



G-PROP (HOLDINGS) LIMITED

金匡企業有限公司

Stock Code 股份代號: 286



ANNUAL REPORT **2010**

二零一零年年報



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* Should there be any discrepancy between English and Chinese versions, the English version shall prevail.

* 倘中英文版本出現歧義，概以英文版本為準。

DIRECTORS

Executive Directors:

Kong, Chi-ming (*Deputy Chairman*)

Leung, Wing-pong (*Chief Executive Officer*)

Independent Non-executive Directors:

David Chain, Chi-woo

Lam, Yat-fai

Leung, Yun-fai

AUDIT COMMITTEE

Lam, Yat-fai (*Chairman*)

David Chain, Chi-woo

Leung, Yun-fai

REMUNERATION COMMITTEE

Leung, Yun-fai (*Chairman*)

David Chain, Chi-woo

Lam, Yat-fai

COMPANY SECRETARY

Lam, Kwong-wai

AUDITORS

HLB Hodgson Impey Cheng

Chartered Accountants

Certified Public Accountants

31st Floor, Gloucester Tower

The Landmark, 11 Pedder Street

Central, Hong Kong

SOLICITORS

Sit, Fung, Kwong & Shum

Chiu & Partners

PRINCIPAL BANKERS

Chong Hing Bank Limited

Standard Chartered Bank (Hong Kong) Limited

PLACE OF INCORPORATION

Bermuda

董事

執行董事：

江志明 (副主席)

梁榮邦 (行政總裁)

獨立非執行董事：

錢其武

林日輝

梁潤輝

審核委員會

林日輝 (主席)

錢其武

梁潤輝

薪酬委員會

梁潤輝 (主席)

錢其武

林日輝

公司秘書

林光蔚

核數師

國衛會計師事務所

英國特許會計師

香港執業會計師

香港中環

畢打街11號置地廣場

告羅士打大廈31樓

律師

薛馮鄭岑律師行

趙不渝馬國強律師事務所

主要往來銀行

創興銀行有限公司

渣打銀行(香港)有限公司

註冊成立地點

百慕達

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL OFFICE

26th Floor, MassMutual Tower
38 Gloucester Road
Wanchai, Hong Kong

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

BRANCH REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

WEBSITE

<http://www.g-prop.com.hk>

STOCK CODE

286

BOARD LOT

2,000 Shares

INVESTOR RELATIONS

For enquiries relating to investor relations, please contact:

Investor Relations Manager

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註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

主要辦事處

香港灣仔
告士打道38號
美國萬通大廈26樓

主要過戶登記處

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

過戶登記分處

卓佳秘書商務有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

網址

<http://www.g-prop.com.hk>

股份代號

286

買賣單位

2,000股

投資者關係

有關投資者關係之查詢，請聯絡：

投資者關係經理

電話：(852) 2866 6999

傳真：(852) 2866 2822

(852) 2866 2833

電郵：investor.relations@chineseestates.com

Profiles of Directors and Senior Executive 董事及高級行政人員簡介

EXECUTIVE DIRECTORS

Mr. KONG, Chi-ming, aged 47, has been an Executive Director of the Company since July 2005 and was appointed as Deputy Chairman of the Company in November of the same year. He also holds position as director in a number of subsidiaries of the Company. Mr. Kong holds a Bachelor Degree of Business Administration from The Chinese University of Hong Kong, a Master Degree of Arts in Quantitative Analysis for Business and a Master Degree of Business Administration from the City University of Hong Kong. He has over 20 years of experience in the management and development of property projects in the mainland China.

Mr. LEUNG, Wing-pong, aged 49, has been an Executive Director of the Company since October 2002 and was appointed as Chief Executive Officer of the Company in July 2005. He also holds position as director and secretary in a number of subsidiaries of the Company. Mr. Leung is a member of the Hong Kong Securities Institute. He was registered with the Securities and Futures Commission as a responsible officer of a securities firm, a futures firm and a finance firm in Hong Kong. He has over 23 years of experience in the area of internal audit.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. David CHAIN, Chi-woo, aged 62, has been an Independent Non-executive Director of the Company since September 2004. He is also a member of the audit committee and remuneration committee of the Company. Dr. Chain is a registered medical practitioner and started private practice since 1978. He is a graduate of The University of Hong Kong. Dr. Chain was appointed as a vice chairman of Causeway Bay District Scout Council from 1986 to 1992. He was also a member of Kowloon West District Advisory Committee of The Hongkong Bank Foundation District Community Programme from 2000 to 2001.

Mr. LAM, Yat-fai, aged 45, has been an Independent Non-executive Director of the Company since December 2003. He is also the chairman of the audit committee and a member of the remuneration committee of the Company. Mr. Lam is a Certified Public Accountant (Practising). He is a fellow member of The Hong Kong Institute of Certified Public Accountants and of The Association of Chartered Certified Accountants in the United Kingdom. Mr. Lam worked with Kwan Wong Tan & Fong and Deloitte Touche Tohmatsu for over 10 years. He has over 21 years of experience in auditing, taxation, corporate finance and accounting. Mr. Lam is also an independent non-executive director of Oriental Press Group Limited and Yunnan Enterprises Holdings Limited, the shares of all of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

執行董事

江志明先生，現年47歲，自二零零五年七月起為本公司之執行董事，並於同年十一月出任本公司之副主席。彼亦擔任本公司多間附屬公司之董事。江先生持有香港中文大學之工商管理學士學位，以及香港城市大學之工商數量分析文學碩士學位及工商管理學碩士學位。彼於中國大陸房地產項目管理及發展方面累積逾二十年經驗。

梁榮邦先生，現年49歲，自二零零二年十月起為本公司之執行董事，並於二零零五年七月出任本公司之行政總裁。彼亦擔任本公司多間附屬公司之董事及秘書。梁先生為香港證券專業學會會員。彼於證券及期貨事務監察委員會登記為香港一間證券公司、期貨公司及融資公司之負責人員。彼在內部審計方面累積逾二十三年經驗。

獨立非執行董事

錢其武醫生，現年62歲，自二零零四年九月起為本公司之獨立非執行董事。彼亦為本公司之審核委員會及薪酬委員會成員。錢醫生為註冊醫生並自一九七八年起私人執業。彼於香港大學畢業。錢醫生於一九八六年至一九九二年期間獲委任為銅鑼灣分區董軍委員會副主席。彼於二零零零年至二零零一年期間為匯豐銀行慈善基金社區發展計劃西九龍區諮詢委員會委員。

林日輝先生，現年45歲，自二零零三年十二月起為本公司之獨立非執行董事。彼亦為本公司之審核委員會主席及薪酬委員會成員。林先生現職執業會計師。彼為香港會計師公會及英國特許公認會計師公會之資深會員。林先生曾於關黃陳方會計師行及德勤•關黃陳方會計師行工作逾十年。彼於審計、稅務、企業融資及會計方面累積逾二十一年經驗。林先生亦為東方報業集團有限公司及雲南實業控股有限公司之獨立非執行董事，該等公司之股份均在香港聯合交易所有限公司主板上市。

INDEPENDENT NON-EXECUTIVE DIRECTORS (cont'd)

Mr. LEUNG, Yun-fai, aged 53, has been an Independent Non-executive Director of the Company since November 2003. He is also the chairman of the remuneration committee and a member of the audit committee of the Company. He holds a Bachelor Degree of Business Administration from Newport University in the United States of America. Mr. Leung is a member of the Hong Kong Securities Institute. He has over 20 years of auditing and accounting experience with Kwan Wong Tan & Fong and Deloitte Touche Tohmatsu. Mr. Leung is also an independent non-executive director of China Premium Lifestyle Enterprise, Inc., the shares of which are listed on the Over-The-Counter Bulletin Board of the United States of America.

SENIOR EXECUTIVE

Mr. LAM, Kwong-wai, aged 55, joined the Company in 2003 and is the Group Financial Controller and Company Secretary of the Company, Chinese Estates Holdings Limited (the holding company of the Company) and Chi Cheung Investment Company, Limited (a fellow subsidiary of the Company). Mr. Lam is a Certified Public Accountant (Practising). He holds a Master Degree in Business Administration from the University of Warwick, United Kingdom. Mr. Lam has over 33 years of experience in auditing, finance and accounting.

DISCLOSURE OF CHANGE OF INFORMATION OF DIRECTORS UNDER RULES 13.51(2) AND 13.51B(1) OF THE LISTING RULES

Mr. Lam, Yat-fai, an Independent Non-executive Director of the Company, became a fellow member of The Hong Kong Institute of Certified Public Accountants on 27 September 2010.

Save as aforesaid and those changes mentioned in the Profiles of Directors, there is no change of information of each director that is required to be disclosed under Rules 13.51(2) and 13.51B(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, since publication of the 2010 interim report of the Company.

獨立非執行董事 (續)

梁潤輝先生，現年53歲，自二零零三年十一月起為本公司之獨立非執行董事。彼亦為本公司之薪酬委員會主席及審核委員會成員。彼持有美國Newport University之工商管理學士學位。梁先生為香港證券專業學會會員。彼於關黃陳方會計師行及德勤•關黃陳方會計師行累積逾二十年審計及會計經驗。梁先生亦為China Premium Lifestyle Enterprise, Inc.之獨立非執行董事，其股份於美國場外電子櫃檯交易系統上市。

高級行政人員

林光蔚先生，55歲，於二零零三年加入本公司，現任本公司、Chinese Estates Holdings Limited (本公司之母公司) 及至祥置業有限公司 (本公司之同系附屬公司) 之集團財務總監及公司秘書。林先生為執業會計師。彼持有英國華威大學之工商管理學碩士學位。林先生在核數、財務及會計方面累積逾三十三年經驗。

按上市規則第13.51(2)及第 13.51B(1)條規定就董事資料變動之披露

林日輝先生，本公司之獨立非執行董事，於二零一零年九月二十七日成為香港會計師公會之資深會員。

除上述及「董事簡介」內提及之變動外，自刊發本公司二零一零年中期報告以來，概無按香港聯合交易所有限公司證券上市規則第13.51(2)及第13.51B(1)條規定而需要披露每位董事資料之變動。

I would like to present the results of G-Prop (Holdings) Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 December 2010 (the "Year") to the shareholders of the Company.

RESULTS

The Group recorded a loss attributable to owners of the Company of HK\$1,859,000 (2009 restated: profit of HK\$12,646,000) for the Year. It was mainly attributable to the decrease in fair value on investment properties, decrease in interest income on floating rate notes ("FRN") and exchange loss upon conversion of the FRN. Both basic and diluted loss per share are HK0.08 cents (2009 restated: earnings per share of HK0.56 cents).

DIVIDENDS

The Board of Directors of the Company (the "Board") has recommended the payment of final dividend of HK0.2 cents per ordinary share for the Year (2009: HK0.1 cent). Subject to the shareholders' approval at the forthcoming annual general meeting of the Company to be held on 26 May 2011, the recommended final dividend will be paid on or around 17 June 2011 to the shareholders whose names appear on the register of members of the Company on 26 May 2011.

As there was no interim dividend declared (2009: Nil), the total distribution for 2010 amounts to HK0.2 cents per ordinary share (2009: HK0.1 cent).

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from 24 May 2011 to 26 May 2011, both days inclusive. For the purpose of ascertaining the members' entitlement to the recommended final dividend and the attendance of the forthcoming annual general meeting of the Company, all share transfers documents accompanied by the relevant share certificates must be lodged with the Company's Branch Registrar and Transfer Office in Hong Kong, namely Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 23 May 2011.

本人謹此呈報G-Prop (Holdings) Limited (金匡企業有限公司*) (「本公司」) 及其附屬公司 (統稱「本集團」) 截至二零一零年十二月三十一日止年度 (「本年度」) 之業績予本公司股東。

業績

本集團於本年度錄得本公司持有人應佔虧損1,859,000港元 (二零零九年 (重列) : 溢利12,646,000港元) , 主要源自投資物業之公平值減少、浮息票據 (「浮息票據」) 之利息收入減少及轉換浮息票據之匯兌虧損。每股基本及攤薄虧損分別均為0.08港仙 (二零零九年 (重列) : 每股盈利0.56港仙) 。

股息

本公司董事會 (「董事會」) 建議派發本年度末期股息每股普通股0.2港仙 (二零零九年 : 0.1港仙) 。待本公司將於二零一一年五月二十六日召開之應屆股東週年大會取得股東批准後, 建議之末期股息將於二零一一年六月十七日或前後派發予於二零一一年五月二十六日名列本公司股東名冊之股東。

由於不宣派本年度中期股息 (二零零九年 : 無) , 二零一零年之總股息分派將為每股普通股0.2港仙 (二零零九年 : 0.1港仙) 。

暫停辦理股東登記手續

本公司將於二零一一年五月二十四日至二零一一年五月二十六日 (包括首尾兩天) 暫停辦理股東登記手續。為確定股東獲派末期股息及出席本公司即將舉行之股東週年大會的資格, 所有股份過戶文件連同有關股票須於二零一一年五月二十三日 (即本公司股東週年大會前) 下午四時三十分前送達本公司於香港之過戶登記分處卓佳秘書商務有限公司, 地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

* 僅供識別

BUSINESS REVIEW

The Group was continuously engaged in the businesses of property investment, finance and securities investment during the Year.

Finance and Securities Investment

During the Year, the Company had advanced a total sum of HK\$200,000,000 to the Chinese Estates Group under the three-year revolving loan facility agreement made in November 2008 ("Revolving Loan"). The Company had accrued an interest income from the Revolving Loan totaling about HK\$2,354,000 at the interest rate of HIBOR plus 1% per annum for the Year, comparing with the interest income of HK\$1,942,000 therefrom in previous year.

On the other hand, the investment in various FRN for long-term investment purpose in the aggregate principal amount of EUR3,800,000 and US\$16,500,000 had generated an interest income of approximately HK\$4,434,000 during the Year, in comparison with approximately HK\$5,472,000 interest income of the last year. The fair value of the FRN amounted to HK\$164,708,000 as at 31 December 2010, representing an increment of HK\$6,235,000 or approximately 3.93% as compared to HK\$158,473,000 as at 31 December 2009.

Investment Properties

As at 31 December 2010, the Group held 31 car parking spaces with 5 adjoining spaces and a carport basement situated in Wanchai and Central. The relevant occupancy rate was approximately 76.76% with rental income amounted to HK\$1,695,000 for the Year. The rental income represented an increment of 0.59% as compared to last year. Such increase on rental income was mainly attributable to the increase usage of car parking spaces in early 2010.

As a result of unrealized valuation loss on the Group's investment properties and the reduction of interest income from FRN as well as exchange loss upon conversion of FRN, the Group recorded a loss attributable to owners of the Company of HK\$1,859,000.

