續)*

審核委員會之職責包括檢討核數之範疇、結果以及成本效益，以及本公司外聘核數師德勤 • 關黃陳方會計師行之獨立性及客觀性。審核委員會每年至少一次檢討本公司外聘核數師之獨立性、內部核數職能有否足夠資源及稱職。倘若核數師向本公司提供非核數服務，委員會亦會檢討該等服務之性質及所涉範圍，務求在保持客觀性及成本之間取得平衡。於回顧年度內，就本公司外聘核數師向本集團提供之核數及非核數服務而已付／應付本公司核數師費用如下：

Nature of services	服務性質	Amount (HK$) 金額(港元)
Audit services	核數服務	10,062,000
Non-audit services	非核數服務	
(i) Tax services	(i) 稅務服務	768,500
(ii) Other services (Note)	(ii) 其他服務(附註)	5,714,700

Note: This mainly relates to the professional services fee rendered in connection with the proposed spin off of Hebei CoalChem Holdings Limited.

附註： 此主要為分拆河北煤化工控股有限公司相關之專業費用。

The Audit Committee has undertaken a review of all the non-audited services provided by the Company's auditor and concluded that in their opinion such services did not affect the independence of the auditor. The Board has appointed an accountant to be responsible for the accounting and financial matters of the Group and the Audit Committee has free access to the accountant and senior management of the Group and to any financial and relevant information which enable them to discharge their audit committee function effectively and efficiently. Besides internal assistance being available, the Audit Committee may request for assistance and advice from external auditor as and when they think necessary at the expenses of the Company. The Audit Committee shall meet with external auditor without the presence of executive directors to discuss the Group's financial reporting and any major and financial matters arising during the year under review at least once a year.

審核委員會已檢討本公司外聘核數師所提供之全部非核數服務，並認為該等服務並不影響核數師之獨立性。董事會已內部委任一名會計師負責本集團會計及財務事宜，而審核委員會有權隨時接觸本集團會計師及高級管理層，以及索取任何財務及相關資料，以便能夠有效地履行其作為審核委員會之職責。除獲得內部協助外，審核委員會亦可於彼等認為有需要時要求外聘核數師提供協助及建議，費用由本公司承擔。審核委員會每年至少一次在執行董事不在場之情況下與外聘核數師會面，以討論本集團之財務申報及回顧年度內出現之任何重大及財務事宜。

C. ACCOUNTABILITY AND AUDIT *(continued)*

Audit Committee *(continued)*

In addition, the Audit Committee is authorised:

- to investigate any matter within its written terms of reference;
- to have full access to and co-operation by the management;
- to have full discretion to invite any director or executive officer to attend its meetings; and
- to have reasonable resources to enable it to discharge its functions properly.

The Board will ensure that the members of the Audit Committee are appropriately qualified to discharge their responsibilities and at least one member has accounting and related financial management expertise or experience. The Audit Committee comprises three independent non-executive directors, namely Mr. Lai Chung Wing, Robert (Chairman), Mr. Tse Kam Hung and Mr. Henry Tan.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters, including the review of the audited annual financial statements for the year ended 31 December 2009.

C. 問責及核數*(續)*

審核委員會*(續)*

此外，審核委員會獲授權：

- 在其書面訂明職權範圍內調查任何事宜；
- 與管理層全面接觸及獲其衷誠合作；
- 全權酌情邀請任何董事或行政總裁出席其會議；及
- 獲得合理資源讓其能夠適當地履行職責。

董事會將確保審核委員會成員具備合適資格履行職務，及至少一名成員具備會計及相關財務管理專業知識或經驗。審核委員會由三名獨立非執行董事：黎忠榮先生(主席)、謝錦洪先生及陳亨利先生組成。

審核委員會與管理層已檢討本集團採納之會計原則及常規，並已討論核數、內部監控及財務匯報事宜，包括審閱截至二零零九年十二月三十一日止年度之經審核年度財務報表。

D. DELEGATION BY THE BOARD

Management function

The Company's articles of association set out matters which are specifically reserved to the Board for its decision. Executive directors normally meet on an informal basis every two weeks and participate in senior management meetings on a regular basis to keep abreast of the latest operations and performance of the Group and to monitor and ensure the management carry out the directions and strategies set by the Board of directors correctly and appropriately. Clear instructions are given to the management as to the matters which should bring to the attention and be determined by the Board on behalf of the Company.

Board committees

The Board has set up three Board committees, namely Audit Committee, Nomination Committee and Remuneration Committee, each chaired by different independent non-executive director, to assist the Board in discharging functions specific to each committee. Each Board committee has its own written terms of reference setting out the principles, procedures and arrangements which are substantially the same as those for the Board.

The Nomination Committee comprises three members who are independent non-executive directors, namely Mr. Henry Tan (Chairman), Mr. Lai Chung Wing, Robert, and Mr. Tse Kam Hung. According to the written terms of reference of the Nomination Committee, the major responsibilities of the Nomination Committee include:

- regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary;
- review whether or not an independent non-executive director is independent for the purpose of the Listing Rules on annual basis;

D. 董事會權力的轉授

管理功能

本公司之組織章程載列指明須由董事會決定之事項。執行董事一般每兩星期舉行非正式會議，並定期參與高級管理層之會議，以便掌握本集團近期之營運及表現，且監察及確保管理層正確及恰當地執行董事會制訂之指示及策略。管理層已獲清晰指示，得知須提呈董事會垂注並由董事會代表本公司作出決定之事宜。

董事委員會

董事會已設立三個委員會，分別為審核委員會、提名委員會及薪酬委員會，分別由不同獨立非執行董事出任主席，以協助董事會履行各委員會獲委派之特定職能。各董事委員會均書面訂明其特定的職權範圍，所載列之原則、程序及安排均與董事會之原則、程序及安排大致相同。

提名委員會由三名獨立非執行董事：陳亨利先生(主席)、黎忠榮先生及謝錦洪先生組成。根據提名委員會書面訂明的職權範圍，提名委員會之主要職責包括：

- 定期就董事會之架構、人數及組成作出檢討，並就任何認為需作出的調整向董事會提供推薦建議；
- 就上市規則而言，每年檢討獨立非執行董事是否屬獨立人士；

D. DELEGATION BY THE BOARD *(continued)*

Board committees *(continued)*

- be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
- assess the effectiveness of the Board as a whole and the contribution by each individual director to the effectiveness of the Board; and
- be responsible for re-nomination having regard to the director's contribution and performance, including, if applicable, as an independent director.

During the year under review, the Nomination Committee had convened one meeting during which, among other things, considered the directors who should retire by rotation pursuant to the Company's articles of association and the Code. The Nomination Committee had resolved that Messrs. Cheung Kwong Kwan, Chang Wing Yiu, Mok Cham Hung, Chadwick and Ho Yin Sang, shall be subject to retirement by rotation at the forthcoming annual general meeting of the Company. All the above-named directors were nominated by the Nomination Committee to stand for re-election at the forthcoming annual general meeting of the Company.

D. 董事會權力的轉授*(續)*

董事委員會*(續)*

- 在董事會出現空缺時負責物色及提名人選，以供董事會批准，藉以填補有關空缺；
- 評估董事會整體成效及各董事對董事會效能之貢獻；及
- 負責就董事之貢獻及表現重新提名其(視情況而定)為獨立董事。

於回顧年度，提名委員會召開一次會議，(其中包括)考慮應根據本公司之組織章程細則及守則輪值退任之董事名單。提名委員會議決通過，張廣軍先生、鄭永耀先生、莫湛雄先生及何燕生先生須於本公司應屆股東週年大會輪值退任。上述全部董事均獲提名委員會提名於本公司應屆股東週年大會膺選連任。

E. COMMUNICATION WITH SHAREHOLDERS

The Board endeavours to maintain an on-going dialogue with shareholders. All directors are encouraged to attend the general meetings to have personal communication with shareholders. In annual general meeting, Chairman of the Board and the chairman of each committee are required to attend and answer questions from shareholders in respect of the matters that they are responsible and accountable for. The external auditor is also required to be present to assist the directors in addressing any relevant queries by shareholders. The Company has also set up a public relations website which enables the shareholders and public to post their questions, comments and opinions in relation to the Group to the Board.

The Company's annual general meeting ("AGM") and extraordinary general meeting ("EGM") provide good opportunities for shareholders to air their views and ask directors and management questions regarding the Company. All shareholders of the Company receive the annual report, circulars and notices of AGM and EGM and other corporate communications. The notices are also published on the Company's website at www.kingboard.com. Separate resolutions are required at general meetings on each distinct issue. Each shareholder is permitted to appoint a proxy to attend and vote in his stead.

E. 與股東的溝通

董事會致力與股東保持持續對話。本集團鼓勵全體董事出席股東大會並與股東進行個人溝通。董事會主席及各委員會主席均須出席股東週年大會，並回應股東就彼等負責之事宜所作出之提問。外聘核數師亦須出席股東週年大會以協助董事回應股東任何有關提問。本公司亦已設立一公共關係網站，供股東及公眾向董事會發表有關本集團之問題、評論及意見。

藉本公司股東週年大會及股東特別大會，股東可表達彼等對本公司之意見及向董事及管理層提問。本公司全體股東均獲寄發年報、通函、股東週年大會及股東特別大會通告以及其他公司通訊。通告亦會於本公司網站www.kingboard.com刊登。本公司須就各項不同事項於股東大會上個別提呈決議案。每名股東可委派一名代表出席大會及代其投票。

Independent Auditor's Report
獨立核數師報告

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

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致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，核數師考慮與該實體編製及真實而公平地列報綜合財務報表相關的內部控制，以設計在該等情況下適當的審核程序，但並非為對實體的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

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

吾等相信，吾等所獲得的審核憑證是充足和適當地為吾等的審核意見提供基礎。

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

吾等認為，該等綜合財務報表已根據香港財務申報準則真實而公平地反映　貴集團於二零零九年十二月三十一日的事務狀況及　貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例的披露規定妥為編製。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
1 March 2010

德勤 · 關黃陳方會計師行
執業會計師
香港
二零一零年三月一日

Consolidated Statement of Comprehensive Income
綜合全面收益表

For the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Profit for the year	本年度溢利	**2,965,696**	2,131,271
Other comprehensive income:	其他全面收益：		
Cash flow hedge:	現金流對沖：		
Loss on cash flow hedges	現金流對沖虧損	**(89,986)**	(153,678)
Deferred tax recognised in relation to change in cash flow hedges	就現金流對沖變動而確認之遞延稅項	**11,099**	18,525
Reclassification adjustment relating to transfer of cash flow hedges	就現金流對沖調動而作出之重新分類調整	**95,026**	16,717
Reclassification adjustment relating to deferred tax on transfer of cash flow hedges	就現金流對沖調動而作出之重新分類調整之遞延稅項	**(12,228)**	(1,746)
Investment revaluation reserve:	投資重估儲備：		
Fair value changes of available-for-sale investments	可供出售投資之公平值變動	**143,969**	(390,833)
Reclassification adjustment relating to impairment loss on available-for-sale investments	就可供出售投資之減值虧損而作出之重新分類調整	**156,367**	253,158
Reclassification adjustment relating to disposal of available-for-sale investments	就出售可供出售投資而作出之重新分類調整	**(111,564)**	36,846
Property revaluation reserve:	物業重估儲備：		
Fair value changes oe93,5 ,Tc <08200e2d02b1ua	公平值變動		

Consolidated Statement of Financial Position 綜合財務狀況表

At 31 December 2009 於二零零九年十二月三十一日

		NOTES 附註	**2009 二零零九年 HK$'000 千港元**	2008 二零零八年 HK$'000 千港元
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	34	**56,418**	51,329
Derivative financial instruments	衍生金融工具	31	**130,317**	136,961
Bank borrowings – amount due after one year	銀行借貸－一年後到期之款項	33	**7,960,765**	7,105,276
			8,147,500	7,293,566
			26,124,116	23,617,201
Capital and reserves	股本及儲備			
Share capital	股本	35	**84,474**	83,926
Share premium and reserves	股份溢價及儲備		**21,421,943**	19,270,120
Equity attributable to owners of the Company	本公司持有人應佔權益		**21,506,417**	19,354,046
Share option reserve of a subsidiary	一間附屬公司之優先購股權儲備	36	**14,374**	13,715
Minority interests	少數股東權益		**4,603,325**	4,249,440
Total equity	資本總額		**26,124,116**	23,617,201

The consolidated financial statements on pages 53 to 203 were approved and authorised for issue by the Board of Directors on 1 March 2010 and are signed on its behalf by:

第53頁至第203頁之綜合財務報表已於二零一零年三月一日獲董事會批准及授權刊發，並由下列董事代表簽署：

Cheung Kwok Wing
張國榮
DIRECTOR
董事

Chan Wing Kwan
陳永錕
DIRECTOR
董事

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

For the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		Attributable to owners of the Company 本公司持有人應佔權益														
		Share capital 股本 HK$'000 千港元	Share premium 股份溢價 HK$'000 千港元	Capital redemption reserve 資本贖回儲備 HK$'000 千港元	Goodwill reserve 商譽儲備 HK$'000 千港元	Special surplus account 特別盈餘賬目 HK$'000 千港元 (Note a) (附註a)	Statutory reserve 法定儲備 HK$'000 千港元 (Note b) (附註b)	Hedging reserve 對沖儲備 HK$'000 千港元	Property revaluation reserve 物業重估儲備 HK$'000 千港元 (Note c) (附註c)	Investment revaluation reserve 投資重估儲備 HK$'000 千港元	Translation reserve 匯兌儲備 HK$'000 千港元	Retained profits 保留溢利 HK$'000 千港元	Total 合計 HK$'000 千港元	Share option reserve of a subsidiary 一間附屬公司之優先購股權儲備 HK$'000 千港元	Minority interests 少數股東權益 HK$'000 千港元	Total equity 資本總額 HK$'000 千港元
Balance at 1 January 2008	於二零零八年一月一日之結餘	83,810	4,505,828	897	(791)	10,594	31,728	–	6,583	(58,403)	1,057,425	12,640,032	18,277,703	12,862	3,936,231	22,226,796
Decrease in fair values of available-for-sale investments	可供出售投資公平值之減少	–	–	–	–	–	–	–	–	(390,833)	–	–	(390,833)	–	–	(390,833)
Share of changes in reserve of associates	應佔聯營公司儲備變動	–	–	–	–	–	–	–	–	–	22,980	–	22,980	–	–	22,980
Loss on cash flow hedges	現金流量對沖虧損	–	–	–	–	–	–	(144,780)	–	–	–	–	(144,780)	–	(8,898)	(153,678)
Deferred tax recognised in relation to change in cash flow hedges	就現金流量對沖變動確認之遞延稅項	–	–	–	–	–	–	18,525	–	–	–	–	18,525	–	–	18,525
Exchange differences arising on translation of foreign operations and to presentation currency	因折算外地經營至呈報貨幣而產生之匯兌差額	–	–	–	–	–	–	–	–	–	602,806	–	602,806	–	142,279	745,085
Fair value gain on properties transferred to investment properties	物業轉撥至投資物業之公平值收益	–	–	–	–	–	–	–	4,705	–	–	–	4,705	–	–	4,705
Profit for the year	本年度溢利	–	–	–	–	–	–	–	–	–	–	1,705,850	1,705,850	–	425,421	2,131,271
Reserves released upon disposal of an associate	出售一間聯營公司撥回之儲備	–	–	–	–	–	–	–	–	–	(773)	–	(773)	–	–	(773)
Transfer to profit or loss on cash flow hedges	因現金流對沖而轉撥至損益	–	–	–	–	–	–	16,717	–	–	–	–	16,717	–	–	16,717
Deferred tax on transfer to profit or loss on cash flow hedges	因現金流對沖而轉撥至損益產生之遞延稅項	–	–	–	–	–	–	(1,746)	–	–	–	–	(1,746)	–	–	(1,746)
Impairment loss on available-for-sale investments	可供出售投資之減值虧損	–	–	–	–	–	–	–	–	253,158	–	–	253,158	–	–	253,158
Investment revaluation reserve released on disposal	出售撥回之投資重估儲備	–	–	–	–	–	–	–	–	36,846	–	–	36,846	–	–	36,846
Total comprehensive income for the year	本年度全面收益總額	–	–	–	–	–	–	(111,284)	4,705	(100,829)	625,013	1,705,850	2,123,455	–	558,802	2,682,257
Issue of new shares from exercise of share options	因行使優先購股權而發行新股份	1,130	41,132	–	–	–	–	–	–	–	–	–	42,262	–	–	42,262
Share repurchased and cancelled	股份購回及註銷	(1,014)	(162,893)	1,014	–	–	–	–	–	–	–	(1,014)	(163,907)	–	–	(163,907)
Recognition of equity-settled share based payments	確認以股份形式付款	–	–	–	–	–	–	–	–	–	–	–	–	2,816	–	2,816
Final dividend for the year ended 31 December 2007	截至二零零七年十二月三十一日止年度之末期股息	–	–	–	–	–	–	–	–	–	–	(590,183)	(590,183)	–	–	(590,183)
Interim dividend for the year ended 31 December 2008	截至二零零八年十二月三十一日止年度之中期股息	–	–	–	–	–	–	–	–	–	–	(337,247)	(337,247)	–	–	(337,247)
Acquisition of subsidiaries (Note 37)	收購附屬公司(附註37)	–	–	–	–	–	–	–	–	–	–	–	–	–	47,586	47,586
Acquisition of additional interests in subsidiaries	收購附屬公司額外權益	–	–	–	–	–	–	–	–	–	–	–	–	–	(53,927)	(53,927)
Contribution from minority shareholders	少數股東出資款項	–	–	–	–	–	–	–	–	–	–	–	–	–	134,321	134,321
Dividend paid to minority shareholders	支付予少數股東之股息	–	–	–	–	–	–	–	–	–	–	–	–	–	(373,573)	(373,573)
Transfer upon lapse of share option	因優先購股權失效而轉撥	–	–	–	–	–	–	–	–	–	–	1,963	1,963	(1,963)	–	–
Transfers	轉撥	–	–	–	–	–	55,774	–	–	–	–	(55,774)	–	–	–	–
		116	(121,761)	1,014	–	–	55,774	–	–	–	–	(982,255)	(1,047,112)	853	(245,593)	(1,291,852)
Balance at 31 December 2008	於二零零八年十二月三十一日之結餘	83,926	4,384,067	1,911	(791)	10,594	87,502	(111,284)	11,288	(159,232)	1,682,438	13,363,627	19,354,046	13,715	4,249,440	23,617,201

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

For the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		Attributable to owners of the Company 本公司持有人應佔權益														
		Share capital 股本 HK$'000 千港元	Share premium 股份溢價 HK$'000 千港元	Capital redemption reserve 資本贖回儲備 HK$'000 千港元	Goodwill reserve 商譽儲備 HK$'000 千港元	Special surplus account 特別盈餘賬目 HK$'000 千港元 (Note a) (附註a)	Statutory reserve 法定儲備 HK$'000 千港元 (Note b) (附註b)	Hedging reserve 對沖儲備 HK$'000 千港元	Property revaluation reserve 物業重估儲備 HK$'000 千港元 (Note c) (附註c)	Investment revaluation reserve 投資重估儲備 HK$'000 千港元	Translation reserve 匯兌儲備 HK$'000 千港元	Retained profits 保留溢利 HK$'000 千港元	Total 合計 HK$'000 千港元	Share option reserve of a subsidiary 一間附屬公司之優先購股權儲備 HK$'000 千港元	Minority interests 少數股東權益 HK$'000 千港元	Total equity 資本總額 HK$'000 千港元
Balance at 1 January 2009	於二零零九年一月一日之結餘	83,926	4,384,067	1,911	(791)	10,594	87,502	(111,284)	11,288	(159,232)	1,682,438	13,363,627	19,354,046	13,715	4,249,440	23,617,201
Increase in fair value of available-for-sale investments	可供出售投資公平值之增加	–	–	–	–	–	–	–	–	188,493	–	–	188,493	–	(44,524)	143,969
Share of changes in reserve of associates	應佔聯營公司儲備變動	–	–	–	–	–	–	–	–	–	796	–	796	–	–	796
Loss on cash flow hedges	現金流量對沖虧損	–	–	–	–	–	–	(89,986)	–	–	–	–	(89,986)	–	–	(89,986)
Deferred tax recognised in relation to change in cash flow hedges	就現金流量對沖變動確認之遞延稅項	–	–	–	–	–	–	11,099	–	–	–	–	11,099	–	–	11,099
Exchange differences arising on translation of foreign operations and to presentation currency	因折算外地經營至呈報貨幣而產生之匯兌差額	–	–	–	–	–	–	–	–	–	44,522	–	44,522	–	2,169	46,691
Fair value gain on properties transferred to investment properties	物業轉撥至投資物業之公平值收益	–	–	–	–	–	–	–	3,928	–	–	–	3,928	–	1,651	5,579
Profit for the year	本年度溢利	–	–	–	–	–	–	–	–	–	–	2,396,030	2,396,030	–	569,666	2,965,696
Transfer to profit or loss on cash flow hedges	因現金流對沖而轉撥至損益	–	–	–	–	–	–	95,026	–	–	–	–	95,026	–	–	95,026
Deferred tax on transfer to profit or loss on cash flow hedges	因現金流對沖而轉撥至損益產生之遞延稅項	–	–	–	–	–	–	(12,228)	–	–	–	–	(12,228)	–	–	(12,228)
Impairment loss on available-for-sale investments	可供出售投資之減值虧損	–	–	–	–	–	–	–	–	111,843	–	–	111,843	–	44,524	156,367
Investment revaluation reserve released on disposal	出售撥回之投資重估儲備	–	–	–	–	–	–	–	–	(111,564)	–	–	(111,564)	–	–	(111,564)
Total comprehensive income for the year	本年度全面收益總額	–	–	–	–	–	–	3,911	3,928	188,772	45,318	2,396,030	2,637,959	–	573,486	3,211,445
Issue of new shares from exercise of share options	因行使優先購股權而發行新股份	548	19,940	–	–	–	–	–	–	–	–	–	20,488	–	–	20,488
Recognition of equity-settled share based payments	確認以股份形式付款	–	–	–	–	–	–	–	–	–	–	–	–	1,427	–	1,427
Final dividend for the year ended 31 December 2008	截至二零零八年十二月三十一日止年度之末期股息	–	–	–	–	–	–	–	–	–	–	(253,422)	(253,422)	–	–	(253,422)
Interim dividend for the year ended 31 December 2009	截至二零零九年十二月三十一日止年度之中期股息	–	–	–	–	–	–	–	–	–	–	(253,422)	(253,422)	–	–	(253,422)
Acquisition of subsidiaries (Note 37)	收購附屬公司(附註37)	–	–	–	–	–	–	–	–	–	–	–	–	–	62,765	62,765
Acquisition of additional interests in subsidiaries	收購附屬公司額外權益	–	–	–	–	–	–	–	–	–	–	–	–	–	(203,350)	(203,350)
Disposal of partial interests in subsidiaries	出售附屬公司部份權益	–	–	–	–	–	–	–	–	–	–	–	–	–	508,622	508,622
Disposal of subsidiaries (Note 38)	出售附屬公司(附註38)	–	–	–	–	–	–	–	–	–	–	–	–	–	(362,024)	(362,024)
Dividend paid to minority shareholders	支付予少數股東之股息	–	–	–	–	–	–	–	–	–	–	–	–	–	(225,614)	(225,614)
Reserves released upon disposal of subsidiaries	出售附屬公司時撥回儲備	–	–	–	–	–	–	–	–	–	(60,943)	60,943	–	–	–	–
Reserves released upon disposal of partial interests in subsidiaries	出售附屬公司部份權益時撥回儲備	–	–	–	–	–	–	–	–	–	(55,541)	55,541	–	–	–	–
Transfer upon lapse of share option	因優先購股權失效而轉撥	–	–	–	–	–	–	–	–	–	–	768	768	(768)	–	–
Transfers	轉撥	–	–	–	–	–	69,263	–	–	–	–	(69,263)	–	–	–	–
		548	19,940	–	–	–	69,263	–	–	–	(116,484)	(458,855)	(485,588)	659	(219,601)	(704,530)
Balance at 31 December 2009	於二零零九年十二月三十一日之結餘	84,474	4,404,007	1,911	(791)	10,594	156,765	(107,373)	15,216	29,540	1,611,272	15,300,802	21,506,417	14,374	4,603,325	26,124,116

Notes:

(a) Special surplus account represents the difference between the nominal amount of the shares issued by the Company and the nominal amount of the issued share capitals of the subsidiaries which were acquired by the Company under the group reorganisation in 1993.

(b) Statutory reserve represents the Enterprise Expansion Fund and General Reserve set aside by certain subsidiaries in accordance with the relevant laws and regulations of the People's Republic of China.

(c) The property revaluation reserve of the Group represents the gain on revaluation of certain properties for own use of the Group as a result of transfer of those properties for own use from properties, plant and equipment to investment properties.

附註：

(a) 特別盈餘賬目指本公司發行的股份面值與本公司於一九九三年根據集團重組收購之附屬公司已發行股本面值之差額。

(b) 法定儲備指若干附屬公司根據中華人民共和國相關法律及法規撥出之企業擴充基金和一般儲備金。

(c) 本集團物業重估儲備指由於將若干物業由自用之物業、廠房及設備轉撥至投資物業所產生之重估收益。

Consolidated Statement of Cash Flows
綜合現金流量表

For the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	**3,214,180**	2,325,502
Adjustments for:	調整：		
Share of results of associates	應佔聯營公司業績	**(64,252)**	(369,807)
Share of results of jointly controlled entities	應佔共同控制實體業績	**2,325**	3,849
Amortisation of intangible assets	無形資產攤銷	**688**	750
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	**1,811,320**	1,589,648
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收賬款確認之減值虧損	**90,070**	40,474
Dividends from available-for-sale investments	可供出售投資之股息	**(32,124)**	(22,566)
Discount on acquisition of additional interests in subsidiaries	收購附屬公司額外權益之折讓	**(14,580)**	(33,711)
Discount on acquisition of subsidiaries	收購附屬公司之折讓	**–**	(11,395)
Interest expenses and other finance charges	利息支出及其他融資費用	**221,256**	329,369
Gain on disposal of investment properties	出售投資物業之收益	**–**	(143,745)
Gain on disposal of subsidiaries	出售附屬公司之收益	**(24,242)**	–
Gain on disposal of partial interests in subsidiaries	出售附屬公司部份權益之收益	**(340,038)**	–
(Gain) loss on disposal of available-for-sale investments	出售可供出售投資之(收益)虧損	**(111,564)**	36,846
Gain on fair value changes of investment properties	投資物業公平值變動之收益	**(51,425)**	(5,992)
Gain on fair value changes of foreign currency forward contracts	外匯遠期合約公平值變動之收益	**(370)**	(318)
Loss (gain) on fair value changes of commodity forward contracts	商品遠期合約公平值變動之虧損(收益)	**11,628**	(2,454)
Release of prepaid lease payments	預付租賃款項撥回	**20,047**	26,863
Interest income	利息收入	**(50,575)**	(62,309)
Impairment loss on available-for-sale investments	可供出售投資之減值虧損	**156,367**	253,158
Imputed interest income on convertible bond	可換股債券應計利息收入	**–**	(602)
Loss on disposal of convertible bond and interest in an associate	出售可換股債券及一間聯營公司權益之虧損	**–**	189,697
Loss on disposal and write off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損	**15,539**	3,713
Loss on disposal of subsidiaries	出售附屬公司之虧損	**106,814**	–
Share based payment expenses	以股份形式支付開支	**1,427**	2,816
Operating cash flows before movements in working capital	未計營運資金變動前之經營現金流量	**4,962,491**	4,149,786
(Increase) decrease in inventories	存貨(增加)減少	**(388,500)**	164,443
(Increase) decrease in trade and other receivables and prepayments	貿易及其他應收賬款及預付款項(增加)減少	**(1,444,570)**	1,695,555
(Increase) decrease in bills receivables	應收票據(增加)減少	**(486,384)**	81,926
Decrease in trade and other payables	貿易及其他應付賬款減少	**(517,077)**	(1,394,891)
Increase (decrease) in bills payables	應付票據增加(減少)	**139,922**	(265,630)
Net increase in derivative financial instruments	衍生金融工具增加之淨額	**1,898**	270
Increase in properties held for development	待發展物業增加	**(763,152)**	(233,135)

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		Notes 附註	2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Cash generated from operations	經營業務所得現金		**1,504,628**	4,198,324
Hong Kong Profits Tax paid	已繳香港利得稅		**(239)**	(1,288)
Hong Kong Profits Tax refunded	已退香港利得稅		**138**	46,907
Other taxes paid	其他已繳稅項		**(219,838)**	(197,441)
NET CASH FROM OPERATING ACTIVITIES	經營業務所得現金淨額		**1,284,689**	4,046,502
INVESTING ACTIVITIES	投資業務			
Purchase of available-for-sale investments	購買可供出售投資		**(1,309,428)**	(752,707)
Purchase of properties, plant and equipment	購買物業、廠房及設備		**(1,989,166)**	(3,286,469)
Deposits paid for acquisition of properties, plant and equipment	購買物業、廠房及設備所付訂金		**(373,242)**	(676,673)
Consideration paid for acquisition of additional interests in subsidiaries	收購附屬公司額外權益所付代價		**(291,412)**	(20,216)
Increase in pledged bank deposits	已質押銀行存款增加		**(105,622)**	–
Prepaid lease payments made	已付預付租賃款項		**(21,824)**	(61,622)
Purchase of investment properties	購買投資物業		**(7,460)**	(360,302)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	38	**1,062,242**	–
Proceeds from disposal of available-for-sale investments	出售可供出售投資之所得款項		**1,026,876**	146,283
Proceeds from disposal of partial interests in subsidiaries	出售附屬公司部份權益所得款項		**848,660**	–
Proceeds from disposal of properties, plant and equipment	出售物業、廠房及設備之所得款項		**172,877**	47,729
Dividend received from an associate	已收一間聯營公司股息		**111,156**	349,360
Interest received	已收利息		**50,575**	62,309
Dividends received from available-for-sale investments	已收可供出售投資股息		**32,124**	22,566
Acquisition of subsidiaries	收購附屬公司	37	**20,065**	(259,351)
Capital injection/acquisition of associates	增資／收購聯營公司		**–**	(29,907)
Purchase of intangible assets	購買無形資產		**–**	(261)
Proceeds from disposal of investment properties	出售投資物業所得款項		**–**	503,000
Proceeds from disposal of convertible bond	出售可換股債券所得款項		**–**	109,333
Proceeds from disposal of interest in an associate	出售一間聯營公司權益之所得款項		**–**	120,777
NET CASH USED IN INVESTING ACTIVITIES	投資業務所用現金淨額		**(773,579)**	(4,086,151)

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2009 截至二零零九年十二月三十一日止年度

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新增銀行借貸	**5,848,079**	8,199,044
Proceeds from exercise of share options	行使優先購股權所得款項	**20,488**	42,262
Repayment of bank borrowings	償還銀行借貸	**(4,119,570)**	(5,852,605)
Dividend paid on ordinary shares	已派普通股股息	**(506,844)**	(927,430)
Dividend paid to minority shareholders of subsidiaries	支付予附屬公司之少數股東之股息	**(225,614)**	(373,573)
Interest and other finance charges paid	已付利息及其他融資費用	**(226,354)**	(349,228)
Capital contribution from minority shareholders of subsidiaries	附屬公司之少數股東出資款項	**–**	134,321
Payment on repurchase of shares	購回股份款項	**–**	(163,907)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	**790,185**	708,884
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加淨額	**1,301,295**	669,235
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初之現金及現金等值項目	**4,225,257**	3,494,011
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動影響	**20,035**	62,011
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	年末之現金及現金等值項目	**5,546,587**	4,225,257
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Bank balances and cash	銀行結餘及現金	**5,652,209**	4,225,273
Bank overdrafts	銀行透支	**–**	(16)
		5,652,209	4,225,257
Less: Pledged bank deposits	減：已質押銀行存款	**(105,622)**	–
Balances of cash and cash equivalents	現金及現金等值項目結餘	**5,546,587**	4,225,257

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" section of the annual report.

