

中國金屬再生資源(控股)有限公司 China Metal Recycling (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code: 00773

股份代號：00773

2009 年報
Annual Report





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BOARD OF DIRECTORS

Executive Directors:

Mr. Chun Chi Wai (*Chairman and Chief Executive Officer*)

Mr. Jiang Yan Zhang (*Chief Operating Officer*)

Non-executive Director:

Ms. Lai Wun Yin

Independent Non-executive Directors:

Mr. Chan Iu Seng

Mr. Chan Kam Hung

Mr. Leung Chong Shun

Audit Committee:

Mr. Chan Kam Hung (*Chairman*)

Mr. Chan Iu Seng

Mr. Leung Chong Shun

Remuneration Committee:

Mr. Chan Iu Seng (*Chairman*)

Mr. Chan Kam Hung

Mr. Leung Chong Shun

Mr. Chun Chi Wai

AUTHORISED REPRESENTATIVES

Mr. Chun Chi Wai

Mr. Lam Po Kei Kenneth Greg

COMPANY SECRETARY

Mr. Lam Po Kei Kenneth Greg

董事會

執行董事：

秦志威先生 (*主席兼行政總裁*)

姜延章先生 (*營運總監*)

非執行董事：

黎煥賢女士

獨立非執行董事：

陳耀星先生

陳錦雄先生

梁創順先生

審核委員會：

陳錦雄先生 (*主席*)

陳耀星先生

梁創順先生

薪酬委員會：

陳耀星先生 (*主席*)

陳錦雄先生

梁創順先生

秦志威先生

授權代表

秦志威先生

林寶基先生

公司秘書

林寶基先生



REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 4803, Office Tower Convention Plaza
1 Harbour Road, Wanchai
Hong Kong
Tel: (852) 2547 4725

AUDITOR

Deloitte Touche Tohmatsu

COMPLIANCE ADVISER

Somerley Limited

LEGAL ADVISERS

Sidley Austin (Hong Kong)
Jun He Law Offices (China)

PRINCIPAL BANKERS

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

註冊辦事處

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

香港主要營業地點

香港
灣仔港灣道1號
會展廣場辦公大樓4803室
電話：(852) 2547 4725

核數師

德勤•關黃陳方會計師行

合規顧問

新百利有限公司

法律顧問

盛德國際律師事務所(香港)
君合律師事務所(中國)

主要往來銀行

星展銀行(香港)有限公司
恒生銀行有限公司
渣打銀行(香港)有限公司



PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited

Butterfield House, 68 Fort Street
P.O. Box 609, Grand Cayman KY1-1107
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26/F Tesbury Centre
28 Queen's Road East, Wanchai, Hong Kong

STOCK CODE

The Hong Kong Stock Exchange Limited: 00773

WEBSITE

www.chinametalrecycle.com
www.cmr773.com

主要股份過戶登記處

Butterfield Fulcrum Group (Cayman)
Limited

Butterfield House, 68 Fort Street
P.O. Box 609, Grand Cayman KY1-1107
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港灣仔皇后大道東28號
金鐘匯中心26樓

股份代號

香港聯合交易所有限公司：00773

網址

www.chinametalrecycle.com
www.cmr773.com

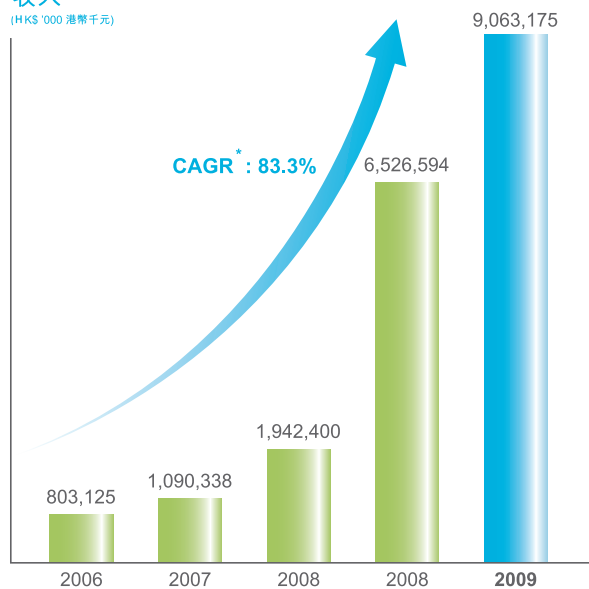


Financial Highlights 財務摘要

Revenue

收入

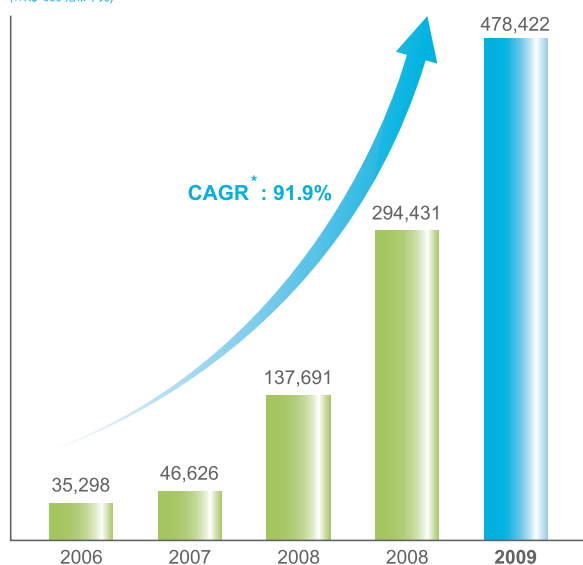
(HK\$ '000 港幣千元)



Profit Attributable to Shareholders

股東應佔溢利

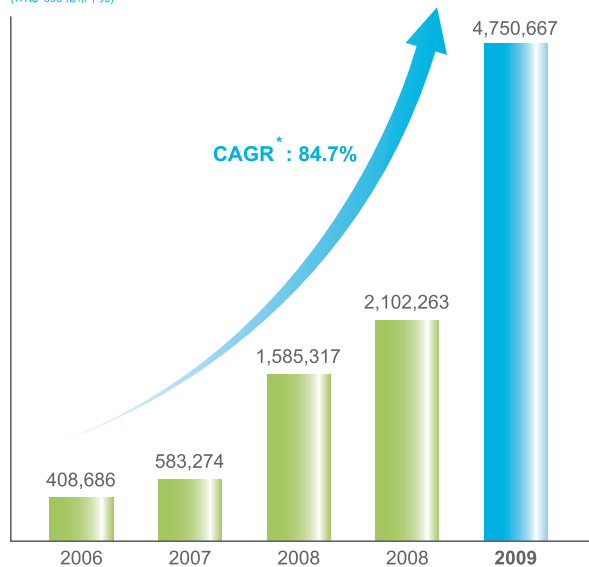
(HK\$ '000 港幣千元)



Total Assets

資產總值

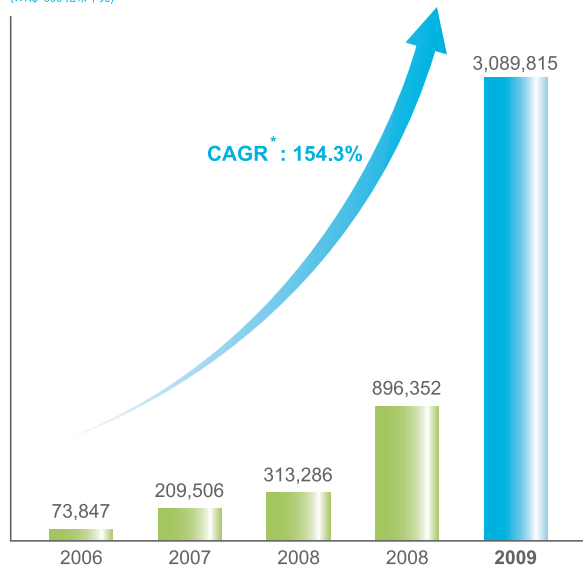
(HK\$ '000 港幣千元)



Total Equity

權益總值

(HK\$ '000 港幣千元)



* CAGR: Compound annual growth rate between 2006 and 2008
二零零六年至二零零八年期間之複合式年增長率



Despite the global downturn surrounding the first half of 2009, the demand for metal remained strong as benefited from the PRC government policy aiming at boosting investment and stimulating domestic consumption, the Group manages to achieve a growth in both turnover and net profit for the year ended 31 December 2009 of 38.9% and 62.5% respectively. China is the world's largest metal consumption country, consuming one third of the world's metal resources. China's fast growing economic growth relies heavily on natural resources that will be used up some day. Yet, renewable resources would never run out and could be recycled infinitely. This has been the state's long-term strategic policy to use renewable resources in order to meet energy efficiency and reduce carbon emission.

儘管二零零九年上半年全球經濟衰退，但受惠於中國政府主導投資及擴大內部消費帶動下，對金屬的需求保持強勁，本集團於截至二零零九年十二月三十一日止年度營業額及淨溢利分別增長38.9%及62.5%。中國消耗全球三分之一的金屬資源，為全球最大金屬消費國。中國高速的經濟發展，非常依賴終會用盡的原生資源。無限循環，取之不盡的再生資源的使用將是中國長遠的資源國策，和節能減排的主要途徑。



However, the metal recycling industry is in the infancy stage. The sector is highly fragmented, poorly equipped and managed, and unable to meet the needs of the developing metal industry. For the industry to grow, it has to move towards large-scale consolidation and develop systematic operation with modern management systems as well as large scale centralised processing and distribution modes. As the country continues to industrialise and urbanise, its demand recycled metals will keep climbing. In the coming years, China's scrap metals reserves will be released into the market, providing a lot of room for development in the industry.

On 22 June 2009, we successfully listed on the Main Board of the Stock Exchange of Hong Kong Limited which provides us with a good platform to access to capital markets - already secured RMB3.5 billion of standby credit facilities beginning of 2010 and the necessary capital to continue our regional expansion and to repay the high cost financing - debt/ equity ratio has dropped from 93% as of 31 December 2008 to 15% as of 31 December 2009 and our cash in hand of approximately HK\$554.4 million as at 31 December 2009.

For Eastern China, we have acquired a port in Jiangyin city at a competitive price and formed a joint venture company with a leading metal recycler in the region of the end of 2009; both steps have not only proven our market position but also enhanced our presence in the region. Our Ningbo city facility has started operation since December 2009. For Northern China, the potential acquisition of a leading metal recycler in Tianjin would further expand our business in the Northern China region and present us with a suitable and immediate platform in both suppliers and customers.

As a first-mover in the industry with the Group's sizeable scale of operation, we are well positioned to be the consolidator given by our operation with scale, strategic national network in the region with strong scrap metal demand, well established water and road transportation networks, extensive and quality customer base and procurement network and platform with access to capital markets.

可是，中國再生金屬行業正處於初步階段，行業分散，設備和管理落後，不能滿足金屬行業發展的需要。行業的發展方向需要大規模的整合，形成規模化經營、現代化管理的大型統一加工配送基地的模式。隨著中國的持續工業化、城市化的發展，對再生金屬的需求將會持續旺盛。於未來，再生金屬的蘊藏量將會大量釋放到市場，給行業提供巨大的發展空間。

於二零零九年六月二十二日，本公司在香港聯交所主板順利上市，為本公司進入資本市場提供了良好平台 — 本公司已於二零一零年初獲取人民幣35億的備用信貸融資額度，繼續進行區域擴張及償還高成本融資所需資金 — 債務／權益比率由二零零八年十二月三十一日的93%降至二零零九年十二月三十一日的15%，本公司的手頭現金於二零零九年十二月三十一日約有5.544億港元。

對於華東地區，本公司以具有競爭力的價格取得江陰市港口經營權，並於二零零九年底與該地區領先的金屬回收商成立合資公司。上述兩項舉措不僅能鞏固本公司的市場地位，亦能提高本公司於該地區的影響力。本公司在寧波市的設施已從二零零九年十二月開始投產。對於華北地區，潛在收購天津一家領先的金屬回收商有利於本公司推進華北地區業務，為本公司提供了一個適當且直接的供應商及客戶平台。

作為行業先行者，本集團擁有相當的經營規模、全國戰略網絡（位於廢金屬高需求地區）、完善的水陸運輸網絡、廣大而優質的客戶基礎和採購網絡以及進入資本市場的平台，故此具備良好的條件成為行業整合者。



Chairman's Statement 主席報告

Our future development strategy is to continue to strengthen our strategic national network, develop diversified sales and procurement networks to enlarge our market share, continue to invest in advanced machinery and environmental protection facilities to ensure operational efficiency and economies of scale, increase investment on our staff to enhance management quality and strengthen our overall operational and business integration capability.

Our aim is to realise fast and sustainable development and become the consolidator in the industry. We will strive to maintain high standard of corporate governance and high operational efficiency, which, we believe, will guarantee steady growth of our business.

We believe that 2010, which is our first full year of operation in multiple regions and effects from investments in the past 2 years will be reflected, will be a critical year for the Group as growth in sales quantity will be substantial. Our long term goal is to become one of the largest metal recycling enterprises in the world within five years.

On behalf of the Board

Chun Chi Wai
Chairman

Hong Kong, 19 April 2010

本公司的未來發展策略是繼續鞏固全國性的策略布點，發展多元化的銷售和採購網絡來擴大市場佔有率；繼續投資先進的機械設備和環保設施來確保營運效率和規模效應；增加人才的投資來提高管理層的質素、加強公司的整體執行及整合能力。

本公司旨在實現高速持續發展，成為本行業的整合者。本公司努力維持嚴格的企業管治及高效的營運效率。本公司相信該等措施能保證本公司業務的穩定增長。

本公司相信二零一零年，將為本集團首個於多個地區展開營運的完整年度，亦將會反映過往兩年投資的成效，銷售量的增長將非常可觀，故對本集團的發展非常關鍵。本公司的長遠目標乃於五年內成為全球最大的金屬回收企業之一。

代表董事會

秦志威
主席

香港，二零一零年四月十九日





Management Discussion and Analysis 管理層討論及分析

BUSINESS REVIEW AND OUTLOOK

During the year ended 31 December 2009 (the "Year"), the Group has made steady growth in the aftermath of the 2008 financial crisis. Compared with the year of 2008, revenue has increased by 38.9% to HK\$9,063.2 million from HK\$6,526.6 million while profit attributable to owners of the Company has increased by 62.5% to HK\$478.4 million from HK\$294.4 million. The key drivers of the growth were China's continuous strong demand for copper and recovery of the steel consumption during the Year.

In order to counter the global economic downturn during the year, the Chinese government committed to boosting investment and stimulating domestic consumption by making significant investment in projects of roads, railways and power grids. Demand for metals in China has been strong and is expected to remain strong. China-copper apparent consumption increased 29.2% to 6.68 million tons in 2009 from 5.17 million tons in 2008. On the other hand, China's copper imports jumped to a record in February 2010, inbound shipments advanced 42% from January 2010 to 329,311 tons which is the highest level since 2003, according to the data by Bloomberg. Copper price has rebounded by over 140% to over US\$7,300 per ton during the Year, and China's demand was a major driving force. Despite the ups and downs of the

業務回顧及前景

截至二零零九年十二月三十一日止年度（「本年度」），本集團在二零零八年金融危機的餘波中取得穩定增長。較二零零八年而言，收益自65.266億港元增長38.9%至90.632億港元，而本公司擁有人應佔溢利自2.944億港元增長62.5%至4.784億港元。主要增長動力為本年度中國持續強勁的銅需求及鋼消耗量恢復。

本年度為應對全球經濟衰退，在中國政府主導投資及擴大內部消費帶動下，國家在道路、鐵路及電網方面投入大量資金。中國對金屬的需求強勁，且預計會持續強勁。中國銅的消耗量自二零零八年517萬噸增長29.2%至二零零九年668萬噸。另一方面，根據彭博的數據，中國銅進口量於二零一零年二月創下新高，到港貨物自二零一零年一月上升42%至329,311噸（此乃自二零零三年來的最高水平）。本年度，銅價已反彈超過140%至超過每噸7,300美元，而中國的需求為主要動力。儘管中國鋼鐵行業需求的波動（如本年度





Management Discussion and Analysis 管理層討論及分析

China's steel industry such as the destocking in the first quarter of the Year, China's crude steel production in 2009 reached 568 million tons, an increase of 13.5% from 2008. This is a record of annual crude steel production figure for a single country. China's share of the worlds' steel production continued to grow in 2009 to approximately 47% of worlds' total crude steel production, an increase of 9% point compared to 2008. Scrap steel consumption in China increased 11.1% to 80 million tons in 2009 from 72 million tons in 2008. According to various reports, growth of metals demand in China is expected to remain robust as the need for more metals stemming from the 4 trillion economic stimulus package is expected to last for a few years. The Group has benefited from such strong demand of metals and achieved a higher gross profit margin for the Year. The volume of non-ferrous metals sold for the Year reached around 201,000 tons representing an impressive surge in sales volume of approximately 82.73% compared with around 110,000 tons for last year. The sales of ferrous scrap steel remained stable, with sales quantity for the Year totaling around 562,000 tons, compared with around 605,000 tons for last year, or a decrease of 7.1%.

22 June 2009 marked a major milestone for the Company which saw the successful listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). A net proceeds of approximately HK\$1,684.9 million was raised, of which approximately HK\$781.2 million was deployed in repaying the Group's high cost debt, being the US\$80 million secured guaranteed senior notes issued by the Company in October 2007 (the "Senior Notes"), debt-to-equity ratio dropped from 93% as of 31 December 2008 to 15% as of 31 December 2009 and cash in hand of approximately HK\$554.4 million. The listing has also provided the Group with necessary capital to continue our regional expansion and provided a good platform to access capital markets.

Since the listing, the Group has progressed and achieved the strategic initiatives that we committed to the shareholders in the past to speed up our regional expansion. As a first mover in the industry, the Group has adopted an inorganic approach to maintain the relative advantages, ranging from forming joint ventures with or outright acquisitions of major scrap metal recyclers in the region. This approach reinforces the presence of the Company in the region promptly and presents the Company with a suitable and immediate platform for both suppliers and customers to

第一季度縮減存貨)，二零零九年中國粗鋼產量達5.68億噸，較二零零八年增長13.5%，是單一國家年產鋼量的紀錄。二零零九年，中國佔世界鋼產量的份額持續增長，約佔全球粗鋼產量的47%，較二零零八年增長9個百分點。廢鋼消耗量自二零零八年7,200萬噸上升11.1%至二零零九年的8,000萬噸。根據多份報告，由於人民幣4萬億元的經濟刺激方案帶動的金屬需求增長將會持續數年，故預計中國金屬需求量仍會保持強勁增長。本集團已自上述金屬的強勁需求中獲利，更於本年度達至較高毛利率。本年度有色廢金屬之銷售達約201,000噸，相較去年約110,000噸，此方面之銷售量錄得約82.73%之可觀增長。黑色金屬之銷售量保持穩定，本年度銷售共約562,000噸，相比起去年約605,000噸，此方面之收益減少7.1%。

二零零九年六月二十二日為本公司的重要里程碑，本公司股份於該日在香港聯合交易所（「聯交所」）主板上市，募集資金淨額約16.849億港元，其中約7.812億港元用於償還本集團高成本債務（本公司於二零零七年十月發行的8千萬美元的有抵押擔保優先票據（「優先票據」），債務／股本比率自二零零八年十二月三十一日的93%降至二零零九年十二月三十一日的15%）及手頭現金約5.544億港元。上市亦提供本集團需要的資本繼續進行地區擴張及整合，亦為本集團進入資本市場提供良好的平台。

自上市後，本集團兌現之前承諾股東要加速地區擴張的策略目標並取得成效。作為行業先行者，本集團一直透過非內生性方式對外擴展業務而保持競爭優勢，如成立合營企業或徹底收購地區主要廢金屬回收商。該方法即時加強本公司在該等地區的地位，並為本公司提供一個適當且即時的供應商及客戶平台以進一步在該等地區發展金屬回收業務。



Management Discussion and Analysis 管理層討論及分析

further develop the metal recycling business in the region. The total production capacity of the Group will be increased from 3.10 million tons in 2009 to 4.10 million tons, as a result of which, our leading position in the Chinese market will be further enhanced.

For the Eastern China operation, the Group has formed a 70%-owned joint venture with 江陰市夏昌物資再生利用有限公司 (Jiangyin Xiachang Materials Recycling Company Limited) ("Xiachang") on 10 November 2009. With a designed annual capacity of 250,000 tons, Xiachang is one of the leading metal recyclers in the region. Sharing the aim to adopt modern way towards metal recycling, Xiachang was awarded by the China Association of Metal Scrap Utilization as the role model for scrap metal distribution base in 2005. Xiachang has a long operating history in the region and established a base of quality customers and an extensive suppliers network. On 31 December 2009, the Group has entered into agreements to acquire a 99.68% interest in 江蘇江陰港集裝箱有限公司 (Jiangsu Jiangyin Port Container Company Limited) ("Jiangyin Container") for an aggregate consideration of RMB220 million (equivalent to approximately HK\$248.6 million). The port operated and owned by Jiangyin Container is a national type I port, has a shore line of 570 meters and water depth of -15 meters, with an operational area of approximately 170,000 square meters and an annual

集團總產能將會由二零零九年的310萬噸增加至410萬噸，大大鞏固我們在中國市場的領導者地位。

華東地區營運方面，本集團與江陰市夏昌物資再生利用有限公司（「夏昌」）於二零零九年十一月十日成立自身擁有70%股權的合資公司。夏昌的計劃年產能達25萬噸，為該地區領先的金屬回收商之一。夏昌與本集團的共同理念，就是採取先進現代化的模式回收廢金屬，於二零零五年獲中國廢鋼鐵應用協會評為廢鋼配送示範基地。夏昌於該地區營運已久，已建立優質的客戶基礎及廣泛的供應商網絡。本集團於二零零九年十二月三十一日訂立協議，收購江蘇江陰港集裝箱有限公司（「江陰集裝箱」）99.68%的股權，總代價為人民幣2.2億元（相當於約2.486億港元）。江陰集裝箱營運及擁有的港口為國家一類港口，海岸線長570米，水深-15米，營運面積約170,000平方米，年裝卸能力約500萬噸。該收購將為本集團提供一個加工、處理





Management Discussion and Analysis 管理層討論及分析

handling capacity of approximately 5 million tons. This will become an exclusive port for processing, handling and logistics to serve as the Group's hub centre in the Eastern China region. This substantially improves the Company's operational efficiency and competitiveness in the region and lowers the transportation costs. In addition, this will connect, by water transportation, the Group's recycling centers in Northern and Southern China, thus effectively expanding our sales and distribution network coverage. In addition, our Ningbo city facility has been in operation since December 2009. The Ningbo city base has an area of 67,000 sq. metres. Its processing capacity of the shredder ranges from 120 tons to 150 tons per hour, which increases the Group's production capacity by 500,000 tons and contributes the fruitful results to the Group. In addition, the Group has added Baosteel Group as one of the key target customers in 2010.

For the Northern China operation, the Company entered into a letter of intent with 天津國能投資有限公司 (Tianjin Guoneng Investment Co., Ltd.) ("TGIC") on 14 April 2010 to acquire from TGIC the entire equity interest in its wholly-owned subsidiary 天津國能資源發展公司 (Tianjin Guoneng Resources Development Corporation) ("Guoneng Development"). Guoneng Development is one of the largest scrap metal companies in the Northern China with annual sales of scrap metals exceeding 600,000 tons. Its total sales of scrap metals for the period from 2007 to 2009 exceeded 1,200,000 tons (including the sales of its predecessor). It has built up an established and long-term quality customers and suppliers base in the region. Guoneng Development has

及物流的專用港口，作為華東地區的樞紐中心。是次收購亦將大幅提高本集團的營運效率及在該地區的競爭能力，並降低運輸成本。此外，此舉將透過水路運輸連接本集團華北及華南回收中心，繼而有效拓展本集團的銷售及分銷網絡。另外，本集團寧波市的設施已自二零零九年十二月起開始營運。寧波市基地佔地面積為67,000平方米，破碎機每小時處理能力為120噸到150噸，為本集團帶來50萬噸產能及創造業績。此外，本集團已於二零一零年將寶鋼集團納入為主要目標客戶之一。

華北地區營運方面，本公司與天津國能投資有限公司（「國能投資」）於二零一零年四月十四日訂立意向書，擬向國能投資收購其全資擁有的天津國能資源發展公司（「國能發展」）全部股權。國能發展年銷售廢金屬逾60萬噸，為華北地區最大的廢金屬公司之一。二零零七年至二零零九年期間，國能發展廢金屬總銷售量（包括其前身公司的銷售額）逾120萬噸，其於華北地區已建立固定及長期的優質客戶及供應商基礎。國能發展現為天津最大的廢金屬消費體天津鋼管集團股份有限公





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been one of the major suppliers to 天津鋼管集團股份有限公司 (Tianjin Steel Pipe Co. Ltd) ("Tianjin Pipe"), the largest scrap metal consumer in Tianjin. Guoneng Development was selected as the first batch of recycling materials collection construction project (再生資源回收體系建設項目) by the Tianjin Commission of Commerce. The acquisition of TGIC built solid foundation for the business development in the Northern China region. In addition, the Group has already started the business relationship with Tianjin Pipe in 2010.

For the Southern China operation, the production capacity of Lianzhong Stainless Steel Corporation, one of the major customers of the Group, doubled and amounted to 2 million tons at the end of 2009, resulting in an increasing demand for the products of the Group. In addition, the facilities in Zhongshan city commenced operation in February 2010 with an area of 30,000 sq. metres.

For the Central China operation, it is expected that the facilities in Wuhan city will commence operation in the third quarter in 2010. The Wuhan city base with a total area of 118,000 sq. metres will increase the Group's production capacity by 500,000 tons.

The listing status of the Company has also provided the Group with a robust platform to access to capital markets. On 29 December 2009, the Company has signed comprehensive cooperation agreements with 中國工商銀行股份有限公司江陰支行 (Industrial and Commercial Bank of China Limited, Jiangyin Sub-Branch) ("ICBC"), 中國農業銀行股份有限公司江陰支行 (Agricultural Bank of China Limited, Jiangyin Sub-Branch) ("ABC"), 中國建設銀行股份有限公司無錫分行 (China Construction Bank Limited, Wuxi Branch) ("CCB") and 中國交通銀行股份有限公司江陰支行 (Bank of Communications Co., Ltd., Jiangyin Sub-Branch) ("BOC") pursuant to which ICBC, ABC, CCB and BOC have agreed to grant integrated credit facilities of up to RMB1,000 million, RMB1,000 million, RMB1,000 million and RMB500 million to the Group respectively ("RMB3.5 Billion Integrated Credit Facilities"). The RMB3.5 Billion Integrated Credit Facilities mainly include working capital loan, trade finance facility and international business finance facility. The Company considers that the RMB3.5 Billion Integrated Credit Facilities will provide sufficient working capital and strong support to the Eastern China operation as well as facilitating the overall development of the Group.

司(「天津鋼管」)的最大供應商之一。國能發展乃首批獲天津市商務委員會選定的再生資源回收體系建設項目公司。國能發展的收購對華北地區業務的拓展奠下良好的基礎。此外，本集團已於二零一零年開始與天津鋼管建立業務關係。

華南地區營運方面，本集團其中一個主要客戶聯眾(廣州)不銹鋼有限公司於二零零九年底完成了增產，產能翻倍至約200萬噸的規模，對本集團產品的需求不斷增加。另外，中山市的設施已自二零一零年二月起開始營運，佔地面積為30,000平方米。

華中地區營運方面，武漢市的設施預計於二零一零年第三季度起開始營運，武漢市基地佔地面積為118,000平方米，為集團帶來50萬噸產能。

上市後為本集團進入資本市場提供了一個有利的平台。二零零九年十二月二十九日，本集團與中國工商銀行股份有限公司江陰支行(「工行」)、中國農業銀行股份有限公司江陰支行(「農行」)、中國建設銀行股份有限公司無錫分行(「建行」)以及中國交通銀行股份有限公司江陰支行(「交行」)簽署全面合作協議，工行、農行、建行及交行同意向本集團分別授出多達人民幣10億元、人民幣10億元、人民幣10億元及人民幣5億元的綜合備用信貸額度(「人民幣35億元綜合信貸」)。人民幣35億元綜合信貸主要包括營運資金貸款、貿易融資信貸及國際業務融資信貸。本公司認為該人民幣35億元綜合信貸將為華東地區的營運提供充足的營運資金及強大的支持，且有助本集團的整體發展。



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In February 2009, the State Council of China has passed a new regulation (number 551) (the "Regulation") effective January 2011 that regulates the collection and recycling of scrap home appliances products, for the protection of the environment and promotion of the recycling industry. The Regulation encourages home appliances manufacturers, retailers and metal recyclers to form alliances on home appliances recycling system. The Group has been in discussions with various parties on various forms of cooperations in response to the State's policy.

Looking forward to 2010, the Group will adhere to its core competitive advantages to respond to market changes. 2010 is the first full year of operations of the Group's multiple regions and effects from investments in the past 2 years will be reflected. The growth in 2010 will be substantial and Eastern China and Northern China regions will be the main growth drivers of the Group. The Group has already achieved a total sales quantity of approximately 340,000 tons during the first quarter of 2010, representing approximately 48% of the sales quantity in 2009.

Metal recycling is an industry with sustainable development and echoes Chinese central government's objective to develop a renewable economy. The metal recycling industry is in its initial stage of development. The industry is fragmented with out-dated facilities and management, which are unable to satisfy the needs for the development of metal industry. Large-scale consolidation is essential so as to develop a business model with major processing and distributing integrated bases with scalable operation and modern management. As the industry leader and leveraging on our scalable operation, strategic national market coverage, optimised land and water transportation networks, high-quality customers and suppliers networks and the good financing platform as a listing company, the Group is well positioned to be the industry consolidator, grasping the development opportunities in the industry to satisfy the extensive market demand.

國務院於二零零九年二月通過一項將於二零一一年一月生效的新法規(第551號)(「法規」)，規範廢家用電器產品回收，以保護環境及促進回收行業的發展。該法規鼓勵家用電器生產商、零售商及金屬回收商建立家用電器回收體系聯盟。本集團將響應國家政策，現正與多方商討以不同形式進行合作。

展望二零一零年，本集團將保持核心競爭優勢，應對市場變化。二零一零為本集團於多個地區展開營運的首個完整年度，過往兩年投資的成效將會反映。二零一零年本集團銷量將大幅增長而華東及華北地區將為主要的增長動力，二零一零年首季總銷量已達約34萬噸，相當於二零零九年銷量約48%。

再生金屬行業為可持續發展行業，且順應中央政府有關發展循環經濟、可持續發展的目標。中國再生金屬行業正處於初步階段，行業分散，設備和管理落後，不能滿足金屬行業發展的需要。行業的發展方向需要大規模的整合，形成規模化經營、現代化管理的大型統一加工配送基地的模式。作為行業的先行者，我們擁有規模優勢、全國策略性布點、完善的水陸路運輸網絡、優質的客戶和供應商網絡、優良的上市融資平台，佔領了行業的發展先機，處於一個非常有利的地位，成為行業的整合者，滿足強大的市場需求。



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FINANCIAL REVIEW

Revenue

Revenue of the Group for the year ended 31 December 2009 was HK\$9,063.2 million (2008: HK\$6,526.6 million), representing an increase of 38.9% as compared to last year.

Increase in the Group's revenue was mainly attributable to the significant increase in the sales of non-ferrous scrap metals, mainly copper, during the year. We have entered into more long-term contracts with overseas suppliers for non-ferrous scrap metals, thus securing their supply of this high demand metal.

Other Income

Other income, including mainly interest income, rental income and exchange gain, has decreased by 63.8% from HK\$22.0 million for last year to HK\$8.0 million. The decrease was mainly due to the decrease in exchange gain by HK\$12.8 million because Renminbi did not further appreciate against US dollars in the year.

Distribution and Selling Expenses, Administrative Expenses and Other Expenses

For the year ended 31 December 2009, distribution and selling expenses amounted to HK\$6.6 million, representing a decrease of 16% compared with last year. The decrease was due to tighter control on expenditures since the economic downturn from the second half of 2008.

Administrative expenses including staff salaries, depreciation expenses and other general administration expenses amounted to HK\$83.5 million, representing an increase of 67.7% over that of HK\$49.8 million for last year. The increase was mainly attributable to the increase in directors and administration staff; and expenses incurred by the Company for the purpose of expanding its operations. The Group recognized total expenses of HK\$15.1 million for the year in relation to share options granted by the Company under two share option schemes adopted by the Company.

Other expenses amounted to HK\$13.4 million, representing professional fees and listing related expenses for the Company's listing in June 2009.

財務回顧

收益

本集團於截至二零零九年十二月三十一日止年度的收益為90.632億港元（二零零八年：65.266億港元），較去年上升38.9%。

本集團於年內收益上升，主要原因為以銅為主之有色廢金屬的銷售大幅上升。本集團已與海外供應商就有色廢金屬簽訂更多長期合約，因而可保障此類需求殷切的金屬的供應。

其他收入

其他收入主要包括利息收入、租金收入及匯兌收益，由去年2,200萬港元下跌63.8%至800萬港元，主要原因為年內人民幣兌美元並無進一步升值，導致匯兌收益下跌1,280萬港元。

分銷及銷售開支、行政開支及其他開支

於截至二零零九年十二月三十一日止年度，分銷及銷售開支為660萬港元，較去年減少16%，是由於二零零八年下半年開始的經濟放緩而收緊開支所致。

行政開支包括員工薪酬、折舊開支及其他一般行政開支，由去年4,980萬港元增加67.7%至8,350萬港元，增加主要原因為本公司因擴充業務而導致董事及行政員工與開支增加。本集團確認有關兩個本公司採納之購股權計劃授出的購股權之年內總開支1,510萬港元。

其他開支1,340萬港元指本公司於二零零九年六月上市之專業費用及上市相關開支。



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Changes in Fair Value of Derivative Financial Instruments

It represents the gain or loss arising from the changes in fair value of the metal commodity future contracts used to hedge against the Group's purchases and inventory. Metal commodity prices have been increasing during the year and resulted in losses on those commodity future contracts used to hedge against the corresponding spot purchase or inventory.

It is the policy of the Group not to enter into any derivative contracts purely for speculative purpose.