業務回顧

本年度，本集團繼續從事物業投資、融資及證券投資業務。

融資及證券投資

年內，本公司根據於二零零八年十一月訂立之三年期循環貸款協議（「循環貸款」），已向華人置業集團貸款合共200,000,000港元。本公司於本年度從循環貸款入賬之利息收入共約為2,354,000港元，以年利率香港銀行同業拆息加一厘計算，去年則為1,942,000港元。

另一方面，本集團於年內，從作為長線投資本金總額為3,800,000歐元及16,500,000美元的多種浮息票據獲得之利息收入約為4,434,000港元，對比去年約5,472,000港元之利息收入。於二零一零年十二月三十一日，浮息票據之公平值為164,708,000港元，對比於二零零九年十二月三十一日之158,473,000港元，增加為6,235,000港元或約3.93%。

投資物業

於二零一零年十二月三十一日，本集團擁有位於灣仔及中環區31個停車位連同5個毗鄰空間，以及1個地庫停車場。本年度，相關出租率約為76.76%，而租金收入為1,695,000港元。租金收入較去年增加0.59%。租金收入上升的主要原因是停車位之使用於二零一零年初增加所致。

因為本集團之投資物業錄得未變現之估值虧損，及浮息票據之利息收入減少，連同轉換浮息票據之匯兌虧損，本集團錄得本公司持有人應佔虧損1,859,000港元。

PROSPECTS

During the Year, although Hong Kong continues to show substantial economic recovery from the global financial tsunami, there were still a number of external and internal challenges, especially inflow of hot money, inflation and rapid rise on real properties price. The Government's act on imposing hefty taxes for selling a residential unit within two years of its purchase in November 2010, for example, was one of the series of market-cooling moves which have impact against real estates developers and investors. As the Group currently does not have stocks of residential units for sale, the executive measures by the Government on cooling properties market for the time being do not have an immediate adverse effect upon us. The current standstill interest rate is regarded as abnormal to the financial sector and the Hong Kong Monetary Authority has given its warnings that the local interest rate could increase abruptly at any time and may be quicker than one is expecting. The local major banks have started to increase the interest margin for mortgage loans and certain medium and small size banks also follow suit. In anticipation of potential increase in interest rate, the current policy in lending funds of HK\$200 million to the Chinese Estates Group would be beneficial and prudent.

The carpark rental income, the interest income from the Revolving Loan and the interest income from investment in various FRN will continue to be the main sources of income to the Group. Meanwhile, the Company will review fund application to meet business requirements from time to time.

APPRECIATION

I would like to take this opportunity to express our gratitude to the shareholders of the Company for their continued support, and our fellow Directors and those who have worked for the Group for their valuable contribution.

On Behalf of the Board

Kong, Chi-ming

Deputy Chairman

Hong Kong, 17 March 2011

展望

年內，雖然香港經濟持續顯著地從環球金融海嘯中復甦，仍尚存很多外在及內在之挑戰，尤其是熱錢湧入、通貨膨脹及地產物業價格迅速上升。於二零一零年十一月，政府推出一系列樓市降溫措施，例如對購入並於兩年內出售之住宅單位徵收重稅，皆對地產發展商及投資者造成影響。由於本集團現時並無持有可出售之住宅單位，政府冷卻物業市場之行政措施對吾等目前並無即時之不利影響。財經界視現時停滯不前之利率乃不正常，而香港金融管理局亦警告本地利率可在任何時間突然增加，並可能比預期中更快。本地主要銀行已開始就按揭貸款調升利率差距，而若干中小型銀行亦已跟隨。現時借予華人置業集團之200,000,000港元之貸款政策，在預期利率可能增加之下，將屬有利及審慎的。

停車場租金收入、由循環貸款所得之利息收入及從投資於多種浮息票據所獲得之利息收入，將繼續成為本集團的主要收入來源。同時，本公司將不時檢討資金運用，以應付業務需要。

致謝

本人謹此對本公司股東之鼎力支持，以及各董事及竭誠為本集團付出寶貴貢獻之人士致以衷心感謝。

代表董事會

副主席

江志明

香港，二零一一年三月十七日

RESULTS

Revenue for the Year was HK\$8,483,000 (2009: HK\$9,099,000), an decrease of HK\$616,000 when compared with last year. Gross profit for the Year amounted to HK\$8,279,000 (2009: HK\$8,921,000), a decrease of HK\$642,000 as compared with last year. The decrease in revenue and gross profit resulted from the interest income from floating rate notes of HK\$4,434,000 (2009: HK\$5,472,000) and loan to a fellow subsidiary of HK\$2,354,000 (2009: HK\$1,942,000).

For property leasing, the rental income increased to HK\$1,695,000 (2009: HK\$1,685,000), it was mainly due to the slight increase of occupancy rate of the property. Included in the current year result was a decrease in fair value on investment properties of HK\$4,150,000 (2009: increase of HK\$5,200,000).

During the Year, no finance cost was recorded (2009: Nil).

Exchange loss included in administrative expenses of HK\$2,451,000 (2009: exchange gain of HK\$775,000) was mainly due to the conversion of foreign currency floating rate notes to Hong Kong dollars.

(LOSS) PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

During the Year, the Group recorded a loss attributable to owners of the Company of HK\$1,859,000 (2009 restated: profit of HK\$12,646,000) which was mainly due to the decrease in fair value on investment properties, decrease in interest income on floating rate notes and exchange loss upon conversion of the floating rate notes. The basic and diluted loss per share are HK0.08 cents (2009 restated: earnings per share of HK0.56 cents).

CORE PROFIT

If the major non-cash item of loss of HK\$4,150,000 (2009: gain of HK\$5,200,000) is excluded, the core profit attributable to owners of the Company will become HK\$2,291,000 (2009 restated: HK\$7,446,000).

The major non-cash item for the Year was the loss on fair value changes on investment properties of HK\$4,150,000 (2009: gain of HK\$5,200,000).

業績

本年度之收益為8,483,000港元(二零零九年：9,099,000港元)，較去年減少616,000港元。本年度之毛利為8,279,000港元(二零零九年：8,921,000港元)，較去年減少642,000港元。收益及毛利減少原因是錄得浮息票據之利息收入4,434,000港元(二零零九年：5,472,000港元)及借予同系附屬公司貸款之利息收入2,354,000港元(二零零九年：1,942,000港元)。

至於物業租賃，租金收入增加至1,695,000港元(二零零九年：1,685,000港元)，主要原因是物業之出租率輕微上升。本年度業績包括投資物業之公平值減少4,150,000港元(二零零九年：增加5,200,000港元)。

本年度，並無錄得財務成本(二零零九年：無)。

計入行政開支之匯兌虧損2,451,000港元(二零零九年：匯兌收益775,000港元)主要由於外幣浮息票據轉換為港元時產生。

本公司持有人應佔(虧損)溢利

本年度，本集團錄得本公司持有人應佔虧損1,859,000港元(二零零九年(重列)：溢利12,646,000港元)，主要源自投資物業之公平值減少、浮息票據之利息收入減少及轉換浮息票據之匯兌虧損。每股基本及攤薄虧損為0.08港仙(二零零九年(重列)：每股盈利0.56港仙)。

核心溢利

如撇除主要非現金項目虧損4,150,000港元(二零零九年：收益5,200,000港元)，本公司持有人之應佔核心溢利將為2,291,000港元(二零零九年(重列)：7,446,000港元)。

本年度主要非現金項目包括投資物業之公平值變動虧損4,150,000港元(二零零九年：收益5,200,000港元)。

NET ASSET VALUE

As at 31 December 2010, the Group's total net asset to owners of the Company was HK\$485,952,000 (2009 restated: HK\$484,824,000), an increase of HK\$1,128,000 when compared with last year. Such increase was caused by (a) final dividend paid for 2009 of HK\$2,428,000; (b) the loss for the Year of HK\$1,859,000; and (c) the increase in fair value of available-for-sale financial assets of HK\$5,415,000.

Net asset value per share to owners of the Company as at 31 December 2010 was HK20.01 cents (2009 restated: HK19.97 cents).

INVESTMENT AND FINANCE

As at 31 December 2010, the Group had various long term floating rate notes (the "FRN") in principal amount of EUR3,800,000 and US\$16,500,000 as available-for-sale financial assets. The denominated currencies of the FRN are European dollars and United States dollars and the maturity dates are between 2011 and 2014. The interest rates are calculated mainly with reference to the EURIBOR and LIBOR. Further the Group made a short term three-year revolving loan to Chinese Estates Group of HK\$200,000,000 at HIBOR plus 1% per annum. No hedging for interest rate and foreign currency were subsisted during the Year.

As at 31 December 2010, the carrying amount of the FRN amounted to HK\$164,708,000 (2009: HK\$158,473,000) and the loan amounted to HK\$200,000,000 (2009: HK\$200,000,000) representing 33.8% and 41.0% of the total assets of the Group respectively.

EQUITY

The number of issued ordinary shares as at 31 December 2010 and 2009 were 2,428,255,008.

DEBT AND EQUITY RATIO

The Group did not have any borrowings as at 31 December 2010 and 2009.

The Group continued to maintain a strong capital and cash position. Time deposits and bank balances as at 31 December 2010 was approximately HK\$91,242,000 (2009: HK\$91,247,000). The majority of the Group's income for the Year was denominated in Hong Kong dollars and United States dollars and no hedging for non-Hong Kong dollars assets or investments have been made during the Year.

資產淨值

於二零一零年十二月三十一日，本公司持有人應佔本集團之資產淨值合共為485,952,000港元（二零零九年（重列）：484,824,000港元），較去年增加1,128,000港元。此上調乃由於(a)支付二零零九年末期股息2,428,000港元；(b)本年度之虧損1,859,000港元；及(c)可供待售之金融資產之公平值增加5,415,000港元。

於二零一零年十二月三十一日，本公司持有人應佔每股資產淨值為20.01港仙（二零零九年（重列）：19.97港仙）。

投資及融資

於二零一零年十二月三十一日，本集團持有本金額分別為3,800,000歐元及16,500,000美元之若干長期浮息票據（「浮息票據」），列為可供待售之金融資產。該等浮息票據以歐元及美元計算，到期日介乎二零一一年至二零一四年。利率乃主要參考歐洲銀行同業拆息及倫敦銀行同業拆息計算。此外，本集團向華人置業集團提供一筆三年期短期循環貸款200,000,000港元，年利率按香港銀行同業拆息加一厘計算。本年度並無利率及外幣對沖。

於二零一零年十二月三十一日，浮息票據之賬面金額為164,708,000港元（二零零九年：158,473,000港元），而貸款金額為200,000,000港元（二零零九年：200,000,000港元），分別相當於本集團之資產總值之33.8%及41.0%。

股權

於二零一零年及二零零九年十二月三十一日之已發行普通股數目均為2,428,255,008股。

債項與股權比率

於二零一零年及二零零九年十二月三十一日，本集團並無任何借貸。

本集團於本年度繼續維持充裕之資本及現金狀況。於二零一零年十二月三十一日之定期存款及銀行結餘約為91,242,000港元（二零零九年：91,247,000港元）。本集團於本年度之收入主要以港元及美元計算，於本年度內亦無對沖任何非港元資產或投資。

PLEDGE OF ASSETS

As at 31 December 2010 and 2009, no assets were pledged by the Group to secure any banking facilities and the Group did not have any obligations under banking facility documentation.

CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

The Group did not have any material capital commitment and contingent liabilities as at 31 December 2010 and 2009.

FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income was included in revenue and other income for the Year. Interest income was HK\$6,881,000 (2009: HK\$7,473,000), representing a decrease of 7.92% from last year. It was mainly due to the decrease in interest income from FRN for the Year. There was no finance cost (2009: Nil) during the Year.

REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 31 December 2010, the Group did not employ any staff (2009: Nil). The total staff cost excluding Directors' emoluments for the Year was approximately HK\$939,000 (2009: HK\$843,000) representing the staff cost recharged from other fellow subsidiaries of the Company. The Company had adopted share option scheme since 15 February 2002. There were no outstanding options at the beginning and at the end of the Year. No options were granted, exercised, cancelled and lapsed during the Year.

PROPERTY VALUATION

A property valuation has been carried out by B.I. Appraisals Limited (2009: Norton Appraisals Limited), an independent qualified professional valuers, in respect of the Group's investment properties held as at 31 December 2010 and that valuation was used in preparing this year's consolidated financial statements. The Group's investment properties were valued at HK\$28,350,000 as at 31 December 2010 (2009: HK\$32,500,000), a decrease in fair value of approximately HK\$4,150,000 was recognised in the consolidated statement of comprehensive income for the Year.

資產抵押

於二零一零年及二零零九年十二月三十一日，本集團並無將任何資產抵押以取得銀行信貸，而本集團概無任何根據銀行信貸文件須履行之責任。

資本承擔及或然負債

於二零一零年及二零零九年十二月三十一日，本集團並無任何重大資本承擔及或然負債。

財務及利息收入／支出

利息收入已計入本年度之收益及其他收入。利息收入為6,881,000港元(二零零九年：7,473,000港元)較去年減少7.92%，主要來自本年度浮息票據之利息收入減少。本年度並無錄得財務成本(二零零九年：無)。

酬金政策及購股權計劃

於二零一零年十二月三十一日，本集團並無僱用任何員工(二零零九年：無)。本年度總員工成本(不包括董事酬金)約為939,000港元(二零零九年：843,000港元)，相當於本公司其他同系附屬公司徵收之員工成本。本公司於二零零二年二月十五日採納一項購股權計劃。年初及年終並無購股權尚未行使，本年度亦無授出、行使、註銷或已失效之購股權。

物業估值

獨立合資格專業估值師保柏國際評估有限公司(二零零九年：普敦國際評估有限公司)已就本集團於二零一零年十二月三十一日持有之投資物業進行物業估值，有關估值乃用以編製本年度之綜合財務報表。於二零一零年十二月三十一日，本集團投資物業之估值為28,350,000港元(二零零九年：32,500,000港元)，公平值之減少約為4,150,000港元，並已在本年度之綜合全面收入報表中確認。

OBJECTIVE

The Board of Directors (the “Directors” or the “Board”) of the Company together with its subsidiaries (together, the “Group”) is committed to maintaining high standards of corporate governance so as to ensure high transparency and protection of shareholders’ interests in general. The Board endeavours to ensure effective self-regulatory practices, to maintain sound internal control system and to absorb high calibre members to the Board.

The purpose of this Corporate Governance Report is to present to shareholders how the Company has applied the principles in the Code on Corporate Governance Practices (the “Code”) under Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the year ended 31 December 2010 (the “Year”).

BOARD OF DIRECTORS

The Board is responsible for directing the Group, formulating overall strategy, monitoring operating and financial performance of the Group and overseeing the performance of the management. Each Director acts in good faith for the best interest of the Company. The Directors are collectively and individually responsible to the Company for the manner in which the affairs of the Company are managed, controlled and operated. They had devoted sufficient time and attention to the Company’s affairs during the Year.