The functional currency of the Company and its operating subsidiaries is Renminbi ("RMB") while the consolidated financial statements are presented in Hong Kong dollars ("HK$"), which the management of the Company considered is more beneficial for the users of the consolidated financial statements.

The principal activities of the Group are the manufacture of laminates, copper foil, glass fabric, glass yarn, bleached kraft paper, printed circuit boards ("PCBs"), chemicals, liquid crystal displays ("LCDs"), magnetic products and property developments.

1. 一般資料

本公司在開曼群島註冊成立為受豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)之主板上市。本公司註冊辦事處之地址及主要營業地點於本年報「公司資料」一節中披露。

本公司及其附屬公司的功能貨幣為人民幣(「人民幣」)。綜合財務報表則以港元(「港元」)呈列，本公司管理層認為此舉對綜合財務報表的使用者更有幫助。

本集團主要從事覆銅面板、銅箔、玻璃纖維布、玻璃紗、漂白木漿紙、印刷線路板(「印刷線路板」)、化工產品、液晶體顯示屏(「液晶體顯示屏」)、磁電產品製造業務和房地產發展。

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

In the current year, the Group has applied a number of new and revised Standards, Amendments and Interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

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

2. 應用新增及經修訂之香港財務申報準則(「香港財務申報準則」)

於本年度，本集團已應用多項由香港會計師公會(「香港會計師公會」)頒佈的新增及經修訂準則、修訂本及詮釋(「新增及經修訂香港財務申報準則」)。

除以下所述外，採納新增及經修訂香港財務申報準則對本集團本期間或過往會計期間之綜合財務報表並無重大影響。

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

New and revised HKFRSs affecting presentation and disclosure only

HKAS 1 (Revised 2007) Presentation of financial statements

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

HKFRS 8 Operating segments

HKFRS 8 is a disclosure standard that has not resulted in a redesignation of the Group's reportable segments (see Note 8).

Improving disclosures about financial instruments (amendments to HKFRS 7 Financial instruments: Disclosures)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The amendments also expand and amend the disclosures required in relation to liquidity risk. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments.

2. 應用新增及經修訂之香港財務申報準則(「香港財務申報準則」) *(續)*

僅影響呈列及披露之新增及經修訂香港財務申報準則

香港會計準則第1號(二零零七年經修訂)財務報表的呈列

香港會計準則第1號(二零零七年經修訂)引進術語變動(包括修改財務報表的名目)及財務報表的格式與內容之變動。

香港財務申報準則第8號經營分部

香港財務申報準則第8號是一項披露準則,並不會導致本集團重新劃定須予呈報之分部(見附註8)。

金融工具披露改善(香港財務申報準則第7號金融工具:披露(修訂本))

香港財務申報準則第7號(修訂本)擴大以公平值計量的金融工具公平值計量所需的披露。該等修訂本亦擴大及修訂流動資金風險所需披露。根據該等修訂本所載的過渡條文,本集團並無提供經擴大披露事項的比較資料。

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

The Group has not early applied the following new and revised Standards, Amendments or Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of improvements to HKFRSs 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs 2009[2]
HKAS 24 (Revised)	Related party disclosures[6]
HKAS 27 (Revised)	Consolidated and separate financial statements[1]
HKAS 32 (Amendment)	Classification of right issues[4]
HKAS 39 (Amendment)	Eligible hedged items[1]
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters[3]
HKFRS 1 (Amendment)	Limited exemption from comparative HKFRS 7 disclosures for first-time adopters[5]
HKFRS 2 (Amendment)	Group cash-settled share-based payment transactions[3]
HKFRS 3 (Revised)	Business combinations[1]
HKFRS 9	Financial instruments[7]
HK(IFRIC)* – INT 14 (Amendment)	Prepayments of a minimum funding requirements[6]
HK(IFRIC) – INT 17	Distributions of non-cash assets to owners[1]
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instruments[5]

2. 應用新增及經修訂之香港財務申報準則(「香港財務申報準則」) *(續)*

本集團並無提前應用下列已頒佈但尚未生效之新增及經修訂的準則、修訂本或詮釋。

香港財務申報準則(修訂本)	香港財務申報準則第5號之修訂本,作為於二零零八年香港財務申報準則之改進的一部份[1]
香港財務申報準則(修訂本)	於二零零九年香港財務申報準則之改進[2]
香港會計準則第24號(經修訂)	有關連人士披露[6]
香港會計準則第27號(經修訂)	綜合及獨立財務報表[1]
香港會計準則第32號(修訂本)	供股之分類[4]
香港會計準則第39號(修訂本)	合資格對沖項目[1]
香港財務申報準則第1號(修訂本)	首次採納者之額外豁免[3]
香港財務申報準則第1號(修訂本)	香港財務申報準則第7號對首次採納者披露比較數字之有限度豁免[5]
香港財務申報準則第2號(修訂本)	集團現金結算以股份形式付款交易[3]
香港財務申報準則第3號(經修訂)	業務合併[1]
香港財務申報準則第9號	金融工具[7]
香港(國際財務申報準則詮釋委員會)–詮釋第14號(修訂本)	最低資金要求之預付款項[6]
香港(國際財務申報準則詮釋委員會)–詮釋第17號	分配給擁有人的非現金資產[1]
香港(國際財務申報準則詮釋委員會)–詮釋第19號	以權益工具抵銷金融負債[5]

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

1 Effective for annual periods beginning on or after 1 July 2009.

2 Amendments that are effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate.

3 Effective for annual periods beginning on or after 1 January 2010.

4 Effective for annual periods beginning on or after 1 February 2010.

5 Effective for annual periods beginning on or after 1 July 2010.

6 Effective for annual periods beginning on or after 1 January 2011.

7 Effective for annual periods beginning on or after 1 January 2013.

* *IFRIC represents the International Financial Reporting Interpretations Committee.*

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary.

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

2. 應用新增及經修訂之香港財務申報準則(「香港財務申報準則」) *(續)*

1 於二零零九年七月一日或其後開始之年度期間生效。

2 於二零零九年七月一日及二零一零年一月一日(如適用)或其後開始之年度期間生效之修訂本。

3 於二零一零年一月一日或其後開始之年度期間生效。

4 於二零一零年二月一日或其後開始之年度期間生效。

5 於二零一零年七月一日或其後開始之年度期間生效。

6 於二零一一年一月一日或其後開始之年度期間生效。

7 於二零一三年一月一日或其後開始之年度期間生效。

* *IFRIC代表國際財務申報準則詮釋委員會。*

應用香港財務申報準則第3號(經修訂)或會影響收購日期處於二零零九年七月一日或其後開始之首個年度報告期間或以後之業務合併之會計處理。香港會計準則第27號(經修訂)將影響母公司於一間附屬公司之擁有權權益變動之會計處理。

香港財務申報準則第9號金融工具引進財務資產分類與計量之新規定，於二零一三年一月一日起生效，准予提前應用。該準則規定，屬於香港會計準則第39號金融工具：確認及計量範圍內之所有已確認財務資產須按攤銷成本或公平值計量，尤其是，(i)根據目標為收取合約現金流的業務模式持有之債務投資；及(ii)合約現金流僅為一般按攤銷成本計量的未償還本金及利息之債務投資。所有其他債務投資及股本投資按公平值計量。應用香港財務申報準則第9號可能影響本集團財務資產之分類與計量。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared using the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

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

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

3. 主要會計政策

綜合財務報表乃按歷史成本基準編製，惟如下列會計政策所闡述，投資物業及若干金融工具則按公平值計量。

綜合財務報表乃按香港會計師公會頒佈之香港財務申報準則編製。此外，綜合財務報表載有聯交所證券上市規則(「上市規則」)及香港公司條例規定之適用披露。

綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體(附屬公司)截至每年十二月三十一日止之財務報表。當本公司有權力操縱某實體之財政及經營政策以藉其活動之中獲益，將視為擁有控制權。

於年內收購或出售之附屬公司之業績，自實際收購日期起或實際出售日期止(視適用情況而定)已列入綜合全面收益表內。

如需要，將會就附屬公司之財務報表作出調整，致使其會計政策與本集團其他成員公司所用者貫徹一致。

所有集團內公司間交易、結餘、收入及開支於綜合賬目時對銷。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Basis of consolidation *(continued)*

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

On acquisition of additional interest in subsidiaries, goodwill arising is calculated as the difference between the consideration paid for the additional interest and the carrying amount of the net assets of the subsidiaries attributable to the additional interest acquired. If the Group's additional interest in the net assets of the subsidiaries exceeds the consideration paid for the additional interest, the excess is recognised immediately as income in profit or loss.

On disposal of partial interest in subsidiaries, the difference between the proceeds from the disposal of partial interest in subsidiaries and the carrying amount of the net assets of the subsidiaries disposed of is recognised in the consolidated income statement.

Business combinations

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date.

3. 主要會計政策*(續)*

綜合賬目基準*(續)*

綜合附屬公司資產淨值之少數股東權益與本集團於其中之權益分開呈列。於該等資產淨值之少數股東權益包括在原業務合併日期之有關權益數額，以及自合併日期起計少數股東應佔之權益變動。少數股東應佔虧損超出少數股東於附屬公司之股本權益之金額乃與本集團權益對銷，惟少數股東具有約束力責任及其有能力作出額外投資以彌補該等虧損則除外。

收購附屬公司額外權益時，所產生之商譽按就額外權益所付代價與所收購之額外權益應佔附屬公司資產淨值之賬面值間差額計算。倘本集團應佔附屬公司資產淨值之額外權益超逾就額外權益所支付之代價，超額部分即時確認為損益。

出售附屬公司部分權益時，出售附屬公司部分權益所得款項與所出售附屬公司的資產淨值賬面值之間的差額，於綜合收益表中確認。

業務合併

收購業務採用購買會計處理法入賬。收購成本按交易當日所給予之資產、所產生或承擔之負債，以及本集團為控制被收購方而已發行股本工具之公平值總額，另加業務合併直接應佔之任何成本計量。符合香港財務申報準則第3號「業務合併」確認條件之被收購方之可識別資產、負債及或然負債，均以收購日期之公平值確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Business combinations *(continued)*

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or jointly control over those policies.

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

3. 主要會計政策*(續)*

業務合併*(續)*

因收購而產生之商譽確認為資產，乃初步按成本(即業務合併成本超逾本集團所佔之已確認之可識別資產、負債及或然負債之公平值淨額之權益之部分)計量。倘於重新評估後，本集團應佔被收購方之可識別資產、負債及或然負債之公平值淨額之權益高於業務合併成本，超出部分即時於損益內確認。

少數股東於被收購方之權益初步按少數股東於已確認資產、負債及或然負債之公平值淨額所佔比例計量。

於聯營公司之投資

聯營公司指本集團對其有重大影響力之實體，且不屬於附屬公司或合資企業之權益。重大影響力指參與投資對象之財務及經營政策決策之權力，但並無控制或共同控制該等政策。

聯營公司之業績及資產與負債乃按權益會計法納入綜合財務報表內。根據權益法，於聯營公司之投資乃按成本於綜合財務狀況表列賬，並就本集團應佔該等聯營公司之資產淨值之收購後變動作出調整，以及減去任何已識別之減值虧損。當本集團應佔一間聯營公司之虧損相等於或超出其於該聯營公司之權益(包括實質上構成本集團於該聯營公司之投資淨額一部分之任何長期權益)，則本集團不再確認其應佔之進一步虧損。額外應佔虧損會作出撥備及確認負債，惟僅以本集團已產生法定或推定責任或代表該聯營公司支付之款項為限。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments in associates *(continued)*

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment as a single asset. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment in associate. Any reversal of impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

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

Jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which ventures have joint control over the economic activity of the entity are referred to as jointly controlled entities.

3. 主要會計政策*(續)*

於聯營公司之投資*(續)*

任何收購成本超出本集團應佔於收購日期已確認之聯營公司可識別資產、負債及或然負債中之公平值淨額之部分，均確認為商譽。商譽乃計入投資之賬面值中，不會個別進行減值測試。相反，該項投資的全部賬面值作減值測試，猶如單一資產。所確認之任何減值虧損不會分配予任何資產，包括商譽，並構成於聯營公司之投資賬面值的一部分。倘該項投資可收回金額其後增加，則確認任何撥回之減值虧損。

任何本集團應佔可識別資產、負債及或然負債之公平值淨額超出收購成本之部分，經重估後即時於損益中確認。

當集團實體與本集團聯營公司進行交易時，損益會按本集團應佔有關聯營公司之權益予以對銷。

共同控制實體

合營企業安排涉及成立獨立實體，而當中各經營方對該實體之經濟活動擁有共同控制權者乃列作共同控制實體。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Jointly controlled entities *(continued)*

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

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition after reassessment, is recognised immediately in profit or loss.

When a group entity transacts with a jointly controlled entity of the Group, profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity.

Goodwill

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

3. 主要會計政策*(續)*

共同控制實體*(續)*

共同控制實體之業績及資產與負債乃按權益會計法列入綜合財務報表內。根據權益法，於共同控制實體之投資乃按成本就本集團應佔該共同控制實體之資產淨值之收購後變動調整，減任何已識別之減值虧損於綜合財務狀況表列賬。當本集團應佔共同控制實體之虧損相等於或超出其於該共同控制實體之權益(包括實質上構成本集團於該共同控制實體之投資淨額之一部分之任何長期權益)，則本集團不再確認其應佔之進一步虧損。額外應佔虧損會作出撥備及確認負債，惟僅以本集團已產生法定或推定責任或代表該共同控制實體支付之款項為限。

任何本集團應佔可識別資產、負債及或然負債之公平值淨額超出收購成本之部分，經重估後即時於損益中確認。

當集團實體與本集團共同控制實體進行交易時，損益會按本集團佔有關共同控制實體之權益予以對銷。

商譽

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Goodwill *(continued)*

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Investment properties

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3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investment properties *(continued)*

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. 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 asset) is included in the profit or loss in the period in which the item is derecognised.

Properties held for development

Properties held for development for sale in the future are stated at the lower of cost and net realisable value.

Costs relating to the development of properties, comprising prepaid lease payments for lands and development costs, are included in properties held for development until such time when they are completed.

Properties, plant and equipment

Properties, plant and equipment (other than properties, plant and equipment under construction) are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write off the cost of items of properties, plant and equipment (other than properties, plant and equipment under construction) over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method (see Note 20 for the depreciation rates per annum of the items of properties, plant and equipment).

3. 主要會計政策*(續)*

投資物業*(續)*

投資物業於出售後，或當永久停止使用該投資物業，及預期出售不會產生未來經濟利益時剔除確認。剔除確認該資產所產生之任何盈虧乃按出售所得款項淨額與該資產賬面值間之差額計算，並計入剔除確認項目年度之綜合收益表內。

待發展物業

待發展物業按成本及可變現淨值兩者之較低者列賬。

發展物業相關之費用(包括土地之預付租賃款項及發展成本)將計入待發展物業，直至完成發展為止。

物業、廠房及設備

物業、廠房及設備(不包括在建物業、廠房及設備)，乃按成本減其後累計折舊及任何累計減值虧損列賬。

物業、廠房及設備項目(不包括在建物業、廠房及設備)之折舊乃根據其估計可使用年期，於計及其估計剩餘價值後，以直線法撇銷其成本(有關物業、廠房及設備項目每年折舊率，見附註20)。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Properties, plant and equipment *(continued)*

Properties, plant and equipment under construction, representing properties, plant and equipment in the course of construction for production or for its own use purposes, are carried at cost less any recognised impairment loss. Properties, plant and equipment under construction is classified to the appropriate category of properties, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An owner-occupied property is transferred to investment property at fair value when it is evidenced by end of owner-occupation. The difference between the fair

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Properties, plant and equipment *(continued)*

Leasehold land and buildings under development for future owner-occupied purpose

When the leasehold land and buildings are in the course of development for production or for administrative purposes, the leasehold land component is classified as a prepaid lease payment and amortised on a straight-line basis over the lease term. During the construction period, the amortisation charge provided for the leasehold land is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets (other than mining right) with finite useful lives is provided on a straight-line basis over their estimated useful lives.

3. 主要會計政策*(續)*

物業、廠房及設備*(續)*

發展中供日後業主使用之租約土地及樓宇

倘租約土地及樓宇正在發展作生產或行政用途，則租約土地部分乃分類為預付租賃款項，並於租約年期以直線法攤銷。在建期間，就租約土地計提之攤銷支出，乃列作在建樓宇成本部分。在建樓宇以成本減任何已識別減值虧損列賬。樓宇於可供使用(即其達致管理層預期方式之所需運作地點及狀況)時開始計提折舊。

存貨

存貨按成本或可變現淨值兩者中之較低者入賬。成本包括直接物料及(如適用)直接勞工成本及使存貨達致現有位置及狀況所產生之間接成本。成本按加權平均法計算。可變現淨值指估計售價減估計完成所需之全部成本以及市場推廣、銷售及分銷將予產生之成本。

無形資產

個別收購之無形資產

個別收購並具有有限可使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期之無形資產(採礦權除外)於估計可使用年期內以直線法攤銷。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Intangible assets *(continued)*

Intangible assets acquired separately (continued)

Amortisation for mining right with finite useful life is amortised using the units of production method over the total proven reserves of the coal mines.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss in the period when the asset is derecognised.

Research and development expenditure

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

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

3. 主要會計政策*(續)*

無形資產*(續)*

個別收購之無形資產(續)

具有有限可使用年期之採礦權則使用單位生產法按煤礦總探明儲量攤銷。

剔除確認無形資產時所產生之任何盈虧(按出售所得款項淨額與資產賬面值間之差額計算)，於資產剔除確認年度之綜合收益表確認。

研究及開發費用

研究活動費用於產生期間確認為開支。

開發(或自內部項目開發階段)產生之內部產生無形資產，在下列各項出現時，方會確認：

- 無形資產技術上可行，將可供使用或出售；
- 完成、使用或出售無形資產的意向；
- 使用或出售無形資產的能力；
- 無形資產將產生潛在未來經濟利益；
- 充分取得完成無形資產開發及使用或出售無形資產的技術、財務及其他資源；及
- 可靠地計量無形資產於開發時應佔的開支。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Intangible assets *(continued)*

Research and development expenditure (continued)

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on the same basis as intangible assets acquired separately.

Impairment

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired (see the accounting policies in respect of impairment losses (other than goodwill) below).

3. 主要會計政策*(續)*

無形資產*(續)*

研究及開發費用(續)

就內部產生無形資產初步確認之金額為該等無形資產首次符合確認標準當日起產生之開支總額。倘未能確認內部產生無形資產，則開發費用於產生期間在損益扣除。

於初步確認後，內部產生無形資產乃按成本減累計攤銷及任何累計減值虧損(如有)計量，其基準與獨立收購的無形資產相同。

於業務合併中收購之無形資產

倘於業務合併中收購之無形資產符合無形資產之定義，而其公平值能可靠計算，該等資產則獨立於商譽識別及確認。有關無形資產之成本為其於收購日期之公平值。

於初步確認後，具有有限可使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期之無形資產按與獨立收購的無形資產相同基準攤銷。

減值

倘有跡象顯示具有有限可使用年期之無形資產可能出現減值，則對有關資產進行減值測試(請參閱下文有關減值虧損之會計政策(商譽除外))。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment losses (other than goodwill (see the accounting policies in respect of goodwill))

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

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

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

3. 主要會計政策*(續)*

減值虧損(商譽除外(請參閱有關商譽之會計政策))

於報告期間結束當日，本集團須審閱其有形及無形資產之賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則估計資產可收回金額，以釐定減值虧損的幅度(如有)。倘某項資產之可收回金額估計低於其賬面值，則該項資產之賬面值須削減至其可收回金額。減值虧損即時確認為開支。

倘日後轉出減值虧損，有關資產之賬面值須增至其經重新估計之可收回金額，惟增加之賬面值不得超出倘有關資產並無於以往年度確認任何減值虧損所應釐定之賬面值。轉出之減值虧損即時確認為收入。

租約

當租約條款將涉及擁有權之絕大部分風險及回報轉讓予承租人時，該租約乃分類為融資租約。所有其他租約均分類為經營租約。

由本集團出租

經營租約之租金收入乃按相關租約年期以直線法於綜合收益表內確認。

由本集團承租

經營租約付款於有關租約年期以直線法在損益中扣除。訂立經營租約時已收及應收作為獎勵之利益按直線法於有關租約之年期確認為該租約年期下租金開支減少。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Leasing *(continued)*

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire contract is treated as a finance lease and accounted for as properties, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted as operating leases and amortised over the lease term on a straight-line basis, except for those that are classified and accounted for as investment properties under fair value model.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

3. 主要會計政策*(續)*

租約*(續)*

租約土地及樓宇

就租賃分類而言，租約土地及樓宇中土地及樓宇部分乃分開計算，除非租金支出無法可靠地在土地及樓宇部分之間作出分配，則在此情況下，整項合約則當作融資租約處理，並列作物業、廠房及設備。倘能可靠分配租金支出並按租約年期以直線法攤銷，土地的租約權益則列作經營租約，惟該等根據公平值模式分類並列作投資物業者則除外。

外幣

編製各集團實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易乃按其功能貨幣(即實體主要經營之經濟環境之貨幣)於交易日期當時之匯率記錄。於報告期間結束當日，以外幣列值之貨幣項目以該日之匯率重新匯兌。按公平值列賬且按外幣列值之非貨幣項目乃按釐定公平值當日匯率重新匯兌。以外幣過往成本計算之非貨幣項目不予重新匯兌。

結算貨幣項目及匯兌貨幣項目所產生之匯兌差額會於產生期間在損益中確認。重新匯兌按公平值列賬之非貨幣項目產生之匯兌差額計入期內損益。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Foreign currencies *(continued)*

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's entities are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that operation and translated at the rate of exchange prevailing at the end of the reporting period. Exchange differences arising are recognised in the translation reserve.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation before 1 January 2005 is treated as non-monetary foreign currency items of the acquirer and reported using the historical cost prevailing at the date of acquisition.

Government grants

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

Government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 主要會計政策*(續)*

闔ダ霺娛鵌霏鵛鏺韗煠欞糧鵙熿韖テ顐霺飉莛彪戇鵋姆鵙婃鵙

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sales, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Schemes are charged as an expense when employees have rendered service entitling them to the contributions.

Taxation

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Taxation *(continued)*

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

3. 主要會計政策*(續)*

稅項*(續)*

遞延稅項乃根據綜合財務報表資產及負債賬面值與計算應課稅溢利所採用相應稅基間之臨時差額確認。遞延稅項負債一般會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時確認。因商譽或因業務合併以外交易初步確認其他資產及負債且不影響應課稅溢利亦不影響會計溢利而引致之臨時差額，則不會確認該等資產及負債。

遞延稅項負債乃按於附屬公司及聯營公司之投資及於合資企業之權益而引致之應課稅臨時差額而確認，惟若本集團可控制臨時差額之撥回及臨時差額有可能不會於可見將來之撥回之情況則除外。與該等投資及權益相關的可扣減臨時差額所產生的遞延稅項資產，僅在按可能出現可利用臨時差額扣稅之應課稅溢利時，並預期於可見將來回撥。

遞延稅項資產之賬面值於各報告期間結束當日作檢討，並在沒可能會有足夠應課稅溢利收回全部或部分資產時加以遞減。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Taxation *(continued)*

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Financial instruments

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

Financial assets

The Group's financial assets are classified into (i) financial assets at fair value through profit or loss ("FVTPL"), (ii) loans and receivables and (iii) available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策*(續)*

稅項*(續)*

根據報告期間結束當日已頒佈或實際已頒佈之稅率(及稅法)，遞延稅項資產及負債按負債清償或資產變現期間預期適用之稅率計量。遞延稅項負債及資產之計量反映本集團預期於報告期間結束當日將出現的稅務後果，以收回資產或清償負債之賬面值。遞延稅項於損益確認，惟當其與於其他全面收益確認或直接於權益確認之項目有關時，在此情況下，遞延稅項亦會分別於其他全面收益確認或直接於權益確認。

金融工具

當集團實體成為工具訂約條文之訂約方時，財務資產及財務負債於綜合財務狀況表確認。財務資產及財務負債初步按公平值計算。因收購或發行財務資產及財務負債(按公平值計入損益之財務資產及財務負債除外)而直接應佔之交易成本於初步確認時，按適用情況加入或扣自該項財務資產或財務負債之公平值。因收購按公平值計入損益之財務資產或財務負債而直接應佔之交易成本即時於損益確認。

財務資產

本集團之財務資產分類為(i)按公平值計入損益(「按公平值計入損益」)之財務資產；(ii)貸款及應收賬款；及(iii)可供出售財務資產。所有日常買賣之財務資產於交易日確認及剔除確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之財務資產買賣。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

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.

Financial assets at fair value through profit or loss

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

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

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

3. 主要會計政策*(續)*

金融工具*(續)*

財務資產(續)

實際利率法

實際利率法是一種計算財務資產攤銷成本與分派利息收入到相關期間之方法。實際利息率是以精確估計財務資產可使用年期或(如適用)更短期間估計未來現金收入(包括所有在時點支付之費用，或者實際利率整體之收入、交易成本或者其他溢價或折價)之折現比率。

債務工具的收入乃按實際利率基準確認。

按公平值計入損益之財務資產

按公平值計入損益之財務資產分為兩個分類，包括持作買賣財務資產及指定於初步確認時按公平值計入損益之財務資產。

倘屬下列情況，財務資產則分類為持作買賣：

- 所收購之財務資產主要用於在不久將來銷售；或
- 屬於本集團整體管理之可辨別金融工具組合之一部份，且近期事實上有賺取短期溢利的模式；或
- 屬於衍生工具(除指定及具有有效對沖作用之工具之外)。

按公平值計入損益之財務資產按公平值計量，公平值之變動於產生變動期間直接在損益中確認。於損益確認之收益或虧損淨額不包括任何財務資產所賺取之股息或利息。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial assets (continued)

Loans and receivables

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

Available-for-sale financial assets

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

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

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment of financial assets below).

3. 主要會計政策*(續)*

金融工具*(續)*

財務資產(續)

貸款及應收賬款

貸款及應收賬款為在活躍市場上並無報價而具有固定或待定付款之非衍生金融資產。於初次確認後，貸款及應收賬款(包括非流動訂金、貿易及其他應收賬款，應收票據及銀行結餘及現金)以實際利率法按攤銷成本減任何已識別減值虧損列賬(請參閱下文有關財務資產減值之會計政策)。

可供出售財務資產

可供出售財務資產為非衍生工具，其須指定或非分類為按公平值計入損益之財務資產、貸款及應收賬款或持至到期投資。

於報告期間結束當日，可供出售財務資產按公平值計算。公平值之變動於其他全面收益確認及於投資重估儲備累計，直至該財務資產售出或釐定有所減值，屆時過往於投資重估儲備累計之累計盈虧重新分類至損益(請參閱下文有關財務資產減值之會計政策)。

在活躍市場上並無報價而其公平值未能可靠計量之可供出售股本投資，與該等無報價股本工具有關並須以交付該等工具作結算之衍生工具，則於首次確認後之報告期間結束當日，按成本減任何已識別減值虧損計算(請參閱下文有關財務資產減值虧損之會計政策)。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Impairment of financial assets

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

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

For all other financial assets, objective evidence of impairment could include significant financial difficulty of the issuer or counterparty; or default or delinquency in interest or principal payments; or it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 120 days and observable changes in national or local economic conditions that correlate with default on receivables.