Finance Costs

Finance costs decreased by 18.3% from HK\$147.4 million in 2008 to HK\$120.4 million in 2009, mainly due to the interest expenses of the Senior Notes. Under the terms of the Senior Notes, in the event that the Senior Notes were redeemed between interest dates (23 April and 23 October of each year), the Group would be required to pay the principal amount of the Senior Notes together with accrued and unpaid interest to the next interest payment date. The Senior Notes were redeemed on 23 June 2009 as triggered by the listing of the Company, and interest accrued from 24 April 2009 to 23 October 2009 was paid upon redemption. Total interest accrued for the year ended 31 December 2009 (approximately 10 months) amounted to HK\$111.0 million was paid and recorded as finance costs for the year, whereas interest of HK\$125.0 million for 12 months was accrued for the year ended 31 December 2008.

Profit Attributable to Owners of the Company and Dividend

The profit attributable to owners of the Company for the year ended 31 December 2009 grew by 62.5% to HK\$478.4 million as compared with HK\$294.4 million for the last year.

No interim dividend for the first half of the current year was declared to the shareholders. For the year ended 31 December 2009, the directors have proposed a final dividend of HK12 cents per share, which will aggregate to approximately HK\$125.4 million.

衍生金融工具的公允值變動

公允值變動代表用作對沖本集團購入貨品及存貨的金屬商品期貨合約的公允值變動所產生的收益或虧損。年內，金屬商品價格上升，導致用作對沖相應採購該等商品現貨或存貨的期貨合約錄得虧損。

本集團的政策不會純為從事投機活動而訂立任何衍生工具合約。

融資成本

融資成本由二零零八年的1.474億港元減少18.3%至二零零九年1.204億港元，主要為優先票據的利息開支。根據優先票據的條款，倘優先票據於利息付款日（每年四月二十三日及十月二十三日）期間贖回，則本集團須支付優先票據的本金金額連同截至下一個利息付款日的累計及未付利息。由於本公司上市觸發優先票據於二零零九年六月二十三日贖回，故二零零九年四月二十四日至二零零九年十月二十三日累計的利息已於贖回時支付。本公司已支付截至二零零九年十二月三十一日止年度（約十個月）累計的利息合共1.11億港元，並於年內以融資成本入賬，而於截至二零零八年十二月三十一日止年度累計十二個月的利息為1.25億港元。

本公司擁有人應佔溢利及股息

於截至二零零九年十二月三十一日止年度，本公司擁有人應佔溢利較去年2.944億港元增加62.5%至4.784億港元。

本年度上半年並無向股東宣派任何中期股息。截至二零零九年十二月三十一日止年度，董事建議派發末期股息每股12港仙，合共約1.254億港元。



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Working Capital

The inventory turnover of the Group was 22 days for the year ended 31 December 2009 as compared to 12 days for the last year.

The Group's debtors' turnover (including both trade debtors and bills receivable) was 73 days for the year ended 31 December 2009 as compared to 52 days for the last year. The Group generally allows average credit periods of 30 to 60 days and 30 to 90 days to its ferrous and non-ferrous customers, respectively. The increase was primarily due to higher business volume and longer credit period allowed to non-ferrous customers with long-term business relationship.

The Group's creditors' turnover was 20 days for the year ended 31 December 2009 as compared to 14 days for the last year. Credit periods granted by the Group's suppliers ranged up to 60 days. The increase was primarily induced by the increase in the turnover days of the trade debtors and bills receivables. As a result, the Group sought longer credit periods and support from the suppliers.

Liquidity, Financial Resources and Capital Structure

As at 31 December 2009, the Group has net current assets of HK\$2,707.1 million (2008: HK\$630.8 million) of which cash and bank deposits were HK\$827.1 million (2008: HK\$419.4 million).

Total borrowings, including discounted bills, were HK\$591.4 million (2008: HK\$1,140.9 million). They were mainly used to finance the purchases of the Group. The borrowings are denominated in Hong Kong dollars, United States dollars and Renminbi, of which HK\$392.7 million were at fixed rates and HK\$451.6 million were repayable within one year.

The Group's gearing ratio as at 31 December 2009 (total borrowings divided by total assets) was 12.5% (2008: 54.3%).

The Group's transactions and the monetary assets are principally denominated in Renminbi, Hong Kong dollars and United States dollars. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the Year.

營運資金

於截至二零零九年十二月三十一日止年度，本集團的存貨周轉期為22日，去年則為12日。

於截至二零零九年十二月三十一日止年度，本集團的應收款項周轉期（包括應收貿易款項及應收票據）為73日，去年則為52日。本集團一般給予黑色金屬及有色金屬客戶的平均信貸期分別為30至60日及30至90日。周轉期增加的主要原因為業務量上升及本集團給予若干有長期業務關係的有色金屬客戶較長的信貸期。

於截至二零零九年十二月三十一日止年度，本集團的應付款項周轉期為20日，去年則為14日。供應商給予本集團的信貸期最長可達60天。周轉期增加的主要原因為應收貿易款項及應收票據的周轉期增加，因此本集團要求供應商給予更長的信貸期作為支持。

流動資金，財務資源及資本架構

於二零零九年十二月三十一日，本集團的流動資產淨值為27.071億港元（二零零八年：6.308億港元），當中現金及銀行存款為8.271億港元（二零零八年：4.194億港元）。

借款總額（包括貼現票據）為5.914億港元（二零零八年：11.409億港元），主要用作本集團的採購資金。借款以港元、美元及人民幣計值，當中3.927億港元為定息借款，而4.516億港元須於一年內償還。

本集團於二零零九年十二月三十一日的資產負債比率（借款總額除以資產總值）為12.5%（二零零八年：54.3%）。

本集團的交易及貨幣資產主要以人民幣、港元及美元計值。年內，本集團的營運或流動資金並無由於貨幣匯率浮動而出現任何重大困難或受到任何重大影響。



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The Group adopts centralized financing and treasury policies in order to ensure the Group's funding is utilized efficiently. Conservative approach is adopted on monitoring foreign exchange exposure and interest rate risk. Forward contracts were used to hedge the foreign currency exposure in trading activities when it was considered appropriate.

The Group's liquidity position remains strong and the Group possesses sufficient cash and available banking facilities to meet its commitments and working capital requirements. This strong cash position enables the Group to explore investment and business development opportunities when expanding its market share in China.

Capital Expenditure and Capital Commitments

In order to enhance production capacity, the Group invested approximately HK\$93.7 million during the Year (2008: HK\$66.1 million) in the acquisition of new fixed assets. These mainly represented the construction in progress and machinery, deposits paid for land use rights and acquisition of machineries for various plants in China. As at 31 December 2009, the Group made capital expenditure commitments of approximately HK\$306.5 million during the Year (2008: HK\$65.7 million) which were contracted but not provided for in the financial statements. These commitments were mainly related to the acquisition of Jiangyin Container which amounted to HK\$250 million, the remaining amounts were related to machinery for the expansion of the Group's production capacity.

Contingent Liabilities

As at 31 December 2009, the Group had no material contingent liabilities.

Charges on Group Assets

As at 31 December 2009, the Group's banking facilities were mainly collateralised by certain bills receivable amounted to HK\$185.3 million (2008: HK\$304.6 million), bank deposits amounted to HK\$210.4 million (2008: HK\$72.5 million), and certain land and buildings of the Group of approximately HK\$4.5 million (2008: HK\$4.6 million).

為確保集團資金得以有效運用，本集團採用中央財務及庫務政策，並以保守態度監控外匯及利率風險。本集團在認為合適情況下採用遠期合約對沖交易活動的外匯風險。

本集團的流動資金狀況仍然強勁，且擁有充裕現金及可用銀行融資，足以應付承擔及營運資金需要。強勁的現金狀況使本集團可發掘投資及業務發展機會，拓展在中國的市場份額。

資本開支及資本承擔

為提升產能，本集團於年內投資約9,370萬港元（二零零八年：6,610萬港元）增購新固定資產，主要為中國各地新廠房設施之在建工程及機器設備，及繳付土地使用權及機器設備之按金。截至二零零九年十二月三十一日，於財務報表已訂約但尚未撥備的本集團資本開支承擔約為3.065億港元（二零零八年：6,570萬港元）。該等承擔主要涉及收購江陰集裝箱2.5億港元，其餘款項則涉及本集團用作擴充產能的機器。

或然負債

於二零零九年十二月三十一日，本集團並無任何重大或然負債。

抵押本集團資產

於二零零九年十二月三十一日，本集團銀行融資主要以若干應收票據1.853億港元（二零零八年：3.046億港元）、銀行存款2.104億港元（二零零八年：7,250萬港元）及本集團若干土地及樓宇約450萬港元（二零零八年：460萬港元）為抵押。



Management Discussion and Analysis

管理層討論及分析

Employees and Remuneration Policies

As at 31 December 2009, the Group had a workforce of more than 400 people. Salaries of employees are maintained at competitive level and are reviewed annually, with close reference to the relevant labour market and economic situation. The Group has share option schemes whereby employees of the Group are granted options to acquire shares in the Company.

Good relationship has been maintained between the Group and its employees. The Group also provides internal training to staff and pays out bonuses based upon staff performance and profits of the Group.

僱員及薪酬政策

於二零零九年十二月三十一日，本集團有逾400名員工。員工薪酬維持於競爭水平，並會每年檢討，屆時會密切參考有關勞工市場及經濟情況。本公司設有購股權計劃，僱員獲授購股權，以認購本公司股份。

本集團與僱員的關係良好。本集團亦向員工提供內部培訓及根據員工表現及本集團盈利發放花紅。



CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance. The board of directors (the “Board”) of the Company believes that sound and good corporate governance practices are essential for the growth of the Group and for safeguarding and maximizing shareholders’ interests.

The Company has followed the principles and complied with all applicable code provisions set out in the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since the listing of the shares of the Company on the Main Board of the Stock Exchange on 22 June 2009 (the “Listing Date”), save for the deviation from code provision A.2.1 which is explained below.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the statutory requirements and the CG Code and align with the latest developments.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions of the directors, senior management and relevant employees (who, because of their office in the Group, are likely to be in possession of unpublished price sensitive information in relation to the Company or its securities) of the Group (the “Own Code”) on terms no less exacting than the required standard of dealings set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules.

Having made specific enquiry of all directors, all the members of the Board have confirmed that they have complied with the required standard as set out in the Model Code and the Own Code throughout the period from the Listing Date to 31 December 2009 (the “Relevant Period”). No incident of non-compliance of the Own Code during the Relevant Period by the senior management and relevant employees was noted by the Company.

企業管治常規

本公司致力保持高水準的企業管治。本公司董事會（「董事會」）相信，健全良好的企業管治常規為本集團增長及保障及創造股東最大利益的關鍵。

本公司自股份於二零零九年六月二十二日（「上市日期」）在香港聯合交易所有限公司（「聯交所」）主板上市起，一直遵守聯交所證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「企業管治守則」）的所有適用守則條文，除偏離下文所闡釋第A.2.1條守則外。

本公司會不斷因應本公司業務的操作及增長增強企業管治常規，並不時檢討企業管治常規，確保遵守法定規則及企業管治守則並符合最新發展。

董事的證券交易

本公司已採納一套不比上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」）所載買賣標準規定寬鬆的行為守則作為本集團董事、高級管理層及相關僱員（基於彼在本集團的職位而可能取得有關本公司或其證券的未公開股價敏感資料）進行買賣證券的守則（「本公司守則」）。

經向全體董事作出明確查詢後，全體董事確認，彼等於上市日期起至二零零九年十二月三十一日止期間（「有關期間」）一直遵守標準守則及本公司守則所載規定準則。於有關期間，本公司並無發現任何高級管理層或相關僱員違反本公司守則的事件。



BOARD OF DIRECTORS

Composition and Role

The Board currently comprises two executive directors, one non-executive director and three independent non-executive directors as follows:

Executive Directors:

Mr. Chun Chi Wai (*Chairman and Chief Executive Officer*)

Mr. Jiang Yan Zhang (*Chief Operating Officer*)

Non-executive Director:

Ms. Lai Wun Yin

Independent Non-executive Directors:

Mr. Chan Iu Seng

Mr. Chan Kam Hung

Mr. Leung Chong Shun

The Board has in its composition a balance of expertise, skills and experience necessary for independent decision-making. The Board at all times during the Relevant Period met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise. Save that Ms. Lai Wun Yin is the spouse of Mr. Chun Chi Wai, there are no other financial, business, family or other material relationships among other members of the Board.

The Board, with the assistance of the senior management, forms the core management team of the Company. The Company has formalised and adopted the written terms on the division of functions reserved to the Board and those delegated to the management. The Board has the overall responsibility for formulating the business strategies and development plan and making key decisions of the Group whereas the senior management are responsible for the supervision and implementation of the plans of the Group. The Board also monitors the financial performance and the internal controls of the Group's business operations.

董事會

組成及角色

董事會現包括兩名執行董事、一名非執行董事及三名獨立非執行董事，詳情如下：

執行董事：

秦志威先生 (*主席兼行政總裁*)

姜延章先生 (*營運總監*)

非執行董事：

黎煥賢女士

獨立非執行董事：

陳耀星先生

陳錦雄先生

梁創順先生

董事會具備獨立決策所需的各項專長、技能及經驗。於有關期間，董事會一直遵守上市規則有關委任至少有三名獨立非執行董事，且其中至少有一名獨立非執行董事擁有合適專業資格、會計或有關財務管理專長的規定。除黎煥賢女士為秦志威先生之配偶外，董事會成員之間概無任何其他財務、業務、家族或其他重大關係。

在高級管理層的協助之下，董事會為本公司核心管理團隊。本公司已制訂並採用有關董事會自行負責及授權管理層負責的各項職權分工的書面條文。董事會整體負責制定業務策略及發展計劃並作出有關本集團的重大決定，而高級管理層則負責監督及實行本集團計劃。董事會亦監控本集團業務的財務表現及內部監控。



Independent non-executive directors

The independent non-executive directors also serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. The Company has received written annual confirmation from each independent non-executive director of his independence pursuant to Rule 3.13 of the Listing Rules. The Board considers that all independent non-executive directors are independent in character and judgment in accordance with the independence guideline as set out in the Listing Rules.

Board meetings

Notice of regular board meetings are served to all directors at least 14 days before the meetings. For other board meetings, reasonable notice is generally given. Agenda setting out the matters to be discussed and the relevant documents are sent out in full to all directors within reasonable time before the meeting.

Draft minutes of each board meetings is circulated to the directors for comment within a reasonable time prior to confirmation. Minutes of Board meetings and meetings of Board committees are kept by the duly appointed secretaries of the respective meetings and are available for inspection by all directors at all reasonable time. All directors have full access to the board papers and related materials, and are provided with adequate information on a timely manner.

During the Relevant Period, two full board meetings were held and the individual attendance records of each director is set out below:

Name of directors

董事名稱

Mr. Chun Chi Wai	秦志威先生
Mr. Jiang Yan Zhang	姜延章先生
Mr. Wong Hok Leung (resigned on 11 November 2009)	王學良先生(於二零零九年十一月十一日辭任)
Ms. Lai Wun Yin	黎煥賢女士
Mr. Chan Lu Seng	陳耀星先生
Mr. Chan Kam Hung	陳錦雄先生
Mr. Leung Chong Shun	梁創順先生

獨立非執行董事

獨立非執行董事同時身負重任確保及監察有效企業管治架構的基礎。根據上市規則第3.13條，本公司取得各獨立非執行董事有關其獨立性的年度書面確認函。董事會認為依據上市規則的獨立指引，所有獨立非執行董事於其角色及判斷方面均為獨立人士。

董事會會議

如舉行董事會常規會議，將於會議舉行前最少14日通知全體董事，而其他董事會會議，則一般會發出合理通知。載有討論事項的議程及全部有關文件會於會議前合理時間內寄予所有董事。

董事會會議的會議記錄草本會於確認前合理時間內供董事傳閱評論。董事會會議及董事委員會會議記錄由正式獲委任之會議秘書保存且可在合理時間內供全體董事查閱。而全體董事可翻閱所有董事會文件及有關材料，並獲及時提供足夠資料。

於有關期間共舉行兩次董事會會議，各董事出席情況如下：

Attendance/ No. of meetings held during the tenure of directorship 出席次數／董事任期內 舉行的會議次數

Mr. Chun Chi Wai	秦志威先生	2/2
Mr. Jiang Yan Zhang	姜延章先生	2/2
Mr. Wong Hok Leung (resigned on 11 November 2009)	王學良先生(於二零零九年十一月十一日辭任)	1/1
Ms. Lai Wun Yin	黎煥賢女士	2/2
Mr. Chan Lu Seng	陳耀星先生	2/2
Mr. Chan Kam Hung	陳錦雄先生	2/2
Mr. Leung Chong Shun	梁創順先生	2/2



CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Chun Chi Wai currently holds both the offices of Chairman and Chief Executive Officer of the Company. The Board considers that the current structure of vesting the roles of Chairman and Chief Executive Officer in the same person will not impair the balance of power and authority within the Board as all major decisions are made in consultation with members of the Board as well as the senior management of the Company.

The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

NON-EXECUTIVE DIRECTORS

The term of the service contract of Ms. Lai Wun Yin, as the non-executive director, is one year commencing from the Listing Date, which may be terminated by not less than 3 months' notice in writing served by either party on the other, whereas all the independent non-executive directors are appointed for an initial term commencing from 22 May 2009 to the conclusion of the next annual general meeting of the Company. All directors (including the executive directors) are subject to retirement by rotation at least once every three years at the annual general meeting of the Company and are eligible for re-election pursuant to the Company's articles of association.

REMUNERATION COMMITTEE

The Company has established a remuneration committee with written terms of reference in compliance with the CG Code. As at the date of this report, the remuneration committee comprises four members, namely Mr. Chan Lu Seng (Chairman), Mr. Chun Chi Wai, Mr. Chan Kam Hung and Mr. Leung Chong Shun, the majority of them are independent non-executive directors.

主席及行政總裁

企業管治守則第A.2.1條規定主席及行政總裁之職能應分開而不應由一人兼任。

秦志威先生現擔任本公司之主席兼行政總裁。董事會認為，由於所有重大決策乃經本公司之董事會成員及高級管理層磋商作出，故主席及行政總裁由一人兼任的現有架構不會有損董事會的權責平衡。

董事會認為主席及行政總裁由一人兼任為本公司提供穩固統一的領導團隊，可有效作出充分的規劃及實施業務決策及策略。

非執行董事

非執行董事黎煥賢女士的服務合約期限為自上市日期起為期一年，可由任何一方發出不少於3個月的事先書面通知而終止，而委任所有獨立非執行董事初步期限為自二零零九年五月二十二日起至本公司下屆股東週年大會結束時止，全體董事（包括執行董事）均須根據本公司組織章程細則每三年最少一次在本公司的股東週年大會輪流退任並合資格重選連任。

薪酬委員會

本公司已成立薪酬委員會，並遵照企業管治守則制訂書面職權範圍。於本報告日期，薪酬委員會共有四名成員，包括陳耀星先生（主席）、秦志威先生、陳錦雄先生及梁創順先生，主要成員為獨立非執行董事。



The remuneration committee makes recommendations to the Board on the Group's overall policy and structure for the remuneration packages of the directors and the senior management. The remuneration committee is also responsible for establishing formal and transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her associates will participate in deciding his/her own remuneration.

The remuneration committee held two meetings during the Relevant Period to review and approve the remuneration and bonus package of the directors and the senior management, the employment contracts of new senior staff and other related matters. It has also reviewed and approved the level of pay-rise, fringe benefits and payment of discretionary bonus to the general staff. In determining the emolument payable to directors, the remuneration committee takes into consideration factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors and the desirability of performance based remuneration.

The attendance records of the meetings of the remuneration committee are set out below:

薪酬委員會就本集團整體薪酬政策及董事與高級管理層之薪酬組合架構向董事會提供建議，亦負責成立改進薪酬政策及架構的正式和透明程序，確保無董事及彼等之任何聯繫人參與釐定彼之薪酬。

薪酬委員會於有關期間的舉行兩次會議，檢討及批准董事及高級管理層之薪酬及花紅組合，新任高級僱員之僱用合約及其他有關事項，亦檢討及批准普通員工的薪資漲幅、額外福利及酌情花紅。釐定支付予董事的酬金時，薪酬委員會會考慮可比較公司之工資、董事所投入的時間及職責與按表現釐定薪酬之可行性。

薪酬委員會會議之出席記錄如下：

Name of committee members

委員會成員姓名

Mr. Chan Lu Seng (<i>Chairman</i>)	陳耀星先生 (主席)
Mr. Chun Chi Wai	秦志威先生
Mr. Chan Kam Hung	陳錦雄先生
Mr. Leung Chong Shun	梁創順先生

Attendance/ No. of meetings held during the tenure of directorship 出席次數／董事任期內 舉行的會議次數

2/2
2/2
2/2
2/2

NOMINATION OF DIRECTORS

The Company has not established a nomination committee. The Board as a whole is responsible for reviewing the structure, size and composition of the Board by reference to the business model of the Company and the market conditions, with a view to appoint to the Board suitable candidates with relevant experience and capabilities to maintain and improve the competitiveness of the Company.

董事提名

本公司並無成立提名委員會。董事會根據本公司的業務模式及市場狀況，整體負責檢討董事會的架構、規模與組成，旨在委任具備合適經驗及能力的人士加入董事會，以保持及提升本公司之競爭力。



Corporate Governance Report

企業管治報告

Where vacancies on the Board exist, the Board will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, including the independence status in the case of an independent non-executive director, the Company's needs and other relevant statutory requirements and regulations.

The appointment, re-election and removal of directors are governed by the Company's articles of association. Pursuant to the Company's articles of association, any director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting, whereas any director appointed as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. In addition, at each annual general meeting of the Company, one-third of the directors shall retire from office by rotation and be eligible for re-election thereat, such that all directors should be subject to retirement by rotation at annual general meeting at least once every three years.

AUDITORS' REMUNERATION AND REPORTING RESPONSIBILITIES

During the financial year ended 31 December 2009, the remuneration paid to Messrs. Deloitte Touche Tohmatsu, the Company's external auditors in respect of audit services and other non-audit services amounted to approximately HK\$3,200,000 and HK\$3,112,000 respectively.

The non-audit services included services in preparation of the accountant report for the initial public offering amounting to approximately HK\$2,986,000, tax related services and others.

The statement of the Company's external auditors regarding their reporting responsibilities on the consolidated financial statements for the year ended 31 December 2009 is set out in the section of "Independent Auditor's Report" in this annual report.

董事會出現空缺時，董事會將考慮建議後選人之技能、經驗、專業知識、個人誠信及投入的時間，包括倘為獨立非執行董事之獨立性，本公司需求及其他有關法例規定及法規進行挑選。

董事的委任、重選及罷免均須遵守本公司組織章程細則。根據本公司組織章程細則，獲委任填補董事會臨時空缺的任何董事。其任期至獲委任後本公司的首次股東大會為止，並須於該大會重選連任，而獲委任加入董事會的任何新任董事任期至本公司下屆股東週年大會止，並將合資格重選連任。此外，於本公司之股東週年大會上，三分之一的董事須輪流退任並合資格重選連任，故所有董事須少每三年至少一次於股東週年大會輪流退任。

核數師薪酬及申報責任

於截至二零零九年十二月三十一日止年度，就審核服務及其他非審核服務而付予本公司外聘核數師德勤·關黃陳方會計師行的薪酬分別約為3,200,000港元及3,112,000港元。

非審核服務包括為首次公開發售編製會計師報告的服務（共約2,986,000港元）、稅務相關服務及其他。

有關本公司外聘核數師對截至二零零九年十二月三十一日止年度綜合財務報表的申報責任陳述載於本年報「獨立核數師報告」一節。



AUDIT COMMITTEE

The audit committee has been established with written terms of reference based upon the provisions and recommended practices of the CG Code. As at the date of this report, the audit committee comprises three independent non-executive directors, namely Mr. Chan Kam Hung (Chairman), Mr. Chan Lu Seng and Mr. Leung Chong Shun.

The Board considers that each of the audit committee members has broad commercial experience and there is a suitable mix of expertise in legal, business and accounting in the audit committee. The composition of the audit committee complies with the requirements under Rule 3.21 of the Listing Rules. None of the members of the audit committee is a former partner of the Company's existing external auditors.

The main duties of the audit committee include the following:

- To review the financial statements and reports and consider any significant or unusual items raised by the external auditors before submission to the Board.
- To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement and make recommendations to the Board on the appointment, re-appointment and removal of external auditors.
- To review the adequacy and effectiveness of the Company's financial reporting system, internal control system, risk management system and the associated procedures.

The audit committee provides supervision on the internal control system of the Group and reports to the Board on any material issues and makes recommendations to the Board.

審核委員會

本公司已成立審核委員會，並遵照企業管治守則條文及建議常規訂立書面職權範圍。於本報告日期，審核委員會成員包括三名獨立非執行董事，即陳錦雄先生（主席）、陳耀星先生及梁創順先生。

董事會認為各審核委員會成員擁有廣泛從商經歷，而整體審核委員會具備適當法律、商業及會計專業知識。審核委員會之組成及成員符合上市規則第3.21條規定。審核委員會成員並非本公司現任外聘核數師的前合夥人。

審核委員會之主要職責包括以下：

- 審閱財務報表及報告並考慮外聘核數師於提交上述報表及報告予董事會前所作出的任何重大或特別查詢項目。
- 參照核數師的工作、費用及聘用條款，審閱與外聘核數師之關係，並就委任、續聘及罷免外聘核數師向董事會提供建議。
- 審閱本公司財務申報系統、內部監控系統、風險管理系統及有關程序是否足夠及有效。

審核委員會監督本集團內部監控系統，且就任何重大問題向董事會報告並提供建議。



Corporate Governance Report 企業管治報告

During the Relevant Period, the audit committee has reviewed the Group's interim results and the results announcement for the six months ended 30 June 2009, the Group's quarterly results for the nine months ended 30 September 2009, the respective financial reporting, risk management and compliance procedures, the report on the Company's internal controls and processes and the independence, remuneration and terms of engagement of the external auditors. The audit committee has also reviewed and was satisfied with the effectiveness of the system of internal control of the Group including the adequacy of the resources, qualifications and experience of the employees of the Group's accounting and financial reporting function, and their training programmes and budget.

The audit committee held two meetings during the Relevant Period and the attendance records are set out below:

於有關期間內，審核委員會已審閱本集團截至二零零九年六月三十日止六個月之中期業績及業績公佈，截至二零零九年九月三十日止九個月之季度業績、相關的財務申報、風險管理及合規程序、有關本公司內部監控與程序的報告及外聘核數師之獨立性、薪酬與聘用條款。審核委員會亦已審閱並滿意本集團內部監控系統的成效，包括本集團會計及財務申報部門的資源、僱員資格及經驗以及培訓方案與預算。

審核委員會於有關期間舉行兩次會議，出席記錄如下：

Name of committee members

委員會成員姓名

Mr. Chan Kam Hung (Chairman)	陳錦雄先生 (主席)
Mr. Chan Lu Seng	陳耀星先生
Mr. Leung Chong Shun	梁創順先生

Attendance

No. of meetings held during the tenure of directorship

出席次數／董事任期內
舉行的會議次數

2/2
2/2
2/2

INTERNAL CONTROLS

The Board has the overall responsibility for the system of internal control of the Group and for reviewing its effectiveness. During the Relevant Period, the Board has appointed an external professional consultant to perform an internal controls and system review.

The Board is committed to implementing an effective and sound internal control system to safeguard the interest of the shareholders and the Group's assets. The Board has delegated to the executive management the implementation of the system of internal control and the review of all relevant financial, operational, compliance and risk management functions within an established framework.

內部監控

董事會整體負責本集團內部監控系統並檢討其成效。於有關期間內，董事會委任外聘專業顧問進行內部監控及系統審閱。

董事會致力實施有效及健全的內部監控系統，保障股東權益及本集團資產。董事會已委任管理層實施內部監控系統及審閱既定架構內全部有關財務、營運、合規及風險管理職能。



DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for ensuring that the financial statements for each financial year are prepared to reflect a true and fair view of the state of affairs, profitability and cash flows of the Group in accordance with the disclosure requirements of the Listing Rules, Hong Kong Companies Ordinance and the applicable accounting standards.

The directors acknowledge their responsibility for preparing the financial statements of the Group for the financial year ended 31 December 2009. In preparing the financial statements of the Group for the financial year ended 31 December 2009, the directors have adopted appropriate and consistent accounting policies and made prudent and reasonable judgments and estimations. The directors are responsible for maintaining proper accounting records which reflect with reasonable accuracy the state of affairs, operating results, cash flows and equity movements of the Group at all time.

INVESTOR RELATIONS AND COMMUNICATION

The Board is committed to providing clear and full information about the Group's performance to the shareholders through the publication of interim results and annual results in a timely manner. In addition to dispatching circulars, notices and financial reports to the shareholders, additional information is also available to the shareholders on the website of the Company.

董事有關財務報表的責任

董事負責確保根據上市規則、香港公司條例及適用會計準則的披露規定編製各財政年度之財務報表以真實公允反映本集團的業務狀況、盈利能力及現金流量。

董事確認彼等有編製本集團截至二零零九年十二月三十一日止年度的財務報表的責任。於編製本集團截至二零零九年十二月三十一日止財政年度之財務報表時，董事採用合適及一貫會計政策，並作出審慎合理判斷及估計。董事負責保存反映本集團業務狀況、經營業績、現金流量及股權變動的適當會計記錄。

投資者關係及溝通

董事會致力通過適時刊發中期業績及年度業績向股東提供本集團表現的明晰資料。除向股東寄發通函、通告及財務報告外，亦會於本公司網站刊發附加資料供股東查閱。



Profile of Directors and Senior Management 董事及高級管理層履歷

DIRECTORS

Our board of directors currently consists of six members, including two executive directors, one non-executive director and three independent non-executive directors.

Executive Directors

Chun Chi Wai (秦志威), aged 44

Mr. Chun is an executive director and the Chairman, Chief Executive Officer of the Company. Mr. Chun is also the director of Wellrun Limited, controlling shareholder of the Company. Mr. Chun serves as a member of the remuneration committee of the Company and is a director of various subsidiaries of the Group. Mr. Chun co-founded the Group with Ms. Lai Wun Yin and is responsible for the overall strategic planning and business management. Mr. Chun has over 16 years of experience in the business of scrap metal recycling and trading, port operations and shipping, including serving as general manager and executive director of Whampoa Materials (Hong Kong) Company Limited from 1995 to 2000 and Guangzhou Zhujiang Port Co. Ltd from 2003 to 2006. He served as a director of the 33rd and the 35th term of the board of directors of Yan Chai Hospital. From 2004 to 2006, he was a committee member of the People's Political Consultative Committee of Guangzhou Huang Pu District. Mr. Chun is currently a standing committee member of the China Association of Metal Scrap Utilization and a director of Guangzhou Zhujiang Port Co. Ltd. Mr. Chun is the spouse of Ms. Lai Wun Yin.

Jiang Yan Zhang (姜延章), aged 55

Mr. Jiang is an executive director of the Company and the Chief Operating Officer of the Group. Mr. Jiang also serves as a director of various subsidiaries of the Group. Mr. Jiang joined the Group in December 2003 and is responsible for various aspects of overall operations such as production, procurement, quality control, marketing and sales. Mr. Jiang has over 38 years of experience in the business of metal production. Prior to joining the Group, Mr. Jiang served various management positions in Guangdong Shaogang Company Group from 1970 to 2003, including the manager of scrap steel department and the safety and environmental department. Mr. Jiang is currently a director of Guangzhou Zhujiang Port Co. Ltd. Mr. Jiang received his Bachelor's Degree in Philosophy from Zhongshan University in 1989 and a Master's Degree in Business Administration from Macau University of Science and Technology in 2003.

董事

本公司現時董事會由六名成員組成，包括兩名執行董事、一名非執行董事以及三名獨立非執行董事。

執行董事

秦志威，44歲

秦先生為本公司的執行董事、主席兼行政總裁，亦為本公司控股股東好運有限公司的董事。秦先生為本公司薪酬委員會成員，並兼任本集團多家附屬公司的董事。秦先生與黎煥賢女士共同創辦本集團，負責總體策略規劃及業務管理。秦先生在再生金屬資源及貿易、港口營運及航運業務方面擁有逾16年經驗（包括於一九九五年至二零零零年擔任黃埔物資（香港）有限公司的總經理兼執行董事及於二零零三年至二零零六年擔任廣州珠鋼碼頭有限公司的總經理兼董事）。彼曾擔任仁濟醫院第33屆及第35屆董事會成員。自二零零四年至二零零六年，彼為廣州市黃埔區人民政治協商會議委員。秦先生目前為中國廢鋼鐵應用協會常務委員及廣州珠鋼碼頭有限公司的董事。秦先生為黎煥賢女士之配偶。

姜延章，55歲

姜先生為本公司執行董事兼本集團營運總監。姜先生亦擔任本集團多家附屬公司的董事。姜先生於二零零三年十二月加盟本集團，負責本集團整體業務多方面的工作，如生產、採購、質量控制、市場推廣及銷售。姜先生在金屬生產業務方面擁有逾38年經驗。在加盟本集團之前，姜先生曾在一九七零年至二零零三年期間於廣東韶關鋼鐵集團有限公司擔任多個管理層職位，包括廢鋼鐵部門及安全及環保部門經理。姜先生目前為廣州珠鋼碼頭有限公司董事。姜先生於一九八九年獲中山大學哲學學士學位，並於二零零三年獲澳門科技大學工商管理學碩士學位。



Profile of Directors and Senior Management 董事及高級管理層履歷

Non-executive Director

Lai Wun Yin (黎煥賢), aged 39

Ms. Lai is a non-executive director of the Company and serves as a non-executive director of various subsidiaries of the Group. Ms. Lai co-founded the Group with Mr. Chun Chi Wai. Ms. Lai had secondary education and has over 9 years of experience in financial and administrative management. Ms. Lai is the spouse of Mr. Chun Chi Wai.