Structure

The Board currently comprises two Executive Directors and three Independent Non-executive Directors (the “INED(s)”). The INEDs represent more than one-third of the Board. The members of the Board are as follows:

Executive Directors

Mr. Kong, Chi-ming (*Deputy Chairman*)

Mr. Leung, Wing-pong (*Chief Executive Officer*)

Independent Non-executive Directors

Dr. David Chain, Chi-woo

Mr. Lam, Yat-fai

Mr. Leung, Yun-fai

理念

本公司董事會（「董事」或「董事會」）連同其附屬公司（統稱「本集團」）銳意維持高度企業管治，以確保運作更具透明度及全面保障股東利益。董事會致力確保制訂有效之自我監管常規，以維持良好之內部監控制度及吸納卓越之成員加入董事會。

本企業管治報告書是向股東呈示本公司於截至二零一零年十二月三十一日止年度（「本年度」）如何應用香港聯合交易所有限公司（「聯交所」）頒布之聯交所證券上市規則（「上市規則」）附錄十四《企業管治常規守則》（「守則」）之原則。

董事會

董事會負責領導本集團、制訂整體策略、監察本集團之營運及財務表現，以及監督管理層之表現。每位董事均以本公司之最佳利益為前題，以誠信態度履行職責。董事知悉彼等在管理、控制及經營本公司事務上，共同及個別向本公司負責。年內，彼等已付出足夠時間及專注力以處理本公司事務。

架構

董事會目前由兩位執行董事及三位獨立非執行董事組成（「獨立非執行董事」），獨立非執行董事之人數超過董事會成員總數之三分之一。董事會成員如下：

執行董事

江志明先生（副主席）

梁榮邦先生（行政總裁）

獨立非執行董事

錢其武醫生

林日輝先生

梁潤輝先生

BOARD OF DIRECTORS (cont'd)

Structure (cont'd)

The Directors' biographies are available on the Company's website. There is no relationship among members of the Board and in particular, between the Deputy Chairman and the Chief Executive Officer (the "CEO").

At least one of the INEDs has appropriate professional qualification as required by the Stock Exchange. The Company has received from each INED an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the INEDs are independent.

Directors (including the INEDs) are not appointed for any specific term.

According to The International Tak Cheung Holdings Limited Act 1991 (the "Private Act", whereas "International Tak Cheung Holdings Limited" is the former name of the Company) under which the Company was exempted from certain compliances with the Bermuda Companies Act 1981 (the "Bermuda Companies Act"), the Directors shall not be required to be elected at each annual general meeting, but shall (save for any chairman and managing director) be subject to retirement by rotation in such manner and at such frequency as the Bye-laws may provide. Notwithstanding that no retirement by rotation is required for the managing director under the Private Act or the Bermuda Companies Act, Mr. Leung, Wing-pong, as the CEO is willing to voluntarily retire from his directorship at annual general meetings of the Company at least once every three years by following the Bye-laws of the Company concerning the directors' retirement by rotation, and being eligible, will offer himself for re-election at the relevant annual general meetings.

Every Director is therefore subject to retirement by rotation either under the Bye-laws or voluntarily, and eligible for re-election at the annual general meetings of the Company at least once every three years.

Assistance to Directors in Decision Making

Throughout their period in office, the Directors have been informed of the Group's business, the competitive and regulatory environments in which it operates and other changes affecting the Group and the industry it operates in as a whole. They have also been advised on appointment of their legal and other duties and obligations as directors of a listed company and updated on changes to the legal and governance requirements of the Group and upon themselves as the Directors.

The Directors are given access to independent professional advice at the Company's expense, when they deem it is necessary in order for them to carry out their responsibilities from time to time.

董事會 (續)

架構 (續)

董事簡歷可於本公司網頁瀏覽。董事會成員之間，尤其副主席與行政總裁（「行政總裁」）之間，並無關係。

最少一名獨立非執行董事具備聯交所規定之相關專業資格。本公司已接獲各獨立非執行董事之年度確認書，確認彼等符合上市規則第3.13條所載有關獨立性之規定。本公司認為全體獨立非執行董事均為獨立人士。

董事（包括獨立非執行董事）並非按任何指定任期委任。

按照The International Tak Cheung Holdings Limited Act 1991（「私人法例」，而「International Tak Cheung Holdings Limited」乃本公司之前稱），據此本公司獲豁免若干一九八一年百慕達公司法例（「百慕達公司法例」）應遵守之規定，董事不須於每次股東週年大會上選舉連任，但須（任何主席及董事總經理除外）根據公司細則所指定的方法及按時輪席告退。儘管私人法例及百慕達公司法例並無規定董事總經理輪席告退，梁榮邦先生作為行政總裁願意做效公司細則有關董事輪席告退之規定，最少每三年於本公司之股東週年大會上自願輪席告退為董事一職，並符合資格及願意於相關股東週年大會上膺選連任。

因此，每名董事須根據公司細則或自願最少每三年於本公司股東週年大會上輪席告退一次，並符合資格重選連任。

給予董事決策之協助

本公司於董事在任期間，向彼等匯報有關本集團業務、經營所在地之競爭及規管環境，以及整體上影響本集團及其經營行業之其他變動的資料。彼等亦就委任為上市公司董事之法定及其他職能以及職責提供意見，並於彼等成為董事後獲更新有關本集團之法定及監管規定之變動。

董事可不時視乎履行其職責所需而尋求獨立專業意見，費用概由本公司承擔。

BOARD OF DIRECTORS (cont'd)

Assistance to Directors in Decision Making (cont'd)

To enhance the Directors' consciousness on the importance of the directors' duties under common law (which is also generally applicable to Bermuda where the Company was incorporated) and to comply with the requirements of the Companies Ordinance (Cap. 32, Laws of Hong Kong), a "Guide on Directors' Duties" in which the general principles a director should follow in the performance of his functions and exercise of his powers was distributed to the Directors.

Conduct of Meetings

The Directors are consulted and properly briefed for matters to be included in the meetings' agenda. The Board is supplied with relevant information as well as reports relating to operational and financial performance of the Group before each regular Board meeting. At least 14 days' notice of a regular Board meeting is given to all Directors to provide them with the opportunity to attend the meeting. Board papers are dispatched to all Directors at least 3 days before the meeting to ensure that they have sufficient time to review the papers and will be adequately prepared for the meeting. Senior management is invited to attend the meeting to address to the Board members' queries. This enables the Board to have pertinent data and insight for reaching a comprehensive and informed evaluation as part of the Board's decision-making process.

The Deputy Chairman has delegated the responsibility to the secretary of the Company (the "Company Secretary") for drawing up and approving the meeting's agenda for each Board meeting, taking into account of any matter proposed by the other Directors for inclusion in the agenda.

The proceedings of the Board at its meetings are generally monitored by the Deputy Chairman who would ensure that sufficient time is allocated for discussion and consideration of each item on the agenda. Equal opportunities are given to the Directors to express their views and concerns.

Each Director has to declare his interest and to abstain from voting on any board resolution in which he or any of his associates has a material interest pursuant to the Company's Bye-laws and the laws of Bermuda.

董事會 (續)

給予董事決策之協助 (續)

為提高董事對普通法(彼亦一般地適用於本公司之註冊地百慕達)下董事職責重要性之意識及遵守公司條例(香港法例第32章)之要求,一份載有董事於執行職能及行使權力時應遵守之一般原則之「董事責任指引」已分發予董事。

會議之舉行

董事可獲諮詢及簡報會議議程內所載之事宜,並於每次定期董事會會議前獲發有關本集團營運及財務表現之相關資料及報告。定期董事會會議通知於開會前最少十四日送交全體董事,供其選擇是否出席會議。董事會文件於會議舉行前最少三日發給全體董事,以確保彼等具備足夠時間審閱該文件,並為會議作好充份準備。高級管理層成員獲邀與會,解答董事會成員之提問。此舉令董事會在作出全面而知情之評估時,具有中肯之數據及認知,有助董事會作出決策。

副主席已委派公司秘書(「公司秘書」)負責在考慮各董事建議之議程後,編撰及批核每次董事會會議之議程。

董事會之議事程序一般由副主席主持,以確保分配充裕之時間作出討論及考慮議程內之各個項目。各董事均獲平等機會表達意見及其關注事宜。

根據本公司之公司細則及百慕達法例,每位董事均須申報其權益,並就其本身或其任何聯繫人士擁有重大權益之任何董事決議案放棄投票。

BOARD OF DIRECTORS (cont'd)

Conduct of Meetings (cont'd)

All Directors have full access to the advice and services of the Company Secretary to ensure the Board's procedures, rules and regulations are followed. Draft and final versions of minutes of each Board meeting in sufficient details are sent to the Directors for comments and records within reasonable time after the meeting is held. The minutes of Board meetings and of the Board committees' meetings are kept by the Company Secretary, which are open for inspection by the Directors on reasonable notice.

Four regular Board meetings were held on 16 March, 16 July, 25 August and 2 December for the Year. The Company Secretary and the Company's senior management had attended the Board meetings to report matters arising from corporate governance, risk management, statutory compliance, accounting, finance and business. The individual attendance of each Director at the Board meetings held during the Year is as follows:

Directors	No. of Board meetings attended/held (Percentage of attendance in total)
<u>Executive Directors</u>	
Mr. Kong, Chi-ming (<i>Deputy Chairman</i>)	4/4 (100%)
Mr. Leung, Wing-pong (<i>CEO</i>)	4/4 (100%)
<u>Independent Non-executive Directors</u>	
Dr. David Chain, Chi-woo	4/4 (100%)
Mr. Lam, Yat-fai	4/4 (100%)
Mr. Leung, Yun-fai	4/4 (100%)

Works Performed

During the Year, besides attending the Board meetings to consider and make decision on corporate governance, risk management, statutory compliance, accounting, finance and business matters, the Directors had brought independent opinion and judgment on the Company's strategy, performance and standards of conduct; had taken the lead where potential conflicts of interests arose; had served on Board committees; had ensured that the Board maintained high standards of financial and other mandatory reporting; had carried out reviews on matters reported by the Board committees, and had provided adequate checks and balance to safeguard the interests of shareholders in general and the Company as a whole.

董事會 (續)

會議之舉行 (續)

全體董事有權全面尋求公司秘書之意見及服務，以確保遵守董事會程序、規則及規例。詳盡之各董事會會議記錄之草稿及定稿於舉行會議後之合理時間內，送交董事提供意見及記錄。董事會會議及董事委員會會議之記錄由公司秘書存置，並可由董事發出合理通知下供其查閱。

董事會分別於本年度三月十六日、七月十六日、八月二十五日及十二月二日舉行共四次定期董事會會議。公司秘書及本公司高級管理層均已出席董事會會議，匯報企業管治、風險管理、法規遵守、會計、財務及業務相關之事宜。年內，各董事於董事會會議之出席率如下：

董事	出席／舉行 董事會會議數目 (總出席率)
<u>執行董事</u>	
江志明先生 (<i>副主席</i>)	4/4 (100%)
梁榮邦先生 (<i>行政總裁</i>)	4/4 (100%)
<u>獨立非執行董事</u>	
錢其武醫生	4/4 (100%)
林日輝先生	4/4 (100%)
梁潤輝先生	4/4 (100%)

履行之工作

年內，除了出席董事會會議以考慮及決定企業管治、風險管理、法規遵守、會計、財務及業務事宜，董事對本公司之策略、表現及守則標準作出獨立意見及判斷；在有潛在利益衝突時發揮領導作用；出任董事委員會委員；確保董事會維持高水平之財務及其他強制申報準則；審閱董事委員會報告之事項；以及提供足夠審查及平衡，以保障全體股東與本公司整體利益。

BOARD OF DIRECTORS (cont'd)

Works Performed (cont'd)

During the Year, the INEDs had actively participated in the Board meetings, brought independent judgment and given their comments to the information or reports submitted to the meetings.

Besides holding the Board or committees' meetings, in order to make timely decision and ensure effective implementation of the Company's policy and practice, the Board had also adopted written resolutions signed by all Directors for making decisions on corporate affairs from time to time.

As part of the continuing process on supervising the Company's affairs, the Directors, acting through by the Audit Committee, had reviewed the adequacy of resources, qualifications and experience of the Company's accounting staff and financial reporting function, and their training programmes and budget in December 2010.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the "Model Code") as a code of conduct regarding securities transactions by Directors. In addition, the Company has a separate written code of conduct on terms no less exacting than the Model Code for the relevant employees of the Company who are likely to be in possession of unpublished price-sensitive information in respect of their dealings in the securities of the Company (the "Employees' Code").

Having made specific enquiry of all Directors and the relevant employees, all Directors confirmed that they had complied with the required standard set out in the Model Code and the relevant employees had complied with the Employees' Code regarding securities transaction throughout the Year.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and CEO are separate and not performed by the same individual. Mr. Kong, Chi-ming is the Deputy Chairman with responsibility for overseeing the function of the Board, formulating overall strategies and policies of the Company. Mr. Leung, Wing-pong is the CEO with responsibility for the overall business and operation of the Group. This segregation is clearly established and set out in writing to ensure a clear distinction between the Chairman's responsibility to manage the Board and CEO's responsibility to manage the Group's business.

BOARD COMMITTEES

The Board has established Audit Committee and Remuneration Committee with defined roles and terms of reference.

董事會 (續)

履行之工作 (續)

年內，獨立非執行董事積極參與董事會會議，就會議事項作出獨立判斷及在提呈於會議上之資料或報告發表意見。

除了舉行董事會或委員會會議，為了能及時作出決定及確保有效實施本公司之政策及實務，董事會亦不時採納全體董事書面決議書為公司事務作出決定。

作為持續監督本公司業務之程序，董事已於二零一零年十二月由審核委員會代行審閱本公司會計及財務匯報職能方面的資源、員工資歷及經驗與員工所接受的培訓課程及有關預算是否足夠。

進行證券交易之標準守則

本公司已採納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」)作為董事進行證券交易的操守準則。另外，本公司亦已就可能擁有未公布的股價敏感資料之相關僱員，制訂不遜於標準守則之書面操守守則，作為彼等進行本公司證券交易之指引(「僱員守則」)。

本公司在向所有董事及有關僱員作出具體查詢後，所有董事確認彼等於年內一直遵守標準守則載列的所需標準，以及有關僱員於年內就進行證券交易一直遵守僱員守則。

主席及行政總裁

主席及行政總裁之角色須予分開，且不得由同一個人擔任。江志明先生為副主席，負責監督董事會職能、制訂本公司整體策略及政策。梁榮邦先生為行政總裁，負責監督本集團之整體業務及運作。主席及行政總裁職能分配已清楚以書面訂立，以清楚劃分主席負責管理董事會，而行政總裁負責管理本集團業務。

董事委員會

董事會已成立審核委員會及薪酬委員會，並界定其角色及職權範圍。

BOARD COMMITTEES (cont'd)

Audit Committee

Structure

The Audit Committee has been established with the role to assist the Board in establishing formal and transparent arrangements for considering how it will apply the financial reporting and the internal control principles and for maintaining an appropriate relationship with the Company's auditors (the "Independent Auditors"). It acts in an advisory capacity and makes recommendations to the Board.

All the Audit Committee members possess diversified industry experience. The Audit Committee comprises all INEDs, namely:

Mr. Lam, Yat-fai (*Chairman*)
Dr. David Chain, Chi-woo
Mr. Leung, Yun-fai

Function

The Audit Committee's terms of reference can be found on the Group's website.

The major duties of the Audit Committee are summarised below:

- i) to make recommendations to the Board on the appointment, re-appointment and removal of the Company's Independent Auditors, review and monitor their independence and objectivity as well as the effectiveness of the audit process;
- ii) to monitor the integrity of the interim and annual consolidated financial statements, reports and accounts and quarterly reports of the Company, and to review any significant financial reporting judgments contained in them; and
- iii) to review and ensure the effectiveness of the Company's financial control, internal control and risk management systems.