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

3. 主要會計政策*(續)*

金融工具*(續)*

財務資產減值

財務資產(除該等按公平值計入損益外),於報告期間結束當日獲評估是否存有減值跡象。倘出現客觀證據,即因財務資產初步確認後產生之一項或多項事件,財務資產估計未來現金流量受到影響,則財務資產列作減值。

就可供出售的股本投資而言,該項投資的公平值大幅或長期跌至低於其成本值被視為減值的客觀證據。

就所有其他財務資產而言,減值的客觀證據可能包括發行人或交易對手出現重大財政困難;或借款人有可能面臨破產或財務重組。

就若干類別的財務資產(如貿易應收賬款)而言,估定不會單獨作出減值的資產會於其後彙集一併評估減值。應收賬款組合出現減值的客觀證據包括本集團過往收款經驗、組合內逾期超過平均信貸期120日之還款數目上升、國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

就按已攤銷成本計值的財務資產而言,當有客觀證據顯示資產已減值時,減值虧損金額會於損益中確認,並以資產的賬面值與估計未來現金流量的現值(以財務資產的原始實際利率折現)間的差額計算。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Impairment of financial assets (continued)

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

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

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

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

Financial liabilities and equity

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

3. 主要會計政策*(續)*

金融工具*(續)*

財務資產減值(續)

就按成本計值的財務資產而言，減值虧損的金額以資產的賬面值與估計未來現金流量的現值(以類似財務資產的當前市場回報率折現)間的差額計算。該等減值虧損不會於其後期間回撥。

與所有財務資產有關的減值虧損會直接於財務資產的賬面值中作出扣減，惟貿易應收賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬內的賬面值虧損變動會於損益中確認。當貿易應收賬款被視為不可收回時，其將於撥備賬內撇銷。於其後重新收取的先前撇銷的款項將計入損益。

就以已攤銷成本計算的財務資產而言，倘於隨後期間減值虧損的數額減少，而此項減少可客觀地與確認減值虧損後的某一事件聯繫，則先前確認的減值虧損於損益中予以撥回，惟於撥回減值當日的資產賬面值不得超逾假設未確認減值時的已攤銷成本。

可供出售的股本投資的減值虧損不會於其後期間在損益內回撥。減值虧損後公平值的任何增加將直接於其他全面收益中確認，並在投資重估儲備中累計。

財務負債及權益

由集團實體發行之財務負債及權益工具按所訂立之合約安排內容，以及財務負債及權益工具之定義而分類。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial liabilities and equity (continued)

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at FVTPL and other financial liabilities.

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.

Financial liabilities at fair value through profit or loss

The Group's financial liabilities at FVTPL comprise financial liabilities held for trading.

A financial liability is classified as held for trading if:

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

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

3. 主要會計政策*(續)*

金融工具*(續)*

財務負債及權益(續)

權益工具為證明本集團資產剩餘權益(經扣除其所有負債)之任何合約。本集團之財務負債一般分類為按公平值計入損益之財務負債及其他財務負債。

實際利率法

實際利率法是一種計算財務負債攤銷成本與分派利息支出到相關期間之方法。實際利率是以精確估計財務負債期間或(如適用)更短期間估計未來現金支出之折現比率。

利息支出乃按實際利率基準確認。

按公平值計入損益之財務負債

本集團按公平值計入損益之財務負債為持作買賣財務負債。

倘屬下列情況，財務負債則分類為持作買賣：

- 所產生之財務負債主要用於在不久將來購回；或
- 屬於本集團整體管理之可辨別金融工具組合之一部份，且近期事實上有賺取短期溢利的模式；或
- 屬於衍生工具(除指定及具有有效對沖作用之工具之外)。

按公平值計入損益之財務負債按公平值計量，公平值之變動於產生變動期間直接在損益中確認。於損益確認之收益或虧損淨額不包括就任何財務負債所支付之利息。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Effective interest method (continued)

Other financial liabilities

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

Equity instruments

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

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

Derivative financial instruments and hedging

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

Derivatives that do not qualify for hedge accounting are deemed as financial assets held for trading or financial liabilities held for trading and are classified as current assets or current liabilities.

Embedded derivatives

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

3. 主要會計政策*(續)*

金融工具*(續)*

實際利率法(續)

其他財務負債

其他財務負債包括其後以實際利率法按攤銷成本計量之貿易及其他應付賬款、應付票據及銀行借貸。

權益工具

本公司所發行之權益工具乃按已收取之所得款項減直接發行成本入賬。

本公司購回本身權益工具於權益確認及直接扣減。本公司購回、出售、發行或註銷本身權益工具不會於損益中確認為收益或虧損。

衍生金融工具及對沖

衍生工具以衍生工具合約簽訂日之公平值作初次確認及其後以報告期間結束當日之公平值重新計量。所產生的收益或虧損將即時於損益內確認。除非該衍生工具是指定而有效之對沖工具，在此情況下，於損益內確認的時間取決於對沖關係的類別。

不符合對沖會計法之衍生工具被視為持作買賣之財務資產或財務負債，並分類為流動資產或流動負債。

內置衍生工具

非衍生合約之內置衍生工具當其之風險及特徵與主要合約之風險及特徵並非密切相關時，作為獨立衍生工具處理，而主要合約並非按公平值計算，而公平值變動於損益中確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Hedge accounting

The Group designates certain derivatives as hedges of the cash flow of floating-rate bank borrowings (i.e. interest rate swap contracts).

At the inception of the hedging relationship, the Group documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in cash flows of the hedged item.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss as other gains or losses.

Amounts previously recognised in other comprehensive income and accumulated in equity (hedging reserve) are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

3. 主要會計政策*(續)*

金融工具*(續)*

對沖會計法

本集團指定某些衍生工具(即利率掉期合約)用作浮息銀行借貸現金流量之對沖。

於對沖關係之開始，本集團記錄對沖工具和被對沖項目的關係，及進行各類對沖交易之風險管理目標及其策略。此外，於對沖開始和進行期間，本集團記錄用於對沖關係之對沖工具是否能高度有效地抵銷被對沖項目的現金流量變動。

現金流量對沖

指定和符合現金流量對沖之衍生工具公平值變動，其有效部分於其他全面收益確認。其無效部分之收益或虧損，即時於損益內確認為其他收益或虧損。

先前於其他全面收益確認及於權益(對沖儲備)累計之金額，重新分類為當對沖項目於損益中確認期間之損益。

當本集團解除對沖關係、對沖工具已屆滿、售出、終止、行使或不再符合對沖會計法，對沖會計法將被終止。當時於權益累計之任何累計盈虧將保留於權益內，並在預測交易最終於損益內確認時確認。倘預測交易預期不再進行，於權益累計之累計盈虧即時於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

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 carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

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

Share-based payment transactions

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

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

3. 主要會計政策*(續)*

金融工具*(續)*

剔除確認

若從資產收取現金流量之權利已到期，或財務資產已轉讓及本集團已將其於財務資產擁有權之絕大部份風險及回報轉移，則財務資產將剔除確認。於剔除確認財務資產時，資產賬面值與已收及應收代價及已直接於其他全面收益確認之累計收益或虧損之差額，將於損益中確認。

倘於有關合約之指定責任獲解除、註銷或到期時，則會剔除確認財務負債。剔除確認之財務負債賬面值與已付及應付代價之差額於損益中確認。

以股份形式付款交易

於二零零二年十一月七日或之前授出、或於二零零二年十一月七日後授出，並於二零零五年一月一日前歸屬之優先購股權

直至優先購股權獲行使前，已授優先購股權之財務影響並無記錄在綜合財務報表內，因此，並無於綜合收益報表內確認已授優先購股權之價值。行使優先購股權時，因行使優先購股權而發行之股份按股份面值記錄為額外股本，每股行使價超出股份面值之部分記錄於股份溢價賬內。於行使日期前失效或註銷之優先購股權將自尚未行使優先購股權登記冊內刪除。

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Share-based payment transactions *(continued)*

Share options granted and vested on or after 1 January 2005

Equity-settled share-based payment transactions

Share options granted to directors and employees of the Group

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in the share option reserve.

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

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

Revenue recognition

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

Revenue from sale of goods is recognised when the goods are delivered and title has passed.

Service income for drilling services is recognised when services are provided.

3. 主要會計政策

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition *(continued)*

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

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

3. 主要會計政策*(續)*

營業額確認*(續)*

財務資產利息收入乃根據未償還本金及適用實際利率按時間基準累計，有關利率乃將估計未來所收現金按財務資產估計可使用年期折現至該資產賬面淨值之利率。

投資之股息收入於股東收取該等股息之權利獲確立時確認。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies which are described in Note 3, management has made the following estimation that have significant effect on the amounts recognised in the consolidated financial statements. The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next twelve months from the end of the reporting period.

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise. At 31 December 2009, the carrying amount of goodwill arising from acquisition of subsidiaries was approximately HK$2,288,149,000 (2008: HK$2,005,658,000). Details of the recoverable amount calculation of subsidiaries are disclosed in Note 22.

4. 估計不明朗因素之主要來源

管理層在應用本集團之會計政策(於附註3載述)過程中作出以下估計，該等估計對綜合財務報表內確認之款額造成重大影響。下文詳述有關日後主要假設及於報告期間結束當日估計不明朗因素之其他主要來源，而該等假設及不確定估計或會造成須對資產及負債於報告期間結束當日起計未來12個月之賬面值作出重大調整之重大風險。

商譽減值估計

釐定商譽是否出現減值時，須估計商譽所獲分配之現金產生單位使用價值。本集團計算使用價值時須就預期源自該現金產生單位之日後現金流量及合適之折現率作出估計，以計算現值。倘實際未來現金流量少於預期數額，則可能會產生減值虧損。於二零零九年十二月三十一日，收購附屬公司所產生之商譽之賬面值分別約為2,288,149,000港元(二零零八年：2,005,658,000港元)。附屬公司之可收回款項計算詳情於附註22披露。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

Income taxes

At 31 December 2009, deferred tax assets of (i) approximately HK$12,522,000 (2008: HK$8,628,000) in relation to unused tax losses; (ii) approximately HK$15,650,000 (2008: HK$16,779,000) in relation to loss on cash flow hedges recognised in hedging reserve; and (iii) approximately HK$15,185,000 (2008: HK$13,589,000) in relation to write-down of inventories have been recognised in the Group's consolidated statement of financial position. No deferred tax asset has been recognised on the tax losses of HK$177,694,000 (2008: HK$92,286,000) due to the unpredictability of future profit stream. The realisability of the deferred tax asset mainly depends on whether sufficient future assessable profits or taxable temporary differences will be available in the future. In cases where the actual future assessable profits generated are less or more than expected, a reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or recognition takes place.

4. 估計不明朗因素之主要來源*(續)*

所得稅

於二零零九年十二月三十一日，(i)有關未動用稅項虧損之遞延稅項資產約12,522,000港元(二零零八年：8,628,000港元)；(ii)有關於對沖儲備確認之現金流量對沖虧損之遞延稅項資產約15,650,000港元(二零零八年：16,779,000港元)；及(iii)有關撇減存貨之遞延稅項資產約15,185,000港元(二零零八年：13,589,000港元)，已於本集團綜合財務狀況表中確認。由於不能確定未來溢利，故未就177,694,000港元(二零零八年：92,286,000港元)之稅務虧損確認遞延稅項資產。變現遞延稅項資產主要視乎是否有足夠未來可評估溢利或將來可供利用之應課稅臨時差額而定。倘產生之未來實際可評估溢利少於或多於預期溢利，則遞延稅項資產可能須作撥回或進一步確認，並於該撥回或確認期間於損益中確認。

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of bank borrowings, cash and cash equivalents, and equity attributable to owners of the Company, comprising share capital, reserves and retained earnings as disclosed in the consolidated statement of changes in equity.

The directors of the Group review the capital structure on a semi-annual basis. As part of this review, the directors of the Company consider the cost of capital and will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

5. 資本風險管理

本集團管理其資本以確保通過優化債務與股本結存為股東爭取最高回報，使集團實體能夠持續經營。本集團之整體策略與過往年度相同。

誠如綜合權益變動表所披露，本集團之資本結構包括銀行借貸、現金及現金等值項目及本公司持有人應佔權益(包括股本、儲備及保留盈利)。

本集團董事每半年審核資本結構。作為審核一部分，本公司董事將考慮資本成本，並通過支付股息、發行新股、購回股份、發行新債或者贖回現有債項，以平衡整體資本結構。

6. FINANCIAL INSTRUMENTS

6. 金融工具

6a. Categories of financial instruments

6a. 金融工具類別

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Financial assets	財務資產		
Fair value through profit or loss (FVTPL) – held for trading	持作買賣且按公平值計入損益之財務資產		
– derivative financial instruments	－衍生金融工具	–	3,468
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款（包括現金及現金等值項目）		
– non-current deposits	－非流動訂金	**511,659**	1,413,450
– trade and other receivables	－貿易及其他應收賬款	**4,664,371**	4,057,994
– bills receivables	－應收票據	**1,261,966**	775,582
– bank balances and cash	－銀行結餘及現金	**5,652,209**	4,225,273
		12,090,205	10,472,299
Available-for-sale investments	可供出售投資	**1,206,869**	780,248
Financial liabilities	財務負債		
Fair value through profit or loss (FVTPL) – held for trading	持作買賣且按公平值計入損益之財務負債	**11,628**	1,940
Derivative instruments in designated hedge accounting relationships	符合指定對沖會計關係之衍生工具	**132,018**	136,961
Amortised cost	攤銷成本		
– trade and other payables	－貿易及其他應付賬款	**3,065,856**	2,435,335
– bills payables	－應付票據	**755,284**	615,362
– bank borrowings	－銀行借貸	**11,419,329**	9,702,271
		15,240,469	12,752,968

6. FINANCIAL INSTRUMENTS *(continued)*

6b. Financial risk management objectives and policies

The Group's major financial instruments include equity investments, derivative financial instruments, non-current deposits, bank balances and cash, bank borrowings, trade and other receivables, bills receivables, trade and other payables and bills payables. Details of the financial instruments are disclosed in respective notes. 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.

Market risk

Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 27.9% (2008: 39.0%) of the Group's sales are denominated in currencies other than the functional currency of the group entity making the sale, whilst almost 37.8% (2008: 33.8%) of purchases are denominated in currencies other than the group entity's functional currency.

The carrying amount of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting period are disclosed in respective notes. The management continuously monitors the foreign exchange exposure and will consider hedging foreign currency risk should the need arise.

6. 金融工具*(續)*

6b. 財務風險管理目標及政策

本集團之主要金融工具包括權益投資、衍生金融工具、非流動訂金、銀行結餘及現金、銀行借貸、貿易及其他應收賬款、應收票據、貿易及其他應付賬款及應付票據。該等金融工具詳情於各附註披露。下文載列與該等金融工具相關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

市場風險

貨幣風險

本公司若干附屬公司以外幣進行銷售及採購，令本集團承擔外幣風險。本集團約27.9%(二零零八年：39.0%)的銷售以非集團實體功能貨幣列值，而約37.8%(二零零八年：33.8%)的採購以非集團實體功能貨幣列值。

本集團以外幣列值的貨幣資產及負債於報告期間結束當日之賬面值於相關附註披露。管理層持續監控外幣風險，並將於有需要時考慮進一步對沖外幣風險。

6. FINANCIAL INSTRUMENTS *(continued)*

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

Market risk (continued)

Currency risk *(continued)*

***Sensitivity analysis** (continued)*

The management considers that the exposure of the outstanding foreign currency forward contracts at the end of the reporting period as a result of the change in foreign currency exchange rate is not significant as the exchange rate of HK$ is pegged against US$.

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to floating-rate bank borrowings (see Note 33 for details of these borrowings). In relation to these floating-rate borrowings, the Group aims at keeping certain borrowings at fixed rates. In order to achieve this result, the Group entered into interest rate swap contracts to hedge against its exposure to potential variability of cash flows arising from changes in floating interest rates (see Note 31 for details). The management continuously monitors interest rate fluctuation and will consider further hedging interest rate risk should the need arise.

The Group is also exposed to fair value interest rate risk in relation to fixed-rate bank borrowings (see Note 33 for details of these borrowings). The management monitors interest rate exposure and will consider repay the fixed-rate bank borrowings when significant interest rate exposure is anticipated.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly related to the fluctuation of HIBOR arising from the Group's bank borrowings.

6. 金融工具*(續)*

6b. 財務風險管理目標及政策*(續)*

市場風險(續)

貨幣風險*(續)*

敏感度分析(續)

管理層認為，由於港元匯率與美元掛鈎，因此外幣匯率變動引致之於報告期間結束當日尚未到期外匯遠期合約風險並不重大。

利率風險

本集團就浮息銀行借貸承擔現金流量利率風險(該等借貸詳情見附註33)。就該等浮息借貸而言，本集團致力將若干借貸利率保持穩定。為達致此目的，本集團訂立利率掉期合約，以對沖因浮息變動而產生之現金流量潛在變動(詳情見附註31)。管理層持續監控利率波動，並將於有需要時考慮進一步對沖利率風險。

本集團亦須承受由定息銀行借貸所產生之公平值利率風險(該等借貸詳情見附註33)。管理層監控利率風險，如預期出現重大利率風險，將考慮償還定息銀行借貸。

本集團承受財務負債之利率風險之詳情，見本附註流動資金風險管理一節。本集團的現金流量利率風險主要與本集團的銀行借貸受到之香港銀行同業拆息波動的影響有關。

6. FINANCIAL INSTRUMENTS *(continued)*

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

Market risk (continued)

Interest rate risk *(continued)*

The Group's bank balances have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances. The Group is also exposed to fair value interest rate risk which relates to its fixed-rate short-term bank deposits. The Directors consider the Group's exposure of the short-term bank deposits to interest rate risk is not significant as interest bearing bank balances are within short maturity period.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for interest bearing bank balances and bank borrowings as well as interest rate swap contracts at the end of the reporting period. The analyses are prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2008: 100 basis points) increase or 10 basis points (2008: 100 basis points) decrease are used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonable possible change in interest rates.

If interest rate had been 50 basis points (2008: 100 basis points) higher and all other variables were held constant, the Group's:

- post-tax profit for the year ended 31 December 2009 would decrease by HK$28,328,000 (2008: decrease by HK$32,353,000). This is mainly attributable to the Group's exposure to interest rates on its interest bearing bank balances and variable-rate borrowings; and
- the debt side hedging reserve would decrease by HK$49,267,000 (2008: decrease by HK$102,223,000) mainly as a result of the changes in the fair value of interest rate swap contracts.

6. 金融工具*(續)*

6b. 財務風險管理目標及政策*(續)*

市場風險(續)

利率風險*(續)*

由於適用於銀行結餘之現行市場利率波動，本集團之銀行結餘具現金流量利率風險。此外，本集團承受與定息短期銀行存款有關之公平值利率風險。董事認為，由於計息銀行結餘之到期期間較短，故本集團短期銀行存款所承受之利率風險並不重大。

敏感度分析

以下敏感度分析根據報告期間結束當日計息銀行結餘、銀行借貸及利率掉期合約的利率風險釐定。編製該等分析時，假設於報告期間結束當日未到期之金融工具於整年度仍未到期。50個點子(二零零八年：100個點子)增加或10個點子(二零零八年：100個點子)減少為本集團內部向主要管理人員匯報利率風險所用者，亦是管理層對利率合理潛在變動的評估。

倘利率升50個點子(二零零八年：100個點子)，而所有其他因素不變，本集團：

- 截至二零零九年十二月三十一日止年度之除稅後溢利將減少約28,328,000港元(二零零八年：減少32,353,000港元)，主要理由是本集團承受計息銀行結餘及浮息借貸之利率風險；及
- 借方對沖儲備將減少約49,267,000港元(二零零八年：減少102,223,000港元)，主要理由是利率掉期合約公平值變動。

6. FINANCIAL INSTRUMENTS *(continued)*

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

Market risk (continued)

Interest rate risk (continued)

***Sensitivity analysis** (continued)*

If interest rate had been 10 basis points (2008: 100 basis points) lower and all other variables were held constant, the Group's:

- post-tax profit for the year ended 31 December 2009 would increase by HK$5,666,000 (2008: increase by HK$32,353,000). This is mainly attributable to the Group's exposure to interest rates on its interest bearing bank balances and variable-rate borrowings; and

- the debt side hedging reserve would increase by HK$9,854,000 (2008: increase by HK$102,223,000) mainly as a result of the changes in the fair value of interest rate swap contracts.

Equity price risk

The Group is exposed to equity price risk through its investments in listed equity securities. The management manages this exposure by maintaining a portfolio of investments with different risk profiles and the Group has a team to monitor the price risk and will consider hedging the risk exposure should the need arise.

The Group has concentration risk on its available-for-sale investments with 51% (2008: nil) of the total available-for-sale investments concentrated in a single financial institution which is listed in the United States.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price

6. FINANCIAL INSTRUMENTS *(continued)*

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

Market risk (continued)

Equity price risk (continued)

***Sensitivity analysis** (continued)*

If the prices of the respective available-for-sale equity listed securities, which have been impaired at the end of the reporting period, had been 10% higher (2008: 15% higher):

- post-tax profit for the year ended 31 December 2009 would increase by approximately HK$36,145,000 (2008: HK$31,258,000) as a result of the change in fair value of these available-for-sale investments; and
- no change in investment revaluation reserve for the years ended 31 December 2008 and 2009 would be resulted.

If the prices of the respective available-for-sale equity listed securities, which have been impaired at the end of the reporting period, had been 10% lower (2008: 15% lower):

- post-tax profit for the year ended 31 December 2009 would decrease by approximately HK$36,145,000 (2008: HK$31,258,000) as a result of the change in fair value of these available-for-sale investments; and
- no change in investment revaluation reserve for the years ended 31 December 2008 and 2009 would be resulted.

6. 金融工具*(續)*

6b. 財務風險管理目標及政策*(續)*

市場風險(續)

股本價格風險*(續)*

敏感度分析(續)

倘於報告期間結束當日已減值之可供出售股本上市證券之價格增加10%(二零零八年：增加15%)：

- 截至二零零九年十二月三十一日止年度之除稅後溢利將增加約36,145,000港元(二零零八年：31,258,000港元)，原因為該等可供出售投資公平值變動；及
- 截至二零零八年及二零零九年十二月三十一日止年度之投資估值儲備並無變動。

倘於報告期間結束當日已減值之可供出售股本上市證券之價格減少10%(二零零八年：減少15%)：

- 截至二零零九年十二月三十一日止年度之除稅後溢利將減少約36,145,000港元(二零零八年：31,258,000港元)，原因為該等可供出售投資公平值變動；及
- 截至二零零八年及二零零九年十二月三十一日止年度之投資估值儲備並無變動。

6. FINANCIAL INSTRUMENTS *(continued)*

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

Market risk (continued)

Equity price risk (continued)

***Sensitivity analysis** (continued)*

If the prices of the respective available-for-sale equity listed securities, which have not been impaired at the end of the reporting period, had been 10% higher (2008: 15% higher):

- investment revaluation reserve would increase by approximately HK$87,009,000 (2008: HK$82,730,000) as a result of the change in fair value of these available-for-sale investments; and
- no change in post-tax profit for the years ended 31 December 2008 and 2009 would be resulted.

If the prices of the respective available-for-sale equity listed securities, which have not been impaired at the end of the reporting period, had been 10% lower (2008: 15% lower):

- post-tax profit for the year ended 31 December 2009 would decrease by approximately HK$25,818,000 (2008: HK$50,135,000) as a result of the change in fair value of these available-for-sale investments; and
- investment revaluation reserve would decrease by approximately HK$61,191,000 (2008: HK$32,595,000) as a result of the change in fair value of these available-for-sale investments.

6. 金融工具*(續)*

6b. 財務風險管理目標及政策*(續)*

市場風險(續)

股本價格風險*(續)*

敏感度分析(續)

倘於報告期間結束當日並無減值之可供出售股本上市證券之價格增加10%(二零零八年：增加15%)：

- 投資估值儲備將增加約87,009,000港元(二零零八年：82,730,000港元)，原因為該等可供出售投資公平值變動；及
- 截至二零零八年及二零零九年十二月三十一日止年度之除稅後溢利並無變動。

倘於報告期間結束當日並無減值之可供出售股本上市證券之價格減少10%(二零零八年：減少15%)：

- 截至二零零九年十二月三十一日止年度之除稅後溢利將減少約25,818,000港元(二零零八年：50,135,000港元)，原因為該等可供出售投資公平值變動；及
- 投資估值儲備將減少約61,191,000港元(二零零八年：32,595,000港元)，原因為該等可供出售投資公平值變動。

6. FINANCIAL INSTRUMENTS *(continued)*

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

Market risk (continued)

Commodity price risk

The Group was exposed to commodity price risk from the outstanding commodity forward contracts at the end of the reporting period. The management considers that the price risks of these derivative instruments are not significant to the Group.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at 31 December 2008 and 2009 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. In order to minimise the credit risk, the management has delegated the members of the board of directors responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk for bank deposits and bank balances exposed is considered minimal as such amounts are placed with various banks with good credit ratings and there is no significant concentration of credit risk.

6. 金融工具*(續)*

6b. 財務風險管理目標及政策*(續)*

市場風險(續)

商品價格風險

本集團承受於報告期間結束當日尚未到期之商品遠期合約產生之商品價格風險。管理層認為該等衍生工具之價格風險對本集團並不重大。

信貸風險

倘交易方於二零零八年及二零零九年十二月三十一日未能履行彼等就各類已確認財務資產之承擔，則本集團須承受之最高信貸風險為於綜合財務狀況表所載該等資產賬面值。為將信貸風險降至最低，管理層已委派董事會成員負責制訂信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期未付之債項。此外，於各報告期間結束日，本集團審閱每項個別貿易債項之可收回金額，以確保就不可收回金額作出足夠減值虧損。就此而言，本公司董事認為，本集團之信貸風險已大幅降低。

由於銀行存款及銀行結餘乃存放於信譽評級良好之銀行，故該等款項之信貸風險屬微不足道，且概無重大集中信貸風險。

6. FINANCIAL INSTRUMENTS *(continued)*

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

Credit risk (continued)

The Group has no significant concentration of credit risk on trade and other receivables with exposure spread over a number of counterparties and customers. However, the Group is exposed to the concentration on geographic segment of the People's Republic of China (the "PRC"). At 31 December 2009, approximately 82% (2008: 83%) of the Group's trade and other receivables are arising from the PRC.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management has monitored the utilisation of bank borrowings and has ensured compliance with loan covenants during the year.

The Group relies on bank borrowings as a significant source of liquidity. At 31 December 2009, the Group has available unutilised banking facilities of approximately HK$8,288,173,000 (2008: HK$7,460,317,000).

The following table details the Group's remaining contractual maturity for its financial liabilities and derivative financial instruments based on the agreed repayment terms. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

For derivative instruments settled on a net basis, undiscounted net cash (inflows) outflows are presented based on the contractual maturities as the management considers that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

6. FINANCIAL INSTRUMENTS *(continued)*

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

Liquidity risk (continued)

Liquidity and interest risk tables

6. 金融工具*(續)*

6b. 財務風險管理目標及政策*(續)*

流動資金風險(續)

流動資金及利率風險表

		Weighted average effective interest rate 加權平均實際利率 % 百份比	Less than 3 months 三個月內 HK$'000 千港元	Over 3 months but not more than 1 year 三個月以上但不超過一年 HK$'000 千港元	Over 1 year but not more than 2 years 一年以上但不超過兩年 HK$'000 千港元	Over 2 years but not more than 5 years 兩年以上但不超過五年 HK$'000 千港元	Over 5 years 超過五年 HK$'000 千港元	Total undiscounted cash flows 非折現現金流量總額 HK$'000 千港元	Carrying amount 賬面值 HK$'000 千港元
At 31 December 2009	於二零零九年十二月三十一日								
Non-derivative financial liabilities	*非衍生財務負債*								
Trade and other payables	貿易及其他應付賬款	-	2,515,209	550,647	-	-	-	3,065,856	3,065,856
Bills payables	應付票據	-	755,284	-	-	-	-	755,284	755,284
Bank borrowings	銀行借貸								
– fixed rate	–定息	5.1	36,543	70,911	-	-	-	107,454	101,646
– variable rate	–浮息	2.1	294,584	1,679,527	2,423,175	2,724,400	-	7,121,686	7,021,283
– variable rate hedged by interest rate swap contracts	–浮息(以利率掉期合約對沖)	3.4	385,009	1,155,026	1,831,146	1,115,506	-	4,486,687	4,296,400
			3,986,629	3,456,111	4,254,321	3,839,906	-	15,536,967	15,240,469
Derivatives – net settlement	*衍生工具–結算淨額*								
Commodity forward contracts	商品遠期合約	-	12,597	-	-	-	-	12,597	11,628
Interest rate swap contracts	利率掉期合約	-	1,010	35,709	27,660	75,901	-	140,280	132,018
			13,607	35,709	27,660	75,901	-	152,877	143,646

6. FINANCIAL INSTRUMENTS *(continued)*

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

Liquidity risk (continued)

Liquidity and interest risk tables *(continued)*

		Weighted average effective interest rate 加權平均實際利率 % 百份比	Less than 3 months 三個月內 HK$'000 千港元	Over 3 months but not more than 1 year 三個月以上但不超過一年 HK$'000 千港元	Over 1 year but not more than 2 years 一年以上但不超過兩年 HK$'000 千港元	Over 2 years but not more than 5 years 兩年以上但不超過五年 HK$'000 千港元	Over 5 years 超過五年 HK$'000 千港元	Total undiscounted cash flows 非折現現金流量總額 HK$'000 千港元	Carrying amount 賬面值 HK$'000 千港元
As at 31 December 2008	於二零零八年十二月三十一日								
Non-derivative financial liabilities	*非衍生財務負債*								
Trade and other payables	貿易及其他應付賬款	–	2,130,166	305,169	–	–	–	2,435,335	2,435,335
Bills payables	應付票據	–	615,362	–	–	–	–	615,362	615,362
Bank borrowings	銀行借貸								
– fixed rate	–定息	6.7	–	8,469	–	–	–	8,469	7,937
– variable rate	–浮息	– variable rate3.3	c(– 21.ria9/n0548 2.9[	6 /G429 TD 3 0 0 1 0 1 3 9 r T 1 7 3 9 0 2 LTD2.5ET	/GS2 g80f 4 0 4 0 TD ( )Tj /G1 1 -16502722(– fixed raies)]TJ				

6. FINANCIAL INSTRUMENTS *(continued)*

6c. Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair value of other financial assets and financial liabilities (except for derivatives) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input; and
- the fair value of derivative financial instruments are measured at fair value by reference to the valuation provided by counterparty financial institutions for these instruments.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

6. 金融工具*(續)*

6c. 公平值

財務資產及財務負債之公平值按下列方式釐定:

- 擁有標準條款及條件並於活躍流通市場買賣之財務資產及財務負債之公平值分別參考市場所報之買盤價及賣盤價釐定;
- 根據普遍接受的定價模式,按折現現金流量分析,釐定其他財務資產及財務負債(衍生工具除外)的公平值,折現現現金流量分析使用現時市場交易已有的價格或利率作為資料;及
- 衍生金融工具公平值乃經參考該等工具之交易方金融機構提供之估值後,按公平值計量。

本公司董事認為,以攤銷成本記錄於綜合財務報表之財務資產及財務負債之賬面值與其公平值相若。

6. FINANCIAL INSTRUMENTS *(continued)*

6c. Fair value *(continued)*

Fair value measurements recognised in the consolidated statement of financial position

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

6. 金融工具*(續)*

6c. 公平值

於綜合財務狀況表確認之公平值計量

下表提供在按公平值作初步確認後計量之金融工具之分析，據觀察所得之公平值分類為第一類及第二類。

- 第一類，可識別資產或負債在活躍市場報價(未經調整)所得公平值計量。
- 第二類，除第一類計及的報價外，就資產或負債直接(即價格)或間接(即自價格所得)觀察所得的計算項目所得之公平值計量。

		At 31 December 2009 於二零零九年十二月三十一日		
		Level 1 第一類 HK$'000 千港元	Level 2 第二類 HK$'000 千港元	Total 總計 HK$'000 千港元
Available-for-sale financial assets	可供出售財務資產			
Listed equity securities	上市股本證券	1,186,544	–	1,186,544
Financial liabilities at FVTPL	按公平值計入損益之			
Derivative financial instruments	財務負債衍生金融工具	–	11,628	11,628
Derivative instruments in designated hedge accounting relationships	符合指定對沖會計關係之衍生工具	–	132,018	132,018

There were no transfers between Level 1 and 2 during the year ended 31 December 2009.