Independent Non-executive Directors

Chan Lu Seng (陳耀星), aged 65

Mr. Chan joined the Company as an independent non-executive director on 22 May 2009. Mr. Chan also serves as the chairman of the remuneration committee and is a member of the audit committee of the Company. Mr. Chan has served as the Chairman of Vimchamp Holdings Ltd., a company in the garment manufacturing and property investment business, for over 21 years. Mr. Chan was appointed as a Justices of the Peace for being actively involved in a variety of public service organisations and has been awarded the Bronze Bauhinia Star in Hong Kong in recognition of his service. He has also served on a number of public boards, including a lay observer of Independent Police Complaints Council Lay Observer Scheme (IPCC), an appointed councilor of Tsuen Wan District Council and the Chairman of Tsuen Wan District Fight Crime Committee.

Chan Kam Hung (陳錦雄), aged 51

Mr. Chan joined the Company as an independent non-executive director on 22 May 2009. Mr. Chan also serves as the chairman of the audit committee and is a member of the remuneration committee of the Company. Mr. Chan has over 26 years of auditing, accounting and corporate management experience and he held senior corporate management positions in multi-national companies and listed companies in Hong Kong. He is currently an executive director and chief operating officer of Road King Infrastructure Limited (Stock code: 1098). Mr. Chan received a Bachelor of Economics degree from the University of Sydney in 1980. He is a member of the Institute of Chartered Accountant of Australia and a fellow member of The Hong Kong Institute of Certified Public Accountants.

非執行董事

黎煥賢，39歲

黎女士為本公司非執行董事並擔任本集團多家附屬公司的非執行董事。黎女士與秦志威先生共同創辦本集團。黎女士曾接受中學教育並於財務及行政管理方面擁有逾九年經驗。黎女士為秦志威先生之配偶。

獨立非執行董事

陳耀星，65歲

陳先生於二零零九年五月二十二日加盟本公司擔任獨立非執行董事。陳先生亦擔任本公司薪酬委員會主席兼審核委員會成員。陳先生出任 Vimchamp Holdings Ltd. 主席逾 21 年，該公司從事成衣製造及物業投資行業。陳先生因積極參加多個公眾服務組織而獲委任為太平紳士，並獲頒銅紫荊星章以表揚其服務。彼亦擔任多項公職，包括投訴警方獨立監察委員會（警監會）觀察員、荃灣區議會委任議員及荃灣區撲滅罪行委員會主席。

陳錦雄，51歲

陳先生於二零零九年五月二十二日加盟本公司擔任獨立非執行董事。陳先生亦擔任本公司審核委員會主席兼薪酬委員會成員。陳先生擁有逾 26 年的審計、會計及企業管理經驗，並曾於跨國公司及香港上市公司擔任高級企業管理層職務。彼目前為路勁基建有限公司（股份代號：1098）的執行董事及營運總監。陳先生於一九八零年獲澳洲雪梨大學經濟學學士學位。彼為澳洲特許會計師公會會員，亦為香港會計師公會資深會員。



Profile of Directors and Senior Management 董事及高級管理層履歷

LEUNG Chong-shun (梁創順), aged 44

Mr. Leung joined the Company as an independent non-executive director on 22 May 2009. Mr. Leung is also a member of the audit committee and the remuneration committee of the Company. Mr. Leung joined Woo, Kwan, Lee & Lo, a law firm in Hong Kong since 1989 and became a partner of Woo, Kwan, Lee & Lo since September 1997. Mr. Leung has served as an independent non-executive director of Lijun International Pharmaceutical (Holding) Co., Ltd. (Stock code: 2005) since October 2005 and China National Materials Company Limited (Stock code: 1893) since July 2007. Mr. Leung received a Bachelor of Laws degree in 1988 and the Postgraduate Certificate in Laws in 1989 from the University of Hong Kong. He qualified as a solicitor in Hong Kong and England & Wales in 1991 and 1994 respectively.

SENIOR MANAGEMENT

Below is the biography of each of our key management members:

Fung Ka Lun (馮嘉倫), aged 35

Mr. Fung, joined the Group in November 2009, is the Corporate Finance President and the Group Vice President of the Company. Mr. Fung is responsible for the overall strategic planning and business management and corporate finance. Mr. Fung was graduated from the Imperial College of Science, Technology and Medicine, the University of London, with a Master of Science degree in Finance. Mr. Fung has extensive experience in corporate finance and financial management. Prior to joining the Company, Mr. Fung was a director in the Investment Banking Division of UBS AG. Before joining the banking sector, Mr. Fung worked in the Audit Division of KPMG.

梁創順，44歲

梁先生於二零零九年五月二十二日加盟本公司擔任獨立非執行董事。梁先生亦為本公司審核委員會及薪酬委員會成員。梁先生自一九八九年起加入香港律師行胡關李羅律師行，並自一九九七年九月起成為胡關李羅律師行的合夥人。梁先生自二零零五年十月起擔任利君國際醫藥(控股)有限公司(股份代號：2005)的獨立非執行董事，並自二零零七年七月起擔任中國中材股份有限公司(股份代號：1893)的獨立非執行董事。梁先生於一九八八年獲香港大學法律學士學位，並於一九八九年獲法學深造證書。彼分別於一九九一年及一九九四年在香港以及英格蘭及威爾士成為合資格律師。

高級管理層

下文為本公司各主要管理人員的履歷：

馮嘉倫，35歲

馮先生於二零零九年十一月加入本集團，擔任本公司企業融資總裁兼集團副總裁。馮先生負責整體策略規劃及業務管理與企業融資。馮先生畢業於倫敦大學Imperial College of Science, Technology and Medicine，獲金融科學碩士學位。馮先生在企業融資及財務管理方面擁有豐富經驗。加入本公司前，馮先生曾任瑞士銀行集團投資銀行部董事。加入銀行業前，馮先生曾於畢馬威會計師事務所審核部任職。



Profile of Directors and Senior Management 董事及高級管理層履歷

Lam Po Kei Kenneth Greg (林寶基), aged 43

Mr. Lam, joined our Group in 2007, is the Chief Financial Officer of the Group and the Company Secretary of the Company. Mr. Lam also serves as a director of a subsidiary of the Group. Mr. Lam is responsible for supervising financing and accounting matters of the Group. Mr. Lam has over 20 years of experience in accounting and financial management. Mr. Lam holds Master of Business Administration jointly awarded by the University of Wales and University of Manchester. Mr. Lam is a qualified Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants and an associate member of American Institute of Certified Public Accountants.

Liu Hui (劉暉), aged 40

Mr. Liu, joined our Group in 2009, is the general manager of Non-Ferrous Metals of the Group and a director of a subsidiary of the Group. Mr. Liu is responsible for overseeing the overall operations of non-ferrous business of the Group. Mr. Liu has over twenty years of experience in trading, financing and investment of non-ferrous metals business. Mr. Liu graduated from Zhejiang University in China with a bachelor degree in Economic Management. Prior to joining the Group, Mr. Liu was the director of metals & mining division of BNP Paribas Asia. Prior to BNP Paribas Asia, Mr. Liu was the marketing manager of base metals for BHP Billiton in China.

Ma Xian Ming (馬曉明), aged 39

Mr. Ma, joined our Group in 2009, is the general manager of Ferrous Metal Department of Ferrous Scrap Division in Shanghai Region. Mr. Ma is responsible for overseeing the overall operations of the ferrous business of the Group. Mr. Ma has over 14 years of experience in the industry. Mr. Ma holds a Master of Business Administration Degree from Macau University of Science and Technology and the designation of senior economist in the PRC. Prior to joining the Group, Mr. Ma was the senior manager of sales and marketing department of Baosteel Resources Company Ltd.

林寶基，43歲

林先生於二零零七年加盟本集團，獲委任為本集團財務總監及本公司之公司秘書，同時擔任本集團一家附屬公司之董事。林先生負責監管本集團的財務及會計事宜。林先生擁有逾20年的會計及財務管理經驗。林先生持有英國威爾斯大學及曼徹斯特大學聯合頒授的工商管理碩士學位。彼為香港會計師公會、合資格執業會計師以及美國執業會計師公會的會員。

劉暉，40歲

劉先生於二零零九年加入本集團，為本集團有色金屬部總經理兼本集團一間附屬公司董事。劉先生負責監管本集團有色金屬業務的整體運作。劉先生於有色金屬業務之貿易、融資及投資方面擁有逾20年經驗。劉先生畢業於中國浙江大學，持有經濟管理學士學位。加入本集團前，劉先生曾出任法國巴黎銀行亞洲總部金屬及採礦分部主任。在加入法國巴黎銀行前，劉先生曾任必和必拓中國區基本金屬銷售經理。

馬曉明，39歲

馬先生於二零零九年加入本集團，為上海區廢鋼部黑色金屬部總經理。馬先生負責監管本集團黑色金屬業務的整體運作，於該行業擁有逾14年經驗。馬先生持有澳門科技大學工商管理碩士學位及中國高級經濟師職銜。加入本集團前，馬先生曾擔任寶鋼資源有限公司銷售及市場營銷部高級經理。



Profile of Directors and Senior Management 董事及高級管理層履歷

Wang Yu Zhang (王玉璋), aged 44

Mr. Wang, joined our Group in 2003, is the general manager of a major subsidiary of the Group in Guangzhou. Mr. Wang is responsible for overseeing the management and operations of the subsidiary. Mr. Wang graduated from Guangxi University with a bachelor degree in machinery manufacturing and design and holds the designation of intermediate economist in the PRC. Mr. Wang has over 16 years of experience in the administrative management and project investment.

LI Wen-zhe (李文哲), aged 69

Mr. Li, joined our Group in 2003, is the deputy general manager and the General Manager of various subsidiaries of the Group. Mr. Li is responsible for the operation and management matters. Mr. Li has over 33 years of experience in metal production and machinery management. Prior to joining the Group, Mr. Li worked as the head of the Guangzhou Mechanical Engineering Research Institute. Mr. Li is a certified senior engineer. Mr. Li graduated from Dalian University of Technology.

Wu Yue Xing (吳岳興), aged 45

Mr. Wu, joined our Group in 2007, is a director and a minority shareholder of a subsidiary of the Group in Zhangjiagang. Mr. Wu is responsible for overseeing the management and operations of the subsidiary. Mr. Wu has over 25 years of experience in the operation of metal recycling industry. Since 1983, Mr. Wu has developed and operated various business in Zhangjiagang, including scrap metal collection and recycling depots, metal processing and scrap metal recycling. In 2007, Mr. Wu was elected as a committee member of the People's Political Consultative Committee of Zhangjiagang City.

王玉璋，44歲

王先生於二零零三年加入本集團，為本集團位於廣州的主要附屬公司總經理。王先生負責監管該附屬公司的管理及運作。王先生畢業於廣西大學，持有機械製造及設計學士學位，並持有中國中級經濟師職銜。王先生於行政管理及項目投資方面擁有逾16年經驗。

李文哲，69歲

李先生於二零零三年加盟本集團，為本集團多家附屬公司之副總經理及總經理，負責營運及管理事宜。李先生於金屬生產及機械管理方面擁有逾33年經驗。在加盟本集團之前，李先生曾於廣州機械工程研究院擔任領導職務。李先生為認證高級工程師。李先生畢業於大連理工大學。

吳岳興，45歲

吳先生於二零零七年加盟本集團，為本集團位於張家港的附屬公司之董事兼少數股東，負責監管該附屬公司的管理及營運事宜。吳先生於經營金屬回收行業方面擁有逾25年經驗。自一九八三年起，吳先生於張家港發展並經營多項業務，包括廢金屬回收及再生、再生金屬資源、金屬加工及廢鐵再生。於二零零七年，吳先生被推選為張家港市人民政治協商會議委員。



Profile of Directors and Senior Management 董事及高級管理層履歷

Liang Jian Xiong (梁建雄), aged 48

Mr. Liang, joined our Group in 2006, is the general manager of a subsidiary of the Group in Tianjin. Mr. Liang is responsible for overseeing its management and operations of the subsidiary. Mr. Liang has over 10 years of experience in operations and financial management. Prior to joining the Group, Mr. Liang was the vice general manager and financial controller of Shenzhen Guangnan Investment and Development Company Limited.

Wu Han Ming (吳漢明), aged 48

Mr. Wu, joined our Group in 2009, is the general manager of corporate financing in China region. Mr. Wu is responsible for the strategic planning and business management and corporate finance in the PRC region. Mr. Wu has more than 29 years of experience in the field of banking and financing industry. Mr. Wu graduated from Guangdong Provincial Party School, majoring in Financial Management. Before joining the Group, Mr. Wu held senior position with various financial institutions in the PRC. Mr. Wu was formerly the general manager of sales division of Guangzhou Rural Credit Cooperatives Union.

梁建雄，48歲

梁先生於二零零六年加盟本集團，為本集團位於天津的附屬公司之總經理，負責監管該附屬公司的管理及營運事宜。梁先生於營運及財務管理方面擁有逾10年經驗。在加盟本集團之前，梁先生曾任深圳光南茵悅投資發展有限公司副總經理及財務總監。

吳漢明，48歲

吳先生於二零零九年加入本集團，為中國地區企業融資部總經理。吳先生負責中國地區策略規劃及業務管理與企業融資。吳先生於銀行業及金融行業領域累積逾29年經驗。吳先生於廣東省委黨校金融管理本科畢業。加入本集團前，吳先生曾於多家中國金融機構擔任高級職務，亦曾為廣州農村信用合作社銷售部總經理。



The directors present the annual report and the audited consolidated financial statements for the year ended 31 December 2009.

CORPORATE REORGANISATION

The Company was incorporated with limited liability in the Cayman Islands on 18 July 2007.

Pursuant to a reorganisation scheme to rationalise the structure of the Group in preparation for the public listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of the companies now comprising the Group on 30 September 2007. Details of the reorganisation scheme are set out in the prospectus of the Company dated 10 June 2009 (the "Prospectus").

The shares of the Company were listed on the Stock Exchange with effect from 22 June 2009 (the "Listing Date").

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its subsidiaries and an associate are set out in note 43 to the consolidated financial statements.

MAJOR SUPPLIERS AND CUSTOMERS

In 2009, our largest supplier accounted for 20% (2008: 17%) of the total purchases. The five largest suppliers comprised 66% (2008: 45%) of our total purchases.

In 2009, our largest customers accounted for 25% (2008: 30%) of the total revenue. The five largest customers comprised 71% (2008: 73%) of our total revenue.

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

董事謹此提呈截至二零零九年十二月三十一日止年度的年報及經審核綜合財務報表。

公司重組

本公司於二零零七年七月十八日在開曼群島註冊成立為有限公司。

根據重組計劃重整本集團架構以籌備本公司股份於香港聯合交易所有限公司（「聯交所」）公開上市，本公司自二零零七年九月三十日起成為本集團現時旗下各公司之控股公司。重組計劃詳情載於本公司二零零九年六月十日刊發的招股章程（「招股章程」）。

本公司股份自二零零九年六月二十二日（「上市日期」）起於聯交所上市。

主要業務

本公司為投資控股公司，其附屬公司及聯營公司之主要業務載於綜合財務報表附註43。

主要供應商及客戶

二零零九年，本公司最大供應商佔總採購額之20%（二零零八年：17%），而五大供應商佔總採購額之66%（二零零八年：45%）。

二零零九年，本集團最大客戶佔總收益之25%（二零零八年：30%），而五大客戶佔本集團總收益之71%（二零零八年：73%）。

本公司董事、彼等之聯繫人或據董事所知擁有本公司股本5%以上之任何股東，概無於任何上述本集團五大供應商及客戶擁有權益。



RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated statement of comprehensive income on page 52.

No interim dividend was declared for the year. The Board has proposed a final dividend of HK12 cents per ordinary share for the year ended 31 December 2009 subject to the approval of the shareholders at the forthcoming annual general meeting, amounting to HK\$125,400,000 and the retention of the remaining profit. Upon approval of the shareholders, the proposed final dividend will be paid on about 7 June 2010 to the shareholders whose names appear on the register of members of the Company as at 27 May 2010.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 25 May 2010 to Thursday, 27 May 2010, both days inclusive. During such period, no transfer of shares will be registered. In order to qualify for the proposed final dividend and for attending the forthcoming annual general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 24 May 2010.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group had additions of HK\$20,712,000 to property, plant and equipment to expand and upgrade the Group's production facilities.

Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 15 to the consolidated financial statements.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders, including the share premium account, capital reserve and accumulated losses, amounted to approximately HK\$2,068 million as at 31 December 2009.

業績及分派

本集團本年度之業績載於第52頁之綜合全面收益表。

本年度並無宣派中期股息。董事會建議派付於截至二零零九年十二月三十一日止年度末期股息每股普通股12港仙，合共125,400,000港元及保留餘下溢利，股息派發須於應屆股東週年大會待股東批准。建議末期股息獲股東批准後，將約於二零一零年六月七日向於二零一零年五月二十七日名列本公司股東名冊的股東派付。

暫停辦理股東登記手續

本公司將於二零一零年五月二十五日(星期二)至二零一零年五月二十七日(星期四)(首尾兩日包括在內)暫停辦理股東登記手續，期間不會登記任何股份轉讓。股東如欲符合資格獲取擬派末期股息及出席應屆股東週年大會，必須不遲於二零一零年五月二十四日(星期一)下午四時三十分將所有填妥的過戶表格及相關股票送交本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26號，以辦理登記手續。

物業、廠房及設備

年內，本集團添置物業、廠房及設備共值20,712,000港元，以擴充及提升本集團生產設施。

本集團添置物業、廠房及設備及年內相關之其他變動詳情載於綜合財務報表附註15。

本公司可供分派儲備

於二零零九年十二月三十一日，本公司可供分派予股東之儲備(包括股份溢價、資本儲備及累積虧損)約為20.68億港元。



Under the Companies Law (Revised) Chapter 22 of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its memorandum and articles of association and provided that immediately following the distribution or dividend, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's articles of association, dividends shall be distributed out of the retained profits or other reserves, including the share premium account and capital reserve, of the Company.

SHARE CAPITAL

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

FUNDS RAISED BY THE COMPANY'S INITIAL PUBLIC OFFERING AND USE OF PROCEEDS

The Company was listed on the Stock Exchange during the year and proceeds, net of listing expenses, amounted to approximately HK\$1,685 million, were raised by the public offering. During the year ended 31 December 2009, the net proceeds were utilised as follows:

		HK\$'million 百萬港元
Redemption of secured guaranteed senior notes	贖回有抵押擔保優先票據	781
Purchase of inventory	購買存貨	449
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備所付按金	33
Purchase of property, plant and equipment	購置物業、廠房及設備	20
Deposits paid for land use rights	土地使用權所付按金	18

The remaining balance of the net proceeds was deposited in banks in the People's Republic of China and Hong Kong and will be used for the intended uses as set out in the Prospectus.

根據開曼群島法例第22章公司法(經修訂)，在組織章程大綱或細則規限下，本公司之股份溢價可供向股東分派用作派付股息，惟於緊隨分派或股息派付後，本公司須有能力償還其於日常營運到期之債務。根據本公司組織章程細則，股息須自本公司保留溢利或其他儲備(包括股份溢價及資本儲備)分派。

股本

本公司年內之股本變動詳情載於綜合財務報表附註35。

本公司首次公開發售所籌集款項及所得款項用途

本公司於年內在聯交所上市，扣除上市費用後，自公開發售的所得款項約為16.85億港元。截至二零零九年十二月三十一日止年度，所得款項淨額的用途如下：

所得款項淨額餘額已存入中華人民共和國及香港的銀行並將用作招股章程所述的擬定用途。



DIRECTORS

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

Executive directors:

Mr. Chun Chi Wai (Chairman and Chief Executive Officer)
Mr. Jiang Yan Zhang (Chief Operating Officer)
Mr. Wong Hok Leung (Deputy Chief Executive Officer and
Chief Financial Officer)
(resigned on 11 November 2009)

Non-executive director:

Ms. Lai Wun Yin

Independent non-executive directors:

Mr. Chan Iu Seng
(appointed on 22 May 2009)
Mr. Chan Kam Hung
(appointed on 22 May 2009)
Mr. Leung Chong Shun
(appointed on 22 May 2009)

In accordance with Article 84(1) of the Company's articles of association, Mr. Chun Chi Wai, Mr. Jiang Yan Zhang and Ms. Lai Wun Yin shall retire from office by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

In accordance with Article 83(3) of the Company's articles of association, Mr. Chan Iu Seng, Mr. Chan Kam Hung and Mr. Leung Chong Shun shall retire from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

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

董事

年內及截至本報告日期，本公司之董事如下：

執行董事：

秦志威先生（主席兼行政總裁）
姜延章先生（營運總監）
王學良先生（副行政總裁兼
首席財務總監）
（於二零零九年十一月十一日辭任）

非執行董事：

黎煥賢女士

獨立非執行董事：

陳耀星先生
（於二零零九年五月二十二日獲委任）
陳錦雄先生
（於二零零九年五月二十二日獲委任）
梁創順先生
（於二零零九年五月二十二日獲委任）

根據本公司之組織章程細則第84(1)條，秦志威先生、姜延章先生及黎煥賢女士均須於應屆股東週年大會輪流退任，並符合資格膺選連任。

根據本公司之組織章程細則第83(3)條，陳耀星先生、陳錦雄先生及梁創順先生均須於應屆股東週年大會退任，並符合資格膺選連任。

董事服務合約

概無擬於應屆股東週年大會上膺選連任之董事與本集團訂有任何不可由本集團於一年內終止而毋須作出賠償（法定賠償除外）之服務合約。



DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2009, the interests of the directors of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (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 (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

(i) Long positions in the shares of the Company:

Name of director 董事姓名	Capacity 身份	Percentage of the issued Number of issued ordinary share capital of shares held the Company 所持已發行 佔本公司已發行 普通股數目 股本百分比	
Mr. Chun Chi Wai 秦志威先生	Interest of controlled corporation (note) 受控制法團權益(附註)	642,149,181	61.45%
	Beneficial owner 實益擁有人	1,089,000	0.10%
Ms. Lai Wun Yin 黎煥賢女士	Interest of spouse (note) 配偶權益(附註)	643,238,181	61.55%

Note: Mr. Chun Chi Wai is deemed to be interested in 642,149,181 ordinary shares held by Wellrun Limited ("Wellrun") as the sole beneficial owner of Wellrun. Ms. Lai Wun Yin is the spouse of Mr. Chun Chi Wai and is deemed to be interested in the shares held by Mr. Chun Chi Wai.

附註：由於秦志威先生乃好運有限公司(「好運」)的唯一實益擁有人，故視為擁有好運所持642,149,181股普通股的權益。黎煥賢女士乃秦志威先生的配偶，故視為擁有秦志威先生所持股份的權益。

董事於股份、相關股份及債券的權益

於二零零九年十二月三十一日，本公司董事及彼等之聯繫人士於本公司及其相聯法團的股份、相關股份及債券中擁有本公司根據證券及期貨條例(「證券及期貨條例」)第352條存置的登記冊記錄，或根據聯交所證券上市規則(「上市規則」)附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)而知會本公司及聯交所的權益如下：

(i) 本公司股份的好倉：



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(ii) Long positions in the underlying shares of the Company:

(ii) 本公司相關股份的好倉：

Name of director 董事姓名	Capacity 身份	Number of options/ underlying shares held 所持購股權／ 相關股份數目	Exercisable period 行使期	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Chun Chi Wai 秦志威先生	Beneficial owner 實益擁有人	1,930,502	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.18%
	Beneficial owner 實益擁有人	1,930,502	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.18%
	Beneficial owner 實益擁有人	1,930,502	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.18%
	Interest of spouse (note) 配偶權益(附註)	643,500	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.06%
	Interest of spouse (note) 配偶權益(附註)	643,501	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.06%
	Interest of spouse (note) 配偶權益(附註)	643,501	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.06%
		7,722,008		0.74%
Mr. Jiang Yan Zhang 姜延章先生	Beneficial owner 實益擁有人	514,800	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.05%
	Beneficial owner 實益擁有人	514,801	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.05%
	Beneficial owner 實益擁有人	514,801	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.05%
		1,544,402		0.15%



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Name of director 董事姓名	Capacity 身份	Number of options/ underlying shares held 所持購股權／ 相關股份數目	Exercisable period 行使期	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
Ms. Lai Wun Yin 黎煥賢女士	Beneficial owner 實益擁有人	643,500	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.06%
	Beneficial owner 實益擁有人	643,501	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.06%
	Beneficial owner 實益擁有人	643,501	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.06%
	Interest of spouse (note) 配偶權益(附註)	1,930,502	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.18%
	Interest of spouse (note) 配偶權益(附註)	1,930,502	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.18%
	Interest of spouse (note) 配偶權益(附註)	1,930,502	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.18%
		7,722,008		0.74%
Mr. Chan Iu Seng 陳耀星先生	Beneficial owner 實益擁有人	128,700	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.01%
		386,100		0.04%



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董事會報告

Name of director 董事姓名	Capacity 身份	Number of options/ underlying shares held 所持購股權/ 相關股份數目	Exercisable period 行使期	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Chan Kam Hung 陳錦雄先生	Beneficial owner 實益擁有人	128,700	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.01%
		386,100		0.04%
Mr. Leung Chong Shun 梁創順先生	Beneficial owner 實益擁有人	128,700	22 June 2010 - 18 June 2017 二零一零年六月二十二日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2011 - 18 June 2017 二零一一年六月二十三日至 二零一七年六月十八日	0.01%
	Beneficial owner 實益擁有人	128,700	23 June 2012 - 18 June 2017 二零一二年六月二十三日至 二零一七年六月十八日	0.01%
		386,100		0.04%

Note: Mr. Chun Chi Wai and Ms. Lai Wun Yin are husband and wife and therefore are deemed to be interested in the options held by each other.

附註：秦志威先生與黎煥賢女士為夫婦關係，因此視為擁有對方所持購股權的權益。



Directors' Report 董事會報告

(iii) Long positions in the shares and underlying shares of associated corporation of the Company:

(iii) 本公司相聯法團股份及相關股份的好倉：

Name of director 董事姓名	Capacity 身份	Name of associated corporation 相聯法團名稱	Number of issued ordinary shares held 所持已發行普通股數目	Percentage of the issued share capital of the associated corporation
				佔相聯法團已發行股本百分比
Mr. Chun Chi Wai 秦志威先生	Beneficial owner (note) 實益擁有人(附註)	Wellrun 好運	1	100%

Note: As Wellrun owns more than 50% interest of the Company, Wellrun is an associated corporation of the Company under the SFO. Wellrun is also a controlled corporation of Mr. Chun Chi Wai under the SFO. The entire issued share capital of Wellrun is owned by Mr. Chun Chi Wai, who is a director of the Company and the sole director of Wellrun.

附註：由於好運擁有本公司超過50%的權益，根據證券及期貨條例，好運乃本公司的相聯法團。根據證券及期貨條例，好運亦為秦志威先生的受控法團。本公司董事及好運的唯一董事秦志威先生擁有好運的全部已發行股本。

Other than as disclosed above, none of the directors of the Company 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 as at 31 December 2009.

除上文所披露者外，概無本公司董事或彼等的聯繫人士於二零零九年十二月三十一日在本公司或其任何相聯法團的任何股份、相關股份或債券擁有任何權益或淡倉。

SUBSTANTIAL SHAREHOLDERS

As 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, who are also substantial shareholders of the Company, the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company.

主要股東

於二零零九年十二月三十一日，除上文所披露之若干董事(亦為主要股東)權益外，按本公司根據證券及期貨條例第336條存置的主要股東名冊，下列股東已知會本公司在本公司已發行股本的相關權益及淡倉。



Long positions in the shares of the Company:

本公司股份的好倉：

Name of shareholder 股東姓名	Capacity 身份	Number of issued ordinary shares held 所持已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Wellrun 好運	Beneficial owner (note) 實益擁有人(附註)	642,149,181	61.45%
Baring Asset Management Limited	Investment manager 投資經理	59,597,600	5.70%

Note: Wellrun is the controlled corporation of Mr. Chun Chi Wai, who is a director of the Company and the sole director of Wellrun.

附註：好運為本公司董事及好運唯一董事秦志威先生的受控法團。

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

除上文所披露者外，於二零零九年十二月三十一日，本公司並無獲知會有關本公司股份或相關股份的任何其他權益或淡倉。

SHARE OPTIONS

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

購股權

本公司購股權計劃詳情載於綜合財務報表附註40。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

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

購買股份或債券之安排

除上文有關購股權之披露外，於年內任何時間，本公司、其控股公司或其任何附屬公司概無訂立任何安排，致使本公司之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' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the paragraph headed "Connected Transactions" in this report and note 42 to the consolidated financial statements, no contracts of significance, to which the Company, its holding 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.

董事於重大合約之權益

除本報告「關連交易」一段及綜合財務報表附註42所披露者外，於年結日或年內任何時間，本公司、其控股公司或其任何附屬公司概無訂有任何本公司董事直接或間接擁有重大權益之重大合約。



DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save as disclosed in the Prospectus, none of the directors hold any interests in any competing business against the Company or any of its subsidiaries during the year ended 31 December 2009.

NON-COMPETITION UNDERTAKING BY THE CONTROLLING SHAREHOLDERS

The Company has received an annual confirmation from the controlling shareholders, Mr. Chun Chi Wai and Wellrun in respect of their compliance with the non-competition undertaking since the Listing Date. The independent non-executive directors have reviewed the said undertaking and are of the view that Mr. Chun Chi Wai and Wellrun have complied with the non-competition undertaking during the period between the Listing Date and 31 December 2009.

CONNECTED TRANSACTIONS

Details of these connected transactions during the year are set out in note 42 to the consolidated financial statements. Certain of those connected transactions also constitute continuing connected transactions of the Group within the meaning of Chapter 14A of the Listing Rules. Pursuant to Rule 14A.38 of the Listing Rules, the board of directors engaged the auditor of the Company to perform agreed upon procedures in respect of the certain continuing connected transactions of the Group. The auditor has reported their factual findings on these procedures to the board of directors.

The independent non-executive directors have reviewed the continuing connected transactions and the report of the auditor and have confirmed that the transactions have been entered into by the Group:

- (i) in the ordinary and usual course of the Group's business;
- (ii) either on normal commercial terms or on terms no less favourable than terms available to or from independent third parties; and
- (iii) in accordance with the relevant agreements governing such transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

董事於競爭業務之權益

除招股章程所披露者外，截至二零零九年十二月三十一日止年度，概無董事於與本公司或其任何附屬公司競爭的業務中擁有任何權益。

控股股東之不競爭承諾

本公司已收取控股股東、秦志威先生及好運有關自上市日期起遵守不競爭承諾的年度確認。獨立非執行董事亦已審閱上述承諾，認為秦志威先生及好運於上市日期起至二零零九年十二月三十一日止一直遵守不競爭承諾。

關連交易

年內關連交易詳情載於綜合財務報表附註42。若干關連交易亦屬本集團根據上市規則第14A章所界定的持續關連交易。根據上市規則第14A.38條，董事會委聘本公司核數師就本集團若干持續關連交易履行經協定程序。核數師已向董事會呈報彼等就該等程序的實質調查結果。

獨立非執行董事已審閱上述持續關連交易及核數師報告，並確認該等交易乃經本集團於下列情況下進行：

- (i) 於本集團一般及日常業務過程中訂立；
- (ii) 按一般商業條款或不遜於獨立第三方可取得或提供的條款訂立；及
- (iii) 根據該等交易相關協議條款進行，而交易條款公平合理並符合本公司股東的整體利益。



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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE PRACTICES

Throughout the period on and after the listing of the shares of the Company on the Stock Exchange on the Listing Date up to 31 December 2009, in the opinion of the directors, the Company has followed the principles and complied with all applicable code provisions under the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Listing Rules, save for the deviation from code provision A.2.1. as set out in the Company's corporate governance report for the year ended 31 December 2009 in pages 21 to 29 of the annual report.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Company has adopted a code of conduct regarding securities transactions of the directors, senior management and relevant employees (who, because of their office in the Group, are likely to be in possession of unpublished price sensitive information in relation to the Company or its securities) of the Group (the "Own Code") on terms no less exacting than the required standard of dealings set out in the Model Code.

Having made specific enquiry of all directors, all the members of the Board have confirmed that they have complied with the required standard as set out in the Model Code and the Own Code throughout the period from the Listing Date to 31 December 2009. No incident of non-compliance of the Own Code during the period from the Listing Date to 31 December 2009 by the senior management and relevant employees was noted by the Company.

購入、出售或贖回本公司上市證券

年內，本公司及其任何附屬公司概無購入、出售或贖回本公司任何上市證券。

企業管治常規

董事認為，自本公司股份於上市日期起在聯交所上市其後直至二零零九年十二月三十一日止期間，除偏離於本公司截至二零零九年十二月三十一日止年度年報第21至29頁的企業管治報告所載第A.2.1條守則條文外，本公司一直遵守及按照上市規則附錄14所載企業管治常規守則（「企業管治守則」）的原則及所有適用守則條文。

遵守上市規則的標準守則

本公司已採納一套條款不比於標準守則所載買賣標準規定寬鬆的行為守則作為本集團董事、高級管理層及相關僱員（基於在本集團的職位而可能取得有關本公司或其證券的未公開股價敏感資料）進行證券買賣的守則（「本公司守則」）。

經向全體董事作出明確查詢後，董事會均已確認於上市日期起至二零零九年十二月三十一日止期間一直遵守標準守則及本公司守則所載規定標準。於上市日期起至二零零九年十二月三十一日止期間，本公司概無發現任何高級管理層或有關僱員違反本公司守則的事件。



APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the three 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.

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

The Company has adopted two share option schemes as an incentive to directors and eligible employees, details of these schemes are set out in note 40 to the consolidated financial statements.

CHARITABLE DONATIONS

During the year, the Group made charitable donations amounting to HK\$1,000,000.

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and with the knowledge of the directors, the Company has maintained a sufficient public float throughout the period from the Listing Date to 31 December 2009.