Conduct of Meetings

The Audit Committee shall meet at least twice each year. The Company prepares and delivers an information memorandum that includes all relevant information about the meetings to the Audit Committee members at least 3 days prior to such meetings. During the Year, the Audit Committee members reviewed the information memorandum with due care and discussed with the Group Financial Controller (who is also the Company Secretary) and other senior management (if necessary) during the meetings.

董事委員會(續)

審核委員會

架構

審核委員會已成立，其角色為協助董事會建立正式及具透明度之安排，讓董事會考慮如何應用財務匯報及內部監控原則，以及如何與本公司核數師（「獨立核數師」）維持恰當的關係。審核委員會具有顧問職能，並向董事會提供意見。

審核委員會全體成員均具備多元化的業務經驗。審核委員會由全體獨立非執行董事組成，彼等為：

林日輝先生（主席）
錢其武醫生
梁潤輝先生

職能

有關審核委員會之職權範圍，可瀏覽本集團網頁。

審核委員會之主要職責概述如下：

- i) 就委任、重新委任及罷免本公司獨立核數師向董事會提供推薦意見、審核及監控彼等之獨立性及客觀性，以及審核程序之有效性；
- ii) 監察本公司中期及全年綜合財務報表、報告和賬目及季度報告之真實性，以及審閱上述各項所載之任何重大財務報告之判斷；及
- iii) 審閱及確保本公司財務監控、內部監控及風險管理系統之有效性。

會議之舉行

審核委員會每年須最少開會兩次。本公司編製及派發資料備忘錄，內容包括會議時所需之所有資料，於審核委員會開會前最少三日提交予審核委員會成員。年內，審核委員會成員謹慎地審閱資料備忘錄，並於會議上與集團財務總監（彼亦為公司秘書）及其他高級管理層成員（如有需要）討論。

BOARD COMMITTEES (cont'd)

Conduct of Meetings (cont'd)

During the Year, the Audit Committee held three meetings on 11 March, 18 August and 2 December 2010 with the presence of the Company's senior management. Minutes drafted by the Company Secretary were circulated to the Audit Committee members for comments within a reasonable time after each meeting. Executed minutes were kept by the Company Secretary and copies of the minutes were sent to the Audit Committee members for records.

Individual attendance of each committee member at the meetings is as follows:

Members	No. of meetings attended/held (Percentage of attendance in total)	成員	出席／舉行 會議數目 (總出席率)
Mr. Lam, Yat-fai (<i>Chairman</i>)	3/3 (100%)	林日輝先生 (主席)	3/3 (100%)
Dr. David Chain, Chi-woo	3/3 (100%)	錢其武醫生	3/3 (100%)
Mr. Leung, Yun-fai	3/3 (100%)	梁潤輝先生	3/3 (100%)

Works Performed

The works performed by the members of Audit Committee in the Year are summarised below:

- reviewed and considered the Group accounts and financial statements for the year ended 31 December 2009, and interim and quarterly accounts for 2010;
- reviewed, discussed and agreed with the Independent Auditors in respect of the audit fee for the year 2010; the terms of the engagement letters; the nature, scope of audit and reporting obligations for the Year;
- reviewed and assessed the adequacy and effectiveness of the Group's financial reporting and controls, internal control procedures and risk management systems;

董事委員會 (續)

會議之舉行 (續)

年內，審核委員會分別於二零一零年三月十一日、八月十八日及十二月二日舉行共三次會議，而本公司的高級管理層成員均有出席。公司秘書草擬的會議記錄已於每次會議後一段合理時間內交予審核委員會成員提供意見。公司秘書已經存置全部會議記錄，有關副本亦已送交審核委員會成員以作記錄。

各委員會成員於該等會議之出席率如下：

履行之工作

審核委員會成員於本年度履行之工作概述如下：

- 審閱及省覽本集團截至二零零九年十二月三十一日止年度之賬目及財務報表，以及二零一零年之中期及季度賬目；
- 與獨立核數師審閱、討論及同意二零一零年核數費用；本年度委聘書之條款；核數之性質、範圍及申報責任；
- 審閱及評估本集團之財務匯報及監控、內部監控程序及風險管理系統是否足夠及有效；

BOARD COMMITTEES (cont'd)

Works Performed

- iv) reviewed the corporate governance practices and monitored the progress of compliance of the Code;
- v) carried out annual review on the continuing connected transactions of the Company (including those fallen outside Rule 14A.33 of the Listing Rules and not required to be made public, if any) and their financial implication in their capacity as INEDs;
- vi) reviewed the overall performance of the Group for the year ended 31 December 2009;
- vii) reviewed the adequacy of resources, qualifications and experience of the staff in accounting and financial reporting function, and the training programmes and budget; and
- viii) prepared and submitted to the Board an Audit Committee Report detailing the works performed by the Audit Committee during the Year, presented its findings and made recommendations for the Board's consideration.

On 10 March 2011, the Audit Committee reviewed the Group's accounts and draft financial statements for the Year.

Overall, the Audit Committee satisfied with the condition of the Company, including the corporate governance practices, internal control system, the conduct of the continuing connected transactions and adequacy of resources, qualifications and experience of the staff in accounting and financial reporting function, and the training programmes and budget.

Remuneration Committee

Structure

The Remuneration Committee has been established with the role to assist the Board in reviewing and determining the framework or broad policy for remuneration packages of the Directors and senior management, overseeing any major changes in employee benefit structures and considering other topics as defined by the Board.

The Remuneration Committee comprises all INEDs, namely:

Mr. Leung, Yun-fai (*Chairman*)
Dr. David Chain, Chi-woo
Mr. Lam, Yat-fai

董事委員會(續)

履行之工作(續)

- iv) 檢討企業管治常規及監控遵循守則之進度；
- v) 以獨立非執行董事之身份，對本公司之持續關連交易(包括上市規則第14A.33條所涵蓋的範圍以外及無需披露者，如有)及其財務影響進行週年審閱；
- vi) 審閱本集團截至二零零九年十二月三十一日止年度之整體表現；
- vii) 審閱會計及財務匯報職能方面的資源、員工資歷及經驗與員工所接受的培訓課程及有關預算是否足夠；及
- viii) 編製並向董事會呈交審核委員會報告，當中詳列審核委員會年內已履行之工作，以及呈交其審核結果及向董事會提供建議以作考慮。

於二零一一年三月十日，審核委員會已審閱本集團本年度之賬目及財務報表之草稿。

整體而言，審核委員會滿意本公司現狀，包括企業管治常規、內部監控制度、持續關連交易之進行，以及本公司會計及財務匯報職能方面之資源、員工資歷及經驗與員工所接受的培訓課程及有關預算是足夠的。

薪酬委員會

架構

薪酬委員會已成立，其角色為協助董事會檢討及釐定董事及高級管理層之薪酬待遇或具體政策，監督僱員福利架構之任何重大變動，以及考慮董事會釐定之其他事項。

薪酬委員會由全體獨立非執行董事組成，彼等為：

梁潤輝先生(主席)
錢其武醫生
林日輝先生

BOARD COMMITTEES (cont'd)

Function

The principal responsibilities of the Remuneration Committee are as follows:

- i) setting, reviewing and recommending to the Board for approving the Group's overall remuneration policy and strategy;
- ii) setting, reviewing and approving performance-based remuneration and individual remuneration packages for the Executive Directors and senior management including terms and conditions of employment as well as compensation payable due to loss or termination of office, and dismissal or removal for misconduct; and
- iii) recommending the Board on the remuneration of Non-executive Directors.

The Remuneration Committee's terms of reference can be found on the Group's website.

The Remuneration Committee would consult the Chairman and/or the CEO about its proposals on remuneration of other Executive Directors and seek internal and external professional advices if considered necessary.

Conduct of Meetings

During the Year, the Remuneration Committee held a meeting on 16 July 2010 to consider and approve the annual remuneration of the Executive Directors for the Year.

Individual attendance of each committee member at the meeting is as follows:

董事委員會(續)

職能

薪酬委員會之主要職責如下：

- i) 制訂、檢討及建議董事會批准本集團之整體薪酬政策及策略；
- ii) 制訂、檢討及批准以表現為考慮基礎之薪酬，以及執行董事及高級管理層之個別薪酬待遇，包括僱傭條款及條件，以及因離職或終止受僱及因行為不當而遭解僱或罷免所產生需支付之賠償；及
- iii) 就非執行董事之薪酬向董事會提供意見。

有關薪酬委員會之職權範圍，可瀏覽本集團網頁。

薪酬委員會須就其他執行董事之薪酬建議諮詢主席及／或行政總裁，並在認為有需要時尋求內部及外界專業意見。

會議之舉行

年內，薪酬委員會於二零一零年七月十六日舉行會議，以考慮及批准本年度執行董事之年度酬金。

各委員會成員於該會議之出席率如下：

Members	No. of meetings attended/held (Percentage of attendance in total)	成員	出席／舉行 會議數目 (總出席率)
Mr. Leung, Yun-fai (<i>Chairman</i>)	1/1 (100%)	梁潤輝先生 (主席)	1/1 (100%)
Dr. David Chain, Chi-woo	1/1 (100%)	錢其武醫生	1/1 (100%)
Mr. Lam, Yat-fai	1/1 (100%)	林日輝先生	1/1 (100%)

BOARD COMMITTEES (cont'd)

Conduct of Meetings (cont'd)

The Company prepares and delivers meeting papers that include all relevant information about the meeting to the Remuneration Committee members at least 3 days prior to such meeting. Minutes drafted by the Company Secretary were circulated to the Remuneration Committee members for comments within a reasonable time after each meeting. Executed minutes were kept by the Company Secretary and copies of the minutes were sent to the Remuneration Committee members for records.

Remuneration Policy

As the existing Executive Directors are employees of the subsidiaries of Chinese Estates Holdings Limited ("Chinese Estates"), the Company's holding company, so they are not entitled to any emoluments of the Company but a nominal annual remuneration of HK\$10,000 approved by the Remuneration Committee as a reward for their contribution to the Group.

The INEDs are not entitled to any other emolument for holding office as the INEDs except for their entitlement of an annual remuneration of HK\$130,000 determined by the Board subject to annual review with reference to their duties and responsibilities as well as the prevailing market condition.

The Company has adopted a share option scheme since 2002 in order to attract, retain and motivate talented and recognised staff, management and directors of the Group. There were no outstanding options at the beginning and at the end of the Year and no options were granted, exercised, cancelled or lapsed during the Year.

Nomination Committee

No Nomination Committee is established in view of the current business requirement of the Group. Currently, the Board is responsible for reviewing its composition, identifying and selecting suitable Board members, assessing independence of the INEDs, considering appointment or re-appointment of the Directors and succession planning for the Directors. The Board shall exercise its power under Bye-law 86(2) of the Bye-laws of the Company to appoint any person as a director either to fill as casual vacancy or as an addition to the Board whenever the business of the Company requires.

董事委員會(續)

會議之舉行(續)

本公司編製及派發會議文件，內容包括會議時所需之相關資料，於該會議開會前最少三日提交予薪酬委員會成員。公司秘書草擬的會議記錄已於每次會議後一段合理時間內交予薪酬委員會成員傳閱及給予意見。經簽署之會議記錄由公司秘書存置，有關副本亦已送交薪酬委員會成員以作記錄。

薪酬政策

由於現時之執行董事為本公司之控股公司Chinese Estates Holdings Limited(「華置」)附屬公司之僱員，故彼等不會獲得本公司任何薪酬，惟經薪酬委員會批准獲發象徵式每年10,000港元之酬金，作為彼等對本集團之貢獻的回報。

獨立非執行董事除每年享有130,000港元之酬金外，並無就擔任獨立非執行董事收取任何其他薪酬。有關薪金須由董事會參考彼等之職務與責任以及當時市況而每年作出檢討。

本公司自二零零二年採納一項認股權計劃，以吸引、保留及激勵有才能及獲肯定的本集團員工、管理層及董事。本年初及年終並無認股權尚未行使，以及於本年度內亦無授出、行使或註銷認股權，亦無認股權已經失效。

提名委員會

鑑於本集團現時之業務狀況，本公司並無成立提名委員會。目前，董事會負責檢討其組成、物色及甄選合適之董事會成員，評估獨立非執行董事之獨立性，考慮委任或重新委任董事，以及制訂董事之接任安排。董事會將按本公司之業務需要，根據本公司細則第86(2)條行使其權力，委任任何人士填補董事空缺或作為新增董事會成員。

MANAGEMENT FUNCTIONS

The Executive Directors have defined clear directions on powers of management and delegate daily management and administration functions to the management. The functions reserved to the Board and those delegated to the senior management are reviewed from time to time. The Company would formalize the division of responsibility between the Board and the management when the operational requirement of the Group justifies such division.

INDEPENDENT AUDITORS

Messrs HLB Hodgson Impey Cheng ("HLB") were re-appointed as the Independent Auditors by shareholders at the 2010 annual general meeting of the Company held on 28 May 2010 (the "2010 AGM"). In order to maintain the independence and objectivity of the Independent Auditors (which for these purposes include any entity under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally), they will not be engaged for non-audit work unless it has been pre-approved by the Audit Committee pursuant to the Company's non-audit services policy.

Independent Auditors were engaged on an ad hoc basis to provide non-audit service, such as to provide a confirmation letter to the Board and the Stock Exchange to confirm, among others, that the continuing connected transactions have not exceeded the stipulated cap for the transactions, as part of the process for the annual review of the transactions as required under the Listing Rules during the Year. The fundamental policy is to ensure that the engagement of the Independent Auditors for non-audit service will not harm their independence or cause any bias on audit works for the presentation of financial statements of the Company. During the Year, the fee for engaging Independent Auditors to carry out works in connection with the annual review of the continuing connected transactions amounted to HK\$20,000.

At the 2010 AGM, HLB were re-appointed by the shareholders as the Independent Auditors of the Company. The Audit Committee reviewed the terms of engagement letter of Independent Auditors in early December, 2010 and agreed with HLB the audit fees for auditing the financial statements of the Group for the Year at HK\$300,000.

It is recommended that HLB shall be re-appointed as the Independent Auditors for the financial year 2011 at a fee to be agreed with the Board.

管理層職能

執行董事就管理層的權力，給予清晰的指引，並指派管理層處理日常管理及行政職能。董事會所保留與委派予高級管理層之職能乃不時予以檢討。倘本集團之規模發展至須劃分董事會與管理層之職責時，本公司將制訂該等職責劃分。

獨立核數師

國衛會計師事務所(「國衛」)已獲股東於二零一零年五月二十八日舉行之本公司二零一零年股東週年大會(「二零一零年股東週年大會」)上續聘為獨立核數師。為保持獨立核數師之獨立性及客觀性(就此而言包括與核數師行共同控制、擁有或管理之任何實體，或合理及知情第三方在接獲一切相關資料後合理認為在國家或國際方面屬核數師行一部份之任何實體)，其將不會受聘進行非核數工作，除非已根據本公司之非審核服務政策獲審核委員會事先批准。

獨立核數師於特別情況下提供非審核之服務，如年內按上市規則規定提供確認書予董事會及聯交所，以確認(連同其他事項)持續關連交易並無超過該交易既定之上限，作為該交易週年審閱之部份程序。本公司之基本政策乃確保獨立核數師對非審核服務之參與不會損害其獨立性或導致編製本公司財務報表時構成審核偏頗。年內，聘任獨立核數師就持續關連交易週年審閱所進行之工作費用為20,000港元。

於二零一零年股東週年大會上，國衛獲重選為本公司之獨立核數師。審核委員會於二零一零年十二月初審閱獨立核數師之聘書之條款，並與國衛商定審核本年度本集團財務報表之審核費用為300,000港元。

茲建議續聘國衛為本公司二零一一年財政年度之獨立核數師，費用有待與董事會磋商。

FINANCIAL REPORTING

The Company aims to present a clear, balanced and understandable assessment of its financial position and prospects. Financial results are announced as early as possible, with interim report and annual report as well as other price-sensitive announcements and financial disclosures published as required under the Listing Rules.