截至二零零九年十二月三十一日止年度，第一類及第二類之間概無進行轉撥。

7. REVENUE

Revenue represents the net amounts received and receivable by the Group from the sale of goods and services rendered to outside customers, net of discounts, returns and sales related taxes by the Group, for each year and is analysed as follows:

7. 營業額

營業額指本集團於各年內自對外客戶銷售貨品(減折扣、退貨及銷售相關稅項)及提供服務之所收及應收金額淨額，分析如下：

		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
Sale of laminates	銷售覆銅面板	**6,956,042**	7,144,369
Sale of PCBs	銷售印刷線路板	**7,236,550**	7,869,817
Sale of chemicals	銷售化工產品	**9,013,214**	7,451,656
Others (Note)	其他(附註)	**566,727**	1,215,559
		23,772,533	23,681,401

Note: Amount included service income of HK$36,156,000 (2008: HK$26,863,000).

附註： 包括服務收入36,156,000港元(二零零八年：26,863,000港元)。

8. SEGMENT INFORMATION

HKFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("CODM") in order to allocate resources to segments and to assess their performance. In contrast, the predecessor Standard (HKAS 14, Segment Reporting) required an entity to identify two sets of segments (business and geographical) using a risks and returns approach, with the entity's "system of internal financial reporting to key management personnel" serving only as the starting point for the identification of such segments. The Group's primary reporting format under HKAS 14 was business segments and is currently organised into four main operating divisions – (i) laminates, (ii) PCBs, (iii) chemicals, and (iv) others. The Directors consider that the adoption of HKFRS 8 has not resulted in a redesignation of the reportable segments for the Group compared with the primary reportable segments determined in accordance with HKAS 14, nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss.

Under HKFRS 8, reported segment information is based on internal management reporting information that is regularly reviewed by the executive directors, being the CODM of the Group. The measurement policies the Group used for segment reporting under HKFRS 8 are the same as those used in its HKFRS financial statements.

8. SEGMENT INFORMATION *(continued)*

(a) Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

8. 分部資料*(續)*

(a) 分部收益及業績

以下為按申報分部劃分之本集團營業額及業績之分析：

		Laminates 覆銅面板 HK$'000 千港元	PCBs 印刷線路板 HK$'000 千港元	Chemicals 化工產品 HK$'000 千港元	Others 其他 HK$'000 千港元	Eliminations 對銷 HK$'000 千港元	Consolidated 綜合 HK$'000 千港元
Year ended 31 December 2009	截至二零零九年十二月三十一日止年度						
Segment revenue	分部收益						
External sales	對外銷售額	6,956,042	7,236,550	9,013,214	566,727	–	23,772,533
Inter-segment sales	分部間之銷售額	2,464,528	–	476,903	113,156	(3,054,587)	–
Total	合計	9,420,570	7,236,550	9,490,117	679,883	(3,054,587)	23,772,533
Result	業績						
Segment result	分部業績	1,955,806	607,160	590,898	106,167		3,260,031
Discount on acquisition of additional interests in subsidiaries	收購附屬公司額外權益之折讓						14,580
Gain on disposal of partial interests in subsidiaries	出售附屬公司部份權益之收益						340,038
Loss on disposal of subsidiaries	出售附屬公司之虧損						(106,814)
Gain on disposal of subsidiaries	出售附屬公司之收益						24,242
Impairment loss on available-for-sale investments	可供出售投資之減值虧損						(156,367)
Unallocated corporate income	未分配之公司收入						285,665
Unallocated corporate expenses	未分配之公司支出						(287,866)
Finance costs	融資成本						(221,256)
Share of results of associates	應佔聯營公司業績						64,252
Share of results of jointly controlled entities	應佔共同控制實體業績						(2,325)
Profit before taxation	除稅前溢利						3,214,180
Income tax expense	所得稅開支						(248,484)
Profit for the year	本年度溢利						2,965,696

Inter-segment sales are charged by reference to market prices.

分部間之銷售額乃參考市價計算。

8. SEGMENT INFORMATION *(continued)*

(a) Segment revenues and results *(continued)*

8. 分部資料*(續)*

(a) 分部收入及收益*(續)*

		Laminates 覆銅面板 HK$'000 千港元	PCBs 印刷線路板 HK$'000 千港元	Chemicals 化工產品 HK$'000 千港元	Others 其他 HK$'000 千港元	Eliminations 對銷 HK$'000 千港元	Consolidated 綜合 HK$'000 千港元
Year ended 31 December 2008	截至二零零八年十二月三十一日止年度						
Segment revenue	分部收益						
External sales	對外銷售額	7,871,151	7,869,817	7,222,382	718,051	–	23,681,401
Inter-segment sales	分部間之銷售額	2,647,363	–	411,148	123,441	(3,181,952)	–
Total	合計	10,518,514	7,869,817	7,633,530	841,492	(3,181,952)	23,681,401
Result	業績						
Segment result	分部業績	1,533,808	586,932	666,809	10,884		2,798,433
Impairment loss on available-for-sale investments	可供出售投資之減值虧損						(253,158)
Loss on disposal of convertible bond	出售可換股債券之虧損						(182,918)
Loss on disposal of interest in an associate	出售一間聯營公司權益之虧損						(6,779)
Discount on acquisition of additional interests in subsidiaries	收購附屬公司額外權益之折讓						33,711
Discount on acquisition of subsidiaries	收購附屬公司之折讓						11,395
Unallocated corporate income	未分配之公司收入						177,377
Unallocated corporate expenses	未分配之公司支出						(289,148)
Finance costs	融資成本						(329,369)
Share of results of associates	應佔聯營公司業績						369,807
Share of results of jointly controlled entities	應佔共同控制實體業績						(3,849)
Profit before taxation	除稅前溢利						2,325,502
Income tax expense	所得稅開支						(194,231)
Profit for the year	本年度溢利						2,131,271

Inter-segment sales are charged by reference to market prices.

分部間之銷售額乃參考市價計算。

8. SEGMENT INFORMATION *(continued)*

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

8. 分部資料*(續)*

(b) 分部資產及負債

以下為按呈報分部劃分之本集團資產及負債之分析：

		Laminates 覆銅面板 HK$'000 千港元	PCBs 印刷線路板 HK$'000 千港元	Chemicals 化工產品 HK$'000 千港元	Others 其他 HK$'000 千港元	Consolidated 綜合 HK$'000 千港元
At 31 December 2009	於二零零九年十二月三十一日					
Assets	資產					
Segment assets	分部資產	13,961,405	10,747,354	10,044,788	4,231,248	38,984,795
Interests in jointly controlled entities	於共同控制實體之權益					8,110
Investments in associates	於聯營公司之投資					498,319
Unallocated corporate assets	未分配之公司資產					
– Bank balances and cash	–銀行結餘及現金					2,991,914
– Deferred tax assets	–遞延稅項資產					33,499
– Taxation recoverable	–可收回稅項					5,772
– Others	–其他					852,127
Consolidated total assets	綜合資產總值					43,374,536
Liabilities	負債					
Segment liabilities	分部負債	(1,166,638)	(1,474,126)	(2,003,111)	(572,176)	(5,216,051)
Unallocated corporate liabilities	未分配之公司負債					
– Bank borrowings	–銀行借貸					(11,419,329)
– Taxation payable	–應繳稅項					(401,906)
– Deferred tax liabilities	–遞延稅項負債					(56,418)
– Others	–其他					(156,716)
Consolidated total liabilities	綜合負債總額					(17,250,420)

8. SEGMENT INFORMATION *(continued)*

(b) Segment assets and liabilities *(continued)*

8. 分部資料*(續)*

(b) 分部資產及負債*(續)*

		Laminates 覆銅面板 HK$'000 千港元	PCBs 印刷線路板 HK$'000 千港元	Chemicals 化工產品 HK$'000 千港元	Others 其他 HK$'000 千港元	Consolidated 綜合 HK$'000 千港元
At 31 December 2008	於二零零八年十二月三十一日					
Assets	資產					
Segment assets	分部資產	11,310,226	9,852,236	9,562,221	2,628,443	33,353,126
Interests in jointly controlled entities	於共同控制實體之權益					10,435
Investments in associates	於聯營公司之投資					686,133
Unallocated corporate assets	未分配之公司資產					
– Bank balances and cash	–銀行結餘及現金					3,365,752
– Deferred tax assets	–遞延稅項資產					32,660
– Taxation recoverable	–可收回稅項					7,063
– Others	–其他					786,296
Consolidated total assets	綜合資產總值					38,241,465
Liabilities	負債					
Segment liabilities	分部負債	(1,171,358)	(1,182,150)	(1,311,940)	(526,149)	(4,191,597)
Unallocated corporate liabilities	未分配之公司負債					
– Bank borrowings	–銀行借貸					(9,702,271)
– Taxation payable	–應繳稅項					(383,261)
– Deferred tax liabilities	–遞延稅項負債					(51,329)
– Others	–其他					(295,806)
Consolidated total liabilities	綜合負債總額					(14,624,264)

8. SEGMENT INFORMATION *(continued)*

(c) Other information

8. 分部資料*(續)*

(c) 其他資料

		Laminates 覆銅面板 HK$'000 千港元	PCBs 印刷線路板 HK$'000 千港元	Chemicals 化工產品 HK$'000 千港元	Others 其他 HK$'000 千港元	Consolidated 綜合 HK$'000 千港元
Year ended 31 December 2009	截至二零零九年十二月三十一日止年度					
Capital additions	資本增添	**303,160**	**681,394**	**2,407,755**	**79,661**	**3,471,970**
Depreciation and amortisation	折舊及攤銷	**800,897**	**559,504**	**404,458**	**47,149**	**1,812,008**
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收賬款確認之減值虧損	**52,585**	**18,611**	**18,874**	**–**	**90,070**
Release of prepaid lease payments	預付租賃款項撥回	**7,061**	**6,041**	**6,945**	**–**	**20,047**
Loss on disposal and write off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損	**3,871**	**7,421**	**3,874**	**373**	**15,539**
Share based payment expenses	以股份形式支付開支	**–**	**1,427**	**–**	**–**	**1,427**

		Laminates 覆銅面板 HK$'000 千港元	PCBs 印刷線路板 HK$'000 千港元	Chemicals 化工產品 HK$'000 千港元	Others 其他 HK$'000 千港元	Consolidated 綜合 HK$'000 千港元
Year ended 31 December 2008	截至二零零八年十二月三十一日止年度					
Capital additions	資本增添	1,096,936	1,134,768	1,352,956	716,004	4,300,664
Depreciation and amortisation	折舊及攤銷	750,452	514,032	266,061	59,853	1,590,398
Impairment loss recognised in respect of trade and other receivables	就貿易及其他應收賬款確認之減值虧損	8,101	18,457	13,916	–	40,474
Gain on disposal of investment properties	出售投資物業之收益	–	–	–	143,745	143,745
Release of prepaid lease payments	預付租賃款項撥回	6,095	6,906	9,087	4,775	26,863
Loss on disposal and write off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損	608	1,055	1,822	228	3,713
Share based payment expenses	以股份形式支付開支	–	2,816	–	–	2,816

8. SEGMENT INFORMATION *(continued)*

(c) Other information *(continued)*

The Group's operations are located in the PRC (country of domicile) and Thailand.

The analysis of the Group's revenue from external customers is as follows:

8. 分部資料*(續)*

(c) 其他資料*(續)*

本集團的主要業務位於中國(所在國家)及泰國。

本集團對外客戶之營業額分析如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
The PRC (country of domicile)	中國（所在國家）	**20,240,142**	19,600,756
Other Asian countries	其他亞洲國家	**2,444,230**	2,719,879
Europe	歐洲	**676,532**	988,486
America	美洲	**411,629**	372,280
		23,772,533	23,681,401

No external customers of the Group contributed over 10% of the Group's revenue for the years ended 31 December 2008 and 2009.

截至二零零八年及二零零九年十二月三十一日止年度，概無對外客戶佔本集團營業額10%以上。

8. SEGMENT INFORMATION *(continued)*

(c) Other information *(continued)*

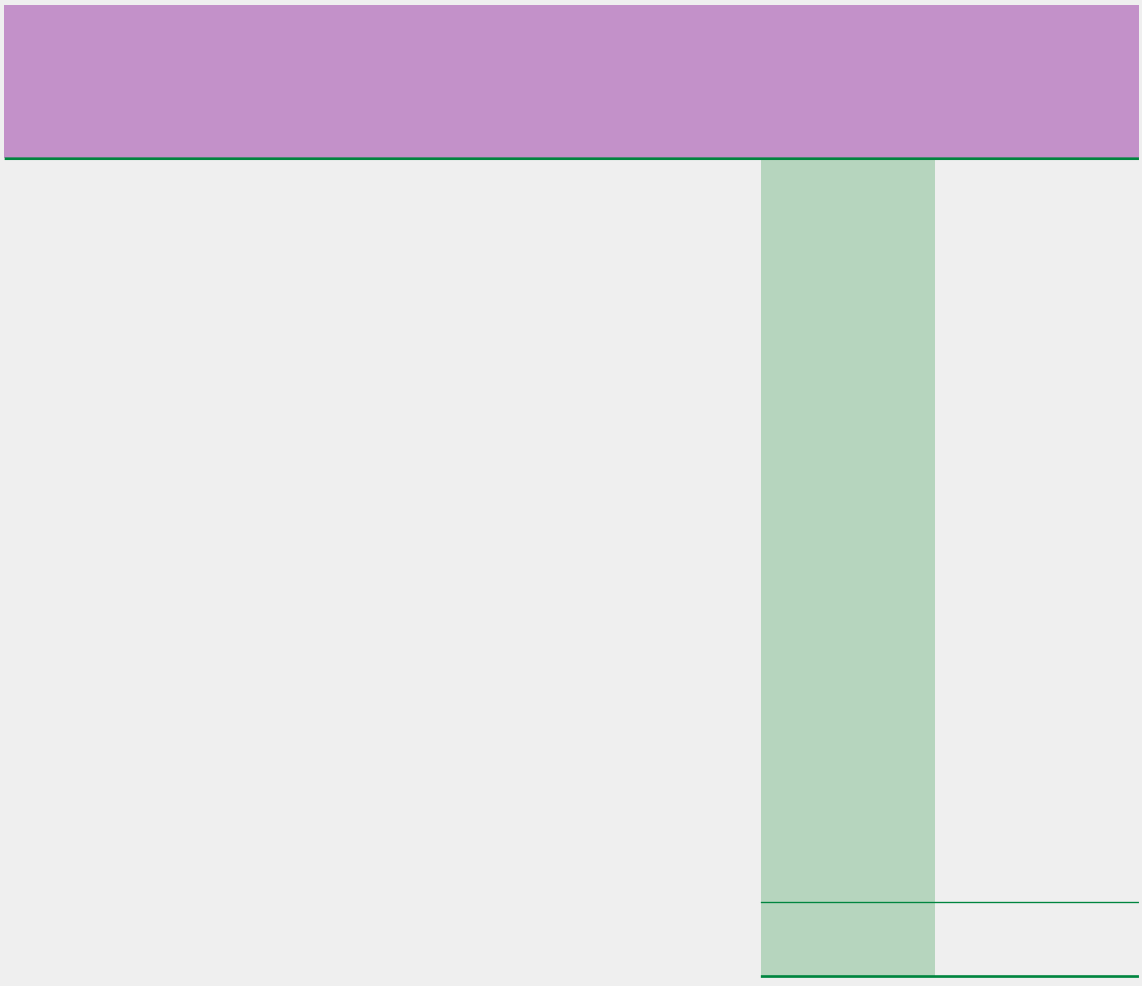
The analysis of the Group's non-current assets other than deferred tax assets, available-for-sale investments and non-current deposits by location of assets is presented as follows:

8. 分部資料*(續)*

(c) 其他資料*(續)*

除遞延稅項資產、可供出售投資及非流動訂金外，本集團非流動資產按資產地點分析呈列如下：

		At 31 December 十二月三十一日	
		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
The PRC (country of domicile)	中國（所在國家）	**22,767,781**	23,161,397
Thailand	泰國	**229,905**	256,971
Singapore	新加坡	**1,654**	1,599
		22,999,340	23,419,967



11. LOSS ON DISPOSAL OF CONVERTIBLE BOND AND INTEREST IN AN ASSOCIATE

11. 出售可換股債券及一間聯營公司權益之虧損

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Loss on disposal of convertible bond	出售可換股債券之虧損	–	182,918
Loss on disposal of interest in an associate	出售一間聯營公司權益之虧損	–	6,779
		–	189,697

During the year ended 31 December 2007, the Group entered into subscription agreements with G-Prop (Holdings) Limited ("G-Prop") to subscribe for (i) 740,518,325 ordinary shares of G-Prop, which represented 36.51% of the enlarged issued share capital of G-Prop, at a consideration of approximately HK$119,964,000 and (ii) a three-year zero coupon convertible bond ("CB") with a principal amount of HK$108,000,000. G-Prop became an associate of the Group since then.

於截至二零零七年十二月三十一日止年度內，本集團與金匡企業有限公司(「金匡」)達成認購協議，(i)以總代價約119,964,000港元認購740,518,325股金匡普通股，佔金匡之擴大後已發行股本36.51%及(ii)認購金匡之三年期零息可換股債券(「可換股債券」)，本金金額為108,000,000港元。金匡自此成為本集團的一間聯營公司。

During the year ended 31 December 2008, the Group sold its entire holding of 740,518,325 ordinary shares of G-Prop, to Mass Rise Limited, an independent third party and an indirect wholly-owned subsidiary of Chinese Estates Holdings Limited, a company listed on the Stock Exchange, at a consideration of approximately HK$120,777,000.

於截至二零零八年十二月三十一日止年度內，本集團以總代價約120,777,000港元將所持有金匡的740,518,325股普通股股份全數賣給一間獨立第三方公司－巨昇有限公司(於聯交所上市的華人置業集團的間接全資擁有附屬公司)。

At the same time, the Group also sold the CB to Get Nice Securities Limited, an independent third party, at a consideration of approximately HK$109,333,000.

同時，本集團以總代價約109,333,000港元出售可換股債券予一間獨立第三方公司－結好證券有限公司。

As a result of the above, the Group recognised a loss of approximately HK$189,697,000 in total, comprising a loss on disposal of interest in an associate of approximately HK$6,779,000 and a loss on disposal of CB of approximately HK$182,918,000 during the year ended 31 December 2008.

基於上述原因，本集團於截至二零零八年十二月三十一日止年度內因此而錄得之虧損總額約189,697,000港元，其中包括出售一間聯營公司權益之虧損約6,779,000港元及出售可換股債券之虧損約182,918,000港元。

12. GAIN ON DISPOSAL OF PARTIAL INTERESTS IN SUBSIDIARIES

12. 出售附屬公司部份權益之收益

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Gain on disposal of partial interest in Kingboard Laminates Holdings Limited ("KLHL")	出售建滔積層板控股有限公司(「建滔積層板」)部份權益之收益	**339,756**	–
Gain on disposal of partial interest in United Hill Group Limited ("United Hill")	出售聯峰集團有限公司(「聯峰」)部份權益之收益	**282**	–
		340,038	–

During the year ended 31 December 2009, the Group entered into an agreement with an independent agent to place down 160,000,000 ordinary shares of KLHL, a non wholly-owned subsidiary of the Company which is listed on the Stock Exchange, to independent third parties at a placing price of HK$4.92 per share, giving a total consideration of approximately HK$787,200,000 before expenses, which amounted to approximately HK$20,540,000.

於截至二零零九年十二月三十一日止年度內，本集團與一名獨立代理人達成協議，以每股配售價4.92港元，向獨立第三方配售160,000,000股建滔積層板(於聯交所主板上市的非全資擁有附屬公司)的普通股份，扣除支出約20,540,000港元前的總代價約為787,200,000港元。

As a result of the placement, the Group's interest in KLHL was reduced from 74.77% to 69.44% and the gain on disposal of partial interest in KLHL amounted to approximately HK$339,756,000.

於配售完成後，本集團持有建滔積層板的股權由74.77%減至69.44%，並因此而錄得出售建滔積層板部份權益之收益約339,756,000港元。

In addition, the Group also entered into an agreement with an independent third party to dispose of 49% equity interest in United Hill, which is held by a non wholly-owned subsidiary of the Company, at a consideration of approximately HK$82,000,000 during the year ended 31 December 2009.

另外，於截至二零零九年十二月三十一日止年度內，本集團與一間獨立第三方公司達成協議，以總代價約82,000,000港元出售由一間非全資擁有附屬公司持有之49%聯峰股權。

As a result of the disposal, the Group's interest in United Hill was reduced to 51% and the gain on disposal of partial interest in United Hill amounted to approximately HK$282,000.

於出售完成後，本集團持有聯峰的股權減至51%，並因此而錄得出售聯峰部份權益之收益約282,000港元。

14. INCOME TAX EXPENSE 14. 所得稅開支

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
The amount comprises:	稅項包括：		
Hong Kong Profits Tax	香港利得稅		
Charge for the year	本年度之稅項支出	**239**	38,009
Overprovision in previous years	過往年度超額撥備	**–**	(8,890)
		239	29,119
Taxation arising in other jurisdictions	其他司法權區之稅項		
Charge for the year	本年度之稅項支出	**242,790**	140,689
Overprovision in previous years	過往年度超額撥備	**(3,154)**	(1,454)
		239,636	139,235
Deferred taxation (Note 34)	遞延稅項(附註34)		
Charge for the year	本年度支出	**8,609**	24,856
Attributable to a change in tax rate	稅率變動之影響	**–**	1,021
		8,609	25,877
		248,484	194,231

On 26 June 2008, the Legislative Council of the Hong Kong Special Administration Region passed the Revenue Bill 2008 which reduced corporate profits tax rate from 17.5% to 16.5% effective from the year of assessment 2008/2009. Therefore, Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the years ended 31 December 2008 and 2009.

於二零零八年六月二十六日，香港特別行政區立法會通過二零零八年收入條例草案，將公司利得稅率由17.5%調低至16.5%，並自二零零八／二零零九課稅年度起生效。因此，截至二零零八年及二零零九年十二月三十一日止年度內之香港利得稅乃按估計應課稅溢利並按16.5%之稅率計算。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

其他司法權區之稅項乃按有關司法權區之適用稅率計算。

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the Enterprise Income Tax rate of certain subsidiaries of the Company, which previously ranged from 15% to 33%, was changed to 25% from 1 January 2008 onwards.

按照《中華人民共和國企業所得稅法》(「企業所得稅法」)及實施條例，自二零零八年一月一日起，適用於本公司若干附屬公司之企業所得稅稅率將由以往介乎15%至33%逐步劃一為25%。

14. INCOME TAX EXPENSE *(continued)*

Taxation for the year can be reconciled to the profit before taxation as follows:

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Profit before taxation	除稅前溢利	**3,214,180**	2,325,502
Tax charge at the domestic income tax rate of 25% (2008: 25%) (Note a)	以當地所得稅率25%（二零零八年：25%）計算之稅款（附註a）	**803,545**	581,376
Tax effect of expenses not deductible for tax purpose	不可扣稅費用之稅務影響	**66,996**	119,145
Tax effect of income not taxable for tax purpose	毋須課稅收益之稅務影響	**(157,871)**	(40,871)
Tax effect of share of results of associates	分佔聯營公司業績之稅務影響	**(16,063)**	(92,451)
Tax effect of share of results of jointly controlled entities	分佔共同控制實體業績之稅務影響	**581**	962
Overprovision in previous years	過往年度超額撥備	**(3,154)**	(10,344)
Tax effect of tax holiday (Note b)	免稅期之稅務影響(附註b)	**(189,639)**	(120,399)
Tax effect of tax losses not recognised	未予確認稅項虧損之稅務影響	**30,907**	12,515
Utilisation of tax losses previous not recognised	動用以往未確認之稅項虧損	**(9,555)**	(5,527)
Effect of different tax rates of subsidiaries operating in other jurisdictions/areas other than the PRC	於中國以外其他司法權區／地區經營附屬公司之不同稅率之影響	**(42,070)**	(57,738)
Tax exempted profits (Note c)	免稅溢利(附註c)	**(240,732)**	(202,776)
Withholding tax (Note d)	預扣稅(附註d)	**5,539**	9,318
Decrease in opening deferred tax assets resulting from	適用稅率減少導致之年初遞延稅項資產減少同稅率之影響		

14. INCOME TAX EXPENSE *(continued)*

Notes:

(a) The domestic income tax rate of 25% (2008: 25%) represents the PRC Enterprise Income Tax of which the Group's operations are substantially based.

(b) Pursuant to relevant laws and regulations in the PRC, certain subsidiaries of the Company in the PRC are exempted from PRC Enterprise Income Tax for two years starting from the first profit-making year in which profits exceed any carried forward tax losses followed by a 50% reduction in the income tax rate in the following three years ("Tax Holiday"). The Tax Holiday enjoyed by these subsidiaries will expire on or before 2012.

In addition, certain subsidiaries also enjoyed a preferential tax rate and the preferential tax rate will be gradually increased to the new tax rate of 25% over five years from 1 January 2008.

(c) Profits arising from certain subsidiaries of the Company in Macau are exempted from profit tax.

(d) The withholding tax represented the 5% withholding tax paid in respect of the dividend received from an associate, CNOOC Kingboard Chemical Limited.

14. 所得稅開支*(續)*

附註：

(a) 當地所得稅率25%(二零零八年：25%)指本集團大部分業務所在地區之中國企業所得稅。

(b) 根據中國相關法律及法規，本公司若干中國附屬公司自首個獲利年度(即溢利超逾任何結轉之稅務虧損)起計兩年內獲豁免繳納中國企業所得稅，其後三年所得稅率獲減免50%(「免稅期」)。該等附屬公司享有之免稅期將於二零一二年或之前屆滿。

此外，以往享有優惠稅率之若干附屬公司，其優惠稅率將由二零零八年一月一日起五年內逐步增至25%之新稅率。

(c) 本公司若干澳門附屬公司之溢利獲豁免利得稅。

(d) 預扣稅為就收取一間聯營公司－中海石油建滔化工有限公司股息而支付之5%預扣稅。

15. PROFIT FOR THE YEAR 15. 本年度溢利

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Profit for the year has been arrived at after charging (crediting):	本年度溢利已經扣除（加上）以下項目：		
Depreciation of properties, plant and equipment	物業、廠房及設備折舊	**1,811,320**	1,589,648
Amortisation of intangible assets (included in administrative costs)	無形資產攤銷（已計入行政成本）	**688**	750
		1,812,008	1,590,398
Net exchange gain	匯兌收益淨額		
– included in cost of sales	－已計入銷售成本	**(39,193)**	(47,646)
– included in other income	－已計入其他收入	**(38,244)**	(46,492)
		(77,437)	(94,138)
Auditor's remuneration	核數師酬金	**10,062**	9,349
Cost of inventories recognised as expenses	確認為開支之存貨成本	**18,861,192**	19,368,570
Loss (gain) on fair value change of commodity forward contracts (included in cost of sales)	商品遠期合約公平值變動之虧損（收益）（已計入銷售成本）	**11,628**	(2,454)
Impairment loss recognised in respect of trade and other receivables (included in administrative expenses)	就貿易及其他應收賬款確認之減值虧損（已計入行政成本）	**90,070**	40,474
Loss on disposal of available-for-sale investments (included in administrative expenses)	出售可供出售投資之虧損（已計入行政成本）	**–**	36,846
Loss on disposal and write off of properties, plant and equipment	出售及撇銷物業、廠房及設備之虧損	**15,539**	3,713
Release of prepaid lease payments	預付租賃款項之撥回	**20,047**	26,863
Total staff costs, including directors' emoluments (see Note 16)	員工成本總額，包括董事酬金（見附註16）	**1,598,080**	1,545,454

16. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The emoluments paid or payable to each of the twelve (2008: eleven) Directors were as follows:

16. 董事及僱員酬金

已付或應付十二名(二零零八年：十一名)董事之酬金如下：

		Year ended 31 December 2009 截至二零零九年十二月三十一日止年度												
		Cheung Kwok Wing 張國榮 HK$'000 千港元	Chan Wing Kwan 陳永鋐 HK$'000 千港元	Cheung Kwong Kwan 張廣軍 HK$'000 千港元	Chang Wing Yiu 鄭永耀 HK$'000 千港元	Mok Cham Hung, Chadwick 莫湛雄 HK$'000 千港元	Ho Yin Sang 何燕生 HK$'000 千港元	Cheung Wai Lin, Stephanie 張偉連 HK$'000 千港元	Lai Chung Wing, Robert 黎忠榮 HK$'000 千港元 (Note i) (附註 i)	Cheng Ming Fun, Paul 鄭明訓 HK$'000 千港元 (Note ii) (附註 ii)	Tse Kam Hung 謝錦洪 HK$'000 千港元	Henry Tan 陳亨利 HK$'000 千港元	Cheng Wai Chee, Christopher 鄭維志 HK$'000 千港元	Total 合計 HK$'000 千港元
Fees	袍金	-	-	-	-	-	-	-	225	80	180	180	480	1,145
Other emoluments:	其他酬金：													
Salaries and other benefits	薪金及其他福利	2,120	1,855	1,988	1,988	2,147	1,855	688	-	-	-	-	-	12,641
Contributions to retirement benefits scheme	退休福利計劃供款	102	89	95	95	103	89	33	-	-	-	-	-	606
Performance related incentive payment (Note iii)	工作表現獎勵款項 (附註iii)	23,127	11,627	11,500	11,627	11,627	11,500	3,375	-	-	200	100	-	84,683
Total emoluments	酬金總額	25,349	13,571	13,583	13,710	13,877	13,444	4,096	225	80	380	280	480	99,075

		Year ended 31 December 2008 截至二零零八年十二月三十一日止年度												
		Cheung Kwok Wing 張國榮 HK$'000 千港元	Chan Wing Kwan 陳永鋐 HK$'000 千港元	Cheung Kwong Kwan 張廣軍 HK$'000 千港元	Chang Wing Yiu 鄭永耀 HK$'000 千港元	Mok Cham Hung, Chadwick 莫湛雄 HK$'000 千港元	Ho Yin Sang 何燕生 HK$'000 千港元	Cheung Wai Lin, Stephanie 張偉連 HK$'000 千港元	Cheng Ming Fun, Paul 鄭明訓 HK$'000 千港元	Tse Kam Hung 謝錦洪 HK$'000 千港元	Henry Tan 陳亨利 HK$'000 千港元	Cheng Wai Chee, Christopher 鄭維志 HK$'000 千港元	Total 合計 HK$'000 千港元
Fees	袍金	-	-	-	-	-	-	-	480	180	180	480	1,320
Other emoluments:	其他酬金：												
Salaries and other benefits	薪金及其他福利	2,606	2,299	2,226	2,447	2,625	2,078	703	-	-	-	-	14,984
Contributions to retirement benefits scheme	退休福利計劃供款	102	89	95	96	103	89	30	-	-	-	-	604
Performance related incentive payment (Note iii)	工作表現獎勵款項 (附註iii)	17,000	9,500	9,500	9,500	8,500	8,550	1,625	-	140	70	-	64,385
Total emoluments	酬金總額	19,708	11,888	11,821	12,043	11,228	10,717	2,358	480	320	250	480	81,293

16. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(continued)*

Notes:

(i) Mr. Lai Chung Wing, Robert was appointed on 27 February 2009.