獨立非執行董事之委任

本公司已接獲三名獨立非執行董事根據上市規則第3.13條就彼等之獨立性發出之年度確認。本公司認為，全體獨立非執行董事均為獨立人士。

薪酬政策

本集團之僱員薪酬政策由薪酬委員會根據僱員之表現、資歷及能力釐定。

本公司董事之酬金由薪酬委員會考慮本公司經營業績、個人表現及可資比較之市場統計數據而決定。

本公司採納兩項購股權計劃，作為對董事及合資格僱員的獎勵。該等計劃詳情載於綜合財務報表附註40。

慈善捐款

年內，本集團的慈善捐款達1,000,000港元。

優先購買權

本公司的組織章程細則或開曼群島（本公司註冊成立的司法權區）法例概無有關優先購買權的條文而導致本公司須向現有股東按比例發售本公司新股份。

充足公眾持股量

根據本公司所得的公開資料及就董事所知。本公司於上市日期起至二零零九年十二月三十一日止期間一直維持充足公眾持股量。



AUDITOR

A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Chun Chi Wai

Chairman

Hong Kong, 19 April 2010

核數師

本公司將於應屆股東週年大會提呈決議案，續聘德勤•關黃陳方會計師行為本公司核數師。

代表董事會

秦志威

主席

香港，二零一零年四月十九日



Deloitte. 德勤

TO THE MEMBERS OF CHINA METAL RECYCLING (HOLDINGS) LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of China Metal Recycling (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 52 to 169, which comprise the consolidated statement of financial position as at 31 December 2009, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

致中國金屬再生資源(控股)有 限公司股東

(於開曼群島註冊成立的有限公司)

吾等已審閱第52頁至第169頁所載的中國金屬再生資源(控股)有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，當中載有於二零零九年十二月三十一日的綜合財務狀況表，以及截至該日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表，以及重大會計政策概要及其他解釋附註。

董事對綜合財務報表的責任

貴公司董事負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製，並真實而公平地呈列綜合財務報表。此責任包括設計、執行及維持有關編製及真實而公平地呈列綜合財務報表的內部監控，以致不會因欺詐或錯誤而出現重大錯誤陳述；並選擇及應用適用的會計政策，以及因應環境作出合理的會計估計。

核數師責任

吾等的責任為按協定的委聘條款，僅向閣下整體就吾等審閱該等綜合財務報表的結果表達意見，除此之外並無其他目的。吾等不會就報告內容向任何其他人士負責或承擔任何責任。吾等根據香港會計師公會頒佈的香港審核準則審核，該等準則規定吾等必須遵守有關道德規定，並計劃及執行審核工作，以就綜合財務報表是否出現重大錯誤陳述而獲得合理的憑證。



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.

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

Opinion

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

Deloitte Touche Tohmatsu

Certified Public Accountants
Hong Kong

19 April 2010

審核工作涉及執行情序，以取得有關綜合財務資料所載金額及披露事項有關的審核憑證。所選擇程序取決於核數師的判斷，包括評估綜合財務報表是否因欺詐或錯誤而出現重大錯誤陳述風險。於作出該等風險評估時，核數師會考慮與實體編製及真實而公平地呈報綜合財務報表有關的內部控制，以設計在該等情況下合適的審核程序，而非為對實體內部監控的有效性發表意見。審核工作亦包括評估董事採用的會計政策是否恰當，董事所作的會計估計是否合理，以及評估綜合財務資料的整體呈報。

吾等相信，吾等所取得的審核憑證充足而恰當，可為吾等的審核意見提供基礎。

意見

吾等認為，根據香港財務報告準則，綜合財務報表已真實並公平地呈列貴集團於二零零九年十二月三十一日的狀況，及於截至該日止年度的溢利及現金流量，並已根據香港公司條例的披露規定妥為編製。

德勤•關黃陳方會計師行

執業會計師
香港

二零一零年四月十九日



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

		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
Revenue	收益	7	9,063,175	6,526,594
Cost of sales	銷售成本		(8,273,221)	(6,031,534)
Gross profit	毛利		789,954	495,060
Other income	其他收入	8	7,973	21,998
Distribution and selling expenses	分銷及銷售開支		(6,559)	(7,804)
Administrative expenses	行政開支		(83,548)	(49,756)
Other expenses	其他開支		(13,365)	—
Net (loss) gain on derivative financial instruments	衍生金融工具(虧損) 收益淨額		(72,336)	16,181
Finance costs	融資成本	9	(120,425)	(147,413)
Share of result of an associate	應佔一間聯營公司業績	18	1,941	2,654
Profit before taxation	除稅前溢利		503,635	330,920
Income tax expense	所得稅開支	10	(24,950)	(23,007)
Profit for the year	年內溢利	11	478,685	307,913
Exchange difference arising on translation, representing other comprehensive income for the year	換算產生的匯兌差額， 指年內其他全面收入		—	28,247
Total comprehensive income for the year	年內全面收入總額		478,685	336,160
Profit for the year attributable to:	以下各項應佔年內溢利：			
Owners of the Company	本公司擁有人		478,422	294,431
Minority interests	少數股東權益		263	13,482
			478,685	307,913



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

		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
Total comprehensive income for the year attributable to:	以下各項應佔年內全面收入總額：			
Owners of the Company	本公司擁有人		478,422	319,027
Minority interests	少數股東權益		263	17,133
			478,685	336,160
			HK cents 港仙	HK cents 港仙
Earnings per share	每股盈利	14		
– basic	– 基本		54.28	42.06
– diluted	– 攤薄		54.10	42.06



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

			2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	15	物業、廠房及設備	88,989	82,537
Investment properties	16	投資物業	1,731	1,770
Prepaid lease payments - non-current portion	17	預付租賃款 — 非即期部分	94,529	97,989
Interest in an associate	18	於一間聯營公司的權益	97,113	67,046
Deposits paid for acquisition of property, plant and equipment		收購物業、廠房及 設備的已付按金	55,130	15,304
Deposits paid for land use rights		土地使用權已付按金	45,653	12,500
			383,145	277,146
CURRENT ASSETS		流動資產		
Inventories	19	存貨	727,538	257,536
Trade and other receivables and deposits	20	貿易及其他應收款項及 按金	2,524,325	835,573
Bills receivable	21	應收票據	248,067	304,601
Prepaid lease payments - current portion	17	預付租賃款 — 即期部分	3,460	3,460
Amount due from an associate	18	應收一間聯營公司款項	—	54
Amount due from a controlling shareholder	22	應收一位控股股東款項	—	771
Deposit paid to a related party	23	付予關連人士的按金	115	115
Derivative financial instruments	24	衍生金融工具	36,940	1,446
Taxation recoverable		可收回稅項	—	2,182
Pledged bank deposits	25	已質押銀行存款	210,376	72,455
Restricted bank deposits	26	受限制銀行存款	62,284	3,631
Bank balances and cash	26	銀行結餘及現金	554,417	343,293
			4,367,522	1,825,117



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
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付款項	27	981,796	52,330
Discounted bills	貼現票據	28	139,810	304,601
Amounts due to minority shareholders of subsidiaries	應付附屬公司少數股東款項	29	—	1,286
Amount due to a director	應付一名董事的款項	30	—	2,219
Derivative financial instruments	衍生金融工具	24	62,144	127
Bank borrowings	銀行借款			
– due within one year	– 一年內到期	31	451,576	128,664
Secured guaranteed senior notes	抵押有擔保優先票據	32	—	696,724
Taxation payable	應付稅項		25,072	8,369
			1,660,398	1,194,320
NET CURRENT ASSETS	流動資產淨值		2,707,124	630,797
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		3,090,269	907,943
NON-CURRENT LIABILITIES	非流動負債			
Bank borrowings -	銀行借款			
due after one year	– 一年後到期	31	—	10,909
Other long-term payable	其他長期應付款項	34	454	682
			454	11,591
NET ASSETS	資產淨值		3,089,815	896,352



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
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	35	105	—
Reserves	儲備		3,009,876	831,554
Equity attributable to owners of the Company	本公司擁有人應佔權益		3,009,981	831,554
Minority interests	少數股東權益		79,834	64,798
TOTAL EQUITY	總權益		3,089,815	896,352

The consolidated financial statements on pages 52 to 169 were approved and authorised for issue by the board of directors on 19 April 2010 and are signed on its behalf by:

董事會已於二零一零年四月十九日批准並授權刊發載於第52頁至第169頁的綜合財務報表，並由下列董事代表本公司簽署：

DIRECTOR
董事

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							
		本公司擁有人應佔							
		Share capital	Share premium	Capital reserve	Exchange reserve	Share options reserve	Retained profits	Minority interests	Total
		股本	股份溢價	資本儲備	匯兌儲備	購股權儲備	保留溢利	少數股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2008	於二零零八年一月一日	—	—	161,370	11,721	—	105,436	278,527	313,286
Profit for the year	年度溢利	—	—	—	—	—	294,431	13,482	307,913
Exchange difference arising on translation	換算產生的匯兌差額	—	—	—	24,596	—	—	3,651	28,247
Total comprehensive income for the year	年度全面收入總額	—	—	—	24,596	—	294,431	17,133	336,160
Issue of share (note 35(ii))	發行股份(附註35(ii))	—	234,000	—	—	—	—	—	234,000
Acquisition of a subsidiary (note 36)	收購一間附屬公司(附註36)	—	—	—	—	—	—	9,006	9,006
Capital contribution from a minority shareholder of a subsidiary	一間附屬公司少數股東的出資	—	—	—	—	—	—	3,900	3,900
At 31 December 2008	於二零零八年十二月三十一日	—	234,000	161,370	36,317	—	399,867	64,798	896,352
Profit for the year and total comprehensive income for the year	年內溢利及年內全面收入總額	—	—	—	—	—	478,422	263	478,685
Capitalisation issue	資本化發行	70	(70)	—	—	—	—	—	—
Issue of new shares	發行新股	35	1,787,065	—	—	—	—	—	1,787,100
Cost of issue of new shares	發行新股成本	—	(102,215)	—	—	—	—	—	(102,215)
Recognition of equity-settled share-based payments	確認以權益結算以股份支付款項	—	—	—	—	15,120	—	—	15,120
Capital contribution from minority shareholders of subsidiaries	一間附屬公司少數股東的出資	—	—	—	—	—	—	14,773	14,773
At 31 December 2009	於二零零九年十二月三十一日	105	1,918,780	161,370	36,317	15,120	878,289	79,834	3,089,815



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

The capital reserve of the Group represents the aggregate of:

- (i) the reserve of approximately HK\$120,811,000 arising on the acquisition of the remaining 48% equity interest in a subsidiary of the Company, Asia Steel (Holdings) Limited, from Mr. Tsui Cham To ("Mr. Tsui"), a minority shareholder; by Mr. Chun Chi Wai ("Mr. Chun"), the founder shareholder of the Company in June 2007 and representing the unaudited consolidated net assets value of Asia Steel (Holdings) Limited attributable to Mr. Tsui as at 30 June 2007 reclassified from minority interests as deemed contribution by Mr. Chun; and
- (ii) the difference between the nominal value of the aggregate share capital of the subsidiaries acquired by the Company upon the group reorganisation in 2006 and the nominal value of the Company's shares issued in exchange of approximately HK\$40,559,000.

本集團的資本儲備乃指下列兩項之總和：

- (i) 於二零零七年六月，本公司創辦股東秦志威先生（「秦先生」）向少數股東徐湛滔先生（「徐先生」）收購亞洲鋼鐵控股有限公司的餘下48%股權產生的儲備約120,811,000港元，相當於徐先生於二零零七年六月三十日應佔從少數股東權益重新歸類為視作秦先生供款的亞洲鋼鐵控股有限公司未經審核綜合資產淨值；及
- (ii) 本公司於二零零六年進行集團重組後所購入附屬公司股本總額的面值與本公司為換取該等股本而發行的股份面值約40,559,000港元的差額。



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	經營活動		
Profit before taxation	除稅前溢利	503,635	330,920
Adjustments for:	經調整:		
Amortisation of prepaid lease payments	預付租賃款攤銷	3,460	2,061
Depreciation of property, plant and equipment	物業、廠房及設備折舊	13,641	11,012
Depreciation of investment properties	投資物業折舊	39	29
Finance costs	融資成本	120,425	147,413
Interest income	利息收入	(3,276)	(6,657)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	63	45
Net loss (gain) on derivative financial instruments	衍生金融工具虧損 (收益) 淨額	72,336	(16,181)
Share-based payment expenses	以股份付款開支	15,120	—
Share of result of an associate	應佔一間聯營公司業績	(1,941)	(2,654)
Write-down of inventories	存貨撇減	—	10,000
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	723,502	475,988
Increase in inventories	存貨增加	(470,002)	(119,910)
(Increase) decrease in trade and other receivables and deposits	貿易及其他應收款項及按金 (增加) 減少	(1,688,752)	31,153
Decrease (increase) in bills receivable	應收票據減少 (增加)	56,534	(263,912)
Net movement in derivative financial instruments	衍生金融工具變動淨額	(45,813)	10,949
Deposit paid to a related party	付予一名關連人士按金	—	(115)
Increase (decrease) in trade and other payables	貿易及其他應付款項增加 (減少)	929,238	(422,886)
Cash used in operations	經營業務動用的現金	(495,293)	(288,733)
PRC Enterprise Income Tax paid	已付中國企業所得稅	(8,247)	(21,823)
PRC Enterprise Income Tax refunded	退還中國企業所得稅	1,564	1,035
Hong Kong Profits Tax refunded	退還香港利得稅	618	481
NET CASH USED IN OPERATING ACTIVITIES	經營業務動用的現金淨額	(501,358)	(309,040)



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
INVESTING ACTIVITIES	投資活動			
(Increase) decrease in pledged bank deposits	已質押銀行存款 (增加) 減少		(137,921)	45,317
Increase in restricted bank deposits	受限制銀行存款增加		(58,653)	(3,631)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備的已付按金		(40,883)	(15,304)
Deposits paid for land use rights	土地使用權已付按金		(33,153)	(12,500)
Capital injection to an associate	向一間聯營公司注資		(28,126)	—
Purchase of property, plant and equipment	收購物業、廠房及設備		(19,655)	(38,330)
Interest received	已收利息		3,276	6,657
Repayment from (advance to) a controlling shareholder	一名控股股東還款 (向其墊款)		771	(771)
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項		556	587
Repayment from (advance to) an associate	一間聯營公司還款 (向其墊款)		54	(47)
Prepayment for land use rights	土地使用權預付款項		—	(33,991)
Acquisition of a subsidiary	收購一間附屬公司	36	—	14,030
Decrease in amounts due from minority shareholders of subsidiaries	應收附屬公司少數股東款項減少		—	3,265
NET CASH USED IN INVESTING ACTIVITIES	投資活動動用的現金淨額		(313,734)	(34,718)



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		
Proceeds from issue of new shares	發行新股的所得款項	1,787,100	234,000
New bank borrowings raised	新籌集的銀行借款	722,234	356,240
Capital contribution from minority shareholders of subsidiaries	來自一間附屬公司少數股東的注資	14,773	3,900
Redemption of secured guaranteed senior notes	贖回抵押有擔保優先票據	(781,215)	—
Repayment of bank borrowings	償還銀行借款	(410,231)	(392,546)
(Decrease) increase in discounted bills	貼現票據(減少)增加	(164,791)	276,268
Share issue costs paid	已付股份發行成本	(102,215)	—
Interest paid	已付利息	(35,934)	(75,407)
(Repayment to) advance from a director	一名董事(償還)墊款	(2,219)	2,219
Repayment to minority shareholders of subsidiaries	向附屬公司少數股東還款	(1,286)	(4,033)
NET CASH FROM FINANCING ACTIVITIES	融資活動產生的現金淨額	1,026,216	400,641
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	211,124	56,883
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	343,293	277,798
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動的影響	—	8,612
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	年終現金及現金等價物(即銀行結餘及現金)	554,417	343,293



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

I. GENERAL INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands on 18 July 2007 under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 22 June 2009. The immediate and ultimate holding company is Wellrun Limited, a company incorporated in the British Virgin Islands wholly owned by Mr. Chun Chi Wai ("Mr. Chun"), the founder shareholder of the Company. The addresses of the registered office and the principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and Suite 4803, Office Tower Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong, respectively.

The Company is an investment holding company. The principal activities of its subsidiaries and an associate are set out in note 43.

The functional currency of the Company is United States dollar. The consolidated financial statements are presented in Hong Kong dollar for the convenience of the shareholders as the Company is listed in Hong Kong.

1. 一般資料

本公司於二零零七年七月十八日根據開曼群島公司法第22章(一九六一年法例第3條,經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。本公司股份於二零零九年六月二十二日起於香港聯合交易所有限公司(「聯交所」)上市。本公司的直接及最終控股公司為於英屬處女群島註冊成立的好運有限公司,該公司由本公司的創辦股東秦志威先生(「秦先生」)全資擁有。本公司的註冊辦事處及主要營業地點分別為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands及香港灣仔港灣道1號會展廣場辦公大樓4803室。

本公司為一間投資控股公司,其附屬公司及一間聯營公司的主要業務載於附註43。

本公司的功能貨幣為美元。由於本公司於香港上市,為了方便股東閱覽,綜合財務報表以港元呈列。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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

In the current year, the Group has applied the following new and revised standards, amendments and interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowings Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) - Int 9 and HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) - Int 13	Customer Loyalty Programmes

2. 應用新頒佈及經修訂香港財務報告準則（「香港財務報告準則」）

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

香港會計準則 第1號 (二零零七年 經修訂)	呈報財務報表
香港會計準則 第23號 (二零零七年 經修訂)	借貸成本
香港會計準則 第32號及1號 (修訂本)	可沽售金融工具及 清盤時產生的責任
香港財務報告準則 第1號及香港 會計準則第27號 (修訂本)	投資於附屬公司、 共同控制實體或聯 營公司的成本
香港財務報告準則 第2號(修訂本)	歸屬條件及註銷
香港財務報告準則 第7號(修訂本)	金融工具的 改進披露
香港財務報告準則 第8號	經營分部
香港(國際財務 報告詮釋委員會) — 詮釋第9號及 香港會計準則 第39號(修訂本)	嵌入式衍生工具
香港(國際財務 報告詮釋委員會) — 詮釋第13號	客戶忠誠計劃



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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

HK(IFRIC) - Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) - Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) - Int 18	Transfers of Assets from Customers
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

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 and prior accounting periods.

2. 應用新頒佈及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港(國際財務報告詮釋委員會) – 詮釋第15號	房地產建設協議
香港(國際財務報告詮釋委員會) – 詮釋第16號	對沖海外業務投資淨額
香港(國際財務報告詮釋委員會) – 詮釋第18號	自客戶轉讓資產
香港財務報告準則(修訂本)	於二零零八年頒佈的香港財務報告準則之改進，惟由二零零九年七月一日起或之後的年度期間生效的香港財務報告準則第5號的修訂除外
香港財務報告準則(修訂本)	於二零零九年頒佈有關香港會計準則第39號第80段的修訂的香港財務報告準則之改進

除下文所述者外，採納該等新訂及經修訂香港財務報告準則對本集團本期間及過往期間的綜合財務報表並無重大影響。



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綜合財務報表附註

For the year ended 31 December 2009
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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKAS 1 (Revised 2007) “Presentation of Financial Statements”

HKAS 1 (Revised 2007) has introduced a number of 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 7).

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.

2. 應用新頒佈及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第1號(二零零七年修訂)「財務報表呈報」

香港會計準則第1號(二零零七年修訂)引入多項措辭修訂(包括修訂財務報表之標題)以及財務報表格式及內容的變更。

香港財務報告準則第8號「經營分部」

香港財務報告準則第8號為一項披露準則，並不會導致本集團須重新釐定呈報分部(見附註7)。

金融工具披露改進 (香港財務報告準則第7號「財務報表：披露」之修訂)

香港財務報告準則第7號之修訂擴大以公允值計量的金融工具之公允值計量所需披露。



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綜合財務報表附註

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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)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKAS 24 (Revised)	Related Party Disclosures ³
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ¹
HKAS 32 (Amendment)	Classification of Rights Issues ⁴
HKAS 39 (Amendment)	Eligible Hedged Items ¹
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters ⁵
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ⁶
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions ⁵
HKFRS 3 (Revised)	Business Combinations ¹

2. 應用新頒佈及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提早應用下列已頒佈但未生效的新訂或經修訂準則、修訂或詮釋：

香港財務報告準則(修訂本)	香港財務報告準則第5號的修訂本，為二零零八年頒佈之香港財務報告準則改進的一部分 ¹
香港財務報告準則(修訂本)	於二零零九年頒佈之香港財務報告準則的改進 ²
香港會計準則第24號(經修訂)	關連人士披露 ³
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
香港財務報告準則第1號(修訂本)	首次採納者之額外豁免 ⁵
香港財務報告準則第1號(修訂本)	首次採納者有關香港財務報告準則第7號披露比較數字之有限豁免 ⁶
香港財務報告準則第2號(修訂本)	集團以現金結算以股份付款交易 ⁵
香港財務報告準則第3號(經修訂)	業務合併 ¹



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綜合財務報表附註

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

HKFRS 9	Financial Instruments ⁷
HK(IFRIC) - Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ³
HK(IFRIC) - Int 17	Distributions of Non-cash Assets to Owners ¹
HK(IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments ⁶

- 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 2011
- ⁴ Effective for annual periods beginning on or after 1 February 2010
- ⁵ Effective for annual periods beginning on or after 1 January 2010
- ⁶ Effective for annual periods beginning on or after 1 July 2010
- ⁷ Effective for annual periods beginning on or after 1 January 2013

2. 應用新頒佈及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則	金融工具 ⁷ 第9號
香港(國際財務報告 準則詮釋委員會)	最低資金付款 要求 ³ — 詮釋第14號 (修訂本)
香港(國際財務報告 準則詮釋委員會)	向擁有人分配非現 金資產 ¹ — 詮釋第17號
香港(國際財務報告 準則詮釋委員會)	以權益工具清償金 融負債 ⁶ — 詮釋第19號

- ¹ 於二零零九年七月一日或之後開始的年度期間生效
- ² 於二零零九年七月一日或二零一零年一月一日(如適用)或之後開始的年度期間生效的修訂本
- ³ 於二零一一年一月一日或之後開始的年度期間生效
- ⁴ 於二零一零年二月一日或之後開始的年度期間生效
- ⁵ 於二零一零年一月一日或之後開始的年度期間生效
- ⁶ 於二零一零年七月一日或之後開始的年度期間生效
- ⁷ 於二零一三年一月一日或之後開始的年度期間生效



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

The application of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after 1 January 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary.

In addition, as part of Improvements to HKFRSs issued in 2009, HKAS 17 “Leases” has been amended in relation to the classification of leasehold land. The amendments will be effective from 1 January 2010, with earlier application permitted. Before the amendments to HKAS 17, leases were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments required the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The application of the amendments to HKAS 17 might affect the classification of the Group's leasehold land.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the consolidated financial statements.

2. 應用新頒佈及經修訂香港財務報告準則(「香港財務報告準則」)(續)

採納香港財務報告準則第3號(經修訂)或會影響本集團收購日期在二零一零年一月一日或之後的業務合併的會計處理。香港會計準則第27號(經修訂)將影響本集團所持附屬公司擁有權權益變動的會計處理。

此外，作為於二零零九年頒佈的香港財務報告準則改進一部分，香港會計準則第17號「租賃」已就租賃土地的分類予以修訂。該修訂本將於二零一零年一月一日起生效，並准許提早應用。修訂香港會計準則第17號前，須就租賃將租賃土地分類為經營租賃，並於綜合財務狀況表呈列為預付租賃款項。該修訂已刪除有關規定。取而代之，該修訂規定將租賃土地按香港會計準則第17號所載一般原則為基準分類，該基準按出租人或承租人就租賃資產擁有權所附風險及回報程度釐定。採納香港會計準則第17號之修訂本或會影響本集團租賃土地的分類。

本公司董事預期應用其他新訂及經修訂準則、修訂或詮釋不會對本集團的綜合財務報表造成重大影響。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for 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). 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 in line with those used by other members of the Group.

3. 重大會計政策

綜合財務報表已按歷史成本基準編製，惟若干金融工具按公允值計量則除外（如下文會計政策所述）。

綜合財務報表已根據香港會計師公會頒佈之香港財務報告準則編製。

此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例規定的適用披露事項。

綜合賬目基準

綜合財務報表包括本公司及本公司所控制實體（其附屬公司）的財務報表。倘本公司有權控制實體的財務及經營政策以從其業務中獲利，則視為對該實體擁有控制權。

於本年度收購或出售的附屬公司業績，自收購生效日期起或截至出售生效日期止（視情況而定）計入綜合全面收益表。

於必要時會調整附屬公司的財務報表，使其會計政策與本集團其他成員公司所採用者一致。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零零九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

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

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.

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.

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.

3. 重大會計政策 (續)

綜合賬目基準 (續)

所有集團內公司間交易、結餘及收支均於綜合賬目時對銷。

綜合附屬公司資產淨值中的少數股東權益與本集團的權益分開呈列。少數股東於資產淨值的權益包括於原業務合併日期的權益數額及少數股東應佔自合併日期起的權益變動。少數股東應佔虧損若超出附屬公司權益中的少數股東權益，則分配至本集團權益予以抵銷，惟倘少數股東承擔具約束力責任，並可作出額外投資彌補該等虧損則除外。

業務合併

收購業務乃採用購買法入賬。收購成本乃按本集團為換取被收購方控制權而給予的資產、所產生或承擔的負債以及發行的股本工具於交換當日的公允值總額，另加業務合併直接應佔的任何成本計量。被收購方符合香港財務報告準則第3號「業務合併」確認條件的可識別資產、負債及或然負債均按收購日之公允值確認。

少數股東所佔的被收購方權益初步按少數股東所佔已確認資產、負債及或然負債的公允淨值之比例計量。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零零九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition

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

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

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.

Leasing

Leases are classified as finance leases whenever the terms of the lease transferred 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. 重大會計政策 (續)

收益確認

收益乃按已收或應收代價的公允值計量，指於正常業務過程中出售貨品時的應收款項，並扣除折扣及銷售相關稅項。

貨品銷售收益於貨品交付及所有權轉移時確認。

金融資產的利息收入乃參考未償還本金及適用實際利率，按時間基準累計。適用實際利率指於金融資產預計年期內將估計未來現金收入折現至該資產初步確認時的賬面淨值的利率。

租賃

當租賃條款涉及將擁有權的絕大部分風險及回報轉移至承租人時，租賃分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為出租人

經營租賃的租金收入乃於有關租賃的租期內按直線法於損益確認。

本集團作為承租人

經營租賃付款於有關租賃的租期內按直線法確認為開支。作為訂立經營租賃獎勵的已收及應收利益乃於租期內按直線法確認為租金開支的扣減。



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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment in an associate

An associate is an entity over which the investor 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 joint control over those policies.

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

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 the associate. Any reversal of impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

3. 重大會計政策 (續)

投資聯營公司

聯營公司指投資者對其行使重大影響力且既非附屬公司，亦非於合營公司權益的實體。重大影響力指有權參與被投資方的財務及經營決策但並非對該等政策實施控制或共同控制。

聯營公司的業績、資產及負債乃採用權益會計法計入綜合財務報表。根據權益法，於聯營公司的投資乃按成本（按本集團應佔聯營公司資產淨值在收購後的變動而調整）減任何已識別減值虧損列入綜合財務狀況表。當本集團應佔聯營公司虧損等於或超過本集團應佔該聯營公司權益（包括實質屬於本集團於聯營公司淨投資的任何長期權益）時，本集團則終止確認應佔額外虧損。僅於本集團具有法定或推定責任或代表該聯營公司付款時，方會就應佔額外虧損撥備並確認負債。

收購成本超出本集團應佔聯營公司於收購日期確認的可識別資產、負債及或然負債公允淨值的任何差額，均確認為商譽。該等商譽計入投資賬面值，並不單獨進行減值測試。取而代之，投資的全部賬面值作為單一資產進行減值測試。任何已確認的減值虧損不會分配至任何資產（包括屬於聯營公司投資賬面值部分之商譽）。倘投資的可收回金額於其後增加，則確認減值虧損撥回。



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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment in an associate (Continued)

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

Additional investment in an associate

On additional investment in an associate, goodwill was calculated as the difference between the cost of additional interest acquired and the increase in the Group's share of net assets. If the increase in the Group's share of net assets exceeds the cost of the additional interest, the excess is recognised immediately in the statement of comprehensive income.

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or for administrative purposes (other than construction in progress) are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment, other than construction in progress, over their estimated useful lives and after taking into account their estimated residual value, using the straight-line method.

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

3. 重大會計政策 (續)

投資聯營公司 (續)

倘集團實體與本集團的聯營公司進行交易，則損益以本集團於有關聯營公司的權益為限撇銷。

於聯營公司的額外投資

於聯營公司進行額外投資時，商譽以所增購權益的成本與本集團應佔資產淨值增加的差額計算。倘本集團應佔資產淨值的增加超逾額外權益的成本，則所確認的差額即時於全面收益表確認。

物業、廠房及設備

物業、廠房及設備(包括用於生產或管理目的而持有的樓宇(在建工程除外)按成本減其後累計折舊及累計減值虧損列賬。

折舊乃經計及物業、廠房及設備項目(在建工程除外)的估計剩餘價值，於其估計可使用年期以直線法撇銷成本。

在建工程指正在建造以用於生產或作自用的物業、廠房及設備。在建工程按成本減任何已確認減值虧損列賬。在建工程於完工後且可作擬定用途時分類為物業、廠房及設備的適當類別。該等資產的折舊基準與其他物業資產相同，乃於資產達致擬定用途時開始計提。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

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

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 over 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).

Prepaid lease payments

Prepaid lease payments are up-front payments for leasehold land interests. The prepaid lease payments are stated at cost and are charged to the consolidated statement of comprehensive income over the lease term on a straight-line basis.

3. 重大會計政策 (續)

物業、廠房及設備 (續)

物業、廠房及設備項目乃於出售或預期持續使用該資產不會產生未來經濟利益時終止確認。終止確認該資產所產生的任何收益或虧損(以出售所得款項淨額與該項目賬面值的差額計算)於該項目終止確認期間計入損益。

供擁有人於未來佔用的租賃土地及在建樓宇

當正興建租賃土地及樓宇作生產及行政用途，租賃土地部分則劃分為預付租賃款項，並以直線法於租期內攤銷。興建期間，就租賃土地所作的攤銷費用撥備計入在建樓宇成本部分。在建樓宇以成本減任何已識別減值虧損入賬。當樓宇可供使用時(即當樓宇可按管理層計劃的方式於某地點及狀況下經營)開始計提折舊。

預付租賃款項

預付租賃款項為租賃土地權益的預付款項。預付租賃款項按成本列賬並於租期按直線法自綜合全面收益表中扣除。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment properties

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

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or 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 profit or loss in the period in which the item is derecognised.

Impairment losses on assets

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. In addition, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that they may be impaired. 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.

3. 重大會計政策 (續)

投資物業

投資物業指持有作賺取租金及／或資本升值用途的物業。

於初步確認時，投資物業按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業按成本減其後累計折舊及任何累計減值虧損列賬。經計及投資物業的估計殘值，折舊採用直線法於估計使用年期內扣除，以撇銷其成本。

投資物業於出售或永久不再使用或預期不會從其出售獲得任何日後經濟利益時終止確認。終止確認資產所產生的任何收益或虧損(按該資產出售所得款項淨額與其賬面值之間的差額計算)於該項目終止確認期間計入損益。

資產減值虧損

本集團於各報告期末審閱其有形資產及無形資產的賬面值(包括於聯營公司的投資產生的商譽)，以確定有否任何跡象顯示該等資產產生減值虧損。倘有跡象顯示減值，則估計資產的可收回金額以釐定減值虧損(如有)額。此外，當有跡象顯示無固定使用年期及尚未可供使用的無形資產可能減值時，則會每年對其進行減值測試。倘估計資產的可收回金額低於其賬面值，則資產賬面值減至其可收回金額。減值虧損即時確認為開支。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on assets (Continued)

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 periods. A reversal of an impairment loss is recognised as income immediately.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 重大會計政策 (續)

資產減值虧損 (續)

倘減值虧損於其後撥回，資產的賬面值則會增至重估後的可收回金額，惟增加後的賬面值不得超過該資產於過往期間未確認減值虧損時應釐定的賬面值。減值虧損撥回即時確認為收入。

存貨

存貨乃按成本與可變現淨值的較低者列賬。成本使用加權平均法計算。

外幣

於編製個別集團實體的財務報表時，以非該實體功能貨幣（外幣）進行的交易按交易日期的現行匯率以相關功能貨幣（即該實體經營所在主要經濟環境的貨幣）列賬。於報告期末，以外幣計值的貨幣項目均按當日的匯率重新換算。按歷史成本以外幣計值的非貨幣項目則毋須重新換算。

因結算貨幣項目及換算貨幣項目而產生的匯兌差額均於產生期間在損益確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's entities are translated into the presentation currency of the Group (i.e. Hong Kong dollar) 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, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

Borrowing costs

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

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

3. 重大會計政策 (續)

存貨 (續)

就呈列綜合財務報表而言，本集團的資產及負債乃按報告期末的匯率換算為本集團的呈列貨幣（即港元），而其收入及開支乃按年內平均匯率換算，除非期內匯率大幅波動，在此情況下，則採用交易日的匯率換算。所產生的匯兌差額（如有）於其他全面收益確認，並於權益（匯兌儲備）累計。

借貸成本

因收購、建設或生產合資格資產（須經一段時間方可達致擬定用途或可供出售）而產生的直接應佔借貸成本撥作該等資產的成本，直至該等資產已基本達致擬定用途或可供出售為止。指定用作合資格資產開支的借貸有關暫時投資所賺取的投資收入，將會自可供作資本化的借貸成本中扣除。

所有其他借貸成本於其產生期間於損益確認。



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綜合財務報表附註

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截至二零零九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation

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

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

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

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

3. 重大會計政策 (續)

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項乃根據本年度應課稅溢利計算。由於應課稅溢利不包括於其他年度應課稅或可扣減的收支項目，亦不包括毋須課稅或毋須扣減的項目，故應課稅溢利與綜合全面收益表內呈報的溢利不同。本集團的即期稅項負債乃採用於報告期末已實施或實際實施的稅率計算。

遞延稅項按綜合財務報表內資產及負債的賬面值與計算應課稅溢利時採用的相應稅基之間的差額確認。所有應課稅暫時差額一般確認為遞延稅項負債。倘可能有應課稅溢利可用於抵銷可動用可扣減暫時差額，則一般就所有可扣減暫時差額確認遞延稅項資產。倘於交易中初步確認（業務合併除外）資產與負債而產生的暫時差額並無影響應課稅溢利亦無影響會計溢利，則不會確認該等資產與負債。

於附屬公司及聯營公司的投資所產生的應課稅暫時差額確認為遞延稅項負債，惟倘本集團可控制暫時差額撥回，而有關暫時差額可能不會於可見將來撥回則除外。該等投資有關可扣減暫時差額所產生的遞延稅項資產僅於可能有足夠應課稅溢利可動用暫時差額的利益，且預期可於可遇見未來撥回時確認。



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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

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.