The management provides explanation, information and progress update to the Board in order for it to make an informed assessment of the financial and other issues put before the Board for approval and consideration.

Throughout the Year, the Directors had selected appropriate accounting policies and applied them consistently. The Directors acknowledge their responsibilities for preparing the financial accounts of the Group which give a true and fair view and are in accordance with generally accepted accounting standards published by the Hong Kong Institute of Certified Public Accountants. A statement by the Independent Auditors about their reporting responsibilities for the Year is set out in this annual report.

The Independent Auditors did not report for the Year that there were any material uncertainties relating to events or conditions that might cast significant doubt upon the Company's ability to continue as a going concern.

INTERNAL CONTROL

The Directors are responsible for maintaining the system of internal control of the Group and reviewing its effectiveness regularly. The internal control system covers financial, operational and compliance controls and risk management functions. During the Year, with the assistance of the Audit Committee, the Directors had carried out an annual review on internal control system and considered that the system was effective and adequate. The Directors will continue enhancing the system in order to cope with the changes in business environment with reference to the recommendations of the Audit Committee.

SHAREHOLDERS' RIGHTS

The Company is committed to safeguarding shareholders' and the Company's interests as a whole and encourages shareholders to attend general meetings of the shareholders for participating in the important decisions of the Company for which shareholders' approval is required under the Listing Rules and the laws of Bermuda. The Company regards general meetings of the shareholders as an important event as it provides an important opportunity for direct communication between the Board and the shareholders. Notice of the 2010 AGM, together with the annual report and circular, were sent to the shareholders more than 20 clear business days before the meeting to allow more time for the shareholders to digest information in the annual report and circular, and to consider whether joining the meeting or not. The Directors, including the INEDs and the Independent Auditors, were available to answer questions at the 2010 AGM.

財務報告

本公司旨在對其財務狀況及前景作出清晰、平衡及可理解評估之呈報。財務業績以盡早發布為基礎，而中期報告及年報，連同其他股價敏感資料公布及財務披露則根據上市規則之規定而公布。

管理層向董事會提供解釋、資料及最新進度，讓董事會就財務及其他事項於提交董事會審批及考慮前，可作出知情評估。

於年內，董事已選取合適之會計政策並貫徹應用。董事確認彼等之責任為編製本集團之財務賬目，賬目須真實而公平，並根據香港會計師公會公布而普遍被採用之會計準則。獨立核數師就彼等於本年度之報告責任所發出之聲明已載於本年報內。

獨立核數師並無就本年度有關任何重大涉及可能對本集團持續經營能力存疑之事件或狀況之重大不確定因素作出報告。

內部監控

董事負責維持本集團之內部監控系統，並定期檢討其成效。內部監控系統包括財務、運作與合規之監控以及風險管理職能。本年度，董事在審核委員會之協助下，已對本集團現行內部監控系統進行週年審閱並認為系統有效及足夠。董事將繼續提升系統質素，並參考審核委員會之建議，以應付營商環境之轉變。

股東權利

本公司銳意保障股東及本公司之整體利益，並鼓勵彼等出席股東大會，以參與上市規則及百慕達法例要求股東批准之重要決策。鑑於股東大會為董事會與股東直接溝通之主要機會，故本公司視股東大會為一項重要事項。召開二零二零年股東週年大會之通告，連同年報及通函，已在開會前，超過二十個營業日發送予股東，以讓股東有更多時間消化年報及通函之資料，及考慮是否參與會議。董事（包括獨立非執行董事）及獨立核數師均已出席二零二零年股東週年大會回答提問。

SHAREHOLDERS' RIGHTS (cont'd)

With the implementation of poll voting in lieu of show of hands at all general meetings of a listed company, shareholders can fully reflect their proprietary rights and interests by means of poll which is regarded as a fairer method of determination on business matters than voting on a show of hands at general meetings.

The Chairman of the 2010 AGM, took the initiative to demand for a poll at the commencement of the meeting and explained the detailed procedures for conducting a poll to the shareholders. All resolutions were put to vote and passed by poll under the scrutiny of the independent share registrar. The poll results were made public by means of a public announcement which was uploaded to the websites of the Company and the Stock Exchange.

Statutory announcements, financial and other information of the Group are made available on the Company's website, which is regularly updated.

Shareholders may put their enquiries to the Board and also put forward proposals at general meetings by way of a written notice addressed to the Company Secretary at the principal office of the Company in Hong Kong.

INVESTOR RELATIONS

Accountability and transparency are indispensable for ensuring good corporate governance and, in this regard, timely communication with the shareholders, including institutional investors, is crucial. The Company considers good investor relations as a key part of its operations and continues to promote investor relations and enhances communications with the investors.

The Company maintains a corporate website (www.g-prop.com.hk) to make the Group's information, statutory announcements, and other financial and non-financial information available on the internet to facilitate its communication with shareholders.

The Company welcomes suggestions from investors and shareholders, and invites them to share their views and suggestions by contacting the Investor Relations Team at investor.relations@chineseestates.com.

股東權利(續)

隨着上市公司於所有股東大會上實行以投票方式表決以代替舉手方式表決，股東以投票方式表決能全面反映股東之財產權益，且於股東大會上作為股東決定業務之辦法，較舉手方式表決更為公平。

二零一零年股東週年大會之主席，於會議開始時主動要求以投票方式表決，並向股東解釋進行投票表決之詳細程序。在獨立股份過戶登記處之監察下，所有議案以投票方式表決及通過。投票方式表決之結果以公布之方式，已公開上載到本公司及聯交所之網頁。

本集團之法定公布、財務及其他資料可於本公司網頁瀏覽，並定期更新。

股東可向董事會作出提問，並以書面通知方式致本公司於香港之主要辦事處向公司秘書提交於股東大會提呈之建議。

投資者關係

問責制及透明度乃確保良好企業管治之不二法門。就此，與股東(包括機構投資者)定時溝通更屬不可或缺之部份。本公司認為良好投資者關係乃其運作之主要部份，並持續推廣投資者關係及加強與投資者之溝通。

本公司設有公司網頁(www.g-prop.com.hk)，使股東可透過互聯網取得本集團之資料、法定公告及其他財務和非財務資料，加強與股東之溝通。

本公司歡迎投資者及股東提出意見，並誠邀彼等聯絡投資者關係部，分享彼等之意見及建議。投資者關係部之電郵為：investor.relations@chineseestates.com。

CODE ON CORPORATE GOVERNANCE PRACTICES 企業管治常規守則

Since 2005, the Company has adopted the code provisions set out in the Code to enhance corporate governance in the interests of the Company and its shareholders.

The Company had applied the principles and complied with the requirements of the Code throughout the Year. Having carried out the review, none of the Directors was aware of any information that would reasonably indicate that the Company was during the Year, incompliant with the Code except for several deviations (some of them are minor deviations in form) as follows:

Under provision A.2 of the Code, one of the important roles of chairman is to ensure proper management of the board and, among other things, to ensure that all directors are properly briefed on issue arising at board meetings and the directors receive adequate information, which must be completed, reliable and in a timely manner. Although the office of chairman of the Company has not been filled since 1 June 2007, the Deputy Chairman of the Company has been acting as the chairman and fulfilled its role and function properly. Accordingly, the Board considers that provision A.2 of the Code has been complied with in substance.

Under provision A.4.1 of the Code, non-executive directors should be appointed for specific terms and subject to re-election. The Independent Non-executive Directors of the Company, however, are not appointed for any specific term. Notwithstanding that, they are subject to retirement by rotation at the Company's annual general meeting at least once every three years in accordance with the Company's Bye-laws. The Board is of the view that the term of the Independent Non-executive Directors is specific enough in substance.

自二零零五年起，本公司已採納載於守則之守則條文，以提高企業管治對本公司及其股東之利益。

本公司於本年度一直全面應用守則所列之原則，並遵守該守則之規定。在作出審閱後，董事會概不知悉有任何資料可合理顯示本公司於本年度內並無遵守該守則。惟下述若干偏離者（大部份只是形式上輕微偏離者）除外：

根據第A.2條守則條文，主席其中一項主要職務為確保董事會之妥善管理，主席應（其中包括）負責確保向全體董事妥為簡介董事會會議上商討之事宜，並確保董事及時收到充分的資訊，而有關資訊必須完整及可靠。儘管本公司主席一職自二零零七年六月一日以來懸空，本公司副主席已暫代主席之位並恰當地履行主席之職責及職務。故此，董事會認為在實質上已遵守第A.2條守則條文。

根據第A.4.1條守則條文，非執行董事須按特定任期委任及須膺選連任。然而，本公司獨立非執行董事並非按任何特定任期委任。儘管如此，彼等須根據本公司之公司細則最少每三年於本公司股東週年大會上輪席告退一次。董事會認為在實質上，獨立非執行董事之任期已足夠特定。

CODE ON CORPORATE GOVERNANCE PRACTICES (cont'd)

Under provision C.2.2 of the Code, the board of a listed company should consider the adequacy of resources, qualifications and experience of staff of the listed company's accounting and financial reporting function, and their training programmes and budget as part of internal control of the listed company in the annual corporate governance review. Under provision C.3.3(g) of the Code, the terms of reference of the audit committee of a listed company should include the duty to discuss with the management the system of internal control and ensure that management has discharged its duty to have an effective internal control system including the adequacy of resources, qualifications and experience of staff of the listed company's accounting and financial reporting function, and their training programmes and budget. Although the Company does not for the time being engage any staff, the Board has secured the assistance of Chinese Estates, the holding company of the Company, to provide and to share with its accounting and financial reporting resources, including human resources, accounting programmes and other information system facilities to ensure that the Company has fulfilled the legal and the Listing Rules' requirements on the preparation of financial accounts reporting and internal control. The Board believed that such arrangement with Chinese Estates would substantially reduce the cost of the Company in financial accounts reporting and internal controls. The Audit Committee had carried out reviews in December, 2010 on the adequacy of resources, qualifications and experience of the managerial staff of Chinese Estates who were responsible for accounting, financial reporting and internal control functions. Various training programmes had been conducted by well-known audit firms for the managerial staff of Chinese Estates to enhance their knowledge, skill and work quality on accounting, financial reporting and internal control. The Board was satisfied with the current accounting labour resources, qualifications and experience of Chinese Estates. The Board shall continue to use its best endeavours to ensure high efficiency and effectiveness and independence of the financial reporting system and internal control system of the Company under the aforesaid arrangement with Chinese Estates.

Under provision E.1.2 of the Code, the chairman of the board should attend the annual general meeting of a listed company. Mr. Kong, Chi-ming, the Deputy Chairman of the Board assuming the role of the Chairman, was on business trip and therefore could not attend the 2010 AGM. Mr. Lam, Yat-fai, an Independent Non-Executive Director as well as the chairman of the Audit Committee, was elected as the chairman of the 2010 AGM to regulate the procedures of the 2010 AGM and to answer questions from the shareholders of the Company.

CONCLUSION

Notwithstanding there were several deviations from the Code provisions (some of them are minor deviations in form), the Company trusts that it has achieved high standards of corporate governance during the Year. The Company believes that corporate governance principles and practices are essential to the business communities. Ongoing effort will be put to review its corporate governance practices from time to time so as to accommodate the changing circumstances. The Company will strive to maintain and strengthen the standard and quality of its corporate governance.

企業管治常規守則(續)

根據第C.2.2條守則條文，上市公司董事會於每年企業管治週年審閱時，應考慮上市公司在會計及財務匯報職能方面的資源、員工之資歷及經驗與員工所接受的培訓課程及有關預算是否足夠，作為內部監控之一部份。根據第C.3.3(g)條守則條文，上市公司審核委員會之職權範圍內之責任應包括與管理層討論內部監控系統，確保管理層已履行職責建立有效的內部監控系統，包括考慮上市公司在會計及財務匯報職能方面的資源、員工之資歷及經驗與員工所接受的培訓課程及有關預算是否足夠。儘管本公司現時並無員工，董事會已取得控股公司華置提供及分享其會計及財務報告資源，包括人力資源、會計程式及其他資訊系統設施，使本公司能履行法律及上市規則就預備財務會計報告及內部監控之規定。董事會相信與華置達成此安排將能大大減少本公司於財務會計報告及內部監控之成本。審核委員會已於二零一零年十二月進行審閱，有關華置高級員工負責在會計、財務報告及內部監控職能方面的資源、員工資歷及經驗是否足夠。由著名會計師事務所提供之多項培訓課程予華置高級員工以加強彼等於會計、財務報告及內部監控的知識、技巧及工作質素。董事會滿意華置現時之會計員工的資源、資歷及經驗。董事會亦會繼續盡最大努力按照上述與華置之安排下確保本公司之財務會計報告及內部監控系統具高效率及效益以及獨立性。

根據第E.1.2條守則條文，董事會主席應出席上市公司之股東週年大會。江志明先生，董事會副主席同時履行主席職責，由於公幹原因而未能出席二零一零年股東週年大會。林日輝先生，獨立非執行董事及審核委員會主席，被推選成為二零一零年股東週年大會主席以監控二零一零年股東週年大會程序及回答本公司股東提問。

總結

儘管存在若干守則條文之偏離者（大部份只是形式輕微偏離者），本公司相信於本年度已達到高水平之企業管治。本公司相信企業管治原則及常規對商業社會而言至關重要，故本公司亦將持續不時檢討其企業管治常規，以符合環境上之轉變。本公司將致力維持及加強其企業管治標準及質素。

The directors of the Company (the "Directors" or the "Board") present to the shareholders their report together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2010 (the "Year").

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 31 to the consolidated financial statements.

REVENUE AND OPERATING SEGMENTS INFORMATION

The Group's revenue and contribution to loss for the Year from operations analysed by principal activities are set out in notes 7 and 8 to the consolidated financial statements.

SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES

Particulars of the Company's principal subsidiaries and jointly controlled entities as at 31 December 2010 are set out in notes 31 and 17 to the consolidated financial statements respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on page 39.

No interim dividend was declared for the Year (2009: Nil). The Board resolved to recommend the payment of a final dividend of HK0.2 cents per ordinary share for the Year (2009: HK0.1 cent).

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five years is set out on page 91.