(ii) Mr. Cheng Ming Fun, Paul resigned on 27 February 2009.

(iii) The performance related incentive payment is determined with reference to the operating results, individual performance and comparable market statistics during both years.

No Directors had waived any emoluments during the years ended 31 December 2008 and 2009 and the five highest paid individuals in the Group for the year ended 31 December 2009 included four (2008: four) directors.

The emoluments of the remaining one (2008: one) individual were as follows:

16. 董事及僱員酬金*(續)*

附註：

(i) 黎忠榮先生於二零零九年二月二十七日獲委任。

(ii) 鄭明訓先生於二零零九年二月二十七日辭任。

(iii) 工作表現相關獎勵款項乃參考該兩個年度之經營業績、個人表現及比較市場數據而釐定。

概無董事於截至二零零八年及二零零九年十二月三十一日止年度放棄任何酬金。本集團於截至二零零九年十二月三十一日止年度五名最高薪人士有四名(二零零八年：四名)為董事。

餘下一名人士(二零零八年：一名)之酬金如下：

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Salaries and other benefits	薪金及其他福利	**2,054**	2,300
Contributions to retirement benefits scheme	退休福利計劃供款	**99**	99
Performance related incentive payments	工作表現獎勵款項	**11,500**	9,500
		13,653	11,899

During both years, no emoluments were paid to or receivable by the Directors or the Group's five highest paid individuals, including Directors, as an inducement to join or upon joining the Group or as compensation for loss of office.

於兩個年度內，董事或本集團五名最高薪人士(包括董事)概無已收或應收任何酬金，作為吸引彼等加盟或加盟時支付之獎勵或作為離職之補償。

18. EARNINGS PER SHARE

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

18. 每股盈利

本公司持有人應佔每股基本及攤薄盈利按下列數據計算：

		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
Earnings for the purpose of calculating basic and diluted earnings per share	計算每股基本及攤薄盈利之盈利	**2,396,030**	1,705,850

		Number of shares 股份數目 2009 二零零九年	 2008 二零零八年
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	計算每股基本盈利之普通股加權平均數	**844,465,583**	841,810,349
Add: Effect of dilutive potential ordinary shares relating to outstanding share options issued by the Company	加上：本公司發行而未行使之優先購股權產生之具潛在攤薄效應之普通股	**7,329,438**	16,995,886
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	計算每股攤薄盈利之普通股加權平均數	**851,795,021**	858,806,235

The calculation of diluted earnings per share for each of the years ended 31 December 2008 and 2009 does not take into account the outstanding share options of a non wholly-owned subsidiary, Elec & Eltek International Company Limited ("EEIC"), as the exercise prices of the outstanding share options of EEIC were higher than the average market price during both years.

於截至二零零八年十二月三十一日止及二零零九年十二月三十一日止年度內，計算每股攤薄盈利時皆無考慮非全資擁有附屬公司－依利安達集團有限公司(「EEIC」)之尚未行使之優先購股權，因該兩年其優先購股權之行使價，都較其股份的市場平均價為高。

		2009 二零零九年	2008 二零零八年
Additional information on adjusted earnings per share:	每股經調整盈利之附加資料：		
Basic	基本	**HK$2.651**港元	HK$2.499港元
Diluted	攤薄	**HK$2.629**港元	HK$2.449港元

18. EARNINGS PER SHARE *(continued)*

Additional information on basic and diluted adjusted earnings per share figures have also been presented, based on the profit for the year attributable to the owners of the Company add/less any non-recurring items, which are calculated as follows:

18. 每股盈利*(續)*

每股經調整基本及攤薄盈利之附加資料乃由本公司持有人應佔本年度溢利扣除任何非經常性項目而作額外呈列，詳細計算如下：

		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
Profit for the year attributable to the owners of the Company	本公司持有人應佔本年度溢利	**2,396,030**	1,705,850
Non-recurring items:	非經常性項目：		
Less: Gain on disposal of partial interests in subsidiaries	減去：出售附屬公司部份權益之收益	**(340,038)**	–
Less: Gain on disposal of subsidiaries	減去：出售附屬公司之收益	**(24,242)**	–
Less: Discount on acquisition of additional interests in subsidiaries	減去：收購附屬公司額外權益之折讓	**(14,580)**	(33,711)
Add: Discount on acquisition of additional interests in subsidiaries shared by minority shareholders	加上：少數股東所佔之收購附屬公司額外權益之折讓	**3,186**	–
Less: Discount on acquisition of subsidiaries	減去：收購附屬公司之折讓	**–**	(11,395)
Add: Loss on disposal of subsidiaries	加上：出售附屬公司之虧損	**106,814**	–
Add: Impairment loss on available-for-sale investments	加上：可供出售投資之減值虧損	**156,367**	253,158
Less: Impairment loss on available-for-sale investments shared by minority shareholders	減去：少數股東所佔之可供出售投資之減值虧損	**(44,524)**	–
Add: Loss on disposal of convertible bond and interest in an associate	加上：出售可換股債券及一間聯營公司權益之虧損	**–**	189,697
Earnings for the purpose of calculating basic and diluted adjusted earnings per share	計算每股經調整基本及攤薄盈利之盈利	**2,239,013**	2,103,599

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

上述計算所用之分母和計算每股基本及攤薄盈利之分母相同。

19. INVESTMENT PROPERTIES 19. 投資物業

		HK$'000 千港元
FAIR VALUE	公平值	
At 1 January 2008	於二零零八年一月一日	1,197,952
Exchange adjustments	匯兌調整	67,363
Additions	添置	360,302
Transfer from properties, plant and equipment (Note i)	轉撥自物業、廠房及設備（附註i）	54,811
Increase in fair value	公平值增加	5,992
Disposals	出售	(359,255)
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日	1,327,165
Exchange adjustments	匯兌調整	1,991
Additions	添置	7,460
Transfer from properties, plant and equipment (Note ii)	轉撥自物業、廠房及設備（附註ii）	35,396
Increase in fair value	公平值增加	51,425
At 31 December 2009	於二零零九年十二月三十一日	1,423,437

Notes:

(i) The fair value of the properties transferred from properties, plant and equipment at the dates of transfer for the year ended 31 December 2008 had been arrived at on the basis of a valuation carried out on that day by Messrs. Chung, Chan & Associates, independent qualified valuers not connected to the Group.

(ii) The fair value of the properties transferred from properties, plant and equipment at the dates of transfer for the year ended 31 December 2009 had been arrived at on the basis of a valuation carried out on that day by Messrs. BMI Appraisals Limited, independent qualified valuers not connected to the Group.

附註：

(i) 截至二零零八年十二月三十一日止年度，該等轉撥自物業、廠房及設備之物業於轉撥日期之公平值，乃按與本集團並無關連之獨立合資格估值師衡量行於該日進行估值之基準達致。

(ii) 截至二零零九年十二月三十一日止年度，該等轉撥自物業、廠房及設備之物業於轉撥日期之公平值，乃按與本集團並無關連之獨立合資格估值師中和邦盟評估有限公司於該日進行估值之基準達致。

19. INVESTMENT PROPERTIES *(continued)*

The fair value of the Group's investment properties at 31 December 2009 had been arrived at on the basis of a valuation carried out on that date by Messrs. BMI Appraisals Limited, independent qualified valuers not connected with the Group. Messrs. BMI Appraisals Limited are members of the Hong Kong Institute of Surveyors. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

The fair value of the Group's investment properties at 31 December 2008 had been arrived at on the basis of a valuation carried out on that date by Messrs. Chung, Chan & Associates, independent qualified valuers not connected with the Group. Messrs. Chung, Chan & Associates are members of the Royal Institute of Chartered Surveyors. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

The carrying value of investment properties shown above comprises:

19. 投資物業*(續)*

本集團投資物業於二零零九年十二月三十一日之公平值乃按與本集團並無關連之獨立合資格估值師中和邦盟評估有限公司於該日進行估值之基準達致。中和邦盟評估有限公司為香港測量師學會會員。是次估值乃參考類似物業交易價值之市場憑證釐定。

本集團投資物業於二零零八年十二月三十一日之公平值乃按與本集團並無關連之獨立合資格估值師衡量行於該日進行估值之基準達致。衡量行為英國皇家特許測量師學會會員。是次估值乃參考類似物業交易價值之市場憑證釐定。

本集團為賺取租金或資本增值並根據經營租約持有之所有物業權益，均利用公平值模式計量，並分類及列作投資物業。

以上所示投資物業賬面值包括：

		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
Property interests situated in Hong Kong under:	按下列租約於香港持有之物業權益：		
Medium-term lease	中期租約	**5,600**	3,840
Property interests situated outside Hong Kong under:	按下列租約於香港以外持有之物業權益：		
Medium-term lease	中期租約	**1,387,037**	1,297,600
Long lease	長期租約	**30,800**	25,725
		1,417,837	1,323,325
		1,423,437	1,327,165

20. PROPERTIES, PLANT AND EQUIPMENT 20. 物業、廠房及設備

		Freehold lands 永久產權土地 HK$'000 千港元	Buildings for own use 自用樓宇 HK$'000 千港元	Leasehold improvements 租約物業裝修 HK$'000 千港元	Plant and machinery 廠房及機器 HK$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK$'000 千港元	Transportation equipment 運輸設備 HK$'000 千港元	Properties, plant and equipment under construction 在建物業、廠房及設備 HK$'000 千港元	Total 合計 HK$'000 千港元
COST	成本								
At 1 January 2008	於二零零八年一月一日	63,164	2,562,739	312,100	12,368,303	318,402	143,268	2,477,748	18,245,724
Exchange adjustments	匯兌調整	(2,426)	76,384	3,447	587,381	18,241	6,482	251,216	940,725
Additions	添置	–	–	54,251	681,244	35,413	167,974	2,826,663	3,765,545
Acquired from acquisition of subsidiaries (Note 37)	收購附屬公司而獲取（附註37）	–	–	–	96,799	41,166	1,232	199,589	338,786
Disposals and write off	出售及撇銷	–	–	(3,594)	(143,799)	(8,681)	(12,214)	–	(168,288)
Transferred to investment properties (Note)	轉撥至投資物業（附註）	–	(50,106)	–	–	–	–	–	(50,106)
Reclassifications	重新分類	–	202,238	28,562	3,302,582	103,207	–	(3,636,589)	–
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日	60,738	2,791,255	394,766	16,892,510	507,748	306,742	2,118,627	23,072,386
Exchange adjustments	匯兌調整	88	4,438	628	26,859	807	488	3,369	36,677
Additions	添置	–	5,811	19,028	883,445	7,032	9,353	1,711,307	2,635,976
Acquired from acquisition of subsidiaries (Note 37)	收購附屬公司而獲取（附註37）	–	–	–	673,445	109,460	2,965	–	785,870
Disposals and write off	出售及撇銷	–	–	(20,208)	(344,033)	(42,262)	(24,580)	–	(431,083)
Disposal of subsidiaries (Note 38)	出售附屬公司(附註38)	–	–	–	(463,612)	(1,714)	(3,849)	–	(469,175)
Transferred to investment properties (Note)	轉撥至投資物業（附註）	–	(33,545)	–	–	–	–	–	(33,545)
Reclassifications	重新分類	–	111,312	3,959	1,741,238	191,601	–	(2,048,110)	–
At 31 December 2009	於二零零九年十二月三十一日	60,826	2,879,271	398,173	19,409,852	772,672	291,119	1,785,193	25,597,106

20. PROPERTIES, PLANT AND EQUIPMENT
(continued)

		Freehold lands 永久產權土地 HK$'000 千港元	Buildings for own use 自用樓宇 HK$'000 千港元	Leasehold improvements 租約物業裝修 HK$'000 千港元	Plant and machinery 廠房及機器 HK$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK$'000 千港元	Transportation equipment 運輸設備 HK$'000 千港元	Properties, plant and equipment under construction 在建物業、廠房及設備 HK$'000 千港元	Total 合計 HK$'000 千港元
DEPRECIATION AND IMPAIRMENT	折舊及減值								
At 1 January 2008	於二零零八年一月一日								

20. PROPERTIES, PLANT AND EQUIPMENT *(continued)*

At 31 December 2009, the Group's freehold lands of HK$60,826,000 (2008: HK$60,738,000) are situated outside Hong Kong.

The above items of properties, plant and equipment other than those under construction are depreciated on a straight-line basis at the following rates per annum:

Freehold lands	Nil
Buildings for own use	Over the remaining unexpired terms of leases or fifty years, whichever is the shorter
Leasehold improvements	Over shorter of lease terms or 10 – 20%
Plant and machinery	10 – 20%
Furniture, fixtures and equipment	10 – 33$^1/_3$%
Transportation equipment	10% – 20%

20. 物業、廠房及設備*(續)*

於二零零九年十二月三十一日，本集團共有60,826,000港元(二零零八年：60,738,000港元)永久產權土地位於香港境外。

除在建物業、廠房及設備外，上述物業、廠房及設備項目以直線基準按下列年度比率計提折舊：

永久產權土地	沒有
自用樓宇	按照租約內剩餘未完的年期或50年(以較短者為準)
租約物業裝修	按照租約年期或10 – 20%(以較短者為準)
廠房及機器	10 – 20%
傢俬、裝置及設備	10 – 33$^1/_3$%
運輸設備	10% – 20%

21. PREPAID LEASE PAYMENTS

All of the Group's prepaid lease payments are prepaid for medium term leasehold land outside Hong Kong.

21. 預付租賃款項

本集團全部預付租賃款項均為香港以外租賃土地之中期租約預付款項。

		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
Analysed for reporting purposes as:	就報告分析如下：		
Current assets	流動資產	**22,667**	32,103
Non-current assets	非流動資產	**933,230**	1,499,021
		955,897	1,531,124

21. PREPAID LEASE PAYMENTS *(continued)*

Movements of prepaid lease payments are as follows:

21. 預付租賃款項*(續)*

預付租賃款項之變動如下：

		HK$'000 千港元
At 1 January 2008	於二零零八年一月一日	1,293,156
Exchange adjustments	匯兌調整	69,806
Additions	添置	61,622
Acquired from acquisition of subsidiaries (Note 37)	收購附屬公司而獲取（附註37）	133,403
Charge for the year	本年度支出	(26,863)
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日	1,531,124
Exchange adjustments	匯兌調整	2,297
Additions	添置	21,824
Acquired from acquisition of a subsidiary (Note 37)	收購附屬公司而獲取（附註37）	28,300
Transfer to properties held for development (Note 30) (Note)	轉撥至待發展物業(附註30)（附註）	(538,144)
Disposal of subsidiaries (Note 38)	出售附屬公司(附註38)	(69,457)
Charge for the year	本年度支出	(20,047)
At 31 December 2009	於二零零九年十二月三十一日	955,897

Note: During the year ended 31 December 2009, the Group changed its intention to develop a parcel of lands in the PRC for sale purpose rather than for own use. As a result, the prepaid lease payments of HK$538,144,000 was transferred to properties held for development during the year.

附註： 截至二零零九年十二月三十一日止年度，本集團改變位於中國的一幅土地的發展意向，由自用改為出售。因此，於年內將預付租賃款項538,144,000港元轉撥至待發展物業。

The lease term over which the prepaid lease payments are amortised ranged from 35 years to 50 years.

預付租賃款項按介乎35年至50年不等租期攤銷。

22. GOODWILL 22. 商譽

		HK$'000 千港元
CARRYING VALUE	賬面值	
At 1 January 2008 and 31 December 2008	於二零零八年一月一日及二零零八年十二月三十一日	2,005,658
Arising on acquisition of a subsidiary (Note 37)	收購一間附屬公司而產生（附註37）	179,849
Arising on acquisition of additional interests in subsidiaries	收購附屬公司額外權益而產生	102,642
At 31 December 2009	於二零零九年十二月三十一日	2,288,149

Particulars regarding impairment testing on goodwill arising from acquisition of subsidiaries are disclosed as follows:

有關收購附屬公司所產生之商譽之減值測試詳情披露如下：

For the purposes of impairment testing, goodwill has been allocated to the cash generating units ("CGU") of laminates, PCBs and chemicals business segments. The carrying amounts of goodwill allocated to the CGUs of laminates, PCBs and chemicals business segments are approximately HK$390,781,000 (2008: HK$288,139,000), HK$1,717,519,000 (2008: HK$1,717,519,000) and HK$179,849,000 (2008: nil), respectively.

就減值測試而言，商譽已分配予覆銅面板、印刷線路板及化工產品業務分部之現金產生單位(「現金產生單位」)。分配予覆銅面板、印刷線路板及化工產品業務分部之現金產生單位之商譽賬面值分別約為390,781,000港元(二零零八年：288,139,000港元)、1,717,519,000港元(二零零八年：1,717,519,000港元)及179,849,000港元(二零零八年：沒有)。

The recoverable amounts of the laminates', PCBs' and chemicals' CGUs have been determined from value-in-use calculation. Goodwill is expected to generate cash flow for indefinite period. To calculate this, cash flow projections are based on five year periods financial budgets approved by senior management.

覆銅面板、印刷線路板及化工產品之現金產生單位之可收回金額按使用價值計算法釐定。預期商譽將無限期產生現金流量。為計算使用價值，現金流量預測以經高級管理層所批准之五年期財政預算為基準。

22. GOODWILL *(continued)*

The key assumptions for the value-in-use calculations for the CGUs of laminates, PCBs and chemicals business segments are as follows:

22. 商譽*(續)*

覆銅面板、印刷線路板及化工產品現金產生單位之使用價值計算法之主要假設如下：

		Laminates 覆銅面板		PCBs 印刷線路板		Chemicals 化工產品	
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年
Discount rate	折現率	13%	13%	12%	12%	15%	N/A不適用
Growth rate	增長率	5%	5%	4%	4%	4%	N/A不適用

The key assumptions are determined based on the unit's past performance and management's expectations for the market development and does not exceed the average long-term growth rate for the relevant industries. The cash flow beyond the five year period are extrapolated using zero growth rate.

主要假設乃按該單位過往表現及管理層對市場發展之期望釐定，且不超逾相關行業平均長期增長率。超過五年期間之現金流量按零增長率估算。

Since the recoverable amount of the cash generating unit is higher than its carrying amount, the Directors consider that the carrying amount of goodwill at the end of the reporting period is not impaired.

由於現金產生單位之可收回金額高於其賬面值，故董事認為，於報告期間結束日之商譽賬面值並無出現重大減值。

23. INVESTMENTS IN ASSOCIATES

23. 於聯營公司之投資

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Cost of investments in associates:	於聯營公司之投資成本：		
Unlisted in the PRC	於中國非上市	**211,230**	431,089
Share of post-acquisition profits and other comprehensive income, net of dividends received	應佔收購後溢利及其他全面收益(扣除已收股息)	**287,089**	255,044
		498,319	686,133

23. INVESTMENTS IN ASSOCIATES *(continued)*

At 31 December 2009 and 2008, the Group had interests in the following associates:

23. 於聯營公司之投資*(續)*

於二零零九年及二零零八年十二月三十一日，本集團擁有以下聯營公司權益：

Name of entity 實體名稱	Form of business structure 業務架構形式	Place of registration 註冊地點	Principal place of operation 主要營業地點	Proportion of nominal value of registered capital held by the Group 本集團所持有註冊資本面值比例 2009 二零零九年	 2008 二零零八年	Principal activities 主要業務
CNOOC Kingboard Chemical Limited# 中海石油建滔化工有限公司#	Incorporated 註冊成立	PRC 中國	PRC 中國	40%	40%	Manufacture and distribution of methanol 製造及分銷甲醇
山西金能建滔投資有限公司#	Incorporated 註冊成立	PRC 中國	PRC 中國	49%	49%	Coal mining and distribution of coals 煤炭開採及分銷
實友化工(揚州)有限公司# (「實友化工」)	Incorporated 註冊成立	PRC 中國	PRC 中國	N/A* 不適用*	25%	Refining and distribution of chemicals 提煉及分銷化工產品

\# These companies were established in the PRC in the form of Sino-Foreign Equity Joint Ventures.

* 實友化工 became a non wholly-owned subsidiary during the year ended 31 December 2009.

During the year ended 31 December 2009, the Group acquired a further 51% equity interest in 實友化工 from an independent third party at a consideration of HK$1. 實友化工 has become a 76% owned subsidiary of the Company. Details of the acquisition are set out in Note 37(b).

\# 此等公司乃以中外合資合營企業形式在中國成立。

* 實友化工於截至二零零九年十二月三十一日止年度成為非全資擁有附屬公司。

截至二零零九年十二月三十一日止年度，本集團以代價1港元自獨立第三方進一步收購實友化工51%股權。實友化工成為本公司擁有76%之附屬公司。收購詳情載於附註37(b)。

23. INVESTMENTS IN ASSOCIATES *(continued)*

Pursuant to a sale and purchase agreement dated 1 February 2008, the Group sold its entire holding of 740,518,325 ordinary shares in an associate, G-Prop, to Mass Rise Limited, an independent third party and an indirect wholly-owned subsidiary of Chinese Estates Holdings Limited, a company listed on the Stock Exchange, at a consideration of approximately HK$120,777,000 and resulted in a loss on disposal of interest in an associate of approximately HK$6,779,000 during the year ended 31 December 2008.

During the year ended 31 December 2008, the Group also established an associate, namely 山西金能建滔投資有限公司, in the PRC with capital injection of approximately HK$29,907,000.

Included in the cost of investments in associates at 31 December 2008 was goodwill of approximately HK$147,087,000 (2009: nil) arising on acquisition of 實友化工, the Group's associate. The movement of goodwill is set out below:

23. 於聯營公司之投資*(續)*

根據一份日期為二零零八年二月一日之買賣協議，本集團以總代價約120,777,000港元將所持有一間聯營公司金匡的740,518,325股普通股股份全數賣給一間獨立第三方公司巨昇有限公司(於聯交所上市之華人置業集團之間接全資擁有附屬公司)，導致截至二零零八年十二月三十一日止年度錄得出售一間聯營公司權益之虧損約6,779,000港元。

截至二零零八年十二月三十一日止年度，本集團亦於中國成立一間聯營公司山西金能建滔投資有限公司，注入資金約29,907,000港元。

於二零零八年十二月三十一日，於聯營公司之投資成本包括收購本集團聯營公司實友化工引起之商譽約147,087,000港元(二零零九年：沒有)。商譽變動載列如下：

		HK$'000 千港元
At 1 January 2008	於二零零八年一月一日	152,820
Eliminated on disposal of an associate	出售一間聯營公司時註銷	(5,733)
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日	147,087
Transfer to goodwill of a subsidiary	轉撥至一間附屬公司之商譽	(147,087)
At 31 December 2009	於二零零九年十二月三十一日	–

24. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

24. 可供出售投資

可供出售投資包括：

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Equity securities listed in Hong Kong	於香港上市之股本證券	**566,912**	759,923
Equity securities listed in United States	於美國上市之股本證券	**619,632**	–
		1,186,544	759,923
Unlisted equity investments	非上市股本投資	**20,325**	20,325
Total	合計	**1,206,869**	780,248

At the end of the reporting period, all listed available-for-sale investments are stated at fair value. Fair values of those listed investments have been determined by reference to bid prices quoted in active markets. The unlisted equity investments are stated at cost as their fair values cannot be measured reliably.

於報告期間結束當日，所有可供出售上市投資均按公平值列賬。該等上市投資之公平值乃經參考交投活躍市場所報競投價釐定。由於不能可靠計算非上市股本投資之公平值，故按成本列賬。

The above unlisted investments represent (i) 10% equity interest in an unlisted private entity established in the PRC which is engaged in hotel operation; and (ii) 5% equity interest in an unlisted private entity established in the PRC which is engaged in property development. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the Directors are of the opinion that their fair values cannot be measured reliably.

上述非上市投資指(i)於中國成立之非上市私營實體之10%股權，該實體從事酒店營運業務；及(ii)於中國成立之非上市私營實體之5%股權，該實體從事物業發展。由於公平值之合理估算幅度龐大，致使董事認為未能可靠計算其公平值，故非上市投資於報告期間結束當日按成本扣除減值計算。

24. AVAILABLE-FOR-SALE INVESTMENTS *(continued)*

Included in available-for-sale investments are the following amounts denominated in a currency other than the functional currency of the group entities to which they relate:

24. 可供出售投資*(續)*

可供出售投資包括下列以集團實體相關之功能貨幣以外貨幣計值之款額：

		2009 二零零九年 **Amount** 金額 **'000** 千元	2008 二零零八年 Amount 金額 '000 千元
US$	美元	**79,440**	–

25. INTERESTS IN JOINTLY CONTROLLED ENTITIES

25. 於共同控制實體之權益

		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
Cost of unlisted investment in jointly controlled entities	共同控制實體之非上市投資成本	**15,953**	15,953
Share of post-acquisition losses	應佔收購後虧損	**(26,065)**	(23,740)
		(10,112)	(7,787)
Amounts due from jointly controlled entities (Note)	應收共同控制實體款項(附註)	**18,222**	18,222
		8,110	10,435

Note: The amounts due from jointly controlled entities are unsecured, interest-free, with no fixed repayment terms and are not repayable in the foreseeable future.

附註： 應收共同控制實體款項為無抵押、免息，且無固定還款期，毋須於可見將來償還。

25. INTERESTS IN JOINTLY CONTROLLED ENTITIES *(continued)*

Included in the cost of investment in jointly controlled entities is goodwill of approximately HK$10,943,000 (2008: HK$10,943,000) arising on the acquisition of jointly controlled entities in prior years. The movement of goodwill is set out below:

		Goodwill 商譽 HK$'000 千港元
CARRYING VALUE	賬面值	
At 1 January 2008, 31 December 2008 and 31 December 2009	於二零零八年一月一日、二零零八年十二月三十一日及二零零九年十二月三十一日	10,943

At 31 December 2009 and 2008, the Group had interests in the following significant jointly controlled entities:

25. INTERESTS IN JOINTLY CONTROLLED ENTITIES *(continued)*

The summarised financial information in respect of the Group's interests in jointly controlled entities which are accounted for using the equity method is set out below:

25. 於共同控制實體之權益*(續)*

以權益法列賬之本集團之共同控制實體權益之財務資料概述如下：

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Total assets	資產總值	**24,571**	33,742
Total liabilities	負債總額	**(45,626)**	(52,472)
Net liabilities	負債淨額	**(21,055)**	(18,730)
Group's share of net liabilities of jointly controlled entities	本集團應佔共同控制實體負債淨額	**(21,055)**	(18,730)
Revenue	營業額	**25,996**	27,040
Loss for the year	本年度虧損	**(2,325)**	(3,849)
Other comprehensive income for the year	本年度其他全面收益	**–**	–
Group's share of loss of jointly controlled entities for the year	本集團應佔共同控制實體本年度之虧損	**(2,325)**	(3,849)
Group's share of other comprehensive income of jointly controlled entities for the year	本集團應佔共同控制實體本年度之其他全面收益	**–**	–

26. NON-CURRENT DEPOSITS

Non-current deposits represent deposits paid for the acquisition of properties, plant and equipment and investment properties, and the deposits will not be realised within twelve months from the end of the reporting period. Accordingly, the amounts were included in the non-current assets. The deposits can only be refundable to the Group when the suppliers fail to deliver the assets to the Group within the timeframe as agreed with the Group. The Directors expected that the assets will be delivered to the Group within the next two years.