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 on 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 are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

3. 重大會計政策 (續)

稅項 (續)

遞延稅項資產的賬面值於各報告期末審閱，並扣減至不可能再有足夠應課稅溢利以收回全部或部分資產時為止。

遞延稅項資產及負債乃按清償負債或變現資產期內預期適用之稅率（根據報告期末已實施或實質實施之稅率（及稅法））計算。遞延稅項負債及資產之計量反映按本集團所預期方式於報告期末收回或清償其資產及負債賬面值之稅務後果。遞延稅項於損益確認，惟倘與在其他全面收益或直接於權益確認的項目有關時，在此情況下，則亦分別於其他全面收益或直接於權益確認。

金融工具

當集團實體成為工具合約條文的訂約方時，金融資產及金融負債於綜合財務狀況表確認。金融資產及金融負債初步按公允值計量。收購或發行金融資產及金融負債直接應佔的交易成本於初步確認時計入或扣除自該項金融資產或金融負債（視情況而定）的公允值。



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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets

The Group's financial assets are classified as loans and receivables and derivative financial instruments.

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.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, bills receivable, amount due from an associate, amount due from a controlling shareholder, deposit paid to a related party, pledged bank deposits, restricted bank deposits and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

3. 重大會計政策 (續)

金融工具 (續)

金融資產

本集團的金融資產分類為貸款及應收款項以及衍生金融工具。

實際利息法

實際利息法為計算金融資產攤銷成本及於有關期間分配利息收入的方法。實際利率為於金融資產預計年期或較短期間（如適用）內將估計未來現金收入（包括實際利率組成部分所支付或收取的全部費用、交易成本及其他溢價或折讓）準確折現至初步確認時的賬面淨值的利率。債務工具的利息收入按實際利息基準確認。

貸款及應收款項

貸款及應收款項為附帶固定或可變付款且在活躍市場並無報價的非衍生金融資產。初步確認後，貸款及應收款項（包括貿易及其他應收款項、應收票據、應收一間聯營公司款項、應收一名控股股東款項、付予關連人士的按金、已質押銀行存款、受限制銀行存款及銀行結餘）乃採用實際利息法以攤銷成本減任何已識別減值虧損列賬（見下文金融資產減值的會計政策）。



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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

Financial assets 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 affected.

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 financial assets carried at amortised cost, an impairment loss is recognised in profit or 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.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

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

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值

於各報告期末評估金融資產有否減值跡象。倘有客觀跡象顯示在金融資產初步確認後發生一件或多件事項影響金融資產的估計未來現金流量，則金融資產出現減值。

減值的客觀跡象可包括：

- 發行人或交易對手出現重大財政困難；或
- 拖欠或無力支付利息或本金；或
- 借款人可能面臨破產或財務重組。

就以攤銷成本列賬的金融資產而言，倘有客觀跡象顯示資產減值，則會在損益按資產賬面值與以原實際利率折現估計未來現金流量所得現值之間的差額確認減值虧損。

就所有金融資產而言，金融資產的賬面值按減值虧損直接扣減。

倘其後期間減值虧損數額減少，而減少乃客觀源於確認減值虧損後發生的事件，則會在損益撥回過往已確認的減值虧損，惟撥回減值當日資產的賬面值不得超出倘並無確認減值的攤銷成本。



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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its 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

The Group's financial liabilities other than derivative financial instruments (including trade and other payables, discounted bills, amounts due to minority shareholders of subsidiaries, amount due to a director, bank borrowings, secured guaranteed senior notes and other long-term payable) are subsequently measured at amortised cost, using the effective interest method.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及權益

集團實體發行的金融負債及權益工具乃根據已訂立的合約安排內容及金融負債與權益工具的釋義分類。

權益工具指證明本集團資產於扣除所有負債後有剩餘權益的任何合約。

實際利息法

實際利息法為計算金融負債攤銷成本及於有關期間分配利息開支的方法，實際利率為在金融負債預計年期或較短期間（如適用）內準確折現估計未來現金付款的利率。利息開支按實際利息法確認。

金融負債

本集團除衍生金融工具以外的金融負債（包括貿易及其他應付款項、貼現票據、應付附屬公司少數股東款項、應付一名董事的款項、銀行借款、抵押有擔保優先票據及其他長期應付款項），其後乃使用實際利息法按攤銷成本計量。



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綜合財務報表附註

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截至二零零九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Guaranteed senior notes

Guaranteed senior notes issued by the Group contain both liability component and conversion option component in relation to the warrants attached to guaranteed senior notes. The conversion option component relating to the warrants that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is a conversion option derivative and is accounted for separately. At the date of issue, the guaranteed senior notes (including both the liability component and conversion option component relating to the warrants) are recognised at fair value.

In subsequent periods, the liability component of the guaranteed senior notes is carried at amortised cost using the effective interest method and the conversion option derivative is measured at its fair value. Transaction costs that relate to the issue of the guaranteed senior notes are allocated to the liability and conversion option derivative relating to the warrants in proportion to their relative fair values. Transaction costs relating to conversion option derivative relating to the warrants are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability component of the guaranteed senior notes and amortised over the period of the guaranteed senior notes using the effective interest method.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

有擔保優先票據

本集團發行的有擔保優先票據包括有關有擔保優先票據隨附的認股權證的負債及兌換期權部分。有關認股權證的兌換期權部分不會以固定金額現金或另一金融資產交換本公司本身固定數目權益工具的方式結算，而會以兌換期權衍生工具的方式分開列賬。於發行日期，有擔保優先票據（包括有關認股權證的負債及兌換期權部分）按公允值確認。

於隨後期間，有擔保優先票據的負債部分採用實際利息法以攤銷成本列賬，而兌換期權衍生工具則以公允值計量。發行有擔保優先票據的交易成本則按公允值比例分配至有關認股權證的負債及兌換期權衍生工具部分。有關認股權證的兌換期權衍生工具的交易成本即時計入損益。有關負債部分的交易成本則計入有擔保優先票據負債部分的賬面值，並以實際利息法於有擔保優先票據期間內攤銷。



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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

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

Transaction costs of equity transaction

The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided. The costs of an equity transaction that is abandoned are recognised as an expense.

Transaction costs related jointly to concurrent offering of some shares and listing of shares are allocated using a basis of allocation that is rational and consistent with similar transactions.

Derivative financial instruments

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.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

權益工具

本公司發行的權益工具以已收所得款項扣除直接發行成本列賬。

權益交易的交易成本

倘權益交易的交易成本乃權益交易直接應佔的遞增成本，則於權益中作為扣除項目入賬（扣除任何相關所得稅優惠），否則，應避免以上述方式入賬。已終止的權益交易的成本則會確認為開支。

與同時及同步進行若干股份發售及股份上市有關的交易成本，按與類似交易合理一致的分配基準分配。

衍生金融工具

衍生工具在訂立衍生工具合約當日初步按公允值確認，其後則在各報告期末重新計算其公允值。由此產生的損益即時在損益確認。



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綜合財務報表附註

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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. If the Group retains substantially all the risks and rewards of ownership of a transferred asset, the Group continues to recognise the financial asset and recognise a collateralised borrowing for proceeds received.

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

Equity-settled share-based payment transactions in respect of share options granted to directors and employees

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 equity (share options reserve).

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

3. 重大會計政策 (續)

金融工具 (續)

終止確認

當收取資產現金流量的權利屆滿，或金融資產已轉讓且本集團已轉讓該金融資產擁有權的絕大部分風險及回報時，有關金融資產終止確認。於終止確認金融資產時，該項資產的賬面值與已收及應收代價及於其他全面收益直接確認的累計盈虧總和之間的差額於損益確認。倘本集團保留一項已轉讓資產的絕大部分風險及回報，本集團持續確認金融資產並就已收所得款項確認抵押借款。

當有關合約所訂明的責任解除、註銷或屆滿時，則會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價之間的差額於損益確認。

以股份付款交易

有關董事及僱員獲授購股權的以權益結算以股份付款交易

參考購股權於授出日的公允值所釐定的已收取服務的公允值，於歸屬期間以直線法支銷，並會於權益中作出相應增加（購股權儲備）。

於報告期末，本集團修訂其對預期最終會歸屬的購股權數目的估計。於歸屬期間，修訂該等估計的影響（如有）將於損益確認，並會於購股權儲備中作出相應調整。



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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Share-based payment transactions (Continued)

Equity-settled share-based payment transactions in respect of share options granted to directors and employees (Continued)

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

Retirement benefit costs

Payments to state-managed retirement benefit schemes/the Mandatory Provident Fund Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

4. KEY SOURCE OF ESTIMATION UNCERTAINTY

The key source of estimation uncertainty at the end of the reporting period, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed below.

Estimated impairment of trade receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2009, the carrying amount of trade receivables of the Group was HK\$2,301,572,000 (2008: HK\$772,256,000).

3. 重大會計政策 (續)

以股份付款交易 (續)

有關董事及僱員獲授購股權的以權益結算以股份付款交易 (續)

當購股權獲行使時，原於購股權儲備中確認的金額將撥入股份溢價。當購股權於歸屬日期後遭沒收或於到期日仍未獲行使，則原於購股權儲備中確認的金額則會撥入保留溢利。

退休福利成本

向國家管理的退休福利計劃／強制性公積金計劃作出的供款於僱員提供服務並有權享有該等供款時作為開支支銷。

4. 估計不明朗因素的主要來源

於報告期末估計不明朗因素的主要來源論述如下。有關來源涉及導致下一財政年度資產及負債的賬面值大幅調整的重大風險。

應收貿易款項的減值估計

本集團於有客觀跡象顯示減值虧損時考慮估計未來現金流量。減值虧損金額以資產賬面值與按該項金融資產原實際利率(即於初步確認時計算的實際利率)折現的估計未來現金流量現值兩者之間的差額計量。倘實際未來現金流量少於預期，則可能出現重大減值虧損。於二零零九年十二月三十一日，本集團應收貿易款項的賬面值為2,301,572,000港元(二零零八年：772,256,000港元)。



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綜合財務報表附註

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5. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of net debt, which includes the payables and borrowings disclosed in notes 28, 29, 30, 31, 32 and 34, net of cash and cash equivalents disclosed in note 26, and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits.

The directors of the Company review the capital structure regularly. As part of this review, the directors consider the cost of capital and the risks associate with each class of the capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new shares issues 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，以確保本集團實體可持續經營並同時透過優化債務及權益結餘為股東帶來最大回報。本集團的整體策略與以往年度一致。

本集團的資本架構包括債務淨額（包括附註28、29、30、31、32及34披露的應付款項及借款）、附註26披露的現金及現金等價物，以及貴公司擁有人應佔權益（包括已發行股本、儲備及保留溢利）。

本公司董事定期審閱資本架構。審閱時，董事考慮資本成本以及與各類資本有關的風險。基於董事的推薦意見，本集團將透過支付股息、發行新股以及發行新債務或贖回現有債務平衡其整體資本架構。



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人民幣

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6. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Financial assets	金融資產
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)
Derivative financial instruments	衍生金融工具
Financial liabilities	金融負債
Amortised cost	攤銷成本
Derivative financial instruments	衍生金融工具

6. 金融工具

(a) 金融工具分類

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
3,378,607	1,497,723
36,940	1,446
1,483,438	1,173,701
62,144	127

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bills receivable, amount due from an associate, amount due from a controlling shareholder, deposit paid to a related party, derivative financial instruments, pledged bank deposits, restricted bank deposits, bank balances and cash, trade and other payables, discounted bills, amounts due to minority shareholders of subsidiaries, amount due to a director, bank borrowings, secured guaranteed senior notes and other long-term payable. Details of these financial instruments are disclosed in respective notes. The risks associated with certain of these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(b) 金融風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、應收票據、應收聯營公司款項、應收一名控股股東款項、付予一名關連人士的按金、衍生金融工具、已質押銀行存款、受限制銀行存款、銀行結餘及現金、貿易及其他應付款項、貼現票據、應付附屬公司少數股東款項、應付一名董事的款項、銀行借款、抵押有擔保優先票據以及其他長期應付款項。此等金融工具詳情於相關附註中披露。下文載列有關該等若干金融工具的風險及如何降低此等風險的政策。管理層管理及監控該等風險，以確保及時有效地採取適當措施。



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綜合財務報表附註

For the year ended 31 December 2009
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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk

As at 31 December 2009, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt and bill receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk as 39.0% of the total trade and bills receivables as at 31 December 2009 (2008: 39.4%) was due from the Group's largest debtor and 89.2% of the total trade and bills receivables as at 31 December 2009 (2008: 92.3%) was due from the five largest debtors. In the opinion of the directors of the Company, the risk will be gradually reduced as the Group's customer base has been diversified and revenue has become less concentrated during the year.

The Group's concentration of credit risk by geographical locations is mainly in the People's Republic of China ("PRC"), which accounted for over 90% of the total trade and bills receivables at the end of the reporting period.

The Group has no other significant concentration of credit risk with exposure spread over a number of counterparties.

The credit risk on liquid funds is limited because the counterparties are banks with good reputation.

6. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

信貸風險

於二零零九年十二月三十一日，本集團所面臨的最大信貸風險（因交易對手未能履行責任而令本集團蒙受財務虧損），乃來自綜合財務狀況表所列各項已確認金融資產的賬面值。

為盡量降低信貸風險，本集團的管理層已委派小組負責釐定信貸限額、信貸審批及其他監控程序，以確保能採取跟進措施收回逾期債務。此外，本集團於報告期末檢討各項個別貿易債務及應收票據的可收回金額，以確保就不可收回款項計提足額減值虧損。就此，董事認為本集團的信貸風險已大幅降低。

由於本集團於二零零九年十二月三十一日的應收貿易款項及應收票據總額的 39.0%（二零零八年：39.4%）為應收其最大債務人的款項，而 89.2%（二零零八年：92.3%）為應收其五大債務人的款項，故其信貸風險集中。由於本集團本年度的客戶基礎呈多元化趨勢，且收益集中度減低，故本公司董事認為風險在逐漸降低。

本集團的信貸風險按地區主要集中在中華人民共和國（「中國」），佔報告期末應收貿易款項及應收票據總額逾 90%。

本集團並無分佈於多位交易對手的其他重大集中信貸風險。

由於交易對手為信譽良好的銀行，故流動資金信貸風險有限。



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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings and other sources of funding and considers the risk is minimal at this stage.

The Group relies on funds raised from the initial public offerings, bank borrowings and guaranteed senior notes as significant sources of liquidity. Details of these are set out in notes 35(iii), 31 and 32, respectively.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on agreed repayment terms. The tables have 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 tables include both interest and principal cash flows. To the extent that interest flows are variable rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

In addition, the following tables detail the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instruments that settle on a net basis. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual maturities as the management consider that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

6. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險

於管理流動資金風險時，本集團監控並維持管理層視為足夠為本集團營運提供資金的一定水平的現金及現金等價物，並減輕因現金流量增減帶來的影響。管理層監控銀行借款及其他資金來源的使用，並認為現階段風險甚微。

本集團依賴首次公開發售、銀行借款及有擔保優先票據作為流動資金的重要來源。相關詳情分別載於附註35(iii)、31及32。

下表載列本集團按協定還款期列示的非衍生金融負債的餘下合約到期日的詳情。此表乃根據本集團可能須提前償還金融負債之最早日期，金融負債的未貼現現金流量而編製，包括現金流量的利息及本金。倘現金流量以浮動利率計息，則未貼現金額於各報告期末按利率曲線計算。

此外，下表詳列本集團衍生金融工具的流動資金分析。該表格乃根據按淨值結算的衍生工具的未貼現合約現金(流入)及流出淨額編製。由於管理層認為合約到期日對知悉衍生工具現金流量的時間至關重要，故本集團衍生金融工具的流動資金分析乃根據合約到期日作出。



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For the year ended 31 December 2009
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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

(Continued)

Liquidity risk (Continued)

Liquidity and interest risk tables

6. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

流動資金及利息風險表

		Weighted average effective interest rate	Less than 3 months or on demand	3 - 6 months	6 months to 1 year	Over 1 year	Total undiscounted cash flows	Carrying amount at 31.12.2009
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	於 二零零九年 十二月三十一日 的賬面值
		%	千港元	千港元	千港元	千港元	千港元	千港元
2009	二零零九年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付款項	—	891,598	—	—	—	891,598	891,598
Discounted bills	貼現票據	—	40,871	31,225	67,714	—	139,810	139,810
Bank borrowings	銀行借款							
– fixed rate	— 定息	4.05	173,243	8,695	221,319	—	403,257	392,734
– variable rate	— 浮息	3.14	34,038	2,398	23,487	—	59,923	58,842
Other long-term payable	其他長期應付款項	—	—	—	—	454	454	454
			1,139,750	42,318	312,520	454	1,495,042	1,483,438
Derivatives settled net	按值結算的衍生工具							
Future contracts on non-ferrous metals	有色金屬期貨合約	—	58,055	3,193	—	—	61,248	61,248
Foreign currency forward contracts	外匯合約	—	—	—	843	—	843	843
Interest rate swap	利率掉期	—	—	—	53	—	53	53
			58,055	3,193	896	—	62,144	62,144



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6. FINANCIAL INSTRUMENTS (Continued)

(b) 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 %	Less than 3 months or on demand 少於3個月 或應要求 HK\$'000 千港元	3 - 6 months 3至6個月 HK\$'000 千港元	6 months to 1 year 6個月至1年 HK\$'000 千港元	Over 1 year 超過1年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount at 31.12.2008 於 二零零八年 十二月三十一日 的賬面值 HK\$'000 千港元
2008	二零零八年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付款項	—	28,616	—	—	—	28,616	28,616
Discounted bills	貼現票據	—	155,406	149,195	—	—	304,601	304,601
Amounts due to minority shareholders of subsidiaries	應付附屬公司 少數股東款項	—	1,286	—	—	—	1,286	1,286
Amount due to a director	應付一名董事款項	—	2,219	—	—	—	2,219	2,219
Bank borrowings	銀行借款							
– fixed rate	一定息	4.78	60,516	—	—	—	60,516	59,802
– variable rate	一浮息	5.37	36,805	26,698	6,897	11,495	81,895	79,771
Secured guaranteed	抵押有擔保優先票據							
senior notes		19.36	—	747,677	—	—	747,677	696,724
Other long-term payable	其他長期應付款項	—	—	—	—	682	682	682
			284,848	923,570	6,897	12,177	1,227,492	1,173,701
Derivatives settled net	按淨值結算的衍生工具							
Future contracts on non-ferrous metals	有色金屬期貨合約	—	127	—	—	—	127	127

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

6. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

流動資金及利息風險表 (續)

倘浮動利率變動而與報告期末所釐定的利率估計值不同，上文所列非衍生金融負債之浮動利率工具數據或會變動。



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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

(Continued)

Market risk

(i) Currency risk

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

		Liabilities		Assets	
		負債		資產	
		2009	2008	2009	2008
		二零零九年	二零零八年	二零零九年	二零零八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
United States dollar ("USD")	美元(「美元」)	164,746	43,049	22,457	43,604
Renminbi	人民幣				
("RMB")	(「人民幣」)	—	—	88,651	13,533
Hong Kong dollar ("HKD")	港元(「港元」)	21,917	14,110	49,783	663

The Group currently does not have a foreign currency hedging policy. However, management closely monitors foreign exchange exposure and will use foreign currency forward contracts to hedge any significant foreign currency exposure.

6. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險

(i) 貨幣風險

於報告期末，本集團以外幣計值的貨幣資產及貨幣負債的賬面值如下：

本集團目前並無外幣對沖政策。然而，管理層會密切監控外匯風險，並將採用外幣遠期合約對沖任何重大外匯風險。



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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis

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

The following table details the Group's sensitivity to a 5% appreciation and depreciation in the above foreign currencies against the functional currencies of the corresponding group entities, except for HKD against USD since HKD is pegged to USD and are excluded from the sensitivity analysis. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. The sensitivity analysis includes mainly trade receivables, bank balances, trade payables and bank borrowings. A positive/negative number below indicates a decrease/an increase in post-tax profit where the USD, RMB and HKD strengthen 5% against the functional currency of the corresponding group entity. For a 5% weakening of the above foreign currency against the functional currency of the corresponding group entity, there would be an equal and opposite impact.

6. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

敏感度分析

本集團主要面對美元、人民幣及港元(當該等貨幣與相關集團實體的功能貨幣不同時)外幣風險。

下表載列上述外幣兌相關集團實體功能貨幣升值及貶值5%的敏感度的詳情,惟由於港元與美元掛鈎,故並未將港元兌美元計入敏感度分析。5%為向主要管理人員內部匯報外幣風險時所用的敏感度比率,表示管理層對匯率合理可能變動的評估。敏感度分析僅包括尚未清償的以外幣計值的貨幣項目,並於年終以外幣匯率5%的增減調整換算。敏感度分析主要包括應收貿易款項、銀行結餘、應付貿易款項及銀行借款。倘美元、人民幣及港元兌相關集團實體的功能貨幣升值5%,則以下正數/負數表示除稅後溢利減少/增加。倘上述外幣兌相關集團實體功能貨幣貶值5%,則會產生同等及相反影響。



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綜合財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis (Continued)

Decrease (increase) in post-tax profit:	除稅後溢利減少(增加)：
USD against RMB	美元兌人民幣
RMB against USD	人民幣兌美元
HKD against RMB	港元兌人民幣

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
		5,175	620
		(4,433)	(677)
		822	188
		1,564	131

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank borrowings and secured guaranteed senior notes (see notes 31 and 32 for details). The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank borrowings (see note 31 for details of these borrowings) and bank deposits. It is the Group's policy to keep its borrowings at floating rate of interests so as to minimise the fair value interest rate risk.

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 concentrated on the fluctuation of interest rate arising from the Group's RMB and USD variable-rate borrowings.

6. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

敏感度分析 (續)

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
		5,175	620
		(4,433)	(677)
		822	188
		1,564	131

(ii) 利率風險

本集團面對與定息銀行借款及抵押有擔保優先票據(詳情見附註31及32)有關的公允值利率風險，亦面對與浮息銀行借款(該等借款詳情見附註31)及銀行存款有關的現金流量利率風險。本集團按浮動利率借款以盡量降低公允值利率風險。

本集團面對金融負債利率風險的詳情載於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源自本集團人民幣及美元的浮息借款的利率波動。



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綜合財務報表附註

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

6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

(Continued)

Market risk (Continued)

(ii) Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for variable-rate bank borrowings at the reporting date. The analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2009 would decrease/increase by HK\$262,000 (2008: HK\$312,000).

No sensitivity analysis has been prepared for variable-rate bank deposits as the directors of the Company consider the exposure is limited.

6. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險 (續)

敏感度分析

下文的敏感度分析乃根據報告日期浮息銀行借款的利率風險而釐定。分析乃假設於報告期末未結清的負債金額於整個年度內並無償還而編製。50基點的升跌用於向主要管理人員內部匯報利率風險，並表示管理層對利率合理可能變動的評估。

倘利率上升／下降50基點而所有其他可變因素維持不變，則本集團截至二零零九年十二月三十一日止年度的除稅後溢利將減少／增加262,000港元（二零零八年：減少／增加312,000港元）。

由於本公司董事認為有關風險有限，故並無就浮息銀行存款進行敏感度分析。



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

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6. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(iii) Other price risk

The Group is exposed to other price risk through its future contracts on non-ferrous metals at the end of the reporting period. Management manages this exposure by a team of specialists, who closely monitors the future markets and the position of the Group and will take necessary action to minimise the risk to the Group. The Group's other price risk is mainly concentrated on future prices quoted in the relevant exchanges.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to other price risk of future contracts on non-ferrous metals at the end of the reporting period. A 5% increase or decrease is used when reporting other price risk internally to key management personnel and represents management's assessment of the reasonably possible change.

If the quoted prices of the future contracts had been 5% higher/lower as a result of the changes in the relevant market commodity prices, post-tax profit for the year ended 31 December 2009 would decrease/increase by HK\$15,806,000 (2008: HK\$734,000). The sensitivities are based on the assumption that the quoted price of the future contract in the denominated currency increases/decreases by 5% with all other variables held constant. These sensitivities should be used with care. The relationship between currencies and commodity prices is a complex one and changes in exchange rates can influence commodity prices and vice versa. For the purpose of the above sensitivity analysis, exchange fluctuation is ignored.

6. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(iii) 其他價格風險

本集團於報告期末面對有關有色金屬期貨合約的其他價格風險。管理層透過專家團隊控制此風險，該團隊密切監察期貨市場及本集團的倉位，並將採取必要行動盡量降低貴集團面對的風險。貴集團的其他價格風險主要集中於相關交易所報的期貨價格。

敏感度分析

以下敏感度分析乃根據報告期末有色金屬合約的其他價格風險釐定。5%的增幅或減幅於向主要管理人員內部匯報其他價格風險時採用，乃指管理層對合理可能變動的評估。

倘期貨合約的報價因相關市場商品價格波動而上升／下降5%，則截至二零零九年十二月三十一日止年度除稅後溢利將減少／增加15,806,000港元(二零零八年：734,000港元)。敏感度乃以期貨合約按計值貨幣計量的報價上升／下跌5%而所有其他可變因素維持不變的假設為基礎，故須審慎使用。貨幣與商品價格的關係複雜，匯率變動可影響商品價格，反之亦然。於進行上述敏感度分析時並無考慮匯率的波動。



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6. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value

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

- the fair value of financial assets and financial liabilities (including future contracts on non-ferrous metals) with standard terms and conditions and traded in 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 (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- the fair value of derivative instruments (other than future contracts on non-ferrous metals) is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve and foreign currency forward rate for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

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)

(c) 公允值

金融資產及金融負債的公允值乃按以下方式釐定：

- 具備標準條款及條件，並於交投活躍及高流通性市場買賣的金融資產及金融負債(包括有色金屬期貨合約)的公允值分別參考所報市場買盤價及賣盤價釐定；
- 其他金融資產及金融負債(不包括衍生工具)的公允值乃根據基於貼現現金流量分析的公認定價模式釐定；及
- 衍生工具(有色金屬期貨合約除外)的公允值採用報價計算，倘無法獲得該等價格，就非期權衍生工具而言，則按貼現現金流量分析採用工具存續期間的適用收益曲線及外幣遠期利率計算，而期權衍生工具則採用期權定價模式計算。

董事認為，綜合財務報表內按攤銷成本列賬的金融資產及金融負債的賬面值與其公允值相若。



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綜合財務報表附註

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6. FINANCIAL INSTRUMENTS (Continued)

(c) 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).

		2009 二零零九年			2008 二零零八年		
		Level 1 第一級	Level 2 第二級	Total 總計	Level 1 第一級	Level 2 第二級	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Derivative financial instruments	衍生金融工具						
– assets	– 資產	36,508	432	36,940	1,446	—	1,446
– liabilities	– 負債	(61,248)	(896)	(62,144)	(127)	—	(127)

There were no transfers between Level 1 and 2 in the current year.

6. 金融工具 (續)

(c) 公允值 (續)

於綜合財務狀況表確認之公允值計量

下表為初步確認後按公允值計量之金融工具分析，根據觀察所得之公允值程度分類為第一層至第二層。

- 第一層：公允值計量來自可識別資產或負債的活躍市場報價（未經調整）。
- 第二層：公允值計量來自除報價外，就資產或負債而言包含於第一層的直接（如股價）或間接（如來自股價）可觀察輸入數據。

年內，並無於第一層與第二層之間轉移。



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7. REVENUE AND SEGMENT INFORMATION

The Group has adopted HKFRS 8 “Operating Segments” with effect from 1 January 2009. HKFRS 8 is a disclosure standard that 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 (i.e. the board of directors of the Company) for the purposes of allocating resources to segments and assessing 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. In the past, the Group’s primary reporting format was business segments. The application of HKFRS 8 has not resulted in a redesignation of the Group’s reportable segments as 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 financial information.

The Group is engaged in the principal business of metal recycling, involving the recycling of scrap metal into recycled ferrous and non-ferrous metals, which are the raw materials for a wide range of metallic end-products. The Group collects scrap steel, scrap copper and other scrap metals and processes them using advanced equipment to produce quality recycled scrap metals. From time to time, the Group also sells scrap metals collected directly to customers when the quality of such scrap metals meets certain required standards. The metals can be broadly classified into two categories:

- (i) ferrous metal, namely iron and steel; and
- (ii) non-ferrous metal, including copper, aluminium, etc.

The board of directors of the Company regularly reviews revenue analysis by two principal metals processed/sold by the Group and the Group’s consolidated profit for the year for the purposes of resource allocation and performance assessment. As no other discrete financial information is available for the assessment of different business activities, no segment information is presented other than entity-wide disclosures.

7. 收益及分部資料

本集團自二零零九年一月一日起採納香港財務報告準則第8號「經營分部」。香港財務報告準則第8號乃一項披露準則，規定須按主要經營決策者（本公司董事會）就分配分部資源及評估其表現所定期審閱有關本集團組成部分的內部報告為基準識別經營分部。相反，原採用的香港會計準則第14號「分部報告」規定實體須採用風險及回報的方式識別兩組分部（業務及地域）。過往，本集團主要以業務分部呈報。經比較根據香港會計準則第14號所釐定的主要報告分部，應用香港財務報告準則第8號不會導致本集團須重新釐定報告分部，亦不會改變分部財務資料的計量基礎。

本集團主營金屬回收業務，涉及將回收的廢金屬加工成循環再造黑色及有色金屬（為多種終端金屬產品的原材料）。本集團回收廢鋼、廢銅及其他廢金屬，並利用先進設備加工生產優質循環再造廢金屬。本集團亦不時於該等廢金屬質量符合若干規定標準則時向客戶直接出售回收的廢金屬。金屬大致分為兩類：

- (i) 黑色金屬，即鐵及鋼；及
- (ii) 有色金屬，包括銅及鋁等。

本公司董事會定期審閱本集團加工／出售的兩種主要金屬的收益分析以及本集團年內的綜合溢利，以進行資源分配及表現評估。由於並未取得其他獨立的財務資料以評估不同業務活動，故並未以實體級別以外的方式披露分部資料。



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7. REVENUE AND SEGMENT INFORMATION

(Continued)

Entity-wide disclosures

The following is an analysis of the Group's revenue by principal metals for the year:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Ferrous metal	黑色金屬	1,420,545	2,291,541
Non-ferrous metal	有色金屬	7,642,630	4,235,053
		9,063,175	6,526,594

The Group's non-current assets are located in the places of domicile of the relevant group entities, namely the PRC, Macau and Hong Kong. As at 31 December 2009 and 31 December 2008, substantially all of the Group's non-current assets are located in the PRC.

The following is an analysis of the Group's revenue by places of domicile and other places for the year:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Place of domicile of relevant group entities	相關集團實體所在地		
– The PRC	– 中國	2,586,242	3,561,417
Other places	其他地區		
– The PRC	– 中國	5,854,144	2,939,289
– Hong Kong	– 香港	572,623	25,888
– Others	– 其他	50,136	—
		9,063,175	6,526,594

7. 收益及分部資料 (續)

實體級別披露

年內，本集團按主要金屬分部劃分的收益分析如下：

本集團非流動資產均位於相關集團實體所在地，即中國、澳門及香港。於二零零九年十二月三十一日及二零零八年十二月三十一日，本集團的大部分非流動資產均位於中國。

年內，本集團按所在地及其他地區劃分的收益分析如下：



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7. REVENUE AND SEGMENT INFORMATION

(Continued)

Entity-wide disclosures (Continued)

Each of the three (2008: four) largest customers of the Group contributes more than 10% of the Group's revenue for the current year. Revenue of approximately HK\$2,254 million, HK\$1,589 million and HK\$1,572 million are attributed to these three customers, respectively, for the year ended 31 December 2009 (2008: approximately HK\$1,981 million, HK\$951 million, HK\$833 million and HK\$795 million, respectively) and are mainly attributable to non-ferrous metal sales.

7. 收益及分部資料 (續)

實體級別披露 (續)

年內，本集團首三名（二零零八年：四名）最大客戶對本集團的收益貢獻逾10%，彼等於截至二零零九年十二月三十一日止年度的收益貢獻分別約2,254,000,000港元、1,589,000,000港元及1,572,000,000港元（二零零八年：分別約1,981,000,000港元、951,000,000港元、833,000,000港元及795,000,000港元），主要來自有色金屬的銷售。

8. OTHER INCOME

Interest income	利息收入
Net exchange gain	匯兌收益淨額
Rental income	租金收入
Others	其他

8. 其他收入

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
3,276	6,657
1,532	14,365
567	401
2,598	575
7,973	21,998

9. FINANCE COSTS

Interest on bank loans and overdrafts wholly repayable within five years	須於五年內悉數償還的銀行貸款及透支利息
Effective interest expense on secured guaranteed senior notes	抵押有擔保優先票據的實際利息開支

9. 融資成本

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
9,414	22,367
111,011	125,046
120,425	147,413



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10. INCOME TAX EXPENSE

10. 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 charge (credit) comprises:	費用(抵免)包括：		
PRC Enterprise Income Tax	中國企業所得稅		
Current year	本年度	24,950	24,607
Overprovision in prior periods	往年超額撥備	—	(1,033)
		24,950	23,574
Underprovision of Hong Kong Profits Tax in prior years	往年香港利得稅撥備不足	—	10
Deferred taxation	遞延稅項		
Current year	本年度	—	(544)
Effect of change in tax rate	稅率變動的影響	—	(33)
		—	(577)
		24,950	23,007

No provision for Hong Kong Profits Tax has been made as the Group's subsidiaries in Hong Kong either had no assessable profit or incurred tax losses for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

Pursuant to the relevant laws and regulations in the PRC, a PRC subsidiary of the Group, Guangzhou Asia Steel Co., Ltd. ("Guangzhou Asia Steel") is exempted from PRC Enterprise Income Tax for two years starting from its first profit-making year, followed by a 50% reduction for the next three years. 2008 is the final year in which Guangzhou Asia Steel is subject to a 50% tax deduction.