本公司董事(「董事」或「董事會」)謹此向股東提呈董事會報告書連同本公司及其附屬公司(「本集團」)截至二零一零年十二月三十一日止年度(「本年度」)之經審核綜合財務報表。

主要業務

本公司為投資控股公司。其主要附屬公司之主要業務載於綜合財務報表附註31。

收益及經營分類資料

本集團以主要業務劃分之收益及本年度經營虧損分析載於綜合財務報表附註7及8。

附屬公司及共同控制機構

本公司於二零一零年十二月三十一日之主要附屬公司及共同控制機構之詳情分別載於綜合財務報表附註31及17。

業績及分派

本集團於本年度之業績載於第39頁之綜合全面收入報表。

本年度並無宣派中期股息(二零零九年：無)。董事會議決建議派發本年度之末期股息每股普通股0.2港仙(二零零九年：0.1港仙)。

財務概要

本集團過往五年之業績、資產及負債概要載於第91頁。

INVESTMENT PROPERTIES

Movements in investment properties during the Year are set out in note 15 to the consolidated financial statements.

A summary of the investment properties held by the Group as at 31 December 2010 is set out in the schedule of properties on page 92.

SHARE CAPITAL

Movements in the share capital of the Company during the Year are set out in note 25 to the consolidated financial statements.

RESERVES

Movements in the reserves of the Group during the Year are set out on page 42 of the consolidated financial statements.

As at 31 December 2010, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted to approximately HK\$58,458,000 (2009: HK\$57,222,000).

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under the laws of Bermuda, being the jurisdiction in which the Company is incorporated.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

投資物業

投資物業於本年度內之變動情況載於綜合財務報表附註15。

本集團於二零一零年十二月三十一日持有之投資物業之概要載於第92頁之物業附表。

股本

本公司之股本於本年度內之變動情況載於綜合財務報表附註25。

儲備

本集團之儲備於本年度內之變動情況載於綜合財務報表第42頁。

於二零一零年十二月三十一日，根據百慕達一九八一年公司法例（經修訂）之規定所計算，本公司之可供分派儲備約為58,458,000港元（二零零九年：57,222,000港元）。

優先購買權

本公司於百慕達註冊成立，該司法轄區之法律並無優先購買權存在。

購回、出售或贖回上市證券

於本年度內，本公司或其任何附屬公司概無購回、出售或贖回本公司任何上市證券。

DIRECTORS

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

Executive Directors:

Mr. Kong, Chi-ming (*Deputy Chairman*)

Mr. Leung, Wing-pong (*Chief Executive Officer*)

Independent Non-executive Directors:

Dr. David Chain, Chi-woo

Mr. Lam, Yat-fai

Mr. Leung, Yun-fai

Pursuant to Bye-law 87 of the Bye-laws of the Company, Mr. Kong, Chi-ming and Mr. Leung, Yun-fai will retire from office by rotation at the forthcoming annual general meeting of the Company and being eligible, offer themselves for re-election.

SERVICE CONTRACTS OF DIRECTORS

No Director being 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).

DIRECTORS' AND CHIEF EXECUTIVE(S)' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at 31 December 2010, none of the Directors, chief executive(s) nor their associates, had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations, as recorded in the register maintained by the Company under section 352 of the Securities and Futures Ordinance (the "SFO"), or otherwise notified the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

董事

本年度及直至本報告書日期止，董事為：

執行董事：

江志明先生（副主席）

梁榮邦先生（行政總裁）

獨立非執行董事：

錢其武醫生

林日輝先生

梁潤輝先生

根據本公司之公司細則第87條，江志明先生及梁潤輝先生將於本公司應屆股東週年大會上輪席告退，並符合資格及願意膺選連任。

董事之服務合約

擬於應屆股東週年大會上膺選連任之董事概無與本集團訂立不可於一年內終止之服務合約兼毋須支付賠償（法定賠償除外）。

董事及最高行政人員於本公司及相聯法團之證券權益

於二零一零年十二月三十一日，概無董事、最高行政人員或彼等之聯繫人於本公司或其相聯法團之股份、相關股份或債券而須記錄於本公司按證券及期貨條例（「證券及期貨條例」）第352條而存置之登記冊內之任何權益或淡倉，或依據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）所載《上市發行人董事進行證券交易的標準守則》須知會本公司及聯交所之任何權益或淡倉。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY

As at 31 December 2010, so far as are known to any Director or chief executive of the Company, the following parties (other than a Director or chief executive of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:

主要股東於本公司之證券權益

據董事及本公司最高行政人員所知悉，於二零一零年十二月三十一日，本公司根據證券及期貨條例第336條須備存之登記冊所載錄或另行知會本公司，直接或間接擁有或被視為擁有本公司已發行股本5%或以上之權益之人士（董事或本公司最高行政人員除外）如下：

Name of Substantial Shareholders 主要股東名稱	Number of Shares (ordinary share) 股份數目 (普通股)	Capacity 身份	Notes 附註	Percentage of Issued Share Capital 已發行股本百分比
Mr. Joseph Lau, Luen-hung ("Mr. Lau") 劉鑾雄先生（「劉先生」）	1,512,059,473	Founder of trust; beneficiary of trust and interest of controlled corporations 信託創立人、信託受益人及受控制公司之權益	1 & 3	62.26%
Asian Kingdom Limited	493,678,883	Beneficial owner 實益擁有人	1	20.33%
Crown Jade Limited	493,678,883	Interest of controlled corporation 受控制公司之權益	1	20.33%
Global King (PTC) Ltd.	1,018,380,590	Trustee 信託人	2	41.93%
GZ Trust Corporation	1,018,380,590	Trustee, beneficiary of trust and interest of controlled corporations 信託人、信託受益人及受控制公司之權益	2	41.93%
Chinese Estates Holdings Limited ("Chinese Estates") （「華置」）	1,018,380,590	Interest of controlled corporations 受控制公司之權益	2	41.93%
Mass Rise Limited ("Mass Rise") 巨昇有限公司（「巨昇」）	1,018,380,590	Beneficial owner 實益擁有人	2	41.93%

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (cont'd)

Notes:

1. The entire issued share capital of Asian Kingdom Limited is owned by Crown Jade Limited, the entire issued share capital of which is wholly owned by Mr. Lau. Crown Jade Limited and Mr. Lau were deemed to be interested in the same parcel of shares in which Asian Kingdom Limited was interested.
2. GZ Trust Corporation as trustee of a discretionary trust held units in a unit trust of which Global King (PTC) Ltd. is the trustee. Global King (PTC) Ltd. is entitled to exercise more than one-third of the voting power at general meetings of Chinese Estates. Chinese Estates owns the entire issued share capital of Mass Rise. Accordingly, each of Global King (PTC) Ltd., GZ Trust Corporation and Chinese Estates was deemed to be interested in the same interests stated against Mass Rise.
3. Mr. Lau, by virtue of his 74.94% interest in the issued share capital of Chinese Estates, was deemed to be interested in the same interests stated against Chinese Estates.

All the interests stated above represent long position which included interests in shares and underlying shares. As at 31 December 2010, no short position was recorded in the register kept by the Company under section 336 of the SFO.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at 31 December 2010, none of the Directors was interested in any business which competed or was likely to compete, either directly or indirectly, with the Company's businesses.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

There were no arrangements to which the Company, its subsidiaries, its holding company or its holding company's subsidiaries was a party to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate during the Year.

主要股東於本公司之證券權益 (續)

附註：

1. Asian Kingdom Limited之全部已發行股本由 Crown Jade Limited擁有，而Crown Jade Limited之全部已發行股本由劉先生全資擁有。Crown Jade Limited及劉先生被視為於 Asian Kingdom Limited擁有權益之同一批股份中擁有權益。
2. GZ Trust Corporation (作為一項酌情信託之信託人) 持有一項由Global King (PTC) Ltd.任信託人之單位信託基金之單位。Global King (PTC) Ltd. 有權於華置之股東大會行使三分之一以上之投票權。華置擁有巨昇全部已發行股本。因此，Global King (PTC) Ltd.、GZ Trust Corporation及華置各被視為擁有巨昇所擁有之同等權益。
3. 由於劉先生擁有華置之已發行股本74.94%權益，故被視為擁有華置所擁有之同等權益。

上述所有權益均為好倉 (包括股份及相關股份之權益)。於二零一零年十二月三十一日，本公司根據證券及期貨條例第336條存置之登記冊中並無任何淡倉記錄。

董事於競爭性業務之權益

於二零一零年十二月三十一日，董事概無於與本公司業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

購買股份或債券之安排

本公司、其附屬公司、其控股公司或其控股公司之附屬公司概無於本年度內作出安排，以使董事可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in the "Connected Transactions" as mentioned below, there were no contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the Year or at any time during the Year, and in which a Director had, whether directly or indirectly, a material interest, nor there were any other contracts of significance in relation to the Company's business between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

CONNECTED TRANSACTIONS

In November 2008, the Company as lender entered into a conditional loan agreement with Fancy Mark Limited ("Fancy Mark"), a wholly-owned subsidiary of Chinese Estates as borrower, granting a three-year revolving facility of up to HK\$200 million, with Chinese Estates acting as guarantor for repayment of the loan (the "Loan Transaction").

According to the Listing Rules, the Loan Transaction constituted the continuing connected transactions of the Company and was approved by the independent shareholders of the Company at the special general meeting held on 12 December 2008.

As at 31 December 2010, the Company had advanced a total of HK\$200 million to Fancy Mark at the interest rate of HIBOR plus 1% per annum. The loan is repayable on demand upon serving not less than one month's prior notice to Fancy Mark.

Having reviewed the Loan Transaction, the Independent Non-executive Directors of the Company, pursuant to Rule 14A.37 of the Listing Rules on the requirement to carry out an annual review on all continuing connected transactions, other than fully exempt continuing connected transactions under the Listing Rules (if any), confirmed that the Loan Transaction, notwithstanding that it was not made in the ordinary and usual course of business of the Company, was made on normal commercial terms and in accordance with the relevant agreement governing the Loan Transaction on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

董事及控權股東於合約之權益

除以下「關連交易」所述外，本公司或本公司之任何附屬公司概無於年結時或本年度內任何時間訂立與本公司業務有關之重大合約而董事於其中直接或間接擁有重大權益，亦概無與控權股東或其任何附屬公司訂立與本公司業務有關之重大合約。

關連交易

於二零零八年十一月，本公司作為貸方與一間華置之全資擁有附屬公司Fancy Mark Limited (「Fancy Mark」) 作為借方簽訂一份有條件貸款協議，提供最高200,000,000港元為期三年之循環貸款，而華置則就償還貸款作為擔保人 (「貸款交易」)。

根據上市規則，該貸款交易構成本公司持續關連交易，並已於二零零八年十二月十二日舉行之股東特別大會取得本公司之獨立股東批准。

於二零一零年十二月三十一日，本公司以香港銀行同業拆息加一厘之年利率貸款總共200,000,000港元予Fancy Mark。本公司可給予Fancy Mark不少於一個月之事先通知後要求其即時償還貸款。

在審閱該貸款交易後，本公司之獨立非執行董事，根據上市規則第14A.37條就所有持續關連交易進行週年檢討之規定 (除按上市規則完全豁免之持續關連交易者外 (如有))，確認儘管該貸款交易並非本公司之日常業務，該交易是按照一般商業條款，並根據貸款交易相關之協議條款進行，而交易條款屬公平及合理，且符合本公司股東之整體利益。

CONNECTED TRANSACTIONS (cont'd)

The Company's auditors were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditors had issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditors' letter had been submitted by the Company to the Stock Exchange.

Pursuant to Rule 14A.38 of the Listing Rules, the auditors of the Company confirmed that the Loan Transaction:

- (1) had received the approval of the Board;
- (2) had been entered into in accordance with the relevant agreement governing the Loan Transaction; and
- (3) had not exceeded the cap disclosed in the previous announcement made on 4 November 2008.

Save as mentioned above, there were no other discloseable non-exempted connected transactions or non-exempted continuing connected transactions under the Listing Rules during the Year.

Related party transactions, including the said continuing connected transactions, entered into by the Group for the year ended 31 December 2010 are disclosed in note 29 to the consolidated financial statements.

To the extent of the related party transactions as disclosed in note 29 to the consolidated financial statements which constituted continuing connected transactions, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

REMUNERATION POLICIES AND SHARE OPTION SCHEME

Remuneration package comprised salaries and year-end bonuses based on individual merits. The Company had adopted a share option scheme since 15 February 2002 (the "2002 Scheme"). Details of the 2002 Scheme are set out in note 27 to the consolidated financial statements. There were no outstanding options at the beginning and at the end of the Year. No options were granted, exercised, cancelled or lapsed during the Year.

關連交易(續)

本公司之核數師受委聘就本集團之持續關連交易，按照香港會計師公會所頒布的香港核證工作準則3000「歷史財務信息審計或審閱以外的鑒證業務」，以及參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」進行報告。核數師已按上市規則第14A.38條發出無保留信函，包含其對有關持續關連交易作出之調查及結論。本公司已向聯交所呈交上述之核數師信函副本。

本公司核數師已就上市規則第14A.38條確認該貸款交易：

- (1) 已經由董事會批准；
- (2) 乃根據該貸款交易之有關協議條款進行；及
- (3) 並無超逾先前於二零零八年十一月四日之公布所披露之上限。

除上文所述外，本年度內並無其他根據上市規則須作出披露之不獲豁免關連交易或不獲豁免持續關連交易。

截至二零一零年十二月三十一日止，由本集團進行之關連人士交易，包括上述持續關連交易，已於綜合財務報表附註29披露。

就綜合財務報表附註29所披露之關連人士交易，倘構成根據上市規則所界定之持續關連交易，本公司已於本年度遵守上市規則第14A章的有關規定。

酬金政策及認股權計劃

酬金待遇包括薪金及按個別表現釐定之年終花紅。自二零零二年二月十五日，本公司採納認股權計劃（「二零零二年計劃」）。二零零二年計劃之詳情載於綜合財務報表附註27。本年初及年終並無認股權尚未行使。本年度亦無授出、行使、註銷或已經失效之認股權。

RETIREMENT BENEFIT SCHEMES

The Group operates two retirement benefit schemes:

- (1) the provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme"); and
- (2) the provident fund scheme as defined in the Occupational Retirement Schemes Ordinance, Chapter 426 of the laws of Hong Kong (the "Top-up Scheme").

Both the MPF Scheme and the Top-up Scheme were defined contribution schemes and the assets of both schemes were managed by their respective trustees accordingly.

The MPF Scheme was available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions were made by the Group at 5% based on the staff's relevant income. The statutory maximum level of relevant income for contribution purpose is HK\$20,000 per month. Staff members were entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefit was required by law to be preserved until the retirement age of 65.

The Top-up Scheme was available to those employees with basic salary over HK\$20,000 and/or years of service over 5. Contributions to the Top-up Scheme were made by the Group at 5%, 7.5% or 10% of staff's basic salary (depending on the length of service) less the Group's mandatory contribution under the MPF Scheme. Staff members were entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or were entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The Top-up Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the Top-up Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

Particulars of contribution to these schemes are set out in note 28 to the consolidated financial statements.