26. 非流動訂金

非流動訂金指就購買物業、廠房及設備以及投資物業已支付之訂金。該等訂金在報告期間結束日起計12個月內不能變現。因此，該等款項計入非流動資產。該等訂金只有在供應商未能在與本集團協定的時間內將資產交付予本集團時，方可退回。董事預期，該等資產將於未來兩年內交付予本集團。

27. INTANGIBLE ASSETS 27. 無形資產

		Mining right 採礦權 HK$'000 千港元	Know-how fee 專業知識費 HK$'000 千港元	Total 合計 HK$'000 千港元
COST	成本			
At 1 January 2008	於二零零八年一月一日	724,086	3,475	727,561
Exchange adjustments	匯兌調整	44,747	–	44,747
Additions	添置	–	261	261
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日	768,833	3,736	772,569
Exchange adjustments	匯兌調整	698	6	704
Disposal of a subsidiary (Note 38)	出售一間附屬公司（附註38）	(769,531)	–	(769,531)
Disposals	出售	–	(137)	(137)
At 31 December 2009	於二零零九年十二月三十一日	–	3,605	3,605
AMORTISATION	攤銷			
At 1 January 2008	於二零零八年一月一日	–	1,677	1,677
Charge for the year	本年度支出	–	750	750
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日	–	2,427	2,427
Exchange adjustments	匯兌調整	–	5	5
Charge for the year	本年度支出	–	688	688
Eliminated on disposals	出售時註銷	–	(137)	(137)
At 31 December 2009	於二零零九年十二月三十一日	–	2,983	2,983
CARRYING VALUES	賬面值			
At 31 December 2009	於二零零九年十二月三十一日	–	622	622
At 31 December 2008	於二零零八年十二月三十一日	768,833	1,309	770,142

27. INTANGIBLE ASSETS *(continued)*

Mining right has finite useful life of 40 years and is amortised using the units of production method over the total proven reserves of the coal mines of approximately 93 million tonnes. No amortisation of mining right was provided during the years ended 31 December 2009 and 2008 as the coal mining site was still under construction and no production of coal has been commenced.

During the year ended 31 December 2009, the Group disposed of its mining right through disposal of a subsidiary. Details of the disposal are set out in Note 38(a).

Know-how was acquired from third parties, has finite useful life and is amortised on a straight-line basis over 5 years.

27. 無形資產*(續)*

採礦權之固定可使用年期為40年，使用單位生產法按煤礦總探明儲量約93,000,000噸攤銷。截至二零零九年及二零零八年十二月三十一日止年度，由於煤礦仍然在建中，並未開始生產煤炭，故並無就採礦權進行攤銷。

於截至二零零九年十二月三十一日止年度，本集團已透過轉讓一間附屬公司而出售採礦權。出售詳情載於附註38(a)。

向第三方收購之專業知識有固定可使用年期，並按直線法於五年內攤銷。

28. INVENTORIES

28. 存貨

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Raw materials	原料	**2,438,652**	1,744,933
Work in progress	在製品	**721,430**	594,830
Finished goods	製成品	**294,623**	221,571
		3,454,705	2,561,334

29. OTHER FINANCIAL ASSETS

Trade and other receivables and prepayments and bills receivables

29. 其他財務資產

貿易及其他應收賬款、預付款項及應收票據

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Trade receivables	貿易應收賬款	**4,400,602**	3,985,533
Other receivables and prepayments	其他應收賬款及預付款項	**1,845,180**	1,004,784
		6,245,782	4,990,317

29. OTHER FINANCIAL ASSETS *(continued)*

The Group allows credit periods of up to 120 days, depending on the products sold, to its trade customers. The following is an aged analysis of trade receivables at the end of the reporting period:

29. 其他財務資產*(續)*

本集團給予貿易客戶之信貸期最長為120日，視乎所銷售的產品而定。於報告期間結束為止，貿易應收賬款之賬齡分析如下：

		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
0 – 90 days	0至90日	**3,719,464**	2,788,189
91 – 180 days	91至180日	**621,029**	1,138,520
Over 180 days	180日以上	**60,109**	58,824
		4,400,602	3,985,533

All bills receivables of the Group are aged within 90 days at the end of the reporting period.

本集團所有應收票據賬齡均為報告期間結束後的90日之內。

Before accepting any new customers, the Group has an internal credit grading system to assess the potential customers' credit quality and the board of directors has delegated the management to be responsible for determination of credit limits and credit approvals for any customers. Limits and scoring attributed to customers are reviewed every year. 91% (2008: 87%) of the trade receivables that are neither past due nor impaired have the best credit scoring attributable under the credit grading system used by the Group.

在接納任何新客戶前，本集團內部信用評級制度會評估潛在客戶之信用質素，董事會已任命管理層負責為任何客戶釐定信貸限額及信貸批准。客戶之限額及評分每年審閱。91%(二零零八年：87%)無逾期或減值之貿易應收賬款獲本集團所採用之信用評級制度之最高信用評分。

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK$405,141,000 (2008: HK$512,083,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss as the Group considers that these debtors are financially stable and the management has taken action to recover the outstanding balances. The Directors are confident that these amounts are still recoverable. The Group does not hold any collateral over these balances. The average age of these receivables is 131 days (2008: 134 days).

本集團貿易應收賬款餘額包括的應收賬款，總賬面值為405,141,000港元(二零零八年：512,083,000港元)，於報告期間結束當日已經逾期，本集團並無就該等款項作出減值虧損撥備，原因為本集團認為，該等債務人財政穩健，且管理層已採取收回未償還結餘的行動。董事相信，該等款項仍然可以收回。本集團就該等餘額並無持有任何抵押品。該等應收賬款之平均賬齡為131日(二零零八年：134日)。

29. OTHER FINANCIAL ASSETS *(continued)*

The following is an aged analysis of trade receivables which are past due but not impaired at the end of the reporting period:

29. 其他財務資產*(續)*

於報告期間結束當日，逾期但無減值之貿易應收賬款之賬齡分析如下：

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
91 – 120 days	91至120日	**122,590**	202,112
121 – 150 days	121至150日	**168,771**	191,019
151 – 180 days	151至180日	**53,671**	60,128
Over 180 days	180日以上	**60,109**	58,824
		405,141	512,083

The Group has provided fully for all receivables that are past due beyond 240 days because historical experience is such that these receivables are generally not recoverable. Allowance on trade receivables between 120 and 240 days are made based on estimated irrecoverable amounts by reference to past default experience and objective evidences of impairment determined by the difference between the carrying amount and the present value of the estimate future cash flow discounted at the original effective interest rate.

過往經驗顯示逾期240日以上之應收賬款一般無法收回，故本集團對該等應收賬款全數作出撥備。賬齡介乎120至240日之貿易應收賬款之準備，乃參考過往欠賬經驗釐訂之估計不可收回金額後釐訂，減值之客觀證據根據賬面值與以原有實際利率折現估計日後現金流量現值間之差額計算。

In determining the recoverability of the trade receivables, the Group monitors any change in the credit quality of the trade receivables since the credit was granted and up to the end of the reporting period. The Directors considered that the Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

在釐定貿易應收賬款之可收回性時，自在早前授出信貸起至報告期間結束為止，本集團監察貿易應收賬款信用質素之任何變動。董事認為，就客戶而言，本集團並無重大集中信貸風險，風險由多個交易方及客戶分攤。

29. OTHER FINANCIAL ASSETS *(continued)*

29. 其他財務資產*(續)*

Movement in the allowance for doubtful debts

呆壞賬準備之變動

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Balance at the beginning of the year	年初結餘	**358,406**	320,615
Impairment losses recognised on receivables	確認應收賬款之減值虧損	**90,070**	40,474
Amounts written off as uncollectible	撇銷不可收回之款項	**(37,635)**	(2,683)
Balance at the end of the year	年末結餘	**410,841**	358,406

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK$410,841,000 (2008: HK$358,406,000) which have either been placed under liquidation or in financial difficulties. The Group does not hold any collateral over these balances.

呆壞賬準備包括個別已減值之貿易應收賬款，總結餘為410,841,000港元(二零零八年：358,406,000港元)，該等款項為清盤或財務困難項下之款項。本集團就該等結餘並無持有任何抵押品。

Included in trade and other receivables and bills receivables are the following amounts denominated in a currency other than the functional currency of the group entities to which they relate:

貿易及其他應收賬款及應收票據包括下列以集團實體相關功能貨幣以外貨幣計值之款額：

		2009 二零零九年 Amount 金額 '000 千元	2008 二零零八年 Amount 金額 '000 千元
US$	美元	**265,938**	223,465
Euro	歐元	**482**	–

29. OTHER FINANCIAL ASSETS *(continued)*

Bank balances and cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. At 31 December 2009, the bank balances and deposits carry interest at the prevailing market interest rate which range from 0.01% to 3.70% (2008: 0.01% to 7.33%) per annum.

Included in bank balances and cash are pledged bank deposits of HK$105,622,000 (2008: nil) at 31 December 2009 which are pledged to banks to secure short-term banking facilities of the Group.

At 31 December 2009 and 2008, the Group had bank balances and cash that were either not freely convertible or were subject to exchange controls in the PRC, amounting to approximately HK$2,980.7 million and HK$1,723.5 million, respectively.

Included in the bank balances and cash are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

	2009 二零零九年 **Amount** 金額	2008 二零零八年 Amount 金額

30. PROPERTIES HELD FOR DEVELOPMENT 30. 待發展物業

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Carrying amount of properties held for development:	待發展物業賬面值：		
Current assets	流動資產	**1,980,068**	–
Non-current assets	非流動資產	**–**	233,135
		1,980,068	233,135

Movements of properties held for development are as follows:

待發展物業變動如下：

		HK$'000 千港元
At 1 January 2008	於二零零八年一月一日	–
Additions	添置	233,135
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日	233,135
Exchange adjustments	匯兌調整	350
Additions	添置	763,152
Acquired from acquisition of a subsidiary (Note 37)	收購一間附屬公司而獲取（附註37）	445,287
Transfer from prepaid lease payments (Note 21)	轉撥自預付租賃款項（附註21）	538,144
At 31 December 2009	於二零零九年十二月三十一日	1,980,068

Properties held for development are situated in the PRC with medium-term leases and are stated at cost at 31 December 2009 and 2008.

於二零零九年及二零零八年十二月三十一日，待發展物業位於中國，按中期租約持有，並按成本列賬。

During the year ended 31 December 2009, the Group completed the acquisition of the remaining pieces of lands in the PRC for property development and the properties held for development of HK$233,135,000, which was classified as non-current assets at 31 December 2008, has been reclassified as current assets during the year.

於二零零八年分類為流動資產之233,135,000港元待發展物業已於年內重新分類為非流動資產，因本集團於二零零九年十二月三十一日止年度已完成收購位於中國所餘下之地皮作物業發展之用。

30. PROPERTIES HELD FOR DEVELOPMENT *(continued)*

Properties held for development which are expected to be recovered after next twelve months from the end of the reporting period are classified as current assets as it is expected to be realised in the Group's normal operating cycle. The amount of properties held for development classified as current assets that are expected by the management to be realised after next twelve months from the end of the reporting period was HK$1,980,068,000 as at 31 December 2009.

30. 待發展物業*(續)*

預期於報告期間結束當日起計未來12個月後收回之待發展物業，已分類為流動資產，原因為待發展物業預期於本集團正常經營週期中變現。據管理層預期，於報告期間結束當日起計未來12個月後變現，並於截至二零零九年十二月三十一日止年度分類為流動資產之待發展物業金額為1,980,068,000港元。

31. DERIVATIVE FINANCIAL INSTRUMENTS

31. 衍生金融工具

		2009 二零零九年		2008 二零零八年	
		Assets 資產 HK$'000 千港元	Liabilities 負債 HK$'000 千港元	Assets 資產 HK$'000 千港元	Liabilities 負債 HK$'000 千港元
Interest rate swap contracts	利率掉期合約				
– derivatives under hedge accounting	－以對沖會計法列賬之衍生工具	–	(132,018)	–	(136,961)
– derivatives not under hedge accounting	－並非以對沖會計法列賬之衍生工具	–	–	–	(1,428)
Commodity forward contracts	商品遠期合約	–	(11,628)	2,454	–
Foreign currency forward contracts	外匯遠期合約	–	–	1,014	(512)
		–	(143,646)	3,468	(138,901)
Analysed for reporting purposes as:	就報告分析如下：				
Current	流動	–	(13,329)	3,468	(1,940)
Non-current	非流動	–	(130,317)	–	(136,961)
		–	(143,646)	3,468	(138,901)

31. DERIVATIVE FINANCIAL INSTRUMENTS *(continued)*

(a) Interest rate swap contracts under cash flow hedges

During the years ended 31 December 2009 and 2008, the Group used interest rate swap contracts (net quarterly settlement) to minimise its exposure to certain cash flow changes of its floating-rate Hong Kong dollar bank borrowings by swapping floating interest rates to fixed interest rates. The terms of these interest rate swap contracts were negotiated to match with those of the hedged bank borrowings (i.e. same notional amount of the derivatives match with principal amounts of bank borrowings, same currency and interest rate index). The Directors consider that the interest rate swap contracts are highly effective hedging instruments and have designated them as cash flows hedging instruments for hedge accounting purpose.

During the year ended 31 December 2009, the hedge was 97% to 115% (2008: 80% to 118%) effective in hedging cash flow exposure to interest rate movements. Fair value losses of HK$89,986,000 (2008: HK$144,780,000) for the year ended 31 December 2009 have been recognised in other comprehensive income and accumulated in equity and are expected to be released to the consolidated income statement when the hedged interest expense was charged to profit or loss quarterly.

During the year ended 31 December 2009, an amount of approximately HK$95,026,000 (2008: HK$16,717,000) reclassified from equity into profit or loss was included in the finance costs in the consolidated income statement (see Note 13).

31. 衍生金融工具*(續)*

(a) 現金流量對沖項下利率掉期合約

截至二零零九年及二零零八年十二月三十一日止年度，本集團透過將浮息轉為定息，利用利率掉期合約（每季淨額結算）減低按浮息計算之港元銀行借貸若干現金流量變動之風險。該等利率掉期合約之條款經磋商後與對沖銀行借貸之主要條款相吻合（即：衍生工具之面值與銀行借貸之本金額相同、幣值及利率指標均相同）。董事認為利率掉期合約為極有效之對沖工具，並就對沖會計法而言，指定該等工具為現金流量對沖工具。

截至二零零九年十二月三十一日止年度，就對沖承受利率上落風險的現金流量而言，對沖為97%至115%有效（二零零八年：80%至118%）。截至二零零九年十二

31. DERIVATIVE FINANCIAL INSTRUMENTS *(continued)*

(a) **Interest rate swap contracts under cash flow hedges** *(continued)*

Included in bank borrowings as disclosed in Note 33 were bank loans of HK$4,296,400,000 (2008: HK$5,166,700,000) which were under cash flow hedges and the major terms of the interest rate swap contracts under cash flow hedges at the end of the reporting period are as follows:

31. 衍生金融工具*(續)*

(a) 現金流量對沖項下利率掉期合約*(續)*

於報告期間結束為止，附註33所披露之銀行借貸包括現金流量對沖項下銀行貸款4,296,400,000港元(二零零八年：5,166,700,000港元)，而該等現金流量對沖項下利率掉期合約之主要條款如下：

Outstanding contracts as at 於以下日期尚未到期之合約	Notional amount 面值 HK$'000 千港元	Maturity 到期日	Receive floating 所收浮息	Pay fixed 所付定息
31 December 2009 二零零九年十二月三十一日	100,000	Within 1 year 一年內	HIBOR 香港銀行同業拆息	3.61% 3.61厘
	1,946,400	Within 1 to 2 years 一至兩年內	HIBOR 香港銀行同業拆息	2.34% to 3.88% 2.34厘至3.88厘
	2,250,000	Within 2 to 3 years 兩至三年內	HIBOR 香港銀行同業拆息	2.66% to 4.04% 2.66厘至4.04厘
31 December 2008 二零零八年十二月三十一日	266,700	Within 1 to 2 years 一至兩年內	HIBOR 香港銀行同業拆息	3.61% 3.61厘
	2,800,000	Within 2 to 3 years 兩至三年內	HIBOR 香港銀行同業拆息	2.37% to 3.03% 2.37厘至3.03厘
	2,100,000	Within 3 to 4 years 三至四年內	HIBOR 香港銀行同業拆息	2.66% to 4.04% 2.66厘至4.04厘

31. DERIVATIVE FINANCIAL INSTRUMENTS *(continued)*

(b) Interest rate swap contract not under cash flow hedges

During the year ended 31 December 2008, the cash flow hedges for an interest rate swap contract did not qualify for hedge accounting. As a result, a loss in fair value of that interest rate swap contract amounting to approximately HK$2,602,000 (2009: nil) was recognised in the consolidated income statement for the year ended 31 December 2008.

At 31 December 2008, major term of that contract which did not qualify for hedge accounting under cash flow hedges was as follows:

31. 衍生金融工具*(續)*

(b) 非現金流量對沖項下利率掉期合約

截至二零零八年十二月三十一日止年度，部分利率掉期合約之現金流量對沖不符合對沖會計法。因此，該等利率掉期合約公平值虧損約2,602,000港元(二零零九年：沒有)於截至二零零八年十二月三十一日止年度之綜合收益表確認。

於二零零八年十二月三十一日，該不符合現金流量對沖項下對沖會計法之合約之主要條款如下：

Outstanding contracts as at 於以下日期尚未到期之合約	Notional amount 面值 HK$'000 千港元	Maturity 到期日	Receive floating 所收浮息	Pay fixed 所付定息
31 December 2008 二零零八年十二月三十一日	300,000	Within 1 year 一年內	HIBOR 香港銀行同業拆息	3.40% to 3.74% 3.40厘至3.74厘

At 31 December 2009, the Group did not have outstanding interest rate swap contract not under cash flow hedges.

於二零零九年十二月三十一日，本集團並無尚未到期之並非現金流量對沖列賬之利率掉期合約。

31. DERIVATIVE FINANCIAL INSTRUMENTS *(continued)*

31. 衍生金融工具*(續)*

(c) Commodity forward contracts not under hedge accounting

During the years ended 31 December 2009 and 2008, the Group entered into commodity forward contracts to hedge against part of the Group's exposure in copper price fluctuations. At the respective maturity dates, the contracts are settled net in cash with the issuers. The major terms of the outstanding contracts at the end of the reporting period are as follows:

At 31 December 2009

Contract amount 合約金額			
Currency 貨幣	Quantity 數量	Maturity 到期日	Commodity forward price 商品遠期價
US$ 美元	Copper 500 metric tonnes 500公噸銅	31 January 2010 二零一零年一月三十一日	Sell at US$6,574/metric tonne 按每公噸6,574美元出售
US$ 美元	Copper 500 metric tonnes 500公噸銅	1 February 2010 二零一零年二月一日	Sell at US$6,613/metric tonne 按每公噸6,613美元出售
US$ 美元	Copper 500 metric tonnes 500公噸銅	1 February 2010 二零一零年二月一日	Sell at US$6,606/metric tonne 按每公噸6,606美元出售
US$ 美元	Copper 500 metric tonnes 500公噸銅	1 February 2010 二零一零年二月一日	Sell at US$6,577/metric tonne 按每公噸6,577美元出售

At 31 December 2008

Contract amount 合約金額			
Currency 貨幣	Quantity 數量	Maturity 到期日	Commodity forward price 商品遠期價
US$ 美元	Copper 500 metric tonnes 500公噸銅	3 March 2009 二零零九年三月三日	Sell at US$3,617/metric tonne 按每公噸3,617美元出售

31. DERIVATIVE FINANCIAL INSTRUMENTS *(continued)*

(d) Foreign currency forward contracts not under hedge accounting

During the year ended 31 December 2008, the Group entered into foreign currency forward contracts to hedge against part of the Group's exposure in foreign currency fluctuations. At the respective maturity dates, the contracts are settled net in cash with the issuers. The major terms of the outstanding contracts at 31 December 2008 were as follows:

31. 衍生金融工具*(續)*

(d) 並非以對沖會計法列賬之外匯遠期合約

截至二零零八年十二月三十一日止年度，本集團訂立外匯遠期合約，以對沖本集團承受外匯波動之部分風險。於各到期日，該等合約與發行人以現金作淨額結算。該等於二零零八年十二月三十一日尚未到期之合約之主要條款如下：

At 31 December 2008 於二零零八年十二月三十一日

Notional amount 面值	Maturity 到期日	Forward contract rates 遠期合約匯率
9 contracts to buy US$1,000,000 each 九份每份購買1,000,000美元之合約	Within 1 year 一年內	US$1 to HK$7.710 1美元兌7.710港元
9 contracts to buy US$1,000,000 each 九份每份購買1,000,000美元之合約	Within 1 year 一年內	US$1 to HK$7.695 1美元兌7.695港元
9 contracts to sell US$2,000,000 each 九份每份出售2,000,000美元之合約	Within 1 year 一年內	US$1 to HK$7.710 1美元兌7.710港元
9 contracts to sell US$2,000,000 each 九份每份出售2,000,000美元之合約	Within 1 year 一年內	US$1 to HK$7.695 1美元兌7.695港元

At 31 December 2009, the Group did not have outstanding foreign currency forward contract not under hedge accounting.

於二零零九年十二月三十一日，本集團並無尚未到期之並非以對沖會計法列賬之外匯遠期合約。

The above derivatives were measured at fair value at the end of the reporting period by reference to the valuation provided by counterparty financial institutions for these instruments at the end of the reporting period.

上述衍生工具於報告期間結束當日乃經參考有關交易方金融機構於報告期間結束當日就該等工具提供之估值後，按公平值計量。

32. TRADE AND OTHER PAYABLES AND BILLS PAYABLES

The following is an aged analysis of the trade payables at the end of the reporting period:

32. 貿易及其他應付賬款及應付票據

於報告期間結束為止，貿易應付賬款之賬齡分析如下：

		2009 二零零九年 **HK$'000** 千港元	2008 二零零八年 HK$'000 千港元
0 – 90 days	0 – 90日	**1,470,770**	1,084,914
91 – 180 days	91 – 180日	**300,802**	498,968
Over 180 days	180日以上	**285,294**	165,795
		2,056,866	1,749,677

All bills payables of the Group are aged within 90 days at the end of the reporting period.

本集團所有應付票據賬齡均為報告期間結束後的90日之內。

Included in trade and other payables and bills payables are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

貿易及其他應付賬款及應付票據包括下列以集團實體之相關功能貨幣以外貨幣計值之金額：

		2009 二零零九年 **Amount** 金額 **'000** 千元	2008 二零零八年 Amount 金額 '000 千元
US$	美元	**90,917**	46,157
JPY	日圓	**472,530**	266,537
Euro	歐元	**1,445**	36,894

33. BANK BORROWINGS 33. 銀行借貸

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Bank loans	銀行貸款	**10,960,976**	9,030,123
Trust receipt loans	信託收據貸款	**458,353**	672,132
Bank overdrafts	銀行透支	**–**	16
		11,419,329	9,702,271
Carrying amounts repayable:	須償還之賬面值：		
On demand or within one year	應要求或於一年內	**3,458,564**	2,596,995
More than one year but not more than two years	一年以上但不超過兩年	**4,207,576**	2,145,242
More than two years but not more than three years	兩年以上但不超過三年	**3,518,308**	2,504,083
More than three years but not more than four years	三年以上但不超過四年	**177,191**	2,187,835
More than four years but not more than five years	四年以上但不超過五年	**57,690**	222,759
More than five years	五年以上	**–**	45,357
		7,960,765	7,105,276
Total	合計	**11,419,329**	9,702,271

The bank borrowings are unsecured and bear interest at market rates.

銀行借貸為無抵押，並按市場利率計息。

Included in the above bank borrowings are the fixed-rate bank borrowings of HK$101,646,000 (2008: HK$7,937,000) at 31 December 2009 which are repayable within one year from the end of the reporting period. The fixed-rate bank borrowings carry interest ranging from 4.86% to 7.25% (2008: 6.66%) per annum.

於二零零九年十二月三十一日，上述銀行借貸包括須於報告期間結束當日起計一年內償還之定息銀行借貸101,646,000港元(二零零八年：7,937,000港元)。定息銀行借貸年息率介乎4.86厘至7.25厘不等(二零零八年：6.66厘)。

33. BANK BORROWINGS *(continued)*

The rest of the bank borrowings are variable-rate borrowings which carry interest ranging from HIBOR+0.4% to HIBOR+2.0% (2008: HIBOR+0.4% to HIBOR+2.0%) per annum.

The range of effective interest rates (which are also equal to contracted interest rates) on the Group's bank borrowings are as follows:

33. 銀行借貸*(續)*

餘下銀行借貸為浮息借貸，年息率介乎香港銀行同業拆息加0.4厘至香港銀行同業拆息加2.0厘(二零零八年：香港銀行同業拆息加0.4厘至香港銀行同業拆息加2.0厘)不等。

本集團銀行借貸之實際利率(相當於已訂約利率)範圍如下：

		2009 二零零九年	2008 二零零八年
Effective interest rates	實際利率		
Fixed-rate borrowings	定息借貸	**4.86% to 7.25%** 4.86厘至7.25厘	6.66% 6.66厘
Variable-rate borrowings	浮息借貸	**1.5% to 2.7%** 1.5厘至2.7厘	2.25% to 3.85% 2.25厘至3.85厘

Included in bank borrowings are the following amounts denominated in currencies other than the functional currency of the group entities to which they relate:

銀行借貸包括下列以集團實體之相關功能貨幣以外貨幣計值之金額：

		2009 二零零九年 **Amount** 金額 **'000** 千元	2008 二零零八年 Amount 金額 '000 千元
US$	美元	**59,043**	49,071
Euro	歐元	**–**	515
JPY	日圓	**365,672**	70,926

34. DEFERRED TAXATION

The followings are the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior reporting periods:

		Accelerated tax depreciation 加速稅務折舊 HK$'000 千港元	Tax losses 稅務虧損 HK$'000 千港元	Write-down of inventories 存貨撇減 HK$'000 千港元	Revaluation of properties 物業重估 HK$'000 千港元	Hedging instruments 對沖工具 HK$'000 千港元	Undistributed profits of an associate 一間聯營公司之未分配溢利 HK$'000 千港元	Total 合計 HK$'000 千港元
At 1 January 2008	於二零零八年一月一日	39,564	(9,303)	(23,090)	–	–	–	7,171
Exchange adjustments	匯兌調整	2,302	(437)	–	–	–	–	1,865
Acquisition of subsidiaries	收購附屬公司	–	–	–	9,853	–	–	9,853
Charge to consolidated income statement for the year (Note 14)	本年度綜合收益表之支出(附註14)	3,305	1,112	8,480	2,641	–	9,318	24,856
Effect of change in tax rate (Note 14)	稅率變動之影響(附註14)	–	–	1,021	–	–	–	1,021
Credit to equity for the year	計入本年度權益	–	–	–	–	(18,525)	–	(18,525)
Released to consolidated income statement for the year	撥回本年度綜合收益表	–	–	–	–	1,746	–	1,746
Utilised during the year	本年度已動用	–	–	–	–	–	(9,318)	(9,318)
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日	45,171	(8,628)	(13,589)	12,494	(16,779)	–	18,669
Exchange adjustments	匯兌調整	63	(12)	–	–	–	–	51
(Credit) charge to consolidated income statement for the year (Note 14)	本年度綜合收益表之(撥回)支出(附註14)	(3,544)	(3,882)	(1,596)	12,092	–	5,539	8,609
Credit to equity for the year	計入本年度權益	–	–	–	–	(11,099)	–	(11,099)
Released to consolidated income statement for the year	撥回本年度綜合收益表	–	–	–	–	12,228	–	12,228
Utilised during the year	本年度已動用	–	–	–	–	–	(5,539)	(5,539)
At 31 December 2009	於二零零九年十二月三十一日	41,690	(12,522)	(15,185)	24,586	(15,650)	–	22,919

For the purposes of the presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Deferred tax liabilities		

34. DEFERRED TAXATION *(continued)*

Under the EIT Law of the PRC, a withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the Company's PRC subsidiaries since 1 January 2008 amounting to HK$1,940,256,000 (2008: HK$1,053,525,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At 31 December 2009, deferred tax assets of (i) approximately HK$12,522,000 (2008: HK$8,628,000) in relation to unused tax losses; (ii) approximately HK$15,185,000 (2008: HK$13,589,000) in relation to write-down of inventories and (iii) approximately HK$15,650,000 (2008: HK$16,779,000) in relation to loss on cash flow hedges recognised in hedging reserve have been recognised in the Group's consolidated statement of financial position.

At 31 December 2009, the Group has not recognised deferred tax assets arising from tax losses amounting to approximately HK$177,694,000 (2008: HK$92,286,000) due to the unpredictability of the future profit streams. All tax losses can be carried forward indefinitely. The Group also has unrecognised deferred tax assets of approximately HK$6,128,000 (2008: HK$6,833,000) in relation to loss on cash flow hedges recognised in hedging reserve due to the unpredictability of future profit streams.

34. 遞延稅項*(續)*

中國企業所得稅法規定，自二零零八年一月一日起，將向於中國的附屬公司就其所賺取之溢利而宣派之股息徵收預扣稅。本公司之中國附屬公司自二零零八年一月一日起賺取之溢利應佔之臨時差異為1,940,256,000港元(二零零八年：1,053,525,000港元)，本集團並未就該筆款項於綜合財務報表作出撥備，原因是本集團能控制撥回臨時差額之時間，且有關臨時差額將可能不會於可見將來撥回。

於二零零九年十二月三十一日，(i)有關未動用稅項虧損之遞延稅項資產約12,522,000港元(二零零八年：8,628,000港元)；(ii)有關撇減存貨之遞延稅項資產約15,185,000港元(二零零八年：13,589,000港元)；及(iii)有關現金流量對沖虧損之遞延稅項資產約15,650,000港元(二零零八年：16,779,000港元)已於本集團綜合財務狀況表確認。

於二零零九年十二月三十一日，本集團有未確認遞延稅項資產，原因為無法預計為數約177,694,000港元(二零零八年：92,286,000港元)之稅項虧損所產生之未來溢利來源。全部稅項虧損可無限期結轉。此外，本集團就已於對沖儲備中確認之現金流對沖虧損有關之未確認遞延稅項資產約6,128,000港元(二零零八年：6,833,000港元)，原因為無法預計未來溢利來源。

35. SHARE CAPITAL *(continued)*

During the year ended 31 December 2008, the Company repurchased its own shares on the Stock Exchange as follows:

Month of repurchase	購回月份	Number of ordinary shares of HK$0.10 each 每股面值0.10港元之普通股數目	Price per share 每股股份價格 Highest 最高 HK$ 港元	Lowest 最低 HK$ 港元	Aggregate consideration paid 已付總代價 HK$'000 千港元
January	一月	281,000	30.50	30.35	8,560
October	十月	9,615,500	18.30	8.93	152,613
November	十一月	241,500	11.90	9.03	2,734
		10,138,000			163,907

The above shares were cancelled upon repurchase.