於上述兩年度，由於本集團於香港的附屬公司並無應課稅溢利或產生稅項虧損，故並就香港利得稅作出相關撥備。

根據中國企業所得稅法（「企業所得稅法」）及相關實施條例，自二零零八年一月一日起，中國附屬公司的稅率為25%。

根據中國相關法律及法規，本集團中國附屬公司廣州亞鋼鋼鐵有限公司（「廣州亞鋼」）自其首個獲利年度起豁免兩年中國企業所得稅，其後三年稅項減半。二零零八年為廣州亞鋼獲減半繳稅的最後年度。



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綜合財務報表附註

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10. INCOME TAX EXPENSE (Continued)

Under Decree-Law no. 58/99/M, Central Steel (Macao Commercial Offshore) Limited ("Central Steel"), a Macau subsidiary incorporated under that Law (called "58/99/M Company"), is exempted from Macau Complementary tax (Macau income tax) as the 58/99/M Company does not sell its products to any Macau resident company during both years.

The tax charge for the year can be reconciled to the profit before taxation per the consolidated statement of comprehensive income as follows:

10. 所得稅開支 (續)

中環鋼鐵(澳門)離岸商務商業服務有限公司(「中環澳門」)為根據第58/99/M號法令註冊成立的澳門附屬公司(稱為「58/99/M公司」)。由於該58/99/M公司於上述兩年度並無向任何澳門本土公司銷售產品，故此根據第58/99/M號法令獲免繳納澳門補充稅(澳門所得稅)。

年內的稅項支出與綜合全面收益表的除稅前溢利對賬如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit before taxation	除稅前溢利	503,635	330,920
Tax at the PRC Enterprise Income Tax rate of 25%	中國企業所得稅稅率25%	125,909	82,730
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	42,936	38,618
Tax effect of income not taxable for tax purpose	非課稅收入的稅務影響	(164)	(1,616)
Tax effect of share result of an associate	應佔一間聯營公司業績的稅務影響	(485)	(664)
Tax effect of tax exemption granted to a PRC subsidiary	給予中國附屬公司的稅項豁免的稅務影響	—	(8,676)
Tax effect of tax exemption granted to a Macau subsidiary	給予澳門附屬公司的稅項豁免的稅務影響	(151,672)	(94,851)
Tax effect of tax losses not recognised	未確認的稅務虧損的稅務影響	8,426	8,282
Effect of different tax rates of subsidiaries operating in Hong Kong or the PRC	香港或中國營運附屬公司稅率變動的影響	—	240
Decrease in opening deferred tax liability resulting from a decrease in applicable tax rate	適用稅率下降導致期初遞延稅項負債減少	—	(33)
Overprovision in prior years	過往年度超額撥備	—	(1,023)
Tax charge for the year	年內稅務支出	24,950	23,007

Details of deferred taxation are set out in note 33.

遞延稅項的詳情載於附註33。



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For the year ended 31 December 2009
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11. PROFIT FOR THE YEAR

11. 年內溢利

		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:	年內溢利已扣除 下列各項後得出：		
Directors' emoluments (note 12)	董事薪酬(附註12)	14,017	3,141
Other staff costs	其他員工成本	32,064	18,168
Retirement benefit scheme contributions, excluding those of directors	退休福利計劃供款 (不包括該等董事)	2,180	2,056
Total staff costs	員工成本總額	48,261	23,365
Auditor's remuneration	核數師薪酬	3,200	2,680
Amortisation of prepaid lease payments	預付租賃款項攤銷	3,460	2,061
Depreciation of property, plant and equipment	物業、廠房及設備折舊	13,641	11,021
Depreciation of investment properties	投資物業折舊	39	29
Listing expenses (included in other expenses)	上市開支(計入其他開支)	13,365	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	63	45
Operating lease rentals paid in respect of rented premises	就租賃物業支付的經營租賃租金	18,891	9,902
Write-down of inventories (included in cost of sales)	存貨撇減(計入銷售成本)	—	10,000

Note: Cost of inventories recognised as an expense approximates cost of sales as shown in the consolidated statement of comprehensive income for both years.

附註：於該兩年度，已確認為開支的存貨成本與綜合全面收益表中所示的銷售成本相若。



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12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

12. 董事及僱員薪酬

Directors' emoluments

Details of the emoluments paid or payable to the directors for the year are as follows:

董事薪酬

年內已付董事薪酬詳情如下：

			Salaries and allowances	Retirement benefit scheme contributions	Share- based payment	Total
	Fees 袍金	薪金及 其他津貼		退休福利 計劃供款	以股份付款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
For the year ended 31 December 2009:	截至二零零九年 十二月三十一日 止年度：					
Executive directors:	執行董事：					
Mr. Chun Chi Wai	秦志威先生	—	3,220	5	3,749	6,974
Mr. Jiang Yan Zhang	姜延章先生	—	204	1	1,000	1,205
Mr. Wong Hok Leung (resigned on 11 November 2009)	王學良先生 (於二零零九年 十一月十一日 辭任)	—	3,472	11	— [#]	3,483
Non-executive directors:	非執行董事：					
Ms. Lai Wun Yin	黎煥賢女士	79	—	—	1,250	1,329
Mr. Chan Lu Seng*	陳耀星先生*	92	—	—	250	342
Mr. Chan Kam Hung*	陳錦雄先生*	92	—	—	250	342
Mr. Leung Chong Shun*	梁創順先生*	92	—	—	250	342
		355	6,896	17	6,749	14,017

[#] Share-based payment in relation to Mr. Wong Hok Leung was adjusted to zero as a result of his resignation and accordingly the revision of number of options that are expected to ultimately vest at the end of the reporting period.

* 有關王學良先生的股份付款因其辭任而調整為零，相應修訂預期於報告期末最終歸屬的購股權數目。



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12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

Directors' emoluments (Continued)

		Fees 袍金 HK\$'000 千港元	Salaries and allowances 薪金及 其他津貼 HK\$'000 千港元	Retirement benefit scheme contributions 退休福利 計劃供款 HK\$'000 千港元	Share- based payment 以股份付款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
For the year ended	截至二零零八年					
31 December 2008:	十二月三十一日					
	止年度：					
Executive directors:	執行董事：					
Mr. Chun Chi Wai	秦志威先生	—	430	1	—	431
Mr. Jiang Yan Zhang	姜延章先生	—	202	—	—	202
Mr. Wong Hok Leung	王學良先生	—	2,500	8	—	2,508
Non-executive director:	非執行董事：					
Ms. Lai Wun Yin	黎煥賢女士	—	—	—	—	—
		—	3,132	9	—	3,141

* Independent non-executive directors

* 獨立非執行董事



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12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

Employees' emoluments

Of the five highest paid individuals of the Group, the number of directors and employees are as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Directors	董事	3	2 [#]
Employees	僱員	2	3
		5	5

[#] It includes a director who was appointed on 28 May 2008 and received emoluments of HK\$219,000 for the period from 1 January 2008 to 27 May 2008 as an employee.

The remuneration of the directors are set out above while the remuneration of the remaining individuals are as follows:

12. 董事及僱員薪酬 (續)

僱員酬金

本集團五位最高薪酬人士中，董事及僱員的人數如下：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Directors	3	2 [#]
Employees	2	3
	5	5

[#] 包括一名於二零零八年五月二十八日獲委任的董事，由二零零八年一月一日至二零零八年五月二十七日，其作為僱員所收取的薪金約為219,000港元。

董事酬金載於上文，而其餘人士的酬金如下：

		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 allowances	薪金及其他津貼	2,100	2,238
Retirement benefit scheme contributions	退休福利計劃供款	24	41
Share-based payment	以股份付款	2,250	—
		4,374	2,279



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12. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

Employees' emoluments (Continued)

Their emoluments were within the following bands:

HK\$0 to HK\$1,000,000	0港元至1,000,000港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元

In the two years ended 31 December 2009, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as a compensation for loss of office. None of the directors has waived any emoluments during the two years.

13. DIVIDEND

No interim dividend was declared for the current year and no dividend was paid or proposed in respect of the year ended 31 December 2008.

The final dividend of HK12 cents in respect of the year ended 31 December 2009 per share has been proposed by the directors and is subject to approval by the shareholders at the forthcoming annual general meeting.

12. 董事及僱員薪酬 (續)

僱員酬金 (續)

彼等的酬金介乎以下範圍：

2009 No. of employees 二零零九年 僱員數目	2008 No. of employees 二零零八年 僱員數目
—	3
—	—
1	—
1	—

截至二零零九年十二月三十一日止兩年度，本集團概無向董事支付任何酬金作為彼等加入或加入本集團後的獎勵或作為離職補償。概無董事於該兩年度放棄任何酬金。

13. 股息

本年度並無宣派中期股息，截至二零零八年十二月三十一日止年度，亦無支付或建議派付股息。

董事已建議派發截至二零零九年十二月三十一日止年度的末期股息每股12港仙，惟須待股東於應屆股東週年大會批准。



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14. EARNINGS PER SHARE

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

14. 每股盈利

按下列數據計算本公司擁有人應佔每股基本及攤薄盈利：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Earnings:	盈利：		
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利的本公司擁有人應佔年內溢利	478,422	294,431
Number of shares:	股份數目：		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的加權平均普通股數目	881,438,356	699,999,388
Effect of diluted potential ordinary shares as a result of the share options granted under the Pre-IPO Scheme (defined in note 40)	首次公開發售前購股權計劃(定義見附註40)所授購股權所涉具攤薄影響潛在普通股的影响	2,854,600	—
Weighted average number of ordinary shares for the propose of diluted earnings per share	計算每股攤薄盈利的加權平均普通股數目	884,292,956	699,999,388

The weighted average number of ordinary shares used in the calculation of basic earnings per share for the year ended 31 December 2008 has been adjusted for the 699,998,999 shares issued pursuant to the capitalisation issue (see note 35(i)), which was assumed to occur at 1 January 2008.

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options granted under the Scheme (defined in note 40) because the exercise price of those options was higher than the average market price of the shares for the year ended 31 December 2009.

The computation of diluted earnings per share does not take into account the Warrants as set out and defined in note 32 as they are not dilutive.

用作計算截至二零零八年十二月三十一日止年度每股基本盈利的加權平均普通股數目，已就假設資本化發行已於二零零八年一月一日進行而發行的699,998,999股股份調整(見附註35(ii))。

由於根據計劃(附註40所界定者)所授出尚未行使的本公司購股權的行使價高於截至二零零九年十二月三十一日止年度股份的平均市價，故計算每股攤薄盈利時乃假設該等購股權並無獲行使。

由於附註32所載及所界定的認股權證並無攤薄作用，故計算每股攤薄盈利時並未計入該等認股權證。



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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Construction		Motor vehicles	Leasehold improvements	Machinery, furniture, fixtures and equipment	Total
		Buildings	in progress				
		樓宇	在建工程	汽車	租賃物業裝修	機器、傢俬、裝置及設備	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
COST	成本						
At 1 January 2008	於二零零八年一月一日	12,032	335	16,173	761	50,028	79,329
Exchange realignment	匯兌調整	732	120	1,081	28	3,080	5,041
Acquisition of a subsidiary (note 36)	收購一間附屬公司 (附註36)	—	—	757	—	739	1,496
Additions	添置	3,895	8,592	2,753	2,487	23,461	41,188
Disposals	出售	—	—	(4,300)	—	(2)	(4,302)
Reclassified as investment properties (note 16)	重新分類為投資物業 (附註16)	(1,940)	—	—	—	—	(1,940)
At 31 December 2008	於二零零八年十二月三十一日	14,719	9,047	16,464	3,276	77,306	120,812
Additions	添置	849	11,045	900	18	7,900	20,712
Disposals	出售	—	—	(494)	—	(386)	(880)
At 31 December 2009	於二零零九年十二月三十一日	15,568	20,092	16,870	3,294	84,820	140,644
DEPRECIATION	折舊						
At 1 January 2008	於二零零八年一月一日	2,732	—	10,150	175	16,202	29,259
Exchange realignment	匯兌調整	185	—	677	—	953	1,815
Provided for the year	年內撥備	698	—	2,375	219	7,720	11,012
Eliminated on disposals	出售時撇銷	—	—	(3,670)	—	—	(3,670)
Reclassified as investment properties (note 16)	重新分類為投資物業 (附註16)	(141)	—	—	—	—	(141)
At 31 December 2008	於二零零八年十二月三十一日	3,474	—	9,532	394	24,875	38,275
Provided for the year	年內撥備	1,468	—	1,726	605	9,842	13,641
Eliminated on disposals	出售時撇銷	—	—	(221)	—	(40)	(261)
At 31 December 2009	於二零零九年十二月三十一日	4,942	—	11,037	999	34,677	51,655
CARRYING VALUES	賬面值						
At 31 December 2009	於二零零九年十二月三十一日	10,626	20,092	5,833	2,295	50,143	88,989
At 31 December 2008	於二零零八年十二月三十一日	11,245	9,047	6,932	2,882	52,431	82,537



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15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

After considering the estimated residual values, the above items of property, plant and equipment other than construction in progress are depreciated on a straight-line basis at the following rates per annum:

Buildings	20 - 50 years or over the lease term of the relevant land, whichever is shorter
樓宇	20至50年或相關土地的租賃期限(以較短者為準)
Motor vehicles	20%
汽車	20%
Leasehold improvements	4% or over the term of the relevant lease, whichever is shorter
租賃物業裝修	4%或相關租賃期限(以較短者為準)
Machinery, furniture, fixtures and equipment	10% - 20%
機器、傢俬、裝置及設備	10%至20%

15.物業、廠房及設備(續)

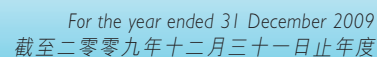
經考慮估計殘值，上述物業、廠房及設備項目(在建工程除外)乃以直線法按下列年利率折舊：

16. INVESTMENT PROPERTIES

16.投資物業

HK\$'000
千港元

COST	成本	
At 1 January 2008	於二零零八年一月一日	—
Reclassified from property, plant and equipment (note 15)	自物業、廠房及設備重新分類(附註15)	1,940
At 31 December 2008 and 2009	於二零零八年及二零零九年十二月三十一日	1,940
DEPRECIATION	折舊	
At 1 January 2008	於二零零八年一月一日	—
Reclassified from property, plant and equipment (note 15)	自物業、廠房及設備重新分類(附註15)	141
Provided for the year	年內撥備	29
At 31 December 2008	於二零零八年十二月三十一日	170
Provided for the year	年內撥備	39
At 31 December 2009	於二零零九年十二月三十一日	209
CARRYING VALUES	賬面值	
At 31 December 2009	於二零零九年十二月三十一日	1,731
At 31 December 2008	於二零零八年十二月三十一日	1,770





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18. INTEREST IN AN ASSOCIATE/AMOUNT DUE FROM AN ASSOCIATE

18. 於聯營公司的權益／應收 聯營公司款項

		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 an associate (note)	於聯營公司的非上市投資成本 (附註)	87,130	53,519
Share of post-acquisition reserves, net of dividends received	應佔收購後儲備，扣除已收股息	9,983	13,527
		97,113	67,046

Note: Included in the cost of unlisted investment in an associate at the end of the reporting period is goodwill arising on acquisition of HK\$9,237,000 (2008: HK\$9,237,000).

Details of the Group's associate are set out in note 43.

The amount due from an associate was unsecured, non-interest bearing and fully recovered during the current year.

附註：於報告期間結束時，於聯營公司的非上市投資成本包括收購產生的商譽9,237,000港元（二零零八年：9,237,000港元）。

本集團聯營公司的詳情載於附註43。

應收聯營公司款項為無抵押、免息及已於本年度全數收回。



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18. INTEREST IN AN ASSOCIATE/AMOUNT DUE FROM AN ASSOCIATE (Continued)

The summarised financial information in respect of the Group's associate is set out below:

		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	199,120	139,505
Total liabilities	負債總額	(3,838)	(11,040)
Net assets	資產淨值	195,282	128,465
The Group's share of net assets of an associate	本集團應佔聯營公司的資產淨值	87,876	57,809
Revenue	收益	33,315	36,348
Profit for the year	年內溢利	4,313	5,897
The Group's share of result of an associate for the year	本集團應佔聯營公司的年內業績	1,941	2,654

18. 於聯營公司的權益／應收 聯營公司款項 (續)

本集團聯營公司的財務資料概述如下：

19. INVENTORIES

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Raw materials	原材料	455,304	215,675
Finished goods	製成品	272,234	41,861
		727,538	257,536

19. 存貨



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20. TRADE AND OTHER RECEIVABLES AND DEPOSITS

The Group generally allows an average credit period of 30 to 90 days to its trade customers. The aged analysis of the Group's trade receivables, presented based on the invoice date at the end of the reporting period, is as follows:

20. 貿易及其他應收款項及按金

本集團一般向貿易客戶提供介乎30日至90日的平均信貸期。於報告期間結束時本集團應收貿易款項的賬齡分析(按發票日期呈列)如下:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Trade receivables:	應收貿易款項：		
0 - 30 days	0至30日	803,486	425,213
31 - 60 days	31至60日	678,539	316,600
61 - 90 days	61至90日	513,299	27,002
91 - 120 days	91至120日	199,040	3,185
121 - 180 days	121至180日	80,826	—
Over 180 days	超過180日	26,382	256
		2,301,572	772,256
Other receivables and deposits:	其他應收款項及按金：		
Deposits and prepayments	按金及預付款	31,297	18,099
Deposits paid for purchase of raw materials	就購買原材料已付的按金	94,037	39,601
Other taxes recoverable	其他可收回稅項	95,643	5,070
Others	其他	1,776	547
		222,753	63,317
		2,524,325	835,573



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綜合財務報表附註

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20. TRADE AND OTHER RECEIVABLES AND DEPOSITS (Continued)

The above trade and other receivables of the Group that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

As at 31 December 2009	於二零零九年十二月三十一日	—	88,651
As at 31 December 2008	於二零零八年十二月三十一日	30,187	13,533

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributable to customers are reviewed regularly.

No impairment loss is provided for the trade receivables that are neither past due nor impaired because these receivables are within credit period granted to the respective customer and the management considers the default rate is low for such receivables based on historical information and past experience.

In determining the recoverability of a trade receivable, the Group considers any change in credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. In view of the good settlement history and substantial subsequent settlement from those debtors of the Group which are past due but not impaired, the directors consider that no allowance is required.

20. 貿易及其他應收款項及按金 (續)

上述以有關集團實體功能貨幣以外貨幣計值的本集團貿易及其他應收款項如下：

HKD equivalent of 港元的等值	
USD 美元	RMB 人民幣
HK\$'000 千港元	HK\$'000 千港元

於接受任何新客戶之前，本集團會評估潛在客戶的信貨質素及界定各客戶的信貨限額，並會定期檢討各客戶的限額及評分。

概無就既未逾期亦無減值的應收貿易款項作出減值虧損撥備，乃由於該等應收款項屬有關客戶獲授的信貸期之內，故管理層基於過往資料及過往經驗認為，該等應收款項的拖欠率甚低。

於確定應收貿易款項是否可收回時，本集團考慮自初始授出信貸日期起至報告期間結束時止應收貿易款項任何信貨質素的變動。由於本集團債務人對已過期但未減值的應收貿易款項有良好還款記錄，且其後已償還大部分金額，故董事認為毋須作出撥備。



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20. TRADE AND OTHER RECEIVABLES AND DEPOSITS (Continued)

Aging of trade receivables which are past due but not impaired

20. 貿易及其他應收款項及按金 (續)

已過期但未減值的應收貿易款項的賬齡

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
31 - 60 days	31至60日	678,539	316,600
61 - 90 days	61至90日	513,299	27,002
91 - 120 days	91至120日	199,040	3,185
121 - 180 days	121至180日	80,826	—
Over 180 days	超過180日	26,382	256
		1,498,086	347,043

The Group does not hold any collateral over the above balances.

本集團並無就上述結餘持有任何抵押品。



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21. BILLS RECEIVABLE

The amount represents bills on hand and bills discounted to banks with recourse with a maturity period of less than 180 days. At the end of the reporting period, these receivables are not yet due and the management considers the default rate is low based on past experience as the Group seldom encounters default on bills. The Group retains all the risks and rewards of discounted bills receivable and accordingly, the Group continues to recognise the full carrying amount of such bills receivable (see note 37 for assets pledged) and has recognised the cash received on such discount as secured discounted bills liabilities in note 28.

22. AMOUNT DUE FROM A CONTROLLING SHAREHOLDER

As at 31 December 2008, the receivable arose from temporary fund transfers which were non-trade in nature. The amount was unsecured, non-interest bearing and fully recovered during the current year. The outstanding balance as at 31 December 2008 was also the maximum amount outstanding during the current year.

23. DEPOSIT PAID TO A RELATED PARTY

The amount represents a rental deposit paid to secure the lease agreement entered into between the Group and a company wholly-owned by Mr. Chun, a director of the Company, as the landlord. Details of the lease agreement are set out in note 42.

21. 應收票據

該款項主要指於180日內到期的手頭票據及銀行附有追索權的已貼現票據。該等應收款項於報告期間結束時尚未到期，由於本集團過往甚少遭受票據拖欠付款情況，故管理層認為拖欠率甚低。本集團保留所有該等已貼現應收票據的全部風險及回報，因此，本集團繼續確認該等應收票據的足額全部賬面值（已抵押資產見附註37），並將該等貼現所得現金確認為附註28所述有抵押貼現票據負債。

22. 應收一位控股股東款項

於二零零八年十二月三十一日，該應收款項乃因臨時資金轉撥（屬非貿易性質）而產生。該款項為無抵押、免息及已於本年度全數收回。於二零零八年十二月三十一日的未償還結餘亦為本年度的最高未償還金額。

23. 支付予一名關連人士的按金

該款項乃指為擔保本集團與本公司董事秦先生全資擁有的公司（作為業主）之間訂立的租賃協議而支付的租賃按金。租賃協議詳情載於附註42。



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24.DERIVATIVE FINANCIAL INSTRUMENTS

24.衍生金融工具

Derivatives settled in net (not under hedge accounting):

並非按對沖會計法處理的按淨額結算的
衍生工具：

		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
Future contracts on non-ferrous metals (note a)	有色金屬期貨合約(附註a)	36,508	61,248	1,446	127
Foreign currency forward contracts (note b)	外幣遠期合約(附註b)	432	843	—	—
Interest rate swap (note c)	利率掉期(附註c)	—	53	—	—
		36,940	62,144	1,446	127

Notes:

附註：

(a) Major terms of future contracts on non-ferrous metals are set out below:

(a) 有色金屬期貨合約主要條款如下：

At 31 December 2009

於二零零九年十二月三十一日

Contracted future price 合約期貨價格	Standard trading unit 標準交易單位	Total unit 總單位	Maturity 到期日
Copper future contracts: 銅期貨合約：			
Sell at prices ranged from RMB53,980 to RMB58,870 per tonne 按介乎每噸人民幣53,980元至人民幣58,870元沽出	5 tonnes 5噸	108	Ranged from 15 January 2010 to 15 April 2010 自二零一零年一月十五日至二零一零年四月十五日
Buy at prices ranged from RMB53,400 to RMB59,600 per tonne 按介乎每噸人民幣53,400元至人民幣59,600元買入	5 tonnes 5噸	375	Ranged from 15 January 2010 to 15 March 2010 自二零一零年一月十五日至二零一零年三月十五日



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24.DERIVATIVE FINANCIAL INSTRUMENTS

24.衍生金融工具 (續)

(Continued)

Notes: (Continued)

附註：(續)

- (a) Major terms of future contracts on non-ferrous metals are set out below: (Continued)

- (a) 有色金屬期貨合約主要條款如下：(續)

Contracted future price 合約期貨價格	Standard trading unit 標準交易單位	Total unit 總單位	Maturity 到期日
Sell at prices ranged from USD6,209 to USD7,331 per tonne 按介乎每噸6,209美元 至7,331美元沽出	25 tonnes 25噸	443	Ranged from 5 January 2010 to 30 March 2010 自二零一零年一月五日 至二零一零年三月三十日
Buy at prices ranged from USD5,880 to USD7,377 per tonne 按介乎每噸5,880美元 至7,377美元買入	25 tonnes 25噸	275	Ranged from 5 January 2010 to 31 March 2010 自二零一零年一月五日 至二零一零年三月三十一日
Sell at prices ranged from USD3.299 to USD3.313 per pound 按介乎每磅3.299美元 至3.313美元沽出	25,000 pounds 25,000磅	102	10 March 2010 二零一零年三月十日
Aluminium future contracts:	鋁期貨合約：		
Sell at prices ranged from RMB15,845 to RMB17,035 per tonne 按介乎每噸人民幣15,845元 至人民幣17,035元沽出	5 tonnes 5噸	288	Ranged from 15 February 2010 to 15 April 2010 自二零一零年二月十五日 至二零一零年四月十五日
Buy at prices ranged from RMB15,630 to RMB16,830 per tonne 按介乎每噸人民幣15,630元 至人民幣16,830元買入	5 tonnes 5噸	285	Ranged from 15 January 2010 to 15 March 2010 自二零一零年一月十五日 至二零一零年三月十五日
Sell at USD2,130 per tonne 按每噸2,130美元沽出	25 tonnes 25噸	14	2 March 2010 二零一零年三月二日



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24.DERIVATIVE FINANCIAL INSTRUMENTS

24.衍生金融工具 (續)

(Continued)

Notes: (Continued)

附註：(續)

- (a) Major terms of future contracts on non-ferrous metals are set out below: (Continued)

- (a) 有色金屬期貨合約主要條款如下：(續)

Contracted future price 合約期貨價格	Standard trading unit 標準交易單位	Total unit 總單位	Maturity 到期日
Zinc future contracts: 鋅期貨合約：			
Sell at prices ranged from RMB16,710 to RMB20,770 per tonne 按介乎每噸人民幣16,710元 至人民幣20,770元沽出	5 tonnes 5噸	776	Ranged from 15 January 2010 to 15 April 2010 自二零一零年一月十五日 至二零一零年四月十五日 At 31 December 2008 於二零零八年十二月三十一日
Contracted future price 合約期貨價格	Standard trading unit 標準交易單位	Unit bought 已購買單位	Maturity 到期日
Copper future contracts: 銅期貨合約：			
Sell at RMB24,267 per tonne 按每噸人民幣24,267元沽出	5 tonnes 5噸	65	15 January 2009 二零零九年一月十五日
Sell at USD1.85 per pound 按每鎊1.85美元沽出	25,000 pounds 25,000鎊	5	27 March 2009 二零零九年三月二十七日
Sell at prices ranged from USD3,130 to USD4,240 per tonne 按介乎每噸3,130美元至 4,240美元沽出	25 tonnes 25噸	11	Ranged from 4 February 2009 to 16 March 2009 自二零零九年二月四日 至二零零九年三月十六日

The future contracts are measured at fair values based on the quoted prices in active markets at the end of the reporting period, with gain or loss recognised directly in the consolidated statement of comprehensive income.

於報告期間結束時，期貨合約根據交投活躍市場報價以公允值計量，其盈虧直接於綜合全面收入表內確認。



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24.DERIVATIVE FINANCIAL INSTRUMENTS

(Continued)

Notes: (Continued)

- (b) Major terms of the foreign currency forward contracts as at 31 December 2009 are as follows:

Notional amount 名義金額	Forward contracted rates 遠期合約利率
14 contracts to buy USD28,080,952 in total 14份合約合共 買入28,080,952美元	USD1: RMB6.6410 to 6.8442 1美元兌人民幣6.6410元 至人民幣6.8442元

No foreign currency forward contract was outstanding as at 31 December 2008.

- (c) Major terms of the interest rate swap as at 31 December 2009 are as follows:

Notional amount 名義金額	Interest rate swap 利率掉期
USD1,000,000 1,000,000美元	From London Interbank Offered Rate ("LIBOR") to 1.4% 自倫敦銀行同業拆息 (「倫敦銀行同業拆息」)至1.4%

No interest rate swap was outstanding as at 31 December 2008.

24.衍生金融工具 (續)

附註：(續)

- (b) 於二零零九年十二月三十一日，外幣遠期合約主要條款如下：

Maturity 到期日
From 27 September 2010 to 28 December 2010 自二零一零年九月二十七日 至二零一零年十二月二十八日

於二零零八年十二月三十一日，並無尚未到期的外幣遠期合約。

- (c) 於二零零九年十二月三十一日，利率掉期的主要條款如下：

Maturity 到期日
27 September 2010 二零一零年九月二十七日

於二零零八年十二月三十一日，並無尚未到期的利率掉期。



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24. DERIVATIVE FINANCIAL INSTRUMENTS

(Continued)

The above derivative financial instruments of the Group that are denominated in the currencies other than functional currencies of the relevant group entities are set out below:

24. 衍生金融工具 (續)

上述以相關集團實體功能貨幣以外貨幣計值的本集團衍生金融工具如下：

		Assets	Liabilities
		HKD	HKD
		equivalent	equivalent
		of USD	of USD
		資產	負債
		港元的等值美元	港元的等值美元
		HK\$'000	HK\$'000
		千港元	千港元
As at 31 December 2009	於二零零九年十二月三十一日	413	(784)
As at 31 December 2008	於二零零八年十二月三十一日	—	—

25. PLEDGED BANK DEPOSITS

The amounts represent deposits pledged to banks to secure the general banking facilities granted to the Group or as customs security. All deposits are pledged to secure short-term facilities and therefore, classified as current assets.

The above pledged bank deposits of the Group that are denominated in a currency other than the functional currencies of the relevant group entities are set out below.

25. 已質押銀行存款

已質押銀行存款指就本集團獲授一般銀行融資或作為客戶擔保而向銀行抵押的存款。所有存款均作抵押以獲取短期融資，因此，均歸類為流動資產。

上述以相關集團實體功能貨幣以外貨幣計值的本集團已質押銀行存款如下。

		HKD
		港元
		HK\$'000
		千港元
As at 31 December 2009	於二零零九年十二月三十一日	10,690
As at 31 December 2008	於二零零八年十二月三十一日	—

The pledged bank deposits of the Group carry interest at the following fixed interest rates:

本集團已質押銀行存款按以下固定利率計息：

		2009	2008
		二零零九年	二零零八年
Range of interest rates per annum		0.01% to 2.25%	1.8% to 4.14%
年利率範圍		0.01% 至 2.25%	1.8% 至 4.14%



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26. BANK BALANCES AND CASH/RESTRICTED BANK DEPOSITS

Bank balances and cash comprise cash held by the Group and short-term bank deposits with maturity of three months or less.

Restricted bank deposits represent deposits placed with financial institutions to secure the margin accounts of the Group for trading future contracts in the relevant financial institutions.

The above bank balances and cash and restricted bank deposits of the Group that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		HKD equivalent of USD 港元的等值 美元 HK\$'000 千港元	HKD 港元 HK\$'000 千港元
As at 31 December 2009	於二零零九年十二月三十一日	22,044	39,093
As at 31 December 2008	於二零零八年十二月三十一日	13,417	663

The bank deposits of the Group carry floating rate interest at the following rates:

本集團的銀行存款按以下浮動利率計息：

	2009 二零零九年	2008 二零零八年
Range of interest rates per annum 年利率範圍	0.01% to 2.25% 0.01% 至 2.25%	0.01% to 4.8% 0.01% 至 4.8%



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27. TRADE AND OTHER PAYABLES

The aged analysis of the Group's trade payables, presented based on the invoice date at the end of the reporting period, is as follows:

Trade payables:	應付貿易款項：
0 - 30 days	0至30日
31 - 60 days	31至60日
61 - 90 days	61至90日
91 - 120 days	91至120日
121 - 150 days	121至150日
Over 150 days	超過150日

27. 貿易及其他應付款項

於報告期間結束時，本集團應付貿易款項的賬齡分析（按發票日期呈列）如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
		585,871	12,425
		191,996	5,729
		111,288	1,122
		32	520
		44	—
		708	195
		889,939	19,991
Other payables:	其他應付款項：		
Accruals	應計費用	12,916	7,008
Payables for acquisition of property, plant and equipment	購買物業、廠房及設備的應付款項	1,659	2,830
Deposits received from customers	已收客戶按金	60,426	15,829
Other taxes payable	其他應付稅項	4,409	4,224
Others	其他	12,447	2,448
		91,857	32,339
		981,796	52,330



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27. TRADE AND OTHER PAYABLES (Continued)

The average credit period on purchase of goods is up to 60 days. The Group closely monitors its cash flows position to ensure that all payables are settled within credit time frame.

The above trade and other payables that are denominated in a currency other than the functional currencies of the relevant group entities are set out below:

27. 貿易及其他應付款項 (續)

貨物採購的平均信貸期最多60日，本集團嚴密監控相關現金流量，確保所有應付款項於信貸期限內清償。

上述以有關集團實體功能貨幣以外貨幣計值的貿易及其他應付款項如下：

		HKD equivalent of USD 港元的等值美元 HK\$'000 千港元
As at 31 December 2009	於二零零九年十二月三十一日	1,404
As at 31 December 2008	於二零零八年十二月三十一日	1,404

28. DISCOUNTED BILLS

The amounts represent the Group's bank borrowings secured by bills discounted to banks with recourse (see note 21). The ranges of effective interest rates per annum in respect of the Group's discounted bills with recourse are as follows:

28. 貼現票據

貼現票據乃指本集團以向銀行貼現附追索權票據作抵押的銀行借款（見附註21）。本集團附有追索權的貼現票據的實際年利率範圍如下：

	2009 二零零九年	2008 二零零八年
Effective interest rates per annum	1.74% to 5.83%	3.85% to 6.04%
實際年利率	1.74% 至 5.83%	3.85% 至 6.04%

29. AMOUNTS DUE TO MINORITY SHAREHOLDERS OF SUBSIDIARIES

The payables arose from temporary fund transfers, which were non-trade in nature. The amounts were unsecured, non-interest bearing and fully settled during the current year.

29. 應付附屬公司少數股東款項

該等應付款項乃因臨時資金轉撥（屬非貿易性質）而產生。該等款項為無抵押、免息及已於本年度全數結清。



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30.AMOUNT DUE TO A DIRECTOR

The payable arose from temporary fund transfers, which were non-trade in nature. The amount was unsecured, non-interest bearing and fully settled during the current year.