退休福利計劃

本集團設有兩項退休福利計劃：

- (1) 香港法例第485章《強制性公積金計劃條例》所界定之公積金計劃（「強積金計劃」）；及
- (2) 香港法例第426章《職業退休計劃條例》所界定之公積金計劃（「補足計劃」）。

強積金計劃及補足計劃均為界定供款計劃，該等計劃之資產均相應由各自之受託人管理。

強積金計劃可供所有18至64歲受僱於香港最少60日之本集團僱員參加。本集團根據僱員之有關入息作出5%之供款。就供款而言，有關法定入息水平上限為每月20,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。

補足計劃可供基本薪金超過20,000港元及／或年資超過五年之僱員參加。本集團乃根據僱員之基本薪金減去本集團根據強積金計劃作出之強制性供款，按其服務年期作出5%、7.5%或10%之補足計劃供款。僱員於服務滿10年或以上或到退休年齡時可取得100%本集團供款連同應計回報，而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。補足計劃容許本集團將任何已沒收供款（即本集團就任何可獲得全部供款前退出補足計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

對該等計劃供款之詳情載於綜合財務報表附註28。

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate turnover attributable to the Group's largest customer and five largest customers amounted for approximately 27.75% and 80.02% respectively, of the Group's total turnover for the Year.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for approximately 64.64% and 99.88% respectively, of the Group's total purchases for the Year.

Fancy Mark and Chase Master Company Limited, two wholly-owned subsidiaries of Chinese Estates, were one of the Group's five largest customers and suppliers during the Year respectively. As at 31 December 2010, Chinese Estates, through its wholly-owned subsidiaries, beneficially owned 41.93% of the entire issued share capital of the Company, is deemed as a substantial shareholder (as defined in the Listing Rules) of the Company.

Apart from aforesaid, none of the Directors, their associates, or any shareholder of the Company (which to the knowledge of the Directors owned more than 5% of the Company's issued shares) had beneficial interests in any of the Group's five largest suppliers and customers during the Year.

ADVANCES TO AN ENTITY

As at 31 December 2010, pursuant to Rule 13.20 of the Listing Rules, the Group had made advances of HK\$200 million at HIBOR plus 1% per annum to Fancy Mark. The loan had been granted for the capital expenditure and general working capital of Chinese Estates and its subsidiaries. The loan is a three-year revolving facility, with Chinese Estates acting as the guarantor, but is unsecured, and repayable on demand with maturity date on 3 November 2011.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company had maintained the prescribed amount of public float during the Year and up to the date of this report as required under the Listing Rules.

主要客戶及供應商

本集團最大客戶及五大客戶之營業總額分別約佔本集團本年度營業總額之27.75%及80.02%。

本集團最大供應商及五大供應商之購貨總額分別約佔本集團本年度購貨總額之64.64%及99.88%。

於本年度內，華置兩間全資擁有附屬公司Fancy Mark及Chase Master Company Limited，分別為本集團五大客戶及供應商其中之一。於二零一零年十二月三十一日，華置透過其全資擁有附屬公司，實益擁有本公司全部已發行股本41.93%，因此根據上市規則被視為本公司之主要股東。

除上述外，董事，彼等之聯繫人或本公司任何股東（據董事所知擁有本公司已發行股份逾5%者）概無於本年度擁有本集團任何五大供應商及客戶之權益。

給予某實體的貸款

於二零一零年十二月三十一日，根據上市規則第13.20條，本集團向Fancy Mark提供年利率以香港銀行同業拆息加一厘計息之貸款總共200,000,000港元。該貸款乃供華置及其附屬公司用作資本開支及作為一般營運資金用途。該貸款乃三年期循環貸款，並由華置作為擔保人，但無抵押而須於通知時償還，其到期還款日為二零一一年十一月三日。

公眾持股量

根據本公司得悉的公開資料及董事所知悉，本公司於本年度內及截至本報告書日期已按上市規則規定維持指定數額之公眾持股量。

AUDITORS

The consolidated financial statements for the Year were audited by Messrs HLB Hodgson Impey Cheng ("HLB") who would retire at the conclusion of the forthcoming annual general meeting, and being eligible, offer themselves for re-appointment. A resolution will be proposed to the shareholders at the forthcoming annual general meeting to re-appoint HLB as the auditors of the Company.

On behalf of the Board

Kong, Chi-ming

Deputy Chairman

Hong Kong, 17 March 2011

核數師

本年度之綜合財務報表由國衛會計師事務所（「國衛」）審核。該會計師行將於即將舉行之股東週年大會結束時任滿告退，惟合資格並願意膺聘連任。於即將舉行之股東週年大會上，將就續聘國衛為本公司核數師向股東提呈一項決議案。

代表董事會

副主席

江志明

香港，二零一一年三月十七日



Chartered Accountants
Certified Public Accountants

31/F, Gloucester Tower 香港
The Landmark 中環
11 Pedder Street 畢打街11號
Central 置地廣場
Hong Kong 告羅士打大廈31樓

TO THE SHAREHOLDERS OF G-PROP (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of G-Prop (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 39 to 90, which comprise the consolidated statement of financial position as at 31 December 2010, 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 information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITORS' 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 Section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致G-PROP (HOLDINGS) LIMITED

(金匡企業有限公司*) 股東

(於百慕達註冊成立之有限公司)

吾等已審核第39頁至第90頁所載金匡企業有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括於二零一零年十二月三十一日之綜合財務狀況報表、截至該日止年度之綜合全面收入報表、綜合股本權益變動報表及綜合現金流量表，以及主要會計政策概要及其他說明附註。

董事編製綜合財務報表之責任

貴公司董事須負責根據香港會計師公會頒布的香港財務報告準則以及香港公司條例之披露規定編製及真實而公平地列報該等綜合財務報表，以及貴公司董事認為必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師之責任

吾等負責根據吾等之審核結果對綜合財務報表發表意見。本報告謹按照百慕達公司法第90條而僅向閣下編製，並不作其他用途。吾等不會就本報告內容而向任何其他人士負責或承擔責任。吾等按照香港會計師公會頒布的香港核數準則進行審核工作。該等準則要求吾等在策劃和進行審核工作時須符合道德規範，使吾等能就綜合財務報表是否存有重要錯誤陳述作合理之確定。

* 僅供識別

AUDITORS' RESPONSIBILITY (cont'd)

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 auditors' 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 auditors consider internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, 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 Group's state of affairs as at 31 December 2010 and of its loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

HLB Hodgson Impey Cheng

Chartered Accountants

Certified Public Accountants

Hong Kong, 17 March 2011

核數師之責任(續)

審核範圍包括進程序以取得與綜合財務報表所載數額及披露事項有關之審核憑證。選用之程序須視乎核數師之判斷，包括評估綜合財務報表之重大錯誤陳述（不論其由欺詐或錯誤引起）之風險。在作出該等風險評估時，核數師將考慮與公司編製並真實公平地呈報綜合財務報表有關之內部監控，以為不同情況設計適當審核程序，但並非旨在就公司內部監控是否有效表達意見。審核範圍亦包括評估所用會計政策之恰當性、貴公司董事所作會計估算之合理性，並就綜合財務報表之整體呈報方式作出評估。

吾等相信，就提出審核意見而言，吾等所獲審核憑證屬充分恰當。

意見

吾等認為，根據香港財務報告準則，綜合財務報表真實公平地反映貴集團於二零一零年十二月三十一日之財務狀況以及貴集團截至該日止年度之虧損及現金流量，並已按照香港公司條例之披露要求妥為編製。

國衛會計師事務所

英國特許會計師

香港執業會計師

香港，二零一一年三月十七日

Consolidated Statement of Comprehensive Income

綜合全面收入報表

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

			2010 HK\$'000 千港元	2009 HK\$'000 千港元 (restated) (重列)
	Notes 附註			
Revenue	7	收益	8,483	9,099
Costs of sales		銷售成本	(204)	(178)
Gross profit		毛利	8,279	8,921
Other income	9	其他收入	210	856
Administrative expenses		行政開支	(5,218)	(2,710)
Fair value changes on investment properties		投資物業之公平值變動	(4,150)	5,200
(Loss) profit before tax	10	除稅前(虧損)溢利	(879)	12,267
Income tax (expense) credit	12	所得稅(開支)抵免	(980)	379
(Loss) profit for the year		本年度(虧損)溢利	(1,859)	12,646
Other comprehensive income		其他全面收入		
– Fair value changes on available-for-sale financial assets		– 可供待售金融資產之公平值變動	5,415	26,941
Total comprehensive income for the year		本年度全面收入總額	3,556	39,587
(Loss) profit for the year attributable to owners of the Company		本公司持有人應佔 本年度(虧損)溢利	(1,859)	12,646
Total comprehensive income for the year attributable to owners of the Company		本公司持有人應佔 本年度全面收入總額	3,556	39,587
(Loss) earnings per share		每股(虧損)盈利		
Basic and diluted (HK cents)	14	基本及攤薄(港仙)	(0.08)	0.56

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為本綜合財務報表之一部份。

Consolidated Statement of Financial Position

綜合財務狀況報表

			31 December 2010 二零一零年 十二月 三十一日 Notes 附註 HK\$'000 千港元	31 December 2009 二零零九年 十二月 三十一日 HK\$'000 千港元 (restated) (重列)	1 January 2009 二零零九年 一月一日 HK\$'000 千港元 (restated) (重列)
Non-current assets	非流動資產				
Investment properties	投資物業	15	28,350	32,500	27,300
Goodwill	商譽	16	2,939	2,939	2,939
Interests in jointly controlled entities	共同控制機構權益	17	–	–	–
Available-for-sale financial assets	可供待售之金融資產	18	79,677	158,473	127,704
Deferred tax assets	遞延稅項資產	26	–	928	468
			110,966	194,840	158,411
Current assets	流動資產				
Available-for-sale financial assets	可供待售之金融資產	18	85,031	–	–
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	19	705	685	1,839
Short-term loans receivable	短期應收貸款	20	–	–	–
Loan to a fellow subsidiary	借予同系附屬公司貸款	21	200,000	200,000	136,000
Tax recoverable	可收回稅項		–	–	106
Time deposits and bank balances	定期存款及銀行結存	22	91,242	91,247	5,442
			376,978	291,932	143,387
Current liabilities	流動負債				
Creditors and accruals	應付賬項及應計費用	23	1,220	1,244	1,361
Deposits and receipts in advance	按金及預收款項	23	427	394	398
Tax liabilities	應付稅項		9	16	24
Amounts due to fellow subsidiaries	應付同系附屬公司款項	24	230	189	144
			1,886	1,843	1,927
Net current assets	流動資產淨值		375,092	290,089	141,460
Total assets less current liabilities	資產總額減流動負債		486,058	484,929	299,871

			31 December 2010 二零一零年 十二月 三十一日 Notes 附註	31 December 2009 二零零九年 十二月 三十一日 HK\$'000 千港元	1 January 2009 二零零九年 一月一日 HK\$'000 千港元 (restated) (重列)
Equity attributable to owners of the Company	本公司持有人應佔權益				
Share capital	股本	25	24,282	24,282	20,282
Share premium	股份溢價		351,638	351,638	210,168
Translation reserve	匯兌儲備		234	234	234
Securities investments reserve	證券投資儲備		1,318	(4,097)	(31,038)
Retained profits	保留溢利				
– Proposed final dividend	– 擬派末期股息		4,857	2,428	–
– Others	– 其他		103,623	110,339	100,121
Total equity	權益總額		485,952	484,824	299,767
Non-current liability	非流動負債				
Deferred tax liabilities	遞延稅項負債	26	106	105	104
			486,058	484,929	299,871

Approved and authorised for issue by the Board of Directors on 17 March 2011 and signed on its behalf by:

經由董事會於二零一一年三月十七日批准及授權發布，並由以下代表簽署：

Kong, Chi-ming
Director

江志明
董事

Leung, Wing-pong
Director

梁榮邦
董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為本綜合財務報表之一部份。

Consolidated Statement of Changes in Equity

綜合股本權益變動報表

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Securities					Total Equity 權益總額 HK\$'000 千港元
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	investments reserve 證券投資儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	
At 1 January 2009 (originally stated)	於二零零九年一月一日 (原本呈列)	20,282	210,168	234	(31,038)	97,732	297,378
Effect of change in accounting policy	會計政策變動 之影響	–	–	–	–	2,389	2,389
At 1 January 2009 (restated)	於二零零九年一月一日 (重列)	20,282	210,168	234	(31,038)	100,121	299,767
Profit for the year (restated)	本年度溢利 (重列)	–	–	–	–	12,646	12,646
Other comprehensive income for the year	本年度其他全面收入	–	–	–	26,941	–	26,941
Total comprehensive income for the year (restated)	本年度全面收入總額 (重列)	–	–	–	26,941	12,646	39,587
Placing of ordinary shares	配售普通股	4,000	145,200	–	–	–	149,200
Transaction costs attributable to placing of ordinary shares	配售普通股之交易成本	–	(3,730)	–	–	–	(3,730)
At 31 December 2009 (restated)	於二零零九年十二月三十一日 (重列)	24,282	351,638	234	(4,097)	112,767	484,824
At 1 January 2010 (originally stated)	於二零一零年一月一日 (原本呈列)	24,282	351,638	234	(4,097)	109,520	481,577
Effect of change in accounting policy	會計政策變動 之影響	–	–	–	–	3,247	3,247
At 1 January 2010 (restated)	於二零一零年一月一日 (重列)	24,282	351,638	234	(4,097)	112,767	484,824
Loss for the year	本年度虧損	–	–	–	–	(1,859)	(1,859)
Other comprehensive income for the year	本年度其他全面收入	–	–	–	5,415	–	5,415
Total comprehensive income (expense) for the year	本年度全面收入 (支出)總額	–	–	–	5,415	(1,859)	3,556
Final dividend paid	已付末期股息	–	–	–	–	(2,428)	(2,428)
At 31 December 2010	於二零一零年十二月三十一日	24,282	351,638	234	1,318	108,480	485,952

The accompanying notes form an integral part of these consolidated financial statements. 隨附附註為本綜合財務報表之一部份。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Operating activities	經營活動		
(Loss) profit before tax	除稅前(虧損)溢利	(879)	12,267
Adjustments for:	按下列各項調整：		
Interest income	利息收入	(6,881)	(7,473)
Fair value changes on investment properties	投資物業之公平值變動	4,150	(5,200)
Net exchange loss (gain)	匯兌虧損(收益)淨額	2,451	(775)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(1,159)	(1,181)
Decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項減少	14	8
Increase (decrease) in creditors and accruals, deposits and receipts in advance	應付賬項及應計費用、按金及預收款項增加(減少)	9	(121)
Increase in amounts due to fellow subsidiaries	應付同系附屬公司款項增加	41	45
Cash used in operating activities	經營活動所用之現金	(1,095)	(1,249)
Hong Kong Profits Tax (paid) refund	(已付)退回香港利得稅	(58)	18
Net cash used in operating activities	經營活動所用之現金淨額	(1,153)	(1,231)
Investing activities	投資活動		
Interest received	已收利息	3,670	5,526
Loan to a fellow subsidiary	借予同系附屬公司貸款	-	(64,000)
Net cash generated from (used in) investing activities	投資活動所得(所用)之現金淨額	3,670	(58,474)
Financing activities	融資活動		
Proceeds from placing of ordinary shares	配售普通股所得之款項	-	149,200
Transaction costs attributable to placing of ordinary shares	配售普通股之交易成本	-	(3,730)
Dividends paid	已付股息	(2,428)	-
Net cash (used in) generated from financing activities	融資活動(所用)所得之現金淨額	(2,428)	145,470
Net increase in cash and cash equivalents	現金及現金等值項目增加淨額	89	85,765
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值項目	91,247	5,442
Effect of foreign exchange rate changes	匯率變動之影響	(94)	40
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值項目	91,242	91,247
Analysis of the balances of cash and cash equivalents	現金及現金等值項目結存分析		
Time deposits and bank balances	定期存款及銀行結存	91,242	91,247

The accompanying notes form an integral part of these consolidated financial statements. 隨附附註為本綜合財務報表之一部份。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

1. GENERAL INFORMATION

The Company is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Chinese Estates Holdings Limited ("Chinese Estates"), a company incorporated in Bermuda with its shares listed on the Stock Exchange. The addresses of the registered office and principal office of the Company are disclosed in the "Corporate Information" section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company and its subsidiaries (the "Group") and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The principal activities of the Group are engaged in securities investments and finance and property investment. The principal activities of its principal subsidiaries and jointly controlled entities are set out in Notes 31 and 17 to the consolidated financial statements respectively.