35. 股本*(續)*

截至二零零八年十二月三十一日止年度，本公司於聯交所購回其本身股份如下：

上述股份於購回時註銷。

36. SHARE OPTIONS

(a) Employees' share option scheme of the Company

The Company adopted its first share option scheme on 11 May 1998, and such share option scheme was terminated upon the adoption of its second share option scheme ("2002 Scheme") on 2 July 2002 for the duration of 10 years. In view of the recent changes to the Listing Rules, a new share option scheme (the "Scheme") was approved by shareholders of the Company at the extraordinary general meeting of the Company held on 23 March 2009. The 2002 Scheme was accordingly terminated on the same day without affecting the rights of holders of any options granted and outstanding under the 2002 Scheme.

36. 優先購股權

(a) 本公司僱員優先購股權計劃

本公司於一九九八年五月十一日採納其首個優先購股權計劃，其後該優先購股權計劃於二零零二年七月二日因採納第二個為期十年之優先購股權計劃(「二零零二年計劃」)而終止。由於最近上市規則之改變，本公司股東已於二零零九年三月二十三日召開之本公司股東特別大會上批准一新優先購股權計劃(「該計劃」)。二零零二年計劃亦因此而於同日終止，惟二零零二年計劃項下任何已授出及尚未行使之優先購股權持有人之權利並不受影響。

36. SHARE OPTIONS *(continued)*

(a) Employees' share option scheme of the Company *(continued)*

Under the Scheme which is valid for a period of ten years, the board of directors of the Company may, at its discretion, grant options to subscribe for shares in the Company to eligible participants ("Eligible Participants") who contribute to the long term growth and profitability of the Company. Eligible Participants include (i) any employee (whether full time or part time) of the Company, any of its subsidiaries or any entity in which the Group holds any equity interests ("Invested Entity"), including any executive director of the Company, any of such subsidiaries or any Invested Entity; (ii) any non-executive directors (including independent non-executive directors) of the Company, its subsidiaries or any Invested Entity; (iii) any supplier of goods or services to any member of the Group or any Invested Entity; (iv) any customer of the Group or any Invested Entity; (v) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and (vi) any person or entity who from time to time determined by the Board as having contributed or may contribute to the development and growth of the Group based on his or its performance and/or years of service, or is regarded as valuable resources of the Group based on his/its working experience, knowledge in the industry and other relevant factors. The subscription price for the Company's shares shall be a price at least equal to the highest of the nominal value of the Company's shares, the average of the closing prices of the Company's shares quoted on the Stock Exchange on the five trading days immediately preceding the date of an offer of the grant of the options and the closing price of the Company's shares quoted on the Stock Exchange on the date of an offer of the grant of the options. The options must be taken up within 28 business days from the date of grant upon payment of HK$1 and are exercisable over a period to be determined and notified by the Directors to each grantee, which period may commence from the date of acceptance of the offer of the grant of the options but shall end in any event not later than ten years from the date of adoption of the Scheme.

36. 優先購股權*(續)*

(a) 本公司僱員優先購股權計劃*(續)*

根據有效期為十年之該計劃，本公司董事會可酌情向對本公司長遠增長及盈利作出貢獻之合資格參與者(「合資格參與者」)授出優先購股權，以認購本公司股份。合資格參與者包括(i)本公司、其任何附屬公司或本集團持有任何股權之任何實體(「受投資實體」)之任何全職或兼職僱員，包括本公司、任何該等附屬公司或任何受投資實體之任何執行董事；(ii)本公司、其附屬公司或任何受投資實體任何非執行董事，包括獨立非執行董事；(iii)本集團任何成員公司或任何受投資實體之任何貨品或服務供應商；(iv)本集團或任何受投資實體之任何客戶；(v)本集團任何成員公司或任何受投資實體之任何股東或本集團任何成員公司或受投資實體之任何已發行證券持有人；及(vi)董事會不時按其表現及／或服務年期而認為曾經或可能對本集團發展及增長作出貢獻，或按其於業內工作經驗、知識及其他相關因素而被視為本集團寶貴資源之任何人士或實體。本公司股份之認購價須為至少相等於本公司股份面值、本公司股份於緊接要約授出優先購股權日期前五個交易日於聯交所所報平均收市價及本公司股份於要約授出優先購股權日期於聯交所所報收市價之最高者。優先購股權須於授出日期28個營業日內接納，接納時須支付1港元，優先購股權可於董事釐定並通知各承授人之期間內行使，該期間可由接納要約授出優先購股權之日起，惟無論如何須不遲於該計劃採納日期起計十年止。

36. SHARE OPTIONS *(continued)*

(a) Employees' share option scheme of the Company *(continued)*

The total number of the Company's shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes of the Group (excluding options lapsed in accordance with the terms of the Scheme and any other schemes of the Group) must not in aggregate exceed 10% of the Company's shares in issue as at the date of adoption of the Scheme. The limit on the number of the Company's shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Group must not exceed 30% of the Company's shares in issue from time to time. The total number of the Company's shares issued and to be issued upon exercise of the options granted to each grantee (including both exercised and outstanding options) under the Scheme or other schemes of the Group in any 12-month period up to the date of grant must not exceed 1% of the Company's shares in issue at the date of grant unless approved by the Company's shareholders in general meeting.

In accordance with the terms of the 2002 Scheme and the Scheme, share options issued by the Company vest at the date of grant.

There was no share options granted under the Scheme since its adoption. At 31 December 2009, the number of shares in respect of which options had been granted and remained outstanding under the 2002 Scheme was 9,144,000 (2008: 14,622,000), representing 1.08% (2008: 1.74%) of the shares of the Company in issue on that date.

36. 優先購股權*(續)*

(a) 本公司僱員優先購股權計劃*(續)*

因根據該計劃及本集團任何其他計劃所有將予授出之優先購股權(不包括根據該計劃及本集團任何其他計劃之條款已失效之優先購股權)獲行使而可發行之本公司股份總數，合共不得超過本公司於批准該計劃日期已發行股份10%。因根據該計劃及本集團任何其他計劃所有已授出尚未行使及有待行使之優先購股權獲行使而可發行之本公司股份數目限額，不得超過本公司不時已發行股份30%。於截至授出日期止任何十二個月期間，因根據該計劃或本集團任何其他計劃授予各承授人之優先購股權(包括已行使及尚未行使之優先購股權)獲行使而發行及將予發行之本公司股份總數，不得超過本公司於授出日期已發行股份1%，除非獲本公司股東於股東大會批准，則作別論。

根據二零零二年計劃及該計劃之條款，本公司所發行之優先購股權於授出日期歸屬。

自該計劃採納以來，概無優先購股權根據該計劃授出。於二零零九年十二月三十一日，根據二零零二年計劃已授出而尚未行使之優先購股權涉及之股份數目為9,144,000股(二零零八年：14,622,000股)，相當於本公司於當日之已發行股份1.08%(二零零八年：1.74%)。

36. SHARE OPTIONS *(continued)*

(a) Employees' share option scheme of the Company *(continued)*

A summary of the movements of the share options under the 2002 Scheme for the year is as follows:

36. 優先購股權*(續)*

(a) 本公司僱員優先購股權計劃*(續)*

年內，二零零二年計劃項下之優先購股權變動概述如下：

		Granted to Directors 授予董事	Granted to employees 授予僱員	Total 合計
Balance at 1 January 2008 (Note)	於二零零八年一月一日之結餘(附註)	12,017,800	13,904,200	25,922,000
Exercised during the year	於年內行使	(5,803,200)	(5,496,800)	(11,300,000)
Balance at 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日之結餘	6,214,600	8,407,400	14,622,000
Exercised during the year	於年內行使	(2,300,000)	(3,178,000)	(5,478,000)
Balance at 31 December 2009	於二零零九年十二月三十一日之結餘	3,914,600	5,229,400	9,144,000

Note: The above share options were granted on 11 October 2002 at an exercise price of HK$3.74 per share. These options are exercisable during the period from 15 October 2002 to 2 July 2012.

附註： 上述優先購股權於二零零二年十月十一日授出，行使價為每股3.74港元。該等優先購股權可於二零零二年十月十五日至二零一二年七月二日期間行使。

During the year ended 31 December 2009, options to subscribe for 5,478,000 (2008: 11,300,000) shares in the Company at HK$3.74 per share were exercised. The weighted average closing price of the Company's shares quoted on the Stock Exchange on the five trading days immediately before the exercise dates was HK$13.10 (2008: HK$20.66).

截至二零零九年十二月三十一日止年度，可按每股3.74港元價格認購5,478,000股(二零零八年：11,300,000股)本公司股份之優先購股權已於年內行使。本公司股份於緊接行使日期前五個交易日在聯交所所報之加權平均收市價為13.10港元(二零零八年：20.66港元)。

36. SHARE OPTIONS *(continued)*

(b) Employees' share option scheme of EEIC

The 2002 Elec & Eltek Employees' Share Option Scheme (the "2002 EEIC Scheme") which was adopted from 12 November 2002 for the duration of 5 years, had been terminated in November 2007 without affecting the rights of holders of any options granted and outstanding under the 2002 EEIC Scheme.

EEIC has since 1997, had in place share option schemes to acknowledge the contributions of and to motivate employees to contribute to EEIC and its subsidiaries ("EEIC Group"). With the expiration of the 2002 EEIC Scheme in 2008, the directors of EEIC wished to have in place a new share option scheme to replace the expired 2002 EEIC Scheme for the purpose of providing an opportunity for employees who have contributed significantly to the growth and performance of the EEIC Group to participate in the equity of EEIC so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services as well as to align the interests of employees with the interests of shareholders.

The 2008 Elec & Eltek Employees' Share Option Scheme (the "2008 EEIC Scheme") was approved by the shareholders of EEIC at the extraordinary general meeting of EEIC held on 21 April 2008 and was adopted and took effect from 9 May 2008 upon approval by the shareholders of the Company.

36. 優先購股權*(續)*

(b) EEIC僱員優先購股權計劃

二零零二年EEIC僱員優先購股權計劃(「二零零二年EEIC計劃」)於二零零二年十一月十二日採納，為期五年，已於二零零七年十一月終止，惟並不影響二零零二年EEIC計劃項下已授出尚未行使優先購股權持有人之任何權利。

自一九九七年起，EEIC設立優先購股權計劃，以肯定及鼓勵僱員為EEIC及其附屬公司(「EEIC集團」)作出貢獻。鑑於二零零二年EEIC計劃於二零零八年屆滿，EEIC董事有意設立新優先購股權計劃，以取代已屆滿之二零零二年EEIC計劃，旨在向曾為EEIC集團增長及業績作出巨大貢獻之僱員提供機會，參與EEIC之權益，以便推動彼等更加竭誠、盡忠及提供更高水平表現、對彼等過去的貢獻及服務作出肯定，以及將僱員利益與股東利益掛鈎。

二零零八年EEIC僱員優先購股權計劃(「二零零八年EEIC計劃」)於二零零八年四月二十一日經EEIC股東於EEIC股東特別大會上批准採納，並於本公司股東批准後於二零零八年五月九日起生效。

36. SHARE OPTIONS *(continued)*

(b) Employees' share option scheme of EEIC *(continued)*

The 2008 EEIC Scheme which shall be administered by the committee of directors of EEIC as authorised by EEIC's directors, is open to full-time employees and directors of any company within EEIC and its subsidiaries, the parent group and of an associated company of EEIC, subject to certain conditions being satisfied.

The 2008 EEIC Scheme entitles the option holders to exercise their options and subscribe for new ordinary shares in EEIC either at an "Exercise Price", which equals to the average of the last dealt prices for an EEIC share for a period of 5 consecutive market days immediately prior to the relevant date of grant, or at a discount to the Exercise Price as defined earlier, whereby the discount shall not exceed 20% of the Exercise Price.

Options granted at the Exercise Price or discount to the Exercise Price is exercisable after the first or second anniversary respectively of the date of grant and expiring on the fifth anniversary of the date of grant.

The duration of the 2008 EEIC Scheme is 10 years and the total number of shares in EEIC that may be issued shall not exceed 10% of the total number of EEIC shares in issue as at the adoption date or subject to certain conditions being satisfied, 15% of the total issued shares of EEIC excluding treasury shares from time to time. The total number of EEIC shares issued and to be issued upon the exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total number of EEIC shares in issue from time to time.

36. 優先購股權*(續)*

(b) EEIC僱員優先購股權計劃*(續)*

二零零八年EEIC計劃由EEIC董事授權之EEIC董事委員會管理，並在符合若干條件下，可供EEIC旗下任何公司及其附屬公司、母公司集團及EEIC聯營公司之全職僱員及董事參與。

二零零八年EEIC計劃賦予優先購股權持有人權利，以相等於緊接相關授出日期前連續五個交易日EEIC股份最後成交價平均數(「行使價」)，或折讓不得超過先前所界定行使價20%之折讓行使價，行使彼等之優先購股權及認購EEIC新普通股。

按行使價或折讓後行使價授出之優先購股權，可分別於授出日期滿一週年或兩週年當日起行使，並於授出日期滿五個週年屆滿。

二零零八年EEIC計劃之年期為十年，可發行之EEIC股份總數不得超過於採納日期EEIC已發行股份總數之10%，或倘符合若干條件後，不得超過EEIC不時已發行股份總數(不包括庫存股份)之15%。每名參與者於任何十二個月期間獲授之優先購股權(包括已經及尚未行使之優先購股權)獲行使時已經及將予發行之EEIC股份總數，不得超過不時已發行EEIC股份總數之1%。

36. SHARE OPTIONS *(continued)*

(b) Employees' share option scheme of EEIC *(continued)*

Share options may be accepted within 30 days after the relevant date of grant accompanied by payment of S$1.00 (or its equivalent) as consideration by the participants, but the grant of share options do not confer rights on the option holders to any dividend entitlement or to vote at any shareholders' meeting.

In accordance with the terms of the 2002 EEIC Scheme and the 2008 EEIC Scheme, share options issued by EEIC vest over five years from the date of grant.

There was no share options granted under the 2008 EEIC Scheme since its adoption. However, there are outstanding share options under the 2002 EEIC Scheme and a summary of the movements of the outstanding share options under the 2002 EEIC Scheme for the year is as follows:

36. 優先購股權*(續)*

(b) EEIC僱員優先購股權計劃*(續)*

優先購股權可於相關授出日期起計30日內由參與者支付1.00新加坡元(或其等值)作為代價予以接納，惟所授出之優先購股權不會賦予購股權持有人收取任何股息或於任何股東大會表決之權利。

根據二零零二年EEIC計劃及二零零八年EEIC計劃的條款，EEIC發行的優先購股權由授出日期起計五年內歸屬。

自二零零八年EEIC計劃採納以來，概無優先購股權根據二零零八年EEIC計劃授出。然而，現時尚有根據二零零二年EEIC計劃授出之優先購股權，年內二零零二年EEIC計劃項下尚未行使之優先購股權之變動概要如下：

		Granted to Directors 授予董事	Granted to employees 授予僱員	Total 總計
Balance at 1 January 2008 (Note)	於二零零八年一月一日之結餘(附註)	3,892,800	6,794,200	10,687,000
Lapsed during the year	於年內失效	–	(1,353,200)	(1,353,200)
Balance at 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日之結餘	3,892,800	5,441,000	9,333,800
Lapsed during the year	於年內失效	–	(207,600)	(207,600)
Balance at 31 December 2009	於二零零九年十二月三十一日之結餘	3,892,800	5,233,400	9,126,200

36. SHARE OPTIONS *(continued)*

(b) Employees' share option scheme of EEIC *(continued)*

Note:

The interests in share options arise by virtue of

(i) 4,055,000 share options accepted by the Directors and 5,745,000 share options accepted by the employees of the Group on 24 June 2005, and would entitle the relevant directors and employees to subscribe for shares in EEIC at an adjusted subscription price of US$2.033 per share after the 1 for 5 bonus issue effected by EEIC on 13 October 2005 ("Bonus Issue"). The share options are exercisable in whole or in part at the staggered manner within 5 option periods, commencing on 26 November 2006, 26 November 2007, 26 November 2008, 26 November 2009 and 26 March 2010 respectively and all ending on 24 May 2010;

(ii) 150,000 share options accepted by the independent non-executive directors of EEIC on 29 September 2005, which would entitle the relevant directors to subscribe for shares in EEIC at an adjusted subscription price of US$2.375 per share after the Bonus Issue. The share options are exercisable in whole or in part at the staggered manner within 5 option periods, commencing on 5 September 2006, 5 September 2007, 5 September 2008, 5 September 2009 and 5 July 2010 respectively and all ending on 4 September 2010; and

(iii) 1,020,000 share options accepted by full-time

36. SHARE OPTIONS *(continued)*

(b) Employees' share option scheme of EEIC *(continued)*

These fair values were calculated using the Trinomial Lattice Model. The inputs into the model are as follows:

36. 優先購股權*(續)*

(b) EEIC僱員優先購股權計劃*(續)*

無哨儿二十九日無祆醴禮卞酉無｜資戀綠□ᵡ ðr‘@\x%*

		Share option grant date 優先購股權授出日期		
		12 December 2006 二零零六年十二月十二日	29 September 2005 二零零五年九月二十九日	24 June 2005 二零零五年六月二十四日
Share price at grant date	授出日期之股價	US$2.74美元	US$2.92美元	US$2.53美元
Subscription price	認購價	US$2.40美元	US$2.85美元*	US$2.44美元*
Expected volatility	預期波幅	36.6%	21.2%	25.4%
Expected life	預計年期	5 years年	5 years年	5 years年
Risk-free rate	無風險利率	3.7%	4.2%	3.7%

* *The original subscription price of the share options granted on 29 September 2005 and 24 June 2005 were adjusted to US$2.375 and US$2.033 respectively as a result of the Bonus Issue.*

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

The Group recognised the total expense of approximately HK$1,427,000 (2008: HK$2,816,000) for the year ended 31 December 2009 in relation to the share options granted by EEIC.

36. SHARE OPTIONS *(continued)*

(c) Employees' share option scheme of KLHL

The share option scheme of KLHL (the "KLHL Scheme") was approved by the shareholders of KLHL and the shareholders of the Company on 18 May 2007 and 25 June 2007 respectively. The KLHL Scheme has been taken effect after obtaining the approval from the Listing Committee of the Stock Exchange on 6 July 2007.

The KLHL Scheme would be valid for a period of 10 years. The directors of KLHL may, at its discretion, grant options to subscribe for shares in KLHL to eligible participants who contribute to the long-term growth and profitability of KLHL and include (i) any employee or proposed employee (whether full-time or part-time and including any executive director), consultants or advisers of or to KLHL, any of its subsidiaries or any entity ("KLHL's Invested Entity") in which KLHL and its subsidiaries (collectively referred to as the "KLHL Group") hold an equity interest; (ii) any non-executive directors (including independent non-executive directors) of KLHL, any of its subsidiaries or any KLHL's Invested Entity; (iii) any supplier of goods or services to any member of the KLHL Group or any KLHL's Invested Entity; (iv) any customer of the KLHL Group or any KLHL's Invested Entity; (v) any person or entity that provides research, development or other technological support to the KLHL Group or any KLHL's Invested Entity; and (vi) any shareholder of any member of the KLHL Group or any KLHL's Invested Entity or any holder of any securities issued by any member of the KLHL Group or any KLHL's Invested Entity.

36. 優先購股權*(續)*

(c) 建滔積層板僱員優先購股權計劃

建滔積層板股東及本公司股東已分別於二零零七年五月十八日及二零零七年六月二十五日批准採納建滔積層板優先購股權計劃(「建滔積層板優先購股權計劃」)。建滔積層板優先購股權計劃於二零零七年七月六日獲得聯交所上市委員會批准後，現已生效。

建滔積層板優先購股權計劃有效期為十年。建滔積層板董事可酌情向合資格參與者授出可認購建滔積層板股份之優先購股權。合資格參與者為對建滔積層板長遠增長及盈利有貢獻之人士，包括(i)建滔積層板、其任何附屬公司統稱「建滔積層板集團」)或任何建滔積層板集團持有股權之實體(「建滔積層板投資實體」)之任何僱員或擬聘用僱員(不論全職或兼職，且包括任何執行董事)、諮詢顧問或顧問；(ii)建滔積層板、其任何附屬公司或任何建滔積層板投資實體之任何非執行董事(包括獨立非執行董事)；(iii)任何向建滔積層板集團任何成員公司或任何建滔積層板投資實體提供貨品或服務之供應商；(iv)建滔積層板集團或任何建滔積層板投資實體之任何客戶；(v)任何向建滔積層板集團或任何建滔積層板投資實體提供研究、開發或其他技術支援之人士或實體；及(vi)建滔積層板集團任何成員公司或任何建滔積層板投資實體之任何股東或建滔積層板集團成員公司或任何建滔積層板投資實體所發行任何證券之持有人。

36. SHARE OPTIONS *(continued)*

(c) Employees' share option scheme of KLHL *(continued)*

The subscription price of KLHL's share in respect of any option granted under the KLHL Scheme must be at least the highest of (i) the closing price of the shares of KLHL as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average closing price of the shares of KLHL as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of the shares of KLHL.

The option may be accepted by a participant within 28 days from the date of the offer for the grant of the option upon the payment of a consideration of HK$1. An option may be exercised at any time during a period to be determined and notified by the directors of KLHL to each grantee, and in the absence of such determination, from the date upon which the offer for the grant of the option is accepted but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. The directors of KLHL may, at their absolute discretion, fix any minimum period for which an option must be held, any performance targets that must be achieved and any other conditions that must be fulfilled before the options can be exercised upon the grant of an option to a participant.

36. 優先購股權*(續)*

(c) 建滔積層板僱員優先購股權計劃*(續)*

任何根據建滔積層板優先購股權計劃授出之優先購股權所涉及建滔積層板股份之最低認購價必須不能低於以下最高價格：(i)建滔積層板股份於優先購股權授出日期(必須為營業日)之聯交所每日報價表所報收市價；(ii)建滔積層板股份於緊接優先購股權授出日期前五個營業日之聯交所每日報價表所報收市價之平均價；及(iii)建滔積層板股份之面值。

參與者可於獲提呈授出優先購股權之日起計28天內，透過支付代價1港元接納優先購股權。優先購股權可於建滔積層板董事釐定及通知各承授人之期間內隨時行使，倘無釐定有關期間，則由優先購股權授出建議獲接納之日開始，並於任何情況下不遲於優先購股權授出日期起計十年之日為止，惟須受建滔積層板優先購股權計劃之提早終止條文所限。建滔積層板董事可全權酌情向參與者訂定行使所授出之優先購股權前必須持有之最短期間，任何須予達成之表現目標及任何其他須予達成之條件。

36. SHARE OPTIONS *(continued)*

(c) Employees' share option scheme of KLHL *(continued)*

The total number of shares of KLHL which may be issued upon exercise of all options to be granted under the KLHL Scheme and any other share option scheme of KLHL (excluding, for this purpose, options lapsed in accordance with the terms of the KLHL Scheme and any other share option scheme of KLHL) must not in aggregate exceed 10% of the total number of shares of KLHL in issue as at the date of approval of the KLHL Scheme.

The maximum number of shares of KLHL which may be issued upon exercise of all outstanding options granted and yet to be exercised under the KLHL Scheme and any other share option scheme of KLHL must not exceed 30% of the issued share capital of KLHL from time to time.

The total number of shares of KLHL issued and to be issued upon exercise of the options granted (including both exercised and outstanding options) to each participant in any 12-month period must not exceed 1% of the share capital of KLHL then in issue unless approved by the shareholders of KLHL and the Company in general meetings.

No share option was granted pursuant to the KLHL Scheme since its adoption.

36. 優先購股權*(續)*

(c) 建滔積層板僱員優先購股權計劃*(續)*

根據建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃授出之所有優先購股權(就此而言不包括按照建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃之條款已失效之優先購股權)獲行使時可予發行之建滔積層板股份總數，合共不得超過建滔積層板於批准建滔積層板優先購股權計劃當日已發行股份總數之10%。

根據建滔積層板優先購股權計劃及建滔積層板任何其他優先購股權計劃所有授出而尚未行使及有待行使之優先購股權獲行使時可予發行之建滔積層板股份數目，最多不得超過建滔積層板不時之已發行股本30%。

於任何十二個月期內向各參與者授出之優先購股權(包括已行使及未行使優先購股權)獲行使而已發行及將予發行之建滔積層板股份總數，不得超過建滔積層板當時已發行股本之1%，除非獲建滔積層板及本公司之股東於股東大會批准則作別論。

建滔積層板優先購股權計劃自採納以來並無根據其而授出任何優先購股權。

37. ACQUISITIONS OF SUBSIDIARIES *(continued)*

(a) *(continued)*

The above subsidiary contributed revenue of approximately HK$356,661,000 and profit of approximately HK$17,271,000 to the Group during the period from the date of acquisition to 31 December 2009.

(b) In September 2009, the Group acquired a further 51% equity interest in 實友化工, a company principally engaged in refining and distribution of chemicals, from an independent third party at a

37. ACQUISITIONS OF SUBSIDIARIES *(continued)* 37. 收購附屬公司*(續)*

(b) *(continued)*

The net liabilities acquired in the acquisition and the goodwill arising on acquisition, are as follows:

(b) *(續)*

收購所購入負債淨額及所產生之商譽如下：

		Acquiree's carrying amount before combination and fair value 被收購方於合併前之賬面值及公平值 HK$'000 千港元
Net assets acquired:	購入資產淨值：	
Properties, plant and equipment	物業、廠房及設備	629,154
Prepaid lease payments	預付租賃款項	28,300
Non-current deposits	非流動訂金	43,789
Inventories	存貨	495,277
Trade and other receivables and prepayments	貿易及其他應收賬款及預付款項	96,003
Bank balances and cash	銀行結餘及現金	15,301
Trade and other payables	貿易及其他應付賬款	(1,181,264)
Bank borrowings	銀行借貸	(170,242)
		(43,682)
Goodwill arising from acquisition	收購所產生之商譽	179,849
Transfer from interest in an associate	轉撥自於一間聯營公司之權益	(136,167)
Total consideration	總代價	–
Net cash inflow arising on acquisition:	收購產生之現金流入淨額：	
Cash consideration paid	已付現金代價	–
Bank balances and cash acquired	購入銀行結餘及現金	15,301
Net inflow of cash and cash equivalents in respect of the acquisition of a subsidiary	收購一間附屬公司之現金及現金等值項目流入淨額	15,301

The above subsidiary contributed revenue of approximately HK$1,181,077,000 and profit of approximately HK$42,931,000 to the Group during the period from the date of acquisition to 31 December 2009.

上述附屬公司自收購日期起至二零零九年十二月三十一日止期間對本集團營業額貢獻約為1,181,077,000港元及對本集團溢利貢獻約42,931,000港元。

37. ACQUISITIONS OF SUBSIDIARIES *(continued)*

(c) In February 2009, the Group acquired 100% equity interest in a company, principally engaged in property development, from an independent third party for a cash consideration of approximately HK$412,294,000. The consideration was paid in full by the Group in 2008 and the amount was included in non-current deposits as at 31 December 2008. This acquisition has been reflected as purchase of assets and liabilities.

The net assets acquired in the acquisition are as follows:

37. 收購附屬公司*(續)*

(c) 於二零零九年二月，本集團向一名獨立第三方收購一間主要從事物業發展之公司之100%股權，現金代價約為412,294,000港元。本集團於二零零八年全數清償代價，有關款項計入二零零八年十二月三十一日之非流動訂金。此項收購反映為購買資產及負債。

收購所購入資產淨值如下：

		HK$'000 千港元
Net assets acquired:	購入資產淨值：	
Properties held for development	待發展物業	445,287
Trade and other receivables and prepayments	貿易及其他應收賬款及預付款項	3,244
Bank balances and cash	銀行結餘及現金	104
Trade and other payables	貿易及其他應付賬款	(36,341)
Total consideration satisfied by non-current deposits	以非流動訂金支付之總代價	412,294
Inflow of cash and cash equivalents in respect of the acquisition of a subsidiary:	收購一間附屬公司產生之現金流入淨額：	
Bank balances and cash acquired	購入銀行結餘及現金	104

The above subsidiary did not contribute any revenue to the Group and contributed loss of approximately HK$350,000 to the Group during the period from the date of acquisition to 31 December 2009.

上述附屬公司自收購日期起至二零零九年十二月三十一日止期間對本集團營業額並無任何貢獻，惟帶來虧損約350,000港元。

37. ACQUISITIONS OF SUBSIDIARIES *(continued)*

(e) In January 2008, the Group acquired 100% equity interest in a company, of which the principal activity of its subsidiary is engaged in manufacture and distribution of industrial raw materials, from an independent third party for a cash consideration of approximately HK$1,941,000. This acquisition has been accounted for by the purchase method of accounting.