30.應付董事款項

該應付款項乃因臨時資金轉撥(屬非貿易性質)而產生。該款項為無抵押、免息及已於本年度全數結清。

31.BANK BORROWINGS

31.銀行借款

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Fixed-rate borrowings:	定息借款：		
Bank loans	銀行貸款	392,734	59,802
Variable-rate borrowings:	浮息借款：		
Bank loans	銀行貸款	22,727	76,437
Bank overdrafts	銀行透支	—	3,334
Trust receipt loans	信託收據貸款	36,115	—
		451,576	139,573
Secured	有抵押	257,342	139,573
Unsecured	無抵押	194,234	—
		451,576	139,573
The maturity of the above loans and overdrafts is as follows:	上述貸款及透支的到期情況如下：		
On demand or within one year	於要求時或一年內	451,576	128,664
In more than one year but not more than two years	一年後但不超過兩年	—	10,909
		451,576	139,573
Less: Amount repayable on demand or due within one year shown under current liabilities	減：於要求時償還或於一年內到期並列入流動負債的金額	(451,576)	(128,664)
Amount due after one year	一年後到期的金額	—	10,909



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31. BANK BORROWINGS (Continued)

The Group's variable-rate borrowings are mainly subject to interest at Hong Kong Interbank Offered Rate or LIBOR plus a spread, ranging from 0.9% to 3% (2008: 1.75% to 3%), Prime Rate of the relevant bank in Hong Kong or such rate plus a spread of 1% or 105% or 110% of The People's Bank of China Base Lending Rate. The ranges of effective interest rates per annum on the Group's bank borrowings are as follows:

Effective interest rates:	實際利率：
Fixed-rate borrowings	定息借款
Variable-rate borrowings	浮息借款

31. 銀行借款 (續)

本集團的浮息借款主要按香港或倫敦銀行同業拆息加介乎0.9%至3% (二零零八年：1.75%至3%) 的息差、香港相關銀行的優惠利率或中國人民銀行基準貸款利率的1%或105%或110%計息。本集團銀行借款的實際年利率範圍如下：

	2009 二零零九年	2008 二零零八年
Fixed-rate borrowings	1.36% to 5.84%	3.77% to 7.84%
Variable-rate borrowings	0.38% to 5.58%	2.73% to 6.74%

The above Group's bank borrowings that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

上述以有關集團實體功能貨幣以外貨幣計值的本集團銀行借款如下：

		HKD equivalent of USD 港元的等值美元 HK\$'000 千港元	HKD 港元 HK\$'000 千港元
As at 31 December 2009	於二零零九年十二月三十一日	162,558	21,917
As at 31 December 2008	於二零零八年十二月三十一日	38,220	14,110



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32.SECURED GUARANTEED SENIOR NOTES

On 23 October 2007 (the "Issue Date"), the Group issued US\$80,000,000 (equivalent to approximately HK\$624,000,000) 8.5% guaranteed senior notes to a group of institutional investors not related to the Group at a par value of US\$500,000 each (the "Senior Notes"). The Senior Notes bear coupon interest at 8.5% per annum, payable semi-annually in arrears and are denominated in USD. The Senior Notes are secured by substantially all the assets of the Group outside of the PRC and the entire issued shares of the Company and certain subsidiaries of the Company. The Senior Notes are also guaranteed by certain subsidiaries of the Company. Under the indenture governing the Senior Notes ("Indenture"), the Group is mandatorily required to redeem the Senior Notes in cash on 23 October 2009, being the maturity date of the Senior Notes, or upon the listing of the shares of the Company on the Stock Exchange ("Listing"), whichever is earlier. The above pledges and guarantees would also be released upon Listing. The redemption is at the Senior Notes redemption price amounting to 100% of the principal outstanding amount of the Senior Notes as of the date fixed for redemption, together with accrued interest to the next interest payment date.

In connection with the issuance of the Senior Notes, the Group also issued one warrant per Senior Note totalling 160 warrants ("Warrants") to the holders of the Senior Notes. The Warrants entitled the holders to put the Warrants to the Group at the agreed Warrants redemption price (see the table set out below) upon (i) a primary public offering of the listing of shares of the Company on an internationally recognised stock exchange acceptable to the holders of the Senior Notes, which included the Stock Exchange (the "Qualified IPO"); (ii) if Listing shall not occur on or before the date that is 24 months after the Issue Date; or (iii) if any event of default as detailed in the Indenture shall occur under the Senior Notes (such date that is the earlier to occurrence of (i) and (ii)) (hereinafter (i) to (iii) are referred to as "Warrants Redemption Date").

32.抵押有擔保優先票據

於二零零七年十月二十三日（「發行日期」），本集團向一批與本集團並無關連的機構投資者發行80,000,000美元（相當於約624,000,000港元）8.5%有擔保優先票據（「優先票據」），每份面值為500,000美元。優先票據的每年息票率為8.5%，須於每半年到期時支付，並以美元列值。優先票據以本集團於中國境外的絕大部分資產以及本公司及其若干附屬公司全部已發行股份作抵押。本公司若干附屬公司亦為優先票據提供擔保。根據規管優先票據的契約（「契約」），本集團須於二零零九年十月二十三日（即優先票據到期日）或本公司股份於聯交所上市（「上市」）時（以較早者為準）以現金贖回優先票據。以上抵押及擔保亦將於上市時解除。優先票據將按相等於固定贖回日期優先票據全部未償付本金額連同至下一個利息支付日期應計利息的優先票據贖回價格贖回。

為發行優先票據，本集團亦已按每份優先票據發行一份認股權證基準向優先票據持有人發行合共160份認股權證（「認股權證」）。認股權證賦予持有人，於(i)本公司股份在優先票據持有人接納的國際認可證券交易所（包括聯交所）上市的首次公開發售（「合資格首次公開發售」）；(ii)倘未能於發行日期後滿24個月當日或之前上市；或(iii)倘發生優先票據規定的任何違約事件（詳情載於契約）（該日期以第(i)項及第(ii)項兩者中較早發生者為準）(i)至(iii)項下文稱作「認股權證贖回日期」時，按協定的認股權證贖回價格（見下表）向本集團沽出認股權證。



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32. SECURED GUARANTEED SENIOR NOTES

(Continued)

At the discretion of each holder of the Warrants, the Warrants may be either (a) cash settled or (b) equity settled, during the 24 months after the Issue Date upon the Qualified IPO in the following manner:

(a) Cash settled of Warrants

The Group shall redeem the Warrants for a price equal to the redemption price as follows:

Warrants Redemption date

認股權證贖回日期

On or before the date that is 6 months after the Issue Date

於發行日期後滿六個月當日或之前

After the date that is 6 months after the Issue Date but on or before the date that is 12 months after the Issue Date

於發行日期後滿六個月當日後但
於發行日期後滿十二個月當日或之前

After the date that is 12 months after the Issue Date but on or before the date that is 18 months after the Issue Date

於發行日期後滿十二個月當日後但
於發行日期後滿十八個月當日或之前

After the date that is 18 months after the Issue Date but on or before the date that is 24 months after the Issue Date

於發行日期後滿十八個月當日後但
於發行日期後滿二十四個月當日或之前

On the date that is 24 months after the Issue Date

於發行日期後滿二十四個月當日

32. 抵押有擔保優先票據 (續)

根據認股權證各持有人的選擇，認股權證可按下列方式於合資格首次公開發售完成時於發行日期後24個月內以(a)現金結算或(b)權益結算：

(a) 以現金結算認股權證

本集團須按相等於下列贖回價的價格贖回認股權證：

Warrants Redemption price

認股權證贖回價格

Number of Warrants × USD500,000 × 4.25%

認股權證數目 × 500,000美元 × 4.25%

Number of Warrants × USD500,000 × 8.86%

認股權證數目 × 500,000美元 × 8.86%

Number of Warrants × USD500,000 × 15.57%

認股權證數目 × 500,000美元 × 15.57%

Number of Warrants × USD500,000 × 21.72%

認股權證數目 × 500,000美元 × 21.72%

Number of Warrants × USD500,000 × 19.28%

認股權證數目 × 500,000美元 × 19.28%



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32.SECURED GUARANTEED SENIOR NOTES

(Continued)

(b) Equity settled of Warrants

Within the 24 months after the Issue Date, holders of the Warrants are entitled to receive shares of the Company in lieu of cash for the above mentioned amounts calculated with reference to the offer price under the Qualified IPO.

The Senior Notes are accounted for as financial liabilities which are carried at amortised cost using the effective interest method.

In the opinion of the directors of the Company, the redemption feature of the Warrants represents additional borrowing cost of the Senior Notes, which will be incurred through with the passage of time. As a result, it is taken into account in the calculation of effective interest of the Senior Notes. In addition, the directors of the Company consider that the value of the conversion options adhered to the Warrants is insignificant at the date of issue, at the end of the reporting period and at the date of redemption.

Upon Listing on 22 June 2009, the Group redeemed the Senior Notes together with accrued interest to the next interest payment date and settled the Warrants by cash at the Warrants redemption price as set out above. The pledges and guarantees in relation to the issuance of the Senior Notes were also released during the year following the redemption.

32.抵押有擔保優先票據 (續)

(b) 以權益結算認股權證

於發行日期後二十四個月內，認股權證持有人有權獲取本公司股份以代替參照合資格首次公開發售的發售價計算的上述金額現金。

優先票據列作採用實際利息法按攤銷成本列賬的金融負債。

本公司董事認為，認股權證的贖回特徵亦代表隨時間的推移而將產生的優先票據額外借貸成本。因此，須於計算優先票據的實際利息時予以考慮。此外，本公司董事認為認股權證所附兌換期權於發行日期、報告期間結束時及贖回日期的價值並不重大。

於二零零九年六月二十二日上市時，本集團贖回優先票據（連同至下一個付息日應計利息），並按上文所載認股權證贖回價以現金清償認股權證。有關發行優先票據的抵押及擔保亦已於贖回隨後年度解除。



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32. SECURED GUARANTEED SENIOR NOTES

(Continued)

The movements of the Senior Notes of the Group are as follows:

32. 抵押有擔保優先票據 (續)

本集團優先票據的變動如下：

		HK\$000 千港元
At 1 January 2008	於二零零八年一月一日	624,718
Interest charge	利息費用	125,046
Interest paid	已付利息	(53,040)
At 31 December 2008	於二零零八年十二月三十一日	696,724
Interest charge	利息費用	111,011
Interest paid	已付利息	(26,520)
Redemption upon Listing	於上市時贖回	(781,215)
At 31 December 2009	於二零零九年十二月三十一日	—

The effective interest rate applied is 19.36% per annum.

所採用的實際年利率為19.36%。



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33.DEFERRED TAXATION

The deferred tax liabilities and assets recognised by the Group and movements thereon during the year are as follows:

33.遞延稅項

本集團於年內確認的遞延稅項負債及資產及其變動如下：

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	577	—	577
Charged (credited) for the year	本年度計提(抵免)	366	(910)	(544)
Effect of change in tax rate	稅率變動影響	(33)	—	(33)
At 31 December 2008	於二零零八年 十二月三十一日	910	(910)	—
(Credited) charged for the year	年內(抵免)計提	(224)	224	—
At 31 December 2009	於二零零九年 十二月三十一日	686	(686)	—



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33. DEFERRED TAXATION (Continued)

At 31 December 2009, the Group had unused tax losses of HK\$74,367,000 (2008: HK\$40,661,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$4,157,000 (2008: HK\$5,516,000) of such losses. No deferred tax asset has been recognised in respect of the remaining tax losses due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$28,078,000 (2008: HK\$29,200,000) that will expire in various dates up to 2014. Other losses may be carried forward indefinitely.

Under the tax rules and regulations in the PRC, 10% withholding income tax is imposed on dividends declared in respect of profits earned from 1 January 2008 to non-PRC resident investors of the companies established in the PRC. For investors incorporated in Hong Kong, a preferential rate of 5% will be applied. Deferred tax has not been provided for in the consolidated financial statements in respect of the temporary differences attributable to such undistributed profits from PRC subsidiaries amounting to HK\$109,482,000 (2008: HK\$85,814,000) 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.

33. 遞延稅項 (續)

於二零零九年十二月三十一日，本集團可用作抵扣未來溢利的尚未動用稅項虧損為74,367,000港元（二零零八年：40,661,000港元），就該等虧損中約4,157,000港元（二零零八年：5,516,000港元）確認遞延稅項資產。由於未能預測未來溢利來源，故並無就其餘的稅項虧損確認遞延稅項資產。未確認的稅項虧損包括28,078,000港元（二零零八年：29,200,000港元）的虧損，將於截至二零一四年止前多個日期到期。其他虧損可無限期結轉。

根據中國稅務規則及法規，於中國成立的公司就自二零零八年一月一日起賺取的溢利向非中國居民投資者宣派股息時須繳納10%預扣所得稅。於香港註冊成立的投資者則可享有優惠稅率5%。由於本集團可控制暫時差額的撥回時間且暫時差額於可見將來有可能不獲撥回，故並無就該等中國附屬公司的未分派溢利應佔的暫時差額109,482,000港元（二零零八年：85,814,000港元）在綜合財務報表中作遞延稅項撥備。



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34. OTHER LONG-TERM PAYABLE

34. 其他長期應付款項

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total other long-term payable	其他長期應付款項總額	682	909
Less: current portion included in trade and other payables	減：計入貿易及其他應付 款項的即期部分	(228)	(227)
		454	682

The amount represents payable for acquisition of property, plant and equipment which is unsecured, non-interest bearing and repayable by instalments in ten years commencing from the year 2003.

該款項指收購物業、廠房及設備的應付款項，乃無抵押、免息，且須自二零零三年起計十年內分期償還。



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35.SHARE CAPITAL

35.股本

		Number of shares 股份數目	Amount 金額 HK\$ 港元
Ordinary shares of HK\$0.0001 each	每股面值0.0001港元的普通股		
Authorised:	法定：		
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	3,800,000,000	380,000
Increase on 22 May 2009 (note i)	於二零零九年五月二十二日 增加(附註i)	6,200,000,000	620,000
At 31 December 2009	於二零零九年十二月三十一日	10,000,000,000	1,000,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2008	於二零零八年一月一日	100,000	10
Issue of share on 1 February 2008 (note ii)	於二零零八年二月一日 發行股份(附註ii)	1	—
At 31 December 2008	於二零零八年十二月三十一日	100,001	10
Capitalisation issue on 22 June 2009 (note i)	於二零零九年六月二十二日 的資本化發行(附註i)	699,899,999	69,990
Issue of shares on 22 June 2009 (note iii)	於二零零九年六月二十二日 發行股份(附註iii)	300,000,000	30,000
Issue of shares on 26 June 2009 (note iv)	於二零零九年六月 二十六日發行股份(附註iv)	45,000,000	4,500
At 31 December 2009	於二零零九年十二月三十一日	1,045,000,000	104,500



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35.SHARE CAPITAL (Continued)

35.股本 (續)

HK\$'000

千港元

Shown in the consolidated financial statements	於綜合財務報表內列示為	
As at 31 December 2009	於二零零九年十二月三十一日	105
As at 31 December 2008	於二零零八年十二月三十一日	—

Notes:

附註：

- (i) Pursuant to the written resolutions of the sole shareholder of the Company on 22 May 2009, the authorised share capital of the Company was increased to HK\$1,000,000. The directors of the Company were also authorised to capitalise the sum of HK\$69,990 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 699,899,999 shares for allotment and issue to Wellrun Limited, the then sole shareholder of the Company and a company wholly owned by Mr. Chun. On 22 June 2009, the directors allotted and issued such shares as aforesaid and gave effect to the capitalisation issue.
- (ii) On 1 February 2008, 1 ordinary share of HK\$0.0001 was allotted and issued to the then existing shareholder for a consideration of US\$30,000,000 (equivalent to approximately HK\$234,000,000).
- (iii) On 22 June 2009, the Company issued 300,000,000 shares pursuant to the Company's initial public offering at a price of HK\$5.18 per share upon Listing.
- (iv) On 26 June 2009, the Company issued 45,000,000 shares pursuant to the over-allotment option as referred to in the prospectus of the Company dated 10 June 2009 at a price of HK\$5.18 per share.
- (i) 根據本公司唯一股東於二零零九年五月二十二日通過的書面決議案，本公司法定股本增加至1,000,000港元。本公司董事亦獲授權透過將本公司股份溢價賬的進賬金額69,990港元撥作資本，使用該筆金額按面值向本公司當時的唯一股東及秦先生全資擁有的公司好運有限公司配發及發行699,899,999股入賬列作繳足的股份。於二零零九年六月二十二日，董事配發及發行上述股份，使資本化發行生效。
- (ii) 於二零零八年二月一日，以代價30,000,000美元（相當於約234,000,000港元）向當時的股東配發及發行1股面值0.0001港元的普通股。
- (iii) 於二零零九年六月二十二日，本公司根據首次公開發售於上市時按每股股份5.18港元發行300,000,000股股份。
- (iv) 於二零零九年六月二十六日，本公司根據本公司二零零九年六月十日刊發的招股章程所述超額配股權按每股股份5.18港元發行45,000,000股股份。

The new shares allotted and issued rank pari passu in all respects with other shares in issue.

新配發及發行的股份在所有方面與其他已發行股份具相同地位。



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36.ACQUISITION OF A SUBSIDIARY

In December 2007, the Group injected RMB11,667,000 (equivalent to approximately HK\$12,412,000), representing 70% of the enlarged capital, to Zhangjiagang Rongli Zaisheng Ziyuan Co., Ltd. ("Zhangjiagang Rongli") as capital injection. Since the control over Zhangjiagang Rongli was successfully achieved on 1 January 2008, the Group accounted for the acquisition on that date by using the purchase method of accounting.

The net assets acquired in the transaction are as follows:

36.收購一間附屬公司

於二零零七年十二月，本集團向張家港容利再生資源有限公司（「張家港容利」）注入人民幣11,667,000元（相當於約12,412,000港元，佔經擴大資本的70%）作為注資。由於在二零零八年一月一日成功取得對張家港容利的控制權，本集團於該日採用購買會計法入賬收購。

於該交易中收購的資產淨值如下：

		Acquiree's carrying amount before combination and fair value 被收購公司 於合併前的 賬面值及公允值 HK\$'000 千港元
Net assets acquired:	所收購的資產淨值：	
Property, plant and equipment	物業、廠房及設備	1,496
Inventories	存貨	2,935
Trade receivables	應收貿易款項	63,011
Bank balances and cash	銀行結餘及現金	14,030
Trade and other payables	貿易及其他應付款項	(53,139)
Amount due to a shareholder	應付一名股東的款項	(5,319)
Taxation payable	應付稅項	(1,596)
		21,418
Minority interests	少數股東權益	(9,006)
Total consideration satisfied by capital injection in December 2007	於二零零七年十二月以注資方式支付的代價總額	12,412
Cash inflow arising on acquisition:	收購產生的現金流入：	
Bank balances and cash acquired	所收購銀行結餘及現金	14,030

Zhangjiagang Rongli incurred a loss of HK\$2,064,000 for the year ended 31 December 2008.

截至二零零八年十二月三十一日止年度，張家港容利虧損2,064,000港元。



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37. PLEDGE OF ASSETS

The Senior Notes issued by the Group in 2007 as disclosed in note 32 were secured by the entire issued shares and the assets of the Company and certain of its subsidiaries. These pledges were released during the year following the redemption of the Senior Notes.

Save as disclosed above, the Group also had the following assets pledged to banks to secure the general banking facilities granted to the Group or as customs security as at end of the reporting period:

37. 資產抵押

附註32所披露的本集團於二零零七年發行的優先票據由本公司及若干附屬公司的全部已發行股份及資產作抵押。該等抵押已於贖回優先票據隨後年度解除。

除上文所披露者外，於報告期間結束時，本集團亦已將以下資產抵押予銀行，以擔保本集團獲授的一般銀行融資或作為客戶擔保：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Investment properties	投資物業	1,668	1,706
Prepaid lease payments	預付租賃款項	2,790	2,853
Bills receivable	應收票據	185,265	304,601
Bank deposits	銀行存款	210,376	72,455
		400,099	381,615



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38. OPERATING LEASES

The Group as lessee

Minimum lease payments paid under operating leases during the year are as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Office and factory premises	辦公室及廠房	18,891	9,902

The Group had commitments for future minimum lease payments under non-cancellable leases which fall due as follows:

		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	一年內	14,435	21,308
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	30,732	49,320
Over five years	五年以上	68,750	78,395
		113,917	149,023

Operating lease payments represent rentals payable by the Group for certain of its office and factory premises. Leases are negotiated for terms of fifteen to twenty years and rentals are fixed during the lease period.

38. 經營租賃

本集團作為承租人

年內根據經營租賃已付最低租賃款項如下：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Office and factory premises	18,891	9,902

本集團根據於以下日期到期的不可撤銷租賃的未來最低租賃付款的承擔如下：

	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	14,435	21,308
In the second to fifth years inclusive	30,732	49,320
Over five years	68,750	78,395
	113,917	149,023

經營租賃付款指本集團就其若干辦公室及廠房應付的租金。經磋商的租賃年期為十五至二十年，租賃期內租金固定。



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38. OPERATING LEASES (Continued)

The Group as lessor

Property rental income earned during the year is as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Rental income	租金收入	567	401

As at 31 December 2009, the Group's investment properties have a committed tenant for the coming three months (2008: fifteen months).

The Group had contracted with the tenant for the following future minimum lease payments:

		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	一年內	118	567
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	—	118
		118	685

38. 經營租賃 (續)

本集團作為出租人

於年內所賺取的物業租金收入如下：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
於年內所賺取的物業租金收入	567	401

於二零零九年十二月三十一日，本集團的投資物業於隨後三個月(二零零八年：十五個月)已有承諾租戶。

本集團已與租戶訂約，日後最低租賃付款如下：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
一年內	118	567
第二至第五年(包括首尾兩年)	—	118
	118	685



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39. CAPITAL COMMITMENTS

39. 資本承擔

		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:	已訂約但並無於綜合財務報表內撥備的資本開支：		
– acquisition of property, plant and equipment	– 收購物業、廠房及設備	50,670	32,274
– addition of construction in progress	– 新增在建工程	5,799	3,239
– addition of land use rights	– 增購土地使用權	—	30,180
– acquisition of a subsidiary (note)	– 收購一間附屬公司(附註)	250,000	—
		306,469	65,693

Note: On 31 December 2009, Jiangsu China Metal Recycling Resources Co., Ltd. ("Jiangsu CMR Resources"), a wholly-owned subsidiary of the Group, has entered into certain agreements with independent third parties to acquire a 99.68% interest in Jiangsu Jiangyin Port Container Company Limited (江蘇江陰港集裝箱有限公司) ("Jiangyin Container") and related operating assets for an aggregate consideration of RMB220 million (equivalent to approximately HK\$250 million). Jiangyin Container is principally engaged in the business of the provision of port services, including warehousing, stevedoring and transportation of goods. The transactions will be completed by the end of June 2010.

附註：本集團全資附屬公司江蘇中金再生資源有限公司與獨立第三方於二零零九年十二月三十一日訂立若干協議以收購江蘇江陰港集裝箱有限公司(「江陰集裝箱」)99.68%權益及其相關經營資產，總代價為人民幣220,000,000元(相當於約250,000,000港元)。江陰集裝箱主要業務為提供港口服務，包括倉儲、碼頭裝卸及貨物運輸。該交易將於二零一零年六月底完成。



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40.SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share option schemes

(a) Pre-IPO Share Option Scheme

Pursuant to a written resolution of the sole shareholder of the Company on 22 May 2009, the Pre-IPO Share Option Scheme (the "Pre-IPO Scheme") was adopted by the Company. Pursuant to the Pre-IPO Scheme, the Company may grant options to any full-time or part-time employees or potential employees, executives, officers or directors of the Company, its subsidiaries and associated companies ("Eligible Participants") to subscribe for shares of the Company. The purpose of the Pre-IPO Scheme is to recognise the contribution that Eligible Participants made or may have made to the growth of the Group. It aims to give Eligible Participants an opportunity to acquire a personal stake in the Company and help motivate Eligible Participants to optimise their performance and efficiency, and also to help attract or retain Eligible Participants whose contributions are important to the long-term growth and profitability of the Group.

The maximum number of shares in respect of which options may be granted is 100,000,000 shares, representing 10% of shares of the issued share capital of the Company immediately upon Listing, but excluding any shares which may fall to be issued upon the exercise of the options granted or to be granted under the Pre-IPO Scheme, the other schemes and shares that may fall to be issued upon the exercise of the over-allotment option in connection with the Listing.

Options granted have to be taken up within a period of 60 days from the date of offer upon payment of HK\$1.

40.以股份支付交易

以權益結算購股權計劃

(a) 首次公開發售前購股權計劃

根據本公司唯一股東於二零零九年五月二十二日通過的書面決議案，本公司採納首次公開發售前購股權計劃（「首次公開發售前計劃」）。根據首次公開發售前計劃，本公司可向本公司、其附屬公司及聯營公司所有全職或兼職僱員或準僱員、行政人員、高級職員或董事（「合資格參與人士」）授出購股權以認購本公司股份。首次公開發售前計劃旨在嘉獎合資格參與人士為本集團的發展作出的或可能作出的貢獻，向合資格參與人士提供收購本公司個人權益的機會，並有助推動合資格參與人士提升彼等的表現及效率，並吸引或挽留對本集團長遠發展及盈利有重大貢獻的合資格參與人士。

有關購股權可授出的股份數目上限為100,000,000股股份，相當於本公司於緊隨上市後已發行股本10%，惟不包括可能因行使根據首次公開發售前計劃及其他計劃授出或將予授出購股權而發行的股份，以及可能因行使有關上市的超額配股權而發行的股份。

本公司授出的購股權只限於提呈日期後六十日內接納，接納時須支付1港元。



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For the year ended 31 December 2009
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40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

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

Share options granted under the Pre-IPO Scheme are exercisable at the initial offer price to the public (i.e. HK\$5.18 per share). Each of the holders of the share options under the Pre-IPO Scheme shall be entitled to exercise his/her options in the following manner:

Service period that share options can be exercised after the date of Listing

於上市日期後可行使購股權的服務期間

Attaining 1 year	持有1年
Attaining 2 years	持有2年
Attaining 3 years	持有3年

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(a) 首次公開發售前購股權計劃 (續)

根據首次公開發售前計劃授出的購股權可按給予公眾人士的首次發售價(即每股股份5.18港元)行使。首次公開發售前計劃的購股權持有人均有權按以下方式行使其購股權：

Maximum accumulated percentage of share options exercisable 可行使購股權的 累計百分比上限

33.33%
66.67%
100%



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For the year ended 31 December 2009
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40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

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

During the year, 28,716,216 options were granted to Eligible Participants under the Pre-IPO Scheme and the total number of shares that can be issued upon the exercise of all options is 28,716,216 shares, representing approximately 2.75% of the issued share capital of the Company as at 31 December 2009. The estimated fair value of the options at the date of grant is HK\$59,442,000. Details of the share options granted under the Pre-IPO Scheme and their subsequent movements are as follows:

Category of Eligible Participants	Date of grant	Exercise price per share	Exercisable period	Vesting date	Options granted during the year	Outstanding as at 31.12.2009	Forfeited during the year
合資格參與人士類別	授出日期	每股行使價	行使期	歸屬日期	於年內授出的購股權	於二零零九年十二月三十一日尚未行使	於年內沒收
Directors	19 June 2009	HK\$5.18	22 June 2010 - 18 June 2017	22 June 2010	5,405,404	3,474,902	(1,930,502)
董事	二零零九年六月十九日	港元	二零一零年六月二十二日至二零一七年六月十八日	二零一零年六月二十二日			
			23 June 2011 - 18 June 2017	23 June 2011	5,405,406	3,474,904	(1,930,502)
			二零一一年六月二十三日至二零一七年六月十八日	二零一一年六月二十三日			
			23 June 2012 - 18 June 2017	23 June 2012	5,405,406	3,474,904	(1,930,502)
			二零一二年六月二十三日至二零一七年六月十八日	二零一二年六月二十三日			
					16,216,216	10,424,710	(5,791,506)

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(a) 首次公開發售前購股權計劃 (續)

年內，28,716,216份購股權根據首次公開發售前計劃授予合資格參與人士，而因行使所有購股權而可發行的股份總數為28,716,216股股份，相當於本公司於二零零九年十二月三十一日已發行股本約2.75%。購股權於授出日期的估計公允值為59,442,000港元。根據首次公開發售前計劃授出的購股權及其後變動詳情如下：



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40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

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

Category of Eligible Participants	Date of grant	Exercise price per share	Exercisable period	Vesting date	Options granted during the year 於年內授出 的購股權	Forfeited during the year 於年內沒收	Outstanding as at 31.12.2009
							於二零零九年 十二月 三十一日 尚未行使
Employees under continuous employment contract 連續僱傭 合約的僱員	19 June 2009 二零零九年 六月十九日	HK\$5.18 港元	22 June 2010 - 18 June 2017 二零一零年六月二十二日 至二零一七年六月十八日	22 June 2010 二零一零年 六月二十二日	4,166,666	—	4,166,666
			23 June 2011 - 18 June 2017 二零一一年六月二十三日 至二零一七年六月十八日	23 June 2011 二零一一年 六月二十三日	4,166,667	—	4,166,667
			23 June 2012 - 18 June 2017 二零一二年六月二十三日 至二零一七年六月十八日	23 June 2012 二零一二年 六月二十三日	4,166,667	—	4,166,667
					12,500,000	—	12,500,000
					28,716,216	(5,791,506)	22,924,710
Exercisable at the end of the year 年末可行使							—

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(a) 首次公開發售前購股權計劃 (續)



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

40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

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

The fair value of the options was calculated using the Binomial model. The inputs into the model were as follows:

Market price	市價	HK\$5.18港元
Exercise price	行使價	HK\$5.18港元
Expected volatility	預計波幅	48.25%
Contractual life	合約年期	8 years年
Risk-free rate	無風險利率	1.986%
Expected dividend yield	預期股息收益率	Nil無

Expected volatility was determined by using the historical volatility of the stock return of certain comparable listed companies.

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The Group recognised an expense of HK\$14,842,000 (2008: Nil) for the year in relation to share options granted by the Company under the Pre-IPO Scheme.

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(a) 首次公開發售前購股權計劃 (續)

購股權公允值按二項式模式計算，該模式所輸入數據如下：

預計波幅按若干可資比較上市公司的股份回報過往波幅釐定。

計算購股權公允值所用變量及假設按董事的最佳估計而定。購股權價值因若干主觀假設的不同變數而有所不同。

本集團於年內就有關本公司根據首次公開發售前計劃授出購股權確認開支14,842,000港元(二零零八年：無)。



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截至二零零九年十二月三十一日止年度

40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

(b) Share Option Scheme

Also, pursuant to a written resolution of the sole shareholder of the Company on 22 May 2009, the Share Option Scheme (the "Scheme") was also adopted.

Pursuant to the Scheme, the Company may grant options to any full-time or part-time employees, executives or officers including directors of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisors ("Eligible Scheme Participants") who, in the sole opinion of the board of directors, will contribute or have contributed to the Company and/or any of its subsidiaries. The Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions Eligible Scheme Participants had or may have made to the Group. The Scheme will provide Eligible Scheme Participants an opportunity to have a personal stake in the Company with the view to motivating Eligible Scheme Participants to optimise their performance efficiency for the benefit of the Group and to attract and retain or otherwise maintain on-going business relationships with Eligible Scheme Participants whose contributions are or will be beneficial to the long-term growth of the Group. The Scheme is valid and effective for a period of 10 years from 22 June 2009, the date of Listing.

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(b) 購股權計劃

此外，根據本公司唯一股東於二零零九年五月二十二日通過的書面決議案，本公司亦採納購股權計劃（「該計劃」）。

根據該計劃，本公司或可向任何全職或兼職僱員、行政人員或高級職員（包括本公司或任何其附屬公司的董事，以及董事會全權認為將會或一直為本公司及／或其任何附屬公司作出貢獻的任何供應商、客戶、諮詢顧問、代理及顧問）（「合資格計劃參與人士」）授出購股權。該計劃是一項股份獎勵計劃，為嘉許及答謝合資格計劃參與人士對本集團作出或可能作出的貢獻而設立。該計劃將為合資格計劃參與人士提供一個於本公司擁有個人權益的機會，以激勵彼等為本集團的利益而致力提升其表現及效率，並吸引及挽留合資格計劃參與人士或另行與合資格計劃參與人士保持持續的業務關係，而該等合資格參與人士的貢獻，乃對或將對本集團的長遠發展有利。該計劃自二零零九年六月二十二日上市日期起計10年內有效。



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截至二零零九年十二月三十一日止年度

40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

(b) Share Option Scheme (Continued)

The maximum number of shares which may be issued upon exercise of all options to be granted under the Scheme shall not in aggregate exceed 10% of shares of the Company as of the date of the approval by the shareholders in general meeting, without approval from the Company's shareholders. The shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the shares in issue from time to time. The maximum number of shares issued and which may fall to be issued upon exercise of the options granted under the Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Scheme Participant in any twelve-month period up to the date of grant shall not exceed 1% of the shares in issue as of the date of grant.

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates is required to be approved by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). Where granting of options to a substantial shareholder or any independent non-executive director or their respective associates which will result in the number of shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the twelve-month period up to and including the date of such grant exceed of 0.1% of the total number of shares in issue and have an aggregate value in excess of HK\$5,000,000, based on the official closing price of the shares at the date of each grant, such proposed grant of options will be subject to the issue of a circular by the Company and the approval of the shareholders in general meeting.

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(b) 購股權計劃 (續)

可能因行使根據該計劃將授出的所有購股權而發行的股份數目上限合計不得超過股東於股東大會批准日期的本公司股份10% (無須本公司股東批准)。可能因行使根據該計劃及本公司任何其他購股權計劃所授出但尚未行使的所有購股權而發行的股份於任何時候不得超過不時已發行股份的30%。在任何十二個月期間直至授出日期可能因行使根據該計劃及本公司任何其他購股權計劃向每名合資格計劃參與人士授出的購股權 (包括已行使及尚未行使的購股權) 而發行及將發行的股份總數不得超過於授出日期已發行股份的1%。

向本公司董事、主要行政人員或主要股東 (定義見上市規則) 或彼等各自的任何聯繫人授出任何購股權，須經獨立非執行董事 (不包括任何身為購股權承授人的獨立非執行董事) 批准。當向主要股東或任何獨立非執行董事或彼等各自的任何聯繫人授出購股權，將導致於十二個月期間直至授出日期 (包括授出日期) 因行使向每名該等人士授出及將授出的購股權 (包括已行使、已註銷及尚未行使購股權) 而發行及將發行股份的數目合計超過已發行股份總數0.1%，且根據各授出日期股份的官方收市價計算，總值超過5,000,000港元，則須待本公司發出通函並經股東在股東大會上批准，方可建議授出上述購股權。



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

40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

(b) Share Option Scheme (Continued)

Options granted have to be taken up within a period of 30 days from the date of offer upon payment of HK\$1.