The net assets acquired in the acquisition are as follows:

37. 收購附屬公司*(續)*

(e) 於二零零八年一月，本集團向一名獨立第三方收購一間公司(該公司之附屬公司主要從事製造及分銷工業原材料)之100%股權，現金代價約為1,941,000港元。此項收購按購買會計法入賬。

此項收購所購入之資產淨值如下：

		Acquiree's carrying amount before combination and fair value 被收購方於合併前之賬面值及公平值 HK$'000 千港元
Net assets acquired:	購入資產淨值：	
Properties, plant and equipment	物業、廠房及設備	110,633
Prepaid lease payments	預付租賃款項	64,019
Non-current deposits	非流動訂金	52
Inventories	存貨	858
Trade and other receivables and prepayments	貿易及其他應收賬款及預付款項	7,720
Bank balances and cash	銀行結餘及現金	1,327
Trade and other payables	貿易及其他應付賬款	(182,668)
Total consideration satisfied by cash	以現金支付之總代價	1,941
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	(1,941)
Bank balances and cash acquired	購入銀行結餘及現金	1,327
Net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary	收購一間附屬公司之現金及現金等值項目流出淨額	(614)

The above subsidiary contributed revenue of approximately HK$167,930,000 and loss of approximately HK$12,251,000 to the Group during the period from date of acquisition to 31 December 2008.

上述附屬公司自收購日期起至二零零八年十二月三十一日止期間對本集團營業額貢獻約為167,930,000港元，並為本集團帶來虧損約12,251,000港元。

37. ACQUISITIONS OF SUBSIDIARIES *(continued)*

(f) In June 2008, the Group acquired 100% equity interest in a company, principally engaged in manufacture and distribution of electronic raw materials, from an independent third party for a cash consideration of approximately HK$40,620,000. This acquisition has been accounted for by the purchase method of accounting.

The net assets acquired in the acquisition are as follows:

37. 收購附屬公司*(續)*

(f) 於二零零八年六月，本集團向一名獨立第三方收購一間主要從事製造及分銷電子原材料之公司之100%股權，現金代價約為40,620,000港元。此項收購按購買會計法入賬。

此項收購所購入之資產淨值如下：

		Acquiree's carrying amount before combination and fair value 被收購方於合併前之賬面值及公平值 HK$'000 千港元
Net assets acquired:	購入資產淨值：	
Properties, plant and equipment	物業、廠房及設備	13,428
Inventories	存貨	18,987
Trade and other receivables and prepayments	貿易及其他應收賬款及預付款項	67,815
Bank balances and cash	銀行結餘及現金	61,514
Trade and other payables	貿易及其他應付賬款	(121,124)
Total consideration satisfied by cash	以現金支付之總代價	40,620
Net cash inflow arising on acquisition:	收購產生之現金流入淨額：	
Cash consideration paid	已付現金代價	(40,620)
Bank balances and cash acquired	購入銀行結餘及現金	61,514
Net inflow of cash and cash equivalents in respect of the acquisition of a subsidiary	收購一間附屬公司之現金及現金等值項目流入淨額	20,894

The above subsidiary contributed revenue of approximately HK$12,389,000 and loss of approximately HK$1,586,000 to the Group during the period from date of acquisition to 31 December 2008.

上述附屬公司自收購日期起至二零零八年十二月三十一日止期間對本集團營業額貢獻約為12,389,000港元，並為本集團帶來虧損約1,586,000港元。

37. ACQUISITIONS OF SUBSIDIARIES *(continued)*

(g) In July 2008, the Group acquired 100% equity interest in a company, of which its subsidiaries are principally engaged in manufacture and distribution of methanol, from an independent third party for a cash consideration of approximately HK$183,699,000 together with the assignment of the loans to the Group amounting to HK$183,699,000. This acquisition has been accounted for by the purchase method of accounting. The discount on acquisition of subsidiaries amounting to approximately HK$3,304,000 was recognised in the consolidated income statement for the year ended 31 December 2008.

The net assets acquired in the acquisition, and the discount on acquisition, are as follows:

37. 收購附屬公司*(續)*

(g) 於二零零八年七月，本集團向一名獨立第三方收購一間公司(該公司之附屬公司主要從事生產及分銷甲醇)之100%股權，現金代價約為183,699,000港元，連同向本集團轉讓約183,699,000港元之貸款。此項收購按購買會計法入賬。收購附屬公司之折讓約3,304,000港元已於截至二零零八年十二月三十一日止年度之綜合收益表內確認。

收購所購入之資產淨值及所產生之折讓如下：

		Acquiree's carrying amount before combination and fair value 被收購方於合併前之賬面值及公平值 HK$'000 千港元
Net assets acquired:	購入資產淨值：	
Properties, plant and equipment	物業、廠房及設備	5,377
Prepaid lease payments	預付租賃款項	65,680
Trade and other receivables and prepayments	貿易及其他應收賬款及預付款項	115,403
Bank balances and cash	銀行結餘及現金	11,324
Trade and other payables	貿易及其他應付賬款	(928)
Loans from a former shareholder	前股東貸款	(183,699)
Deferred tax liabilities	遞延稅項負債	(9,853)
		3,304
Assignment of loans from a former shareholder to the Group	向本集團轉讓前股東授出之貸款	183,699
Discount on acquisition of subsidiaries	收購附屬公司之折讓	(3,304)
Total consideration satisfied by cash	以現金支付之總代價	183,699
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：	
Cash consideration paid	已付現金代價	(183,699)
Bank balances and cash acquired	購入銀行結餘及現金	11,324
Net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries	收購附屬公司之現金及現金等值項目流出淨額	(172,375)

37. ACQUISITIONS OF SUBSIDIARIES *(continued)*

(g) *(continued)*

The above subsidiary did not contribute any revenue and contributed loss of approximately HK$1,059,000 to the Group during the period from date of acquisition to 31 December 2008.

If the acquisition in respect of items (a) to (c) had been completed on 1 January 2009, total group's revenue for the year would have been approximately HK$25,310,271,000 (2008: HK$23,859,314,000 in respect of items (d) to (g)), and profit for the year would have been approximately HK$2,865,332,000 (2008: HK$2,135,560,000 in respect of item (d) to (g)). The pro forma information is for illustrative purpose only and is not necessarily an indication of revenue and results of operations of the Group that actually have been achieved had the acquisition been completed on 1 January 2009 in respect of items (a) to (c) and 1 January 2008 in respect

38. DISPOSALS OF SUBSIDIARIES

During the year ended 31 December 2009, the Group had the following disposal of subsidiaries:

(a) In September 2009, the Group disposed of its entire equity interest in a company, principally engaged in mining of coal, to an independent third party for a cash consideration of approximately HK$404,358,000. The net assets at the date of disposal are as follows:

38. 出售附屬公司

截至二零零九年十二月三十一日止年度，本集團出售下列附屬公司：

(a) 二零零九年九月，本集團向獨立第三方出售一間主要從事開採煤炭之公司之全部股權，現金代價約為404,358,000港元。於出售日期之資產淨值如下：

		HK$'000 千港元
Net assets disposed of:	所出售之資產淨值如下：	
Properties, plant and equipment	物業、廠房及設備	50,659
Prepaid lease payments	預付租賃款項	3,924
Intangible asset	無形資產	769,531
Non-current deposits	非流動訂金	89,386
Inventories	存貨	771
Other receivables	其他應收賬款	93
Bank balances and cash	銀行結餘及現金	162
Other payables	其他應付賬款	(67,819)
Bank borrowings	銀行借貸	(187,152)
		659,555
Loss on disposal	出售所產生之虧損	(2,672)
Minority interests	少數股東權益	(252,525)
Total consideration, satisfied by cash	以現金支付之總代價	404,358
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金代價	404,358
Cash and cash equivalents disposed of	出售銀行結餘及現金	(162)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	出售一間附屬公司之現金及現金等值項目流入淨額	404,196

38. DISPOSALS OF SUBSIDIARIES *(continued)*

(b) In September 2009, the Group disposed of its entire equity interest in a company, principally engaged in manufacture and distribution of coke, to an independent third party for a cash consideration of approximately HK$181,509,000. The net assets at the date of disposal are as follows:

38. 出售附屬公司*(續)*

(b) 二零零九年九月，本集團向獨立第三方出售一間主要從事生產及分銷焦炭之公司之全部股權，現金代價約為181,509,000港元。於出售日期之資產淨值如下：

		HK$'000 千港元
Net assets disposed of:	所出售之資產淨值如下：	
Properties, plant and equipment	物業、廠房及設備	365,264
Inventories	存貨	93
Other receivables	其他應收賬款	2,557
Bank balances and cash	銀行結餘及現金	2
Other payables	其他應付賬款	(60,337)
		307,579
Loss on disposal	出售所產生之虧損	(74,098)
Minority interests	少數股東權益	(51,972)
Total consideration, satisfied by cash	以現金支付之總代價	181,509
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金代價	181,509
Cash and cash equivalents disposed of	出售銀行結餘及現金	(2)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	出售一間附屬公司之現金及現金等值項目流入淨額	181,507

38. DISPOSALS OF SUBSIDIARIES *(continued)*

(c) In September 2009, the Group disposed of its entire equity interest in a company, principally engaged in the manufacture and distribution of methanol, to an independent third party for a cash consideration of approximately HK$170,164,000. The net assets at the date of disposal are as follows:

38. 出售附屬公司*(續)*

(c) 二零零九年九月，本集團向獨立第三方出售一間主要從事製造及分銷甲醇之公司之全部股權，現金代價約為170,164,000港元。於出售日期之資產淨值如下：

		HK$'000 千港元
Net assets disposed of:	所出售之資產淨值如下：	
Properties, plant and equipment	物業、廠房及設備	10,796
Non-current deposits	非流動訂金	126,193
Other receivables	其他應收賬款	106,866
Other payables	其他應付賬款	(3,588)
		240,267
Loss on disposal	出售所產生之虧損	(30,044)
Minority interests	少數股東權益	(40,059)
Total consideration, satisfied by cash	以現金支付之總代價	170,164
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary:	出售一間附屬公司之現金及現金等值項目流入淨額：	
Cash consideration received	已收現金代價	170,164

38. DISPOSALS OF SUBSIDIARIES *(continued)*

(d) In September 2009, the Group disposed of its entire equity interest in a company, principally engaged in the manufacture and distribution of chemical products, to an independent third party for a cash consideration of approximately HK$73,114,000. The net assets at the date of disposal are as follows:

38. 出售附屬公司*(續)*

(d) 二零零九年九月，本集團向獨立第三方出售一間主要從事製造及分銷化工產品之公司之全部股權，現金代價約為73,114,000港元。於出售日期之資產淨值如下：

		HK$'000 千港元
Net assets disposed of:	所出售之資產淨值如下：	
Properties, plant and equipment	物業、廠房及設備	10,796
Non-current deposits	非流動訂金	52,389
Other receivables	其他應收賬款	25,442
Other payables	其他應付賬款	(1,218)
Bank balances and cash	銀行結餘及現金	1
		87,410
Gain on disposal	出售所產生之收益	3,172
Minority interests	少數股東權益	(17,468)
Total consideration, satisfied by cash	以現金支付之總代價	73,114
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金代價	73,114
Cash and cash equivalents disposed of	出售現金及現金等值項目	(1)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	出售一間附屬公司之現金及現金等值項目流入淨額	73,113

38. DISPOSALS OF SUBSIDIARIES *(continued)*

(e) In September 2009, the Group disposed of its entire equity interest in a company, principally engaged in manufacture and distribution of electronic raw materials, to an independent third party for a cash consideration of approximately HK$42,497,000. The net assets at the date of disposal are as follows:

38. 出售附屬公司*(續)*

(e) 二零零九年九月，本集團向獨立第三方出售一間主要從事生產及分銷電子原材料之公司之全部權益，現金代價約為42,497,000港元。於出售日期之資產淨值如下：

		HK$'000 千港元
Net assets disposed of:	所出售之資產淨值如下：	
Properties, plant and equipment	物業、廠房及設備	12,234
Inventories	存貨	19,305
Trade and other receivables and prepayments	貿易及其他應收賬款	23,986
Bank balances and cash	銀行結餘及現金	22,423
Trade and other payables	貿易及其他應付賬款	(35,451)
Total consideration satisfied by cash	以現金支付之總代價	42,497
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金代價	42,497
Cash and cash equivalents disposed of	出售現金及現金等值項目	(22,423)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	出售一間附屬公司之現金及現金等值項目流入淨額	20,074

38. DISPOSALS OF SUBSIDIARIES *(continued)*

(f) In August 2009, the Group disposed of its entire equity interests in companies located in Inner Mongolia, which are principally engaged in the manufacture and distribution of chemical products, to an independent third party for a total cash consideration of approximately HK$215,689,000. The combined net assets at the date of disposal are as follows:

38. 出售附屬公司*(續)*

(f) 二零零九年八月，本集團向獨立第三方出售於內蒙古主要從事生產及分銷化工產品之公司之全部權益，現金代價約為215,689,000港元。於出售日期之合併資產淨值如下：

		HK$'000 千港元
Net assets disposed of:	所出售之資產淨值如下：	
Properties, plant and equipment	物業、廠房及設備	10,194
Prepaid lease payments	預付租賃款項	65,533
Other receivables	其他應收賬款	127,926
Bank balances and cash	銀行結餘及現金	2,501
Other payables	其他應付賬款	(11,535)
		194,619
Gain on disposal	出售所產生之收益	21,070
Total consideration, satisfied by cash	以現金支付之總代價	215,689
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金代價	215,689
Cash and cash equivalents disposed of	出售現金及現金等值項目	(2,501)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	出售附屬公司之現金及現金等值項目流入淨額	213,188

39. COMMITMENTS

39. 承擔

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of properties, plant and equipment	就收購物業、廠房及設備而已訂約但未於綜合財務報表作出撥備之資本支出	**339,475**	625,174

40. CONTINGENT LIABILITIES

During the years ended 31 December 2009 and 2008, the Company's subsidiary, Kaiping Elec & Eltek No.3 Company Limited ("KPEE#3") is involved in potential lawsuits, claims and proceedings with one of its PRC customers amounting to approximately HK$34,017,000 (equivalent to RMB30 million), arising from some negative feedback from the end users of the assembled products using PCBs supplied by KPEE#3.

Based on the legal advice obtained by the Group, the Directors are of the opinion that the aforementioned claim has no merit and the potential lawsuit will not have a material adverse effect on the financial position of the Group.

40. 或然負債

截至二零零九年及二零零八年十二月三十一日止年度，本公司之附屬公司開平依利安達電子第三有限公司(「KPEE#3」)與其一名中國客戶涉及34,017,000港元(相等於人民幣30,000,000元)之潛在訴訟、申索及法律程序，事件源於最終用戶對以KPEE#3供應之印刷線路板裝嵌之產品之負面評價。

根據本集團所獲之法律意見，董事認為，

對本集團財務癇獯髻寨⑨耘讵　誕袈昊

41. OPERATING LEASES 41. 經營租約

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
The Group as lessee:	由本集團承租：		
Lease payments charged to the consolidated income statement during the year	年內自綜合收益表扣除之租約付款		
– for premises	—物業	**20,485**	18,960
– for plant and machinery	—廠房及機器	**30**	20
		20,515	18,980

Under the leases entered into by the Group, all lease payments are fixed and predetermined.

根據本集團訂立之租約，所有租約付款之金額均為固定及預早釐定。

At the end of the reporting period, the Group's future lease payments under non-cancellable operating leases are payable as follows:

於報告期間結束當日，本集團根據不可撤銷之經營租約於日後支付之租約付款須於下列期間支付：

		Premises 物業		Plant and machinery 廠房及機器	
		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元	**2009** 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Within one year	於一年內	**14,962**	9,124	**1,181**	30
After one year but not later than five years	於一年後但於五年內	**29,503**	10,454	**25**	25
After five years	於五年後	**55,630**	27,366	**51**	51
		100,095	46,944	**1,257**	106

41. OPERATING LEASES *(continued)*

40. 經營租約*(續)*

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
The Group as lessor:	由本集團出租：		
Rental income credited to the consolidated income statement during the year, net of outgoing amount of approximately HK$20,400,000 (2008: HK$15,979,000)	於年內計入綜合收益表之租金收入，已扣除支銷約20,400,000港元（二零零八年：15,979,000港元）	**70,440**	74,093

The Group's investment properties are rented to outside parties for periods up to seven years at fixed predetermined amounts. At the end of the reporting period, the Group had contracted with tenants to receive the following future minimum lease payments:

本集團之投資物業均按預早釐定之定額租金租予外界人士，租期最長為七年。於報告期間結束當日，本集團已與租戶訂立合約，可於日後收取之最低租約付款如下：

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Within one year	於一年內	**58,963**	48,403
After one year but not later than five years	於一年後但於五年內	**23,219**	26,873
After five years	於五年後	**716**	1,565
		82,898	76,841

42. PLEDGE OF ASSETS

At 31 December 2009, the Group's bank deposits of HK$105,622,000 (2008: nil) are pledged to banks to secure the banking facilities of the Group.

42. 資產質押

於二零零九年十二月三十一日，本集團銀行存款105,622,000港元(二零零八年：沒有)質押予銀行，作為本集團銀行融資的抵押品。

43. RETIREMENT BENEFITS SCHEME

The Group participates in both a defined contribution scheme which was registered under the Occupational Retirement Scheme Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") which was established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group and are invested in funds under the control of independent trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme are members of both the ORSO Scheme and the MPF Scheme, whereas all new employees joining the Group on or after December 2000 are required to join the MPF Scheme.

43. 退休福利計劃

本集團同時參加一項根據職業退休計劃條例註冊之定額供款計劃(「職業退休計劃」)及根據強制性公積金條例於二零零零年十二月成立之強制性公積金計劃(「強積金計劃」)。該等計劃之資產與本集團之資產分開持有，並投資於由獨立信託人控制之基金。於成立強積金計劃之前已參加職業退休計劃之僱員，同時成為職業退休計劃及強積金計劃之成員，而所有於二零零零年十二月或之後加入本集團之新僱員必須參加強積金計劃。

Employees of subsidiaries in the PRC are members of the state-sponsored pension scheme operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions.

於中國附屬公司之僱員為中國政府運作之國家資助退休福利計劃成員。該等附屬公司須將薪金支出之某一百分比投入退休計劃，以支付有關福利。本集團就退休計劃履行之唯一責任為支付所需供款。

Payments to the ORSO Scheme, the MPF Scheme and the state-sponsored pension schemes of approximately HK$74,239,000 (2008: HK$71,794,000) are charged to the consolidated income statement.

向職業退休計劃、強積金計劃及國家資助退休福利計劃支付之供款約為74,239,000港元(二零零八年：71,794,000港元)，並自綜合收益表中扣除。

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Company's principal subsidiaries at 31 December 2009 and 2008 are as follows:

44. 本公司主要附屬公司詳情

本公司主要附屬公司於二零零九年及二零零八年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本／註冊資本	Effective equity interest held by the Group 本集團持有之實際股權 2009 二零零九年 %	2008 二零零八年 %	Principal activities 主要業務
Fogang Kingboard Industry Ltd. 佛岡建滔實業有限公司	PRC [1] 中國 [1]	RMB878,100,000 人民幣878,100,000元	46.09+	47.60+	Manufacture and distribution of copper foil 製造及分銷銅箔
Jamplan (BVI) Limited	British Virgin Islands# 英屬處女群島 #	US$1,000 1,000美元	100*	100*	Investment holding 投資控股
Kingboard (Fogang) Laminates Co. Limited 建滔(佛岡)積層板有限公司	PRC [1] 中國 [1]	US$29,466,000 29,466,000美元	71.53	74.77	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kingboard (Fogang) Paper Laminates Co. Ltd. 建滔(佛岡)積層紙板有限公司	PRC [1] 中國 [1]	US$17,936,546 17,936,546美元	71.53	74.77	Manufacture and distribution of laminates 製造及分銷覆銅面板
Kingboard (Hebei) Cokechem Co. Limited 建滔(河北)焦化有限公司	PRC [1] 中國 [1]	RMB96,000,000 人民幣96,000,000元	100	100	Manufacture and distribution of coke 製造及分銷焦炭
Kingboard (Hebei) Chemical Co. Limited 建滔(河北)化工有限公司	PRC [1] 中國 [1]	RMB357,000,000 人民幣357,000,000元	100	100	Manufacture and distribution of chemicals 製造及分銷化工產品
Kingboard Natural Gas Chemical (Chong Qing) Limited 建滔天然氣化工(重慶)有限公司	PRC [1] 中國 [1]	US$18,500,000 18,500,000美元	100	100	Manufacture and distribution of methanol 製造及分銷甲醇
昆山國瑞置業有限公司	PRC [1] 中國 [1]	US$19,640,000 19,640,000美元	100	100	Property developments 房地產發展

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY *(continued)*

44. 本公司主要附屬公司詳情*(續)*

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本／註冊資本	Effective equity interest held by the Group 本集團持有之實際股權 2009 二零零九年 %	2008 二零零八年 %	Principal activities 主要業務
Elec & Eltek (Guangzhou) Electronic Company Limited 依利安達(廣州)電子有限公司	PRC [2] 中國 [2]	US$70,596,000 70,596,000美元	70.32	70.12	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Guangzhou Elec & Eltek Microvia Technology Limited 廣州依利安達微通科技有限公司	PRC [2] 中國 [2]	US$24,800,000 24,800,000美元	70.32	70.12	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Guangzhou Elec & Eltek High Density Interconnect Technology No. 1 Company Limited 廣州依利安達精密互連科技第一有限公司	PRC [2] 中國 [2]	US$25,000,000 25,000,000美元	70.32	70.12	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Elec & Eltek (Thailand) Limited	Thailand 泰國	Baht780,000,000 780,000,000泰銖	71.75	71.55	Manufacture and distribution of PCBs 製造及分銷印刷線路板
Pacific Insulating Material (Thailand) Limited	Thailand 泰國	Baht650,000,000 650,000,000泰銖	71.75	71.55	Manufacture and distribution of PCB raw materials 製造及分銷印刷線路板原材料

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY *(continued)*

*	The Company directly holds the equity interest in Jamplan (BVI) Limited. The Company's equity interest in all other subsidiaries is held indirectly through Jamplan (BVI) Limited.
#	These are investment holding companies which have no specific principal place of operations.
+	These companies are non wholly-owned subsidiaries of Kingboard Laminates Holdings Limited and are regarded as non wholly-owned subsidiaries of the Company because the Group has control over the financial and operating policies of these companies.
@	These companies are listed on The Singapore Exchange Securities Trading Limited.
Δ	This company is listed on the Main Board of The Stock Exchange of Hong Kong Limited.
1	These companies were established in the PRC in the form of Wholly Foreign-owned Enterprises.
2	These companies were established in the PRC in the form of Sino-Foreign Equity Joint Ventures.
3	Included treasury shares of US$896,000.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

44. 本公司主要附屬公司詳情*(續)*

*	本公司直接持有Jamplan (BVI) Limited之股權。本公司於所有其他附屬公司之股權均透過Jamplan (BVI) Limited間接持有。
#	此等為投資控股公司，並無特定之主要經營地點。
+	此等公司為建滔積層板控股有限公司之非全資擁有附屬公司，並因本集團對該等公司的財務及經營政策擁有控制權，視為本公司非全資附屬公司。
@	此等公司於新加坡證券交易所有限公司上市。
Δ	此公司於香港聯合交易所有限公司主板上市。
1	此等公司乃以外商獨資企業形式在中國成立。
2	此等公司乃以中外合資合營企業形式在中國成立。
3	包括庫存股份896,000美元。

上表所列為董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為列出其他附屬公司之詳情會過於冗長。

各附屬公司於年終結時概無發行任何債務證券。

45. RELATED PARTY TRANSACTIONS

The Group entered into the following significant transactions with related parties during the year:

45. 有關連人士交易

本集團與有關連人士在年內進行之重大交易如下：

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Sales of goods to a minority shareholder of a subsidiary	向一間附屬公司之少數股東銷售貨品	**326,862**	477,381
Purchase of goods from a minority shareholder of a subsidiary	向一間附屬公司之少數股東採購貨品	**92,468**	81,958
Drilling service provided by a minority shareholder of a subsidiary	一間附屬公司之少數股東提供鑽孔服務	**2,712**	18,148
Purchase of goods from an associate	向一間聯營公司採購貨品	**287,464**	417,809

Included in trade and other receivables and prepayments at 31 December 2009 was an amount due from a minority shareholder of a subsidiary of approximately HK$109,135,000 (2008: HK$104,804,000) which was in trade nature. The Group allowed credit periods of up to 120 days, depending on the product sold to its related parties.

於二零零九年十二月三十一日，貿易及其他應收賬款及預付款項包括應收附屬公司少數股東款項約109,135,000港元(二零零八年：104,804,000港元)。本集團向有關連人士授出之信貸期最長為120日，視乎所銷售之產品而定。

Included in trade and other payables at 31 December 2009 was an amount due to an associate of approximately HK$26,173,000 (2008: HK$11,595,000) which was in trade nature. The related party offers credit periods of up to 120 days to the Group.

於二零零九年十二月三十一日，貿易及其他應付賬款包括應付一間聯營公司款項約26,173,000港元(二零零八年：11,595,000)。有關連人士向本集團授出之信貸期最長為120日。

45. RELATED PARTY TRANSACTIONS *(continued)*

45. 有關連人士交易*(續)*

Compensation of key management personnel

The remuneration of Directors and other members of key management during the year was as follows:

主要管理人員酬金

年內，董事及其他主要管理人員之酬金如下：

		2009 二零零九年 HK$'000 千港元	2008 二零零八年 HK$'000 千港元
Short-term benefits	短期福利	**175,803**	157,666
Post-employment benefits	退休後福利	**1,348**	1,838
Share-based payments	以股份形式付款	**320**	1,468
		177,471	160,972

The remuneration of Directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

董事及主要行政人員之酬金經薪酬委員會考慮個別員工表現及市場趨勢後釐定。

46. EVENTS AFTER THE REPORTING PERIOD

The following significant events took place subsequent to 31 December 2009:

(a) On 23 December 2009, the Group entered into an agreement to acquire a further 24% equity interest in its subsidiary 實友化工 from an independent third party at a consideration of HK$1. This acquisition has been completed in January 2010.

(b) On 14 January 2010, the Group announced a possible discloseable transaction by way of spin-off and separate listing of its subsidiaries principally engaged in production and distribution of coke and coke-related products (included in the Chemicals operating segment) on the Main Board of the Stock Exchange. Details of which are set out in the announcement of the Company dated 14 January 2010.

(c) On 1 March 2010, the Directors recommended a bonus issue of warrants ("2012 Warrants") with a right to subscribe HK$40.00 in cash for each new ordinary share of HK$0.10 each in the share capital of the Company at an initial subscription price of HK$40.00 per ordinary share, subject to adjustment, on the basis of one 2012 Warrant for every ten existing ordinary shares then held. Details of which are set out in the announcement of the Company dated 2 March 2010.

46. 報告期間後事件

下列重大事件於二零零九年十二月三十一日後發生：

(a) 本集團於二零零九年十二月二十三日訂立協議，自獨立第三方進一步收購附屬公司實友化工24%股權，代價為1港元。此項收購於二零一零年一月完成。

(b) 二零一零年一月十四日，本集團宣佈，透過分拆附屬公司在聯交所主板獨立上市之可能進行須予披露交易，該公司主要從事產銷焦炭相關產品(計入化工產品經營分部)，詳情載於本公司於二零一零年一月十四日刊發的公佈。

(c) 於二零一零年三月一日，董事建議發行紅利認股權證(「二零一二年認股權證」)，基準為當時每持有十(10)股現有股份獲發一(1)份二零一二年認股權證。紅利認股權證附帶權利可以現金40.00港元按初步認購價每股股份40.00港元(可予調整)認購本公司股本中每股0.10港元之新股份。有關詳情載於本公司於二零一零年三月二日之公佈。

Financial Summary
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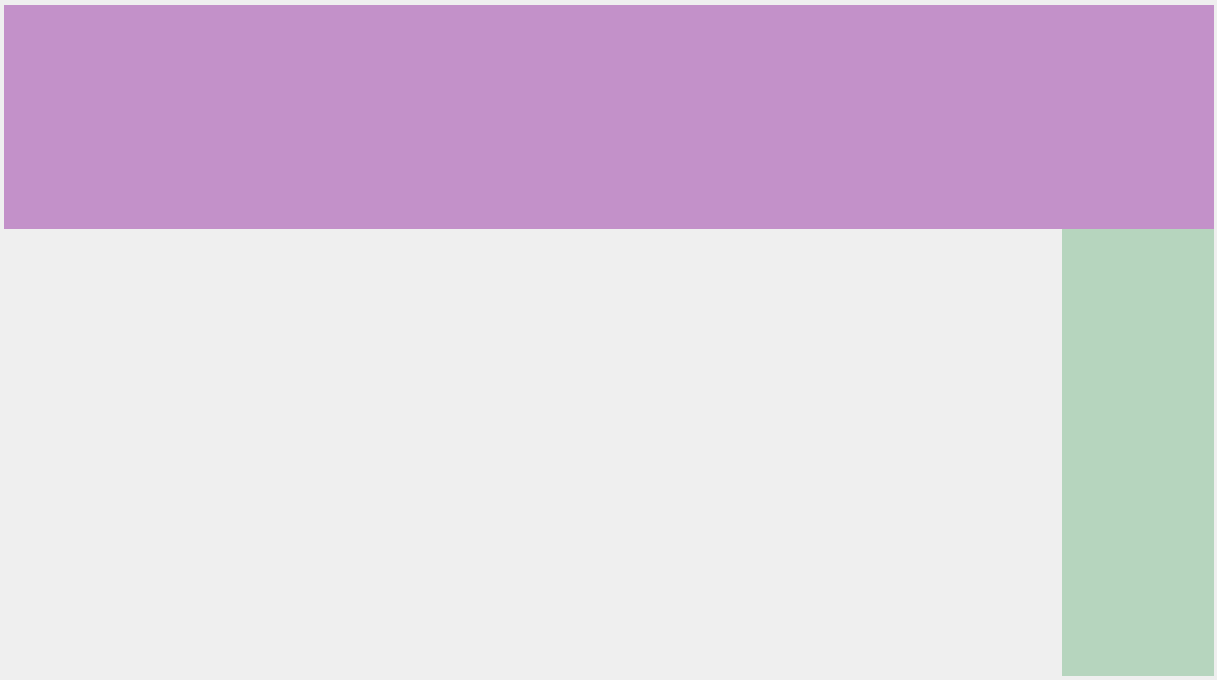

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