The exercise price is determined by the board of directors and but in any event shall not be less than the highest of:

- (i) the official closing price of the shares on the Stock Exchange as stated in the daily quotation sheets of the Stock Exchange on the offer date, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing price of the shares on the Stock Exchange as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the offer date; and
- (iii) the nominal value of the shares.

Options granted are exercisable for a period to be notified by the board of directors to each grantee and such period shall expire not later than 10 years from the date of grant of options.

During the year, 5,606,406 options were granted to Eligible Scheme Participants under the Scheme and the total number of shares that can be issued upon the exercise of all options is 5,606,406 shares, representing approximately 0.54% of the issued share capital of the Company as at 31 December 2009. The estimated fair value of the options at the date of grant is HK\$19,316,000.

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(b) 購股權計劃 (續)

所授購股權只限於提呈日期起計30日內接納，接納時須支付1港元。

行使價由董事會決定，惟該價格於任何情況下不得低於下列各項的最高者：

- (i) 於提呈日期(須為聯交所辦理證券交易業務的日子)聯交所每日報價表所載股份在聯交所的官方收市價；
- (ii) 緊接提呈日期前五個營業日聯交所每日報價表所載股份在聯交所的平均官方收市價；及
- (iii) 股份面值。

所授購股權可於董事會知會各承授人的期間行使，而該期間須於授出購股權日期十年後屆滿。

年內，5,606,406份購股權根據該計劃授予合資格計劃參與人士，而因行使所有購股權而可發行的股份總數為5,606,406股，相當於本公司於二零零九年十二月三十一日已發行股本約0.54%。購股權於授出日期的估計公允值為19,316,000港元。



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綜合財務報表附註

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

40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

(b) Share Option Scheme (Continued)

Share options granted under the Scheme during the year are exercisable at the price of HK\$8.74 per share. Each of the holders of the share options under the Scheme shall be entitled to exercise his/her options in the following manner:

Service period that share options can be exercised after 1 November 2009

於二零零九年十一月一日後
可行使購股權的服務期間

Attaining 1 year	持有1年
Attaining 2 years	持有2年
Attaining 3 years	持有3年

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(b) 購股權計劃 (續)

年內根據該計劃授出的購股權按每股8.74港元的價格行使。該計劃的購股權各持有人有權按以下方式行使其購股權：

Maximum accumulated percentage of share options exercisable 可行使購股權的 累計百分比上限

Attaining 1 year	持有1年	33.33%
Attaining 2 years	持有2年	66.67%
Attaining 3 years	持有3年	100%



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截至二零零九年十二月三十一日止年度

40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

(b) Share Option Scheme (Continued)

Details of the share options granted under the Scheme, all of which remained outstanding as at 31 December 2009, are as follows:

					Options granted during the year and outstanding as at 31.12.2009
Category of Eligible Scheme					於年內授出而於二零零九年十二月三十一日
Participants	Date of grant	Exercise price pershare	Exercisable period	Vesting date	尚未行使的購股權
合資格參與人士類別	授出日期	每股行使價	行使期	歸屬日期	
Employees under continuous employment contract	24 December 2009	HK\$8.74 港元	1 November 2010 - 23 December 2017	1 November 2010 二零一零年十一月一日	1,868,802
	二零零九年十二月二十四日		二零一零年十一月一日至二零一七年十二月二十三日	十一月一日	
連續僱傭合約的僱員			1 November 2011 - 23 December 2017	1 November 2011 二零一一年十一月一日	1,868,802
			二零一一年十一月一日至二零一七年十二月二十三日	十一月一日	
			1 November 2012 - 23 December 2017	1 November 2012 二零一二年十一月一日	1,868,802
			二零一二年十一月一日至二零一七年十二月二十三日	十一月一日	
					5,606,406
Exercisable at the end of the year					—
年底可行使					

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(b) 購股權計劃 (續)

根據該計劃授出而於二零零九年十二月三十一日仍未行使的購股權詳情如下：



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40.SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option schemes (Continued)

(b) Share Option Scheme (Continued)

The fair value of the options was calculated using the Binomial model. The inputs into the model were as follows:

Market price	市價	HK\$8.74港元
Exercise price	行使價	HK\$8.74港元
Expected volatility	預計波幅	48.31%
Contractual life	合約年期	8 years年
Risk-free rate	無風險利率	2.431%
Expected dividend yield	預期股息收益率	Nil無

Expected volatility was determined by using the historical volatility of the stock return of certain comparable listed companies.

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The Group recognised an expense of HK\$278,000 (2008: Nil) for the year in relation to share options granted by the Company under the Scheme.

40.以股份支付交易 (續)

以權益結算購股權計劃 (續)

(b) 購股權計劃 (續)

購股權公允值採用二項式模式計算，該模式所輸入數據如下：

Market price	市價	HK\$8.74港元
Exercise price	行使價	HK\$8.74港元
Expected volatility	預計波幅	48.31%
Contractual life	合約年期	8 years年
Risk-free rate	無風險利率	2.431%
Expected dividend yield	預期股息收益率	Nil無

預計波幅按若干可資比較上市公司的股份回報過往波幅釐定。

計算購股權公允值所用變量及假設按董事的最佳估計而定。購股權價值因若干主觀假設的不同變數而有所不同。

本集團於年內就有關本公司根據該計劃授出購股權確認開支278,000港元(二零零八年：無)。



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41. RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect of MPF Scheme is to make the required contributions under the scheme.

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of their basic payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

No forfeited contribution is available to reduce the contribution payable in the future years.

41. 退休福利計劃

本集團根據強制性公積金計劃條例為所有合資格香港僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃的資產存放於由獨立受託人控制的基金，與本集團的資產分開持有。根據強積金計劃的規則，僱主及其僱員均須按規則指定的比率向該計劃供款。本集團對強積金計劃的唯一責任為按該計劃作出規定的供款。

本集團於中國聘用的僱員為由中國政府營運的國家管理退休福利計劃的成員。中國附屬公司須按該等僱員基本工資的若干百分比向此退休福利計劃供款，以為此福利提供資金。本集團就該退休福利計劃的唯一責任為按該計劃作出規定的供款。

未來年度的應繳供款並無沒收供款可供減低。



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42. RELATED AND CONNECTED PARTIES DISCLOSURES

During the year, the Group had transactions with related parties, some of which are deemed to be connected parties pursuant to the Listing Rules upon Listing. The transactions with these parties during the year, and balances with them at the end of the reporting period, are as follows:

(I) RELATED AND CONNECTED PARTIES

Name of counterparty 交易對方名稱	Nature of transactions/balances 交易／結餘性質	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Guangzhou Zhujiang Steel Port Co., Ltd. ("Guangzhou Zhujiang"), an associate of the Group 廣州珠鋼碼頭有限公司 (「廣州珠鋼碼頭」)， 本集團的聯營公司	Port loading charges paid (notes a and f) 已付港口裝卸費用(附註a及f)	1,541 —	32 54
Guangzhou Asia Steel Property Co., Ltd. ("GAS Property"), a company indirectly owned by Mr. Chun 廣州亞鋼置業有限公司 (「廣州亞鋼置業」)， 秦先生間接擁有的公司	Rental expenses paid (notes b and f) 已付租金開支(附註b及f)	696 115	283 115
Asia Wing Tat Recycling Limited ("Asia Wing Tat"), a company indirectly owned by Mr. Chun 亞洲榮達回收有限公司 (「亞洲榮達」)， 秦先生間接擁有的公司	Cargo handling service fee paid (notes c and g) 已付貨物處理服務費(附註c及g)	3,456	4,800
Wellrun Limited 好運有限公司	Non-trade receivable 應收非貿易款項	—	771
Mr. Chun 秦先生	Non-trade payable 應付非貿易款項	—	(2,219)

42. 有關及關連人士披露

年內，本集團與關連人士進行交易，其中部份該等人士於本公司上市後根據上市規則視為關連人士。與該等人士於年內進行的交易及報告期末與彼等的結餘如下：

(I) 有關及關連人士



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42. RELATED AND CONNECTED PARTIES DISCLOSURES (Continued)

42. 有關及關連人士披露 (續)

(I) RELATED AND CONNECTED PARTIES (Continued)

Mr. Chun, a director of the Company, had given unlimited personal guarantees and pledged a bank deposit to banks to secure general banking facilities granted to the Group as at 31 December 2008. The guarantees and pledged bank deposit were released during the current year.

(I) 有關及關連人士 (續)

本公司董事秦先生於二零零八年十二月三十一日向銀行提供無限個人擔保及抵押銀行存款，以擔保本集團獲授的一般銀行融資。有關擔保及抵押銀行存款已於本年度內解除。

(II) CONNECTED PARTIES

(II) 關連人士

Name of counterparty 交易對方名稱	Nature of transactions/balances 交易／結餘性質	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Certain subsidiaries of Guangzhou Iron & Steel Enterprises	Sale of recycled metals (notes d and h) 銷售經回收金屬 (附註d及h)	2,253,621	1,981,440
Holdings Limited ("GSEG") 廣州鋼鐵企業集團有限公司 (「廣鋼企業集團公司」) 的若干附屬公司	Trade receivable 應收貿易款項	802,102	300,215
	Bills receivable 應收票據	192,714	83,680
Lane Tone International Material Inc. ("Lane Tone")	Purchase of scrap metals (notes e and h) 採購廢金屬 (附註e及h)	1,073,615	1,012,888



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42. RELATED AND CONNECTED PARTIES DISCLOSURES (Continued)

(III) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The emolument of directors who are also identified as members of key management of the Group is set out in note 12.

Notes:

- (a) On 22 May 2009, Guangzhou Asia Steel, a non wholly-owned subsidiary of the Company, and Guangzhou Zhujiang, of which a substantial shareholder is an associate of a substantial shareholder of Guangzhou Asia Steel, entered into a service agreement (the "Port Loading Service Agreement") under which Guangzhou Zhujiang agreed to provide port loading services to Guangzhou Asia Steel commencing from the date of Listing (i.e. 22 June 2009) and ending on 31 December 2011. By entering into the above connected transactions, Guangzhou Asia Steel would receive port loading services from Guangzhou Zhujiang in a timely and efficient manner.

The service fee payable by Guangzhou Asia Steel in relation to the provision of port loading services by Guangzhou Zhujiang is determined on the basis of prevailing market price and on normal commercial terms. The Port Loading Service Agreement was negotiated on an arm's length basis and entered into in the ordinary course of business of the Group and the terms of which represent normal commercial terms.

The extent of these connected transactions did not exceed the limit as set out in the prospectus of the Company dated 10 June 2009.

42. 有關及關連人士披露 (續)

(III) 主要管理人員薪酬

董事(亦為本集團的主要管理人員)的薪酬載於附註12。

附註：

- (a) 於二零零九年五月二十二日，本公司的非全資附屬公司廣州亞鋼與廣州珠鋼碼頭(其一名主要股東為廣州亞鋼一名主要股東的聯繫人)訂立一項服務協議(「港口裝卸服務協議」)，據此，廣州珠鋼碼頭同意自上市日期(即二零零九年六月二十二日)起至二零一一年十二月三十一日止向廣州亞鋼提供港口裝卸服務。通過訂立上述關連交易，廣州亞鋼會及時有效地獲取廣州珠鋼碼頭所提供的港口裝卸服務。

廣州亞鋼就廣州珠鋼碼頭所提供的港口裝卸服務而應付的服務費乃按現行市價及一般商業條款釐定。港口裝卸服務協議乃於本集團日常業務過程中經公平磋商訂立，其條款屬一般商業條款。

該等關連交易範圍並無超過本公司二零零九年六月十日刊發的招股章程所載限額。



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42. RELATED AND CONNECTED PARTIES DISCLOSURES (Continued)

Notes: (Continued)

- (b) On 23 May 2008, Guangzhou Asia Steel entered into an office lease as tenant with GAS property as landlord, pursuant to which GAS Property agreed to lease to Guangzhou Asia Steel certain office premises in Guangzhou, the PRC at a monthly rental of RMB36,029 for a term commencing from 1 June 2008 and ending on 31 May 2010. The office premises were leased due to the expansion of the Group's business in Guangzhou and the close proximity of the office premises with the Guangzhou Asia Steel's facility.

The rental rate is determined on the basis of prevailing market rates and on normal commercial terms.

- (c) On 23 February 2009, Huan Bao Steel Limited ("Huan Bao"), a wholly-owned subsidiary of the Company, entered into a service agreement with Asia Wing Tat whereby Huan Bao has engaged Asia Wing Tat to provide cargo handling services at a monthly service fee of HK\$288,000 for a term commencing from 1 January 2009 to 30 June 2009. The service agreement was subsequently extended for a period of six months. The agreement was entered into for the purpose of giving convenience to certain scrap suppliers of the Group who are accustomed to Huan Bao's scrap collection site, which is located at Yau Tong, Hong Kong.

The service fee payable by Huan Bao in relation to the provision of cargo handling services by Asia Wing Tat is determined on the basis of prevailing market price, was negotiated on an arm's length basis and entered into in the ordinary course of business of the Group and on normal commercial terms.

The extent of these connected transactions did not exceed the limit as set out in the prospectus of the Company dated 10 June 2009.

42. 有關及關連人士披露 (續)

附註：(續)

- (b) 於二零零八年五月二十三日，廣州亞鋼（作為承租人）與廣州亞鋼置業（作為業主）訂立一項辦公室租約，據此，廣州亞鋼置業同意將位於中國廣州市的若干辦公室物業租予廣州亞鋼，月租為人民幣36,029元，租期自二零零八年六月一日起至二零一零年五月三十一日止。由於本集團在廣州擴展業務，且上述辦公室物業鄰近廣州亞鋼設施，故本公司租用該等物業。

上述租金費率乃按現行市場租值及一般商業條款釐定。

- (c) 於二零零九年二月二十三日，本公司全資附屬公司環保鋼鐵有限公司（「環保鋼鐵」）與亞洲榮達訂立一項服務協議。據此，環保鋼鐵委聘亞洲榮達提供貨物處理服務，由二零零九年一月一日起至二零零九年六月三十日止，每月服務費為288,000港元。該服務協議隨後續期六個月。該協議乃為向熟悉環保鋼鐵位於香港油塘的廢料回收站的本集團若干廢料供應商提供便利而訂立。

環保鋼鐵就亞洲榮達提供的貨物處理服務應支付的服務費乃經公平磋商按現行市價釐定，且於本集團日常業務過程中按一般商業條款訂立。

該等關連交易範圍並無超過本公司二零零九年六月十日刊發的招股章程所載限額。



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42. RELATED AND CONNECTED PARTIES DISCLOSURES (Continued)

Notes: (Continued)

- (d) GSEG is an associate of a substantial shareholder of Guangzhou Asia Steel, a non wholly-owned subsidiary of the Company, and thus, a connected person of the Company under the Listing Rules upon Listing. The Group entered into separate sales agreements (the "Sales Agreements") with certain subsidiaries of GSEG to supply them with recycled scrap metals.

The transaction price in relation to the supply of recycled scrap metals is determined with reference to the prevailing market price of the recycled scrap metals. The Sale Agreements were negotiated on an arm's length basis and entered into in the ordinary course of business of our Company and their terms represent normal commercial terms.

The extent of these connected transactions did not exceed the limit as set out in the prospectus of the Company dated 10 June 2009.

- (e) Lane Tone is an associate of a director of Tianjin Yatong Steel Co., Ltd. ("Tianjin Yatong"), a non wholly-owned subsidiary of the Company and is therefore a connected person of the Company under the Listing Rules upon Listing. On 1 June 2009, the Group and Lane Tone entered into a framework purchase agreement (the "Purchase Agreement") pursuant to which the Group has agreed to purchase scrap metals from Lane Tone commencing from the date of Listing (i.e. 22 June 2009) and ending on 31 December 2011.

The purchase price payable by the Group in relation to the purchase of the scrap metals from Lane Tone is determined with reference to the prevailing market price of the scrap metal. The Purchase Agreement was negotiated on an arm's length basis and was entered into in the ordinary course of business of the Group and on normal commercial terms.

The extent of these connected transactions did not exceed the limit as set out in the prospectus of the Company dated 10 June 2009.

42. 有關及關連人士披露 (續)

附註：(續)

- (d) 廣鋼企業集團公司為本公司非全資附屬公司廣州亞鋼一名主要股東的聯繫人，因此於本公司上市後根據上市規則為本公司的關連人士。本集團已與廣鋼企業集團公司的若干附屬公司訂立獨立的銷售協議（「銷售協議」），向彼等供應經回收廢金屬。

有關供應經回收廢金屬的交易價乃參考經回收廢金屬的現行市價釐定。銷售協議乃於本公司日常業務過程中經公平磋商訂立，其條款屬一般商業條款。

該等關連交易範圍並無超過本公司二零零九年六月十日刊發的招股章程所載限額。

- (e) Lane Tone為本公司非全資附屬公司天津亞鋼鋼鐵有限公司（「天津亞鋼」）一名董事的聯繫人，因此於本公司上市後根據上市規則為本公司的關連人士。於二零零九年六月一日，本集團與Lane Tone訂立一項框架採購協議（「採購協議」），據此，本集團同意自上市日期（即二零零九年六月二十二日）起至二零一一年十二月三十一日止期間向Lane Tone採購廢金屬。

本集團向Lane Tone採購廢金屬而應付的採購價格參考廢金屬的現行市價釐定。採購協議乃於本集團日常業務過程中經公平磋商按照一般商業條款訂立。

該等關連交易範圍並無超過本公司二零零九年六月十日刊發的招股章程所載限額。



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42. RELATED AND CONNECTED PARTIES DISCLOSURES (Continued)

Notes: (Continued)

- (f) These connected transactions are defined as “continuing connected transactions” in the Listing Rules and are exempt from the reporting, announcement or independent shareholders’ approval requirement under Rules 14A.33 of the Listing Rules.
- (g) These connected transactions are defined as “continuing connected transactions” in the Listing Rules and are exempt from the independent shareholders’ approval requirement, but subject to the reporting and announcement requirement under Rules 14A.45 to 14A.47 of the Listing Rules.
- (h) These connect transactions are defined as non-exempt continuing connected transactions in the Listing Rules and are subject to reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules and waivers from strict compliance with the announcement and independent shareholders’ approval requirement on these transactions have been sought from the Stock Exchange.

42. 有關及關連人士披露 (續)

附註：(續)

- (f) 該等關連交易根據上市規則定義為「持續關連交易」，獲豁免遵守上市規則第14A.33條的呈報、公佈或獨立股東批准規定。
- (g) 該等關連交易根據上市規則定義為「持續關連交易」，獲豁免遵守獨立股東批准規定，但須遵守上市規則第14A.45至14A.47條的呈報及公佈規定。
- (h) 該等關連交易根據上市規則定義為非豁免持續關連交易，須遵守上市規則第14A.45至14A.47條的呈報及公佈規定，並已徵求聯交所批准豁免該等交易嚴格遵守公佈及獨立股東批准規定。



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43. PARTICULARS OF SUBSIDIARIES AND AN ASSOCIATE

(I) SUBSIDIARIES

Particulars of the Company's subsidiaries at 31 December 2009 and 31 December 2008 are as follows:

43. 附屬公司及聯營公司的詳情

(I) 附屬公司

本公司附屬公司於二零零九年十二月三十一日及二零零八年十二月三十一日的詳情如下：

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Form of business structure 業務架構 形式	Issued and fully paid share/quota capital/ registered capital 已發行及 繳足股本/ 限額資本/ 註冊資本	Proportion of nominal value of issued share/quota capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接 %	Indirect 間接 %	
Asia Steel (Holdings) Limited 亞洲鋼鐵(控股) 有限公司	British Virgin Islands (note a) 20 July 1999 英屬處女群島(附註a) 一九九九年七月二十日	Limited liability company 有限公司	US\$200	100	—	Investment holding 投資控股
Asia Steel (H.K.) Limited 亞洲鋼鐵(香港) 有限公司	Hong Kong (note a) 6 December 2000 香港(附註a) 二零零零年十二月六日	Limited liability company 有限公司	HK\$78,100,000	—	100	Investment holding 投資控股
Asia Steel (Investments) Limited 亞洲鋼鐵(投資) 有限公司	Hong Kong (note a) 11 August 1999 香港(附註a) 一九九九年八月十一日	Limited liability company 有限公司	HK\$100,000	—	100	Investment holding 投資控股
Asia Steel (Development) Limited 亞洲鋼鐵(發展) 有限公司	Hong Kong (note a) 4 June 1999 香港(附註a) 一九九九年六月四日	Limited liability company 有限公司	HK\$100,000	—	100	Investment holding 投資控股



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43. PARTICULARS OF SUBSIDIARIES AND AN ASSOCIATE (Continued)

43. 附屬公司及聯營公司的詳情 (續)

(I) SUBSIDIARIES (Continued)

(I) 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立／ 成立地點及日期	Form of business structure 業務架構 形式	Issued and fully paid share/quota capital/ registered capital	Proportion of nominal value of issued share/quota capital/ registered capital held by the Company		Principal activities 主要業務	
			已發行及 繳足股本／ 限額資本／ 註冊資本	本公司所持 已發行股本／ 限額資本／註冊 資本面值的比例			
					Directly 直接 %		Indirect 間接 %
Huan Bao 環保鋼鐵有限公司	Hong Kong (note b) 7 August 1998 香港(附註b) 一九九八年八月七日	Limited liability company 有限公司	HK\$10,000 港元	—	100	Investment holding and collection, processing and sale of recycled scrap metal 投資控股及回收、 加工及銷售 回收廢金屬	
Central Steel 亞洲鋼鐵(澳門離岸 商業服務)有限公司	Macau (note b) 21 March 2005 澳門(附註b) 二零零五年 三月二十一日	Limited liability company 有限公司	MOP100,000 澳門元	—	100	Metal trading 金屬貿易	
China Metal Recycling (Investments) Limited 中國金屬再生資源 (投資)有限公司*	Hong Kong (note a) 8 October 2009 香港(附註a) 二零零九年十月八日	Limited liability company 有限公司	HK\$10,000 港元	—	100	Inactive 未投入運營	
China Metal Recycling (Development) Limited 中國金屬再生資源 (發展)有限公司*	Hong Kong (note a) 8 October 2009 香港(附註a) 二零零九年十月八日	Limited liability company 有限公司	HK\$10,000	—	100	Inactive 未投入運營	



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綜合財務報表附註

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

43. PARTICULARS OF SUBSIDIARIES AND AN ASSOCIATE (Continued)

43. 附屬公司及聯營公司的詳情 (續)

(I) SUBSIDIARIES (Continued)

(I) 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Form of business structure 業務架構 形式	Issued and fully paid share/quota capital/ registered capital 已發行及 繳足股本/ 限額資本/ 註冊資本	Proportion of nominal value of issued share/quota capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接 %	Indirect 間接 %	
揚中亞銅金屬有限公司 (Yangzhong Yagang Metal Co., Ltd.)	The PRC (note b) 15 December 2006 中國(附註b) 二零零六年 十二月十五日	Wholly-foreign owned enterprise 外商獨資企業	US\$20,000,000 美元	—	100	Investment holding and collection, processing and sale of recycled scrap metal 投資控股與回收、 加工及銷售 回收廢金屬
天津亞銅鋼鐵有限公司 (Tianjin Yatong)	The PRC (note b) 16 August 2006 中國(附註b) 二零零六年八月十六日	Wholly-foreign owned enterprise 外商獨資企業	US\$13,000,000 美元	—	90.385	Collection, processing and sale of recycled scrap metal 回收、加工及 銷售回收廢金屬
廣州亞銅金屬有限公司 (Guangzhou Yatong) Metal Co., Ltd.)	The PRC (note b) 25 May 2007 中國(附註b) 二零零七年五月二十五日	Wholly-foreign owned enterprise 外商獨資企業	US\$3,500,000 美元	—	100	Collection, processing and sale of recycled scrap metal 回收、加工及 銷售回收廢金屬



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. PARTICULARS OF SUBSIDIARIES AND AN ASSOCIATE (Continued)

43. 附屬公司及聯營公司的詳情 (續)

(I) SUBSIDIARIES (Continued)

(I) 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Form of business structure 業務架構 形式	Issued and fully paid share/quota capital/ registered capital 已發行及 繳足股本/ 限額資本/ 註冊資本	Proportion of nominal value of issued share/quota capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接 %	Indirect 間接 %	
廣州亞鋼鐵有限公司 (Guangzhou Asia Steel)	The PRC (note b) 15 May 2001 中國(附註b) 二零零一年五月十五日	Sino-foreign owned enterprise 中外合資企業	US\$4,500,000 美元	—	75	Collection, processing and sale of recycled scrap metal 回收、加工及 銷售回收廢金屬
張家港容利再生資源 有限公司 (Zhangjiagang Rongli)	The PRC (note b) 1 December 2006 中國(附註b) 二零零六年十二月一日	Limited liability company 有限公司	RMB16,667,000 人民幣	—	70	Collection, processing and sale of recycled scrap metal 回收、加工及 銷售回收廢金屬
中山亞銅金屬材料 有限公司 (Zhongshan Yatong Metal Materials Co., Ltd.)	The PRC (note b) 3 September 2008 中國(附註b) 二零零八年九月三日	Wholly-foreign owned enterprise 外商獨資企業	US\$10,000,000 美元	—	100	Collection, processing and sale of recycled scrap metal 回收、加工及 銷售回收廢金屬
寧波亞銅金屬有限公司 (Ningbo Yagang Metal Co., Ltd.)	The PRC (note a) 4 September 2008 中國(附註a) 二零零八年九月四日	Wholly-foreign owned enterprise 外商獨資企業	RMB20,000,000 人民幣	—	100	Inactive 未投入運營



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綜合財務報表附註

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

43. PARTICULARS OF SUBSIDIARIES AND AN ASSOCIATE (Continued)

43. 附屬公司及聯營公司的詳情 (續)

(I) SUBSIDIARIES (Continued)

(I) 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Form of business structure 業務架構 形式	Issued and fully paid share/quota capital/ registered capital 已發行及 繳足股本/ 限額資本/ 註冊資本	Proportion of nominal value of issued share/quota capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接 %	Indirect 間接 %	
武漢亞銅金屬有限公司 (Wuhan Yagang Metal Co., Ltd.) ("Wuhan Yagang")	The PRC (note a) 10 November 2008 中國 (附註a) 二零零八年十一月十日	Sino-foreign owned enterprise 中外合資企業	US\$12,000,000 (note c) 美元 (附註c)	—	70	Inactive 未投入運營
亞銅金屬 (深圳) 有限公司 (Yatong Metal (Shenzhen) Co., Ltd.) ("Yatong Shenzhen")*	The PRC (note a) 13 March 2009 中國 (附註a) 二零零九年三月十三日	Wholly-foreign owned enterprise 外商獨資企業	US\$5,000,000 (note c) 美元 (附註c)	—	100	Inactive 未投入運營
江蘇中金再生資源 有限公司 (Jiangsu CMR Resources)*	The PRC (note b) 28 August 2009 中國 (附註b) 二零零九年八月二十八日	Wholly-foreign owned enterprise 外商獨資企業	US\$29,980,000	—	100	Investment holding and collection, processing and sale of recycled scrap metal 投資控股與回收、 加工及銷售 回收廢金屬



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. PARTICULARS OF SUBSIDIARIES AND AN ASSOCIATE (Continued)

43. 附屬公司及聯營公司的詳情 (續)

(I) SUBSIDIARIES (Continued)

(I) 附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Form of business structure 業務架構 形式	Issued and fully paid share/quota capital/ registered capital 已發行及 繳足股本/ 限額資本/ 註冊資本	Proportion of nominal value of issued share/quota capital/ registered capital held by the Company		Principal activities 主要業務
				Directly 直接 %	Indirect 間接 %	
江蘇中金再生資源 利用有限公司 (Jiangsu CMR Materials)*	The PRC (note b) 10 November 2009 中國 (附註b) 二零零九年十一月十日	Limited liability company 有限公司	RMB30,000,000 人民幣	—	70	Collection, processing and sale of recycled scrap metal 回收、加工及 銷售回收廢金屬

Notes:

附註：

- (a) These entities are either investment holding or provision of financial services companies only or inactive and do not have any operations.
- (b) The operations of these entities are located at the place of incorporation/establishment.
- (c) Capital injections to these entities are not completed at the end of the reporting period. The unpaid capital for Wuhan Yagang and Yatong Shenzhen as at 31 December 2009 amounted to US\$8,300,000 (2008: US\$12,000,000) and US\$3,500,000 (2008: N/A), respectively.

- (a) 該等實體純屬為投資控股或財務安排之公司或尚未投入經營，並無任何營運業務。
- (b) 該等實體於其註冊成立或成立地點營運。
- (c) 於報告期末並未完成對該等實體的注資。於二零零九年十二月三十一日，武漢亞鋼及亞銅深圳的未繳資本分別為8,300,000美元（二零零八年：12,000,000美元）及3,500,000美元（二零零八年：不適用）。

* Subsidiaries newly set up/established during the year ended 31 December 2009.

* 於截至二零零九年十二月三十一日止年度新建立/成立的附屬公司。



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. PARTICULARS OF SUBSIDIARIES AND AN ASSOCIATE (Continued)

(II) AN ASSOCIATE

Particulars of the Group's associate at 31 December 2008 and 31 December 2009 are as follows:

Name of associate 聯營公司名稱	Place and date of establishment 成立地點及日期	Form of business structure 業務架構形式	Proportion of nominal value of registered capital held indirectly by the Company	Principal activities 主要業務
			本公司間接持有註冊資本面值的比例	
廣州珠鋼碼頭有限公司 (Guangzhou Zhujiang)	The PRC 28 February 2003 中國 二零零三年 二月二十八日	Sino-foreign owned enterprise 中外合資企業	45%	Construction of terminals, loading and unloading of cargoes, and warehousing 建造碼頭、裝卸貨物及倉儲

43. 附屬公司及聯營公司的詳情 (續)

(II) 聯營公司

本集團聯營公司於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的詳情如下：

44. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

44. 本公司財務狀況表

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
TOTAL ASSETS	總資產	2,086,778	1,058,592
TOTAL LIABILITIES	總負債	(3,858)	(697,613)
NET ASSETS	資產淨值	2,082,920	360,979
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	105	—
Reserves (note)	儲備(附註)	2,082,815	360,979
TOTAL EQUITY	總權益	2,082,920	360,979



Notes to the Consolidated Financial Statements

綜合財務報表附註

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

44. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

44. 本公司財務狀況表 (續)

Note:

附註：

		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Accumulated losses 累積虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2008	於二零零八年 一月一日	—	161,370	—	(21,147)	140,223
Issue of share (note 35(ii))	發行股份 (附註35(ii))	234,000	—	—	—	234,000
Loss for the year	年度虧損	—	—	—	(13,244)	(13,244)
At 31 December 2008	於二零零八年 十二月三十一日	234,000	161,370	—	(34,391)	360,979
Capitalisation issue	資本化發行	(70)	—	—	—	(70)
Issue of new shares	發行新股	1,787,065	—	—	—	1,787,065
Cost of issue of new shares	發行新股成本	(102,215)	—	—	—	(102,215)
Recognition of equity-settled share-based payments	確認以權益結算 以股份支付款項	—	—	15,120	—	15,120
Profit for the year	年度溢利	—	—	—	21,936	21,936
At 31 December 2009	於二零零九年 十二月三十一日	1,918,780	161,370	15,120	(12,455)	2,082,815



Five Years' Financial Summary

五年財務概要

RESULTS

業績

		2005 二零零五年 HK\$'000 千港元 (note 1) (附註1)	2006 二零零六年 HK\$'000 千港元 (note 2) (附註2)	2007 二零零七年 HK\$'000 千港元 (note 2) (附註2)	2008 二零零八年 HK\$'000 千港元 (note 2) (附註2)	2009 二零零九年 HK\$'000 千港元
Revenue	收益	803,125	1,090,338	1,942,400	6,526,594	9,063,175
Profit before taxation	除稅前溢利	41,063	100,235	187,069	330,920	503,635
Income tax expense	所得稅開支	(821)	(4,855)	(8,342)	(23,007)	(24,950)
Profit for the year	年度溢利	40,242	95,380	178,727	307,913	478,685
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	35,298	46,626	137,691	294,431	478,422
Minority interests	少數股東權益	4,944	48,754	41,036	13,482	263
		40,242	95,380	178,727	307,913	478,685

ASSETS AND LIABILITIES

資產及負債

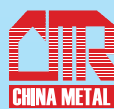
		2005 二零零五年 HK\$'000 千港元 (note 1) (附註1)	2006 二零零六年 HK\$'000 千港元 (note 2) (附註2)	2007 二零零七年 HK\$'000 千港元 (note 2) (附註2)	2008 二零零八年 HK\$'000 千港元 (note 2) (附註2)	2009 二零零九年 HK\$'000 千港元
Total assets	總資產	408,686	583,274	1,585,317	2,102,263	4,750,667
Total liabilities	總負債	(334,839)	(373,768)	(1,272,031)	(1,205,911)	(1,660,852)
		73,847	209,506	313,286	896,352	3,089,815
Equity attributable to owners of the Company	本公司擁有人應佔權益	59,481	100,224	278,527	831,554	3,009,981
Minority interests	少數股東權益	14,366	109,282	34,759	64,798	79,834
		73,847	209,506	313,286	896,352	3,089,815

Notes:

- The figures for year ended 31 December 2005 have been extracted from audited consolidated financial statement of Asia Steel (H.K.) Limited, the holding company which had produced comparable financial statements for that year before the reorganisation of the Group.
- The figures for three years ended 31 December 2008 have been extracted from the prospectus of the Company dated 10 June 2009.

附註：

- 截至二零零五年十二月三十一日止年度的數據摘錄自亞洲鋼鐵(香港)有限公司的經審核綜合財務報表，該公司為控股公司，已於本集團重組前編製該年的可比較財務報表。
- 截至二零零八年十二月三十一日止三個年度的數據摘錄自本公司二零零九年六月十日刊發的招股章程。



中國金屬再生資源(控股)有限公司
China Metal Recycling (Holdings) Limited