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

The accounting policies adopted in the consolidated financial statements for the year ended 31 December 2010 are consistent with those followed in the preparation of the Group's financial statements for the year ended 31 December 2009 except as described below.

1. 一般資料

本公司為一間於百慕達註冊成立之受豁免有限公司。本公司之股份在香港聯合交易所有限公司（「聯交所」）上市。其最終控股公司為於百慕達註冊成立，其股份在聯交所上市之Chinese Estates Holdings Limited（「華置」）。本公司之註冊辦事處及主要辦事處之地址已於本年報「公司資料」一節中披露。

港元（「港元」）為本公司與其附屬公司（「本集團」）之功能貨幣，除另有說明外，本綜合財務報表以港元呈報，所有價值均四捨五入至最接近之千位數（千港元）。

本集團之主要業務為證券投資及財務及物業投資。其主要附屬公司及共同控制機構之主要業務分別載於綜合財務報表附註31及17。

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

除下述者外，截至二零一零年十二月三十一日止年度之綜合財務報表所採納之會計政策與編製截至二零零九年十二月三十一日止年度本集團之財務報表所依循者一致。

For the year ended 31 December 2010

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

In the current year, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations (the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning on 1 January 2010. The new HKFRSs adopted by the Group in the consolidated financial statements are set out below:

HKFRSs (Amendments)	Improvements to HKFRS1 and HKFRS 5 as a part of improvements to HKFRSs issued in 2008
HKFRSs (Amendments)	Annual Improvements to HKFRSs issued in 2009
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedged Items
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners
HK Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The application of HKFRS 3 (Revised), "Business Combinations" affects the accounting for business combination for which the acquisition date is on or after 1 January 2010 and HKAS 27 (Revised), "Consolidated and Separate Financial Statements" affects the accounting treatment for changes in the Group's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

截至二零一零年十二月三十一日止年度

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度，本集團已首次應用以下由香港會計師公會(「香港會計師公會」)頒布並對本集團於二零一零年一月一日開始之財政年度生效之新訂及經修訂準則、修訂及詮釋(「新香港財務報告準則」)。本集團載於綜合財務報表所採納之新香港財務準則如下：

香港財務報告準則(修訂本)	香港財務報告準則第1號及香港財務報告準則第5號之改進(作為2008年頒布之香港財務報告準則改進之一部份)
香港財務報告準則(修訂本)	2009年頒布之香港財務報告準則之年度改進
香港財務報告準則第2號(修訂本)	集團以現金支付之股份交易
香港財務報告準則第3號(經修訂)	業務合併
香港會計準則第27號(經修訂)	綜合及獨立財務報表
香港會計準則第39號(修訂本)	合資格對沖項目
香港(國際財務報告詮釋委員會) – 詮釋第17號	向持有人分派非現金資產
香港詮釋第5號	財務報表之列報 – 借款人對包含可隨時要求償還條款之定期貸款之分類

應用香港財務報告準則第3號(經修訂)「業務合併」會影響收購日期為二零一零年一月一日或之後之業務合併之會計處理方法。倘本集團於附屬公司之擁有權變動並無導致失去該附屬公司之控制權，則應用香港會計準則第27號(經修訂)「綜合及獨立財務報表」會影響有關變動之會計處理方法，而有關變動將以股本交易列賬。

For the year ended 31 December 2010

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

In addition, the Group has early adopted HKAS 12 (Amendment), "Deferred Tax: Recovery of Underlying Assets" which is effective for annual periods beginning on or after 1 January 2012.

The amendment to HKAS 12 introduces a presumption that an investment property measured at fair value is recovered entirely through sale. This presumption is rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Prior to the amendment, deferred tax on investment properties at fair value is measured to reflect the tax consequences of recovering the carrying amounts of investment properties through use. Therefore, based on the amendment, the Group's investment properties in Hong Kong do not have to provide deferred tax on fair value changes arising from revaluation of investment properties or arising from a business combination, unless the presumption is rebutted. This change in policy has been applied retrospectively by restating the opening balances at 1 January 2009, with consequential adjustments to comparatives for the year ended 31 December 2009.

Effect of change in accounting policy on the consolidated statement of comprehensive income:

截至二零一零年十二月三十一日止年度

2. 應用新訂及經修訂香港財務報告準則("香港財務報告準則") (續)

此外，本集團已提早採納香港會計準則第12號(修訂本)「遞延稅項：收回相關資產」，該修訂本於二零一二年一月一日或之後開始之年度期間生效。

香港會計準則第12號之修訂提出以公平價值計量之投資物業將會透過出售方式全數收回的推定。當有關投資物業為可折舊及以耗盡大體上所有包含在投資物業內的經濟得益為目的，而不是以出售方式的商業模式持有，有關推定則可被推翻。在此修訂之前，有關以公平價值計量之投資物業的遞延稅項，會透過使用以反映投資物業賬面值的稅務結果而作出計量。因此，基於修訂，本集團於香港之投資物業並不需要就投資物業因重新估值或業務合併產生之公平價值變動作出遞延稅項撥備，除非相關推定被推翻。本集團已追溯應用此政策變動，並重列於二零零九年一月一日之期初餘額，及因此就截至二零零九年十二月三十一日止年度之比較數字作出調整。

會計政策變動對綜合全面收入報表之影響如下：

Year ended 31 December 2009

截至二零零九年十二月三十一日止年度

Income tax (expense) credit	所得稅(開支)抵免
Profit for the year attributable to owners of the Company	本公司持有人應佔本年度溢利
Earnings per share (HK cents)	每股盈利(港仙)

Originally stated	HKAS 12 香港會計準則 第12號	Restated
原本呈列 HK\$'000 千港元	HK\$'000 千港元	重列 HK\$'000 千港元
(479)	858	379
11,788	858	12,646
0.53	0.03	0.56

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

Effect of change in accounting policy on the consolidated statement of financial position:

會計政策變動對綜合財務狀況報表之影響如下：

		At 31 December 2009			At 1 January 2009		
		於二零零九年十二月三十一日			於二零零九年一月一日		
		Originally			Originally		
		stated	HKAS 12	Restated	stated	HKAS 12	Restated
		香港會計準則			香港會計準則		
		原本呈列	第12號	重列	原本呈列	第12號	重列
		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
Deferred tax assets	遞延稅項資產	—	928	928	—	468	468
Deferred tax liabilities	遞延稅項負債	(2,424)	2,319	(105)	(2,025)	1,921	(104)
Retained profits	保留溢利	(109,520)	(3,247)	(112,767)	(97,732)	(2,389)	(100,121)

Save as described above, the application of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no other prior year adjustment has been required.

除上述者外，採納新香港財務報告準則不會對本會計期間或過去會計期間業績及財務狀況之編製及呈列方式構成重大影響。因此，並無須要作出往年調整。

The Group has not early adopted the following new HKFRSs that have been issued but are not yet effective.

本集團並無提早採納以下新頒布但仍未生效之新香港財務報告準則。

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010 ⁶	香港財務報告準則(修訂本)	2010年頒布之香港財務報告 ⁶
HKFRS 7 (Amendment)	Disclosure – Transfer of Financial Assets ⁴	香港財務報告準則第7號 (修訂本)	披露 – 金融資產轉讓 ⁴
HKFRS 9	Financial Instruments ⁵	香港財務報告準則第9號	金融工具 ⁵
HKAS 24 (Revised)	Related Party Disclosures ³	香港會計準則第24號 (經修訂)	關連人士披露 ³
HKAS 32 (Amendment)	Classification of Rights Issues ¹	香港會計準則第32號 (修訂本)	供股分類 ¹
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ³	香港(國際財務報告詮釋委員會) – 詮釋第14號 (修訂本)	預付最低資金需求 ³
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments ²	香港(國際財務報告詮釋委員會) – 詮釋第19號	以股本工具抵銷金融負債 ²

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

² Effective for annual periods beginning on or after 1 July 2010

³ Effective for annual periods beginning on or after 1 January 2011

⁴ Effective for annual periods beginning on or after 1 July 2011

⁵ Effective for annual periods beginning on or after 1 January 2013

⁶ Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate

¹ 於二零一零年二月一日或之後開始之年度期間生效

² 於二零一零年七月一日或之後開始之年度期間生效

³ 於二零一一年一月一日或之後開始之年度期間生效

⁴ 於二零一一年七月一日或之後開始之年度期間生效

⁵ 於二零一三年一月一日或之後開始之年度期間生效

⁶ 於二零一零年七月一日及二零一一年一月一日(如適用)或之後開始之年度期間生效

For the year ended 31 December 2010

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

The Group is in the process of assessing the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs will have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong, the disclosure requirements of Hong Kong Companies Ordinance and applicable disclosure provision of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

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

(a) Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

截至二零一零年十二月三十一日止年度

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團現正評估該等新香港財務報告準則之潛在影響，惟尚未釐定該等新香港財務報告準則會否對其經營業績及財務狀況之編製及呈列方法構成重大影響。該等新香港財務報告準則可能導致日後業績及財務狀況之編製及呈列方法出現變動。

3. 主要會計政策概要

綜合財務報表乃根據所有適用香港財務報告準則編製，香港財務報告準則為一個統稱，包括香港會計師公會頒布之所有適用香港財務報告準則、香港會計準則及詮釋、香港公認會計原則、香港公司條例之披露規定及聯交所證券上市規則(「上市規則」)之適用披露條文。

如下文載列之會計政策所說明，綜合財務報表乃按歷史成本法編製，惟若干金融工具及投資物業則按公平值計算。

(a) 綜合賬目基準

附屬公司

附屬公司指本集團有權控制其財務及營運政策，且一般擁有其過半數投票權之持股量之所有實體。於評估本集團是否控制另一實體時，會考慮是否存在即時可行使或轉換之潛在投票權及其影響。附屬公司於控制轉移至本集團當日起全數於本集團內合併，並於控制權終止當日起從本集團中剔除。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3. 主要會計政策概要 (續)

(a) Basis of consolidation (cont'd)

(a) 綜合賬目基準 (續)

Subsidiaries (cont'd)**附屬公司 (續)**

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

本集團採用會計收購法計算業務合併。收購附屬公司之轉讓代價為所轉讓資產、所產生負債及本集團所發行股本權益之公平值。所轉讓代價包括或然代價安排產生之任何資產或負債之公平值。收購相關成本於產生時列為開支。於業務合併時所收購之可辨別資產及所承擔之負債及或然負債，初步按收購日期之公平值計量。按逐項收購基準，本集團以公平值或非控股權益按比例應佔被收購人資產淨值，確認被收購人非控股權益。

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments within the measurement period (a maximum of 12 months from the acquisition date). Cost also includes direct attributable costs of investment.

於附屬公司之投資乃以成本減減值之方法入賬。成本經調整以反映於計量期間(最長由收購日期起計十二個月)因或然代價修訂產生之代價變動。成本亦包括投資之直接應佔費用。

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

如超出轉讓代價情況，被收購人之任何非控股權益金額及任何先前於被收購人之股本權益於收購日期之公平值超出所收購之可辨別資產淨值之公平值之差額乃列作商譽。倘在議價收購之情況下，該數額低於所收購附屬公司資產淨值之公平值，則有關差額將直接在全面收入報表內確認。

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

集團內公司間之交易、結餘及交易之未變現收益會予以對銷。未變現虧損亦予以對銷。

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

附屬公司之全面收入及支出總額歸屬於本公司持有人及非控股權益，即使會導致非控股權益產生赤字結餘。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**3. 主要會計政策概要(續)****(a) Basis of consolidation (cont'd)****(a) 綜合賬目基準(續)*****Transactions with non-controlling interests******與非控股權益的交易***

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

本集團將其與非控股權益進行之交易視為與本集團權益持有人之間進行之交易。向非控股權益購買，所支付之任何代價與所收購之附屬公司資產淨值賬面值相關部分之差額，於權益中入賬。向非控股權益進行出售所產生之盈虧亦於權益入賬。

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

倘本集團終止擁有控制權或重大影響力，其於該實體之任何保留權益按其公平值重新計量，而賬面值變動則於溢利或虧損中確認。公平值指初始賬面值並於其後入賬列作聯營公司、合營企業或金融資產之保留權益。此外，先前於其他全面收入內確認與該實體有關之任何金額按本集團已直接出售有關資產或負債之方式入賬。這可能意味著先前在其他全面收入內確認之金額重新分類為溢利或虧損。

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

倘於聯營公司之權益減少，而重大影響力獲保留，則先前於其他全面收入內確認之金額僅有一定比例部分重新分類為溢利或虧損(如適用)。

(b) Goodwill**(b) 商譽**

Goodwill arising on an acquisition of a subsidiary or an associate at acquisition date is carried at cost less any accumulated impairment losses.

收購附屬公司或聯營公司所產生之商譽會按成本減任何累計減值虧損列賬。

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in consolidated statement of financial position. Capitalised goodwill arising on an acquisition of an associate is included in the cost of the investment of the relevant associate.

收購附屬公司所產生之已撥充資本商譽乃於綜合財務狀況報表分開呈列。收購聯營公司所產生之已撥充資本商譽包括在投資有關聯營公司成本中。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3. 主要會計政策概要 (續)

(b) Goodwill (cont'd)

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

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

(c) Jointly controlled entities

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

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

(b) 商譽 (續)

就減值測試而言，收購所產生之商譽會分配至各預期可受惠於收購之協同效益之有關現金產生單位或多組現金產生單位。商譽所屬之現金產生單位會每年及於有跡象顯示該單位可能出現減值時進行減值測試。就財政年度內收購所產生之商譽而言，商譽所屬之現金產生單位會於該財政年度結束前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先分配以調減該單位任何商譽之賬面值，其後則按該單位內各項資產之賬面值之比例分配至該單位之其他資產。任何商譽之減值虧損會直接於綜合全面收入報表中確認。商譽之減值虧損不會於往後期間撥回。

日後出售附屬公司或聯營公司而釐定出售盈虧時會計入已撥充資本之商譽所佔之金額。

(c) 共同控制機構

共同控制機構指以合資安排另行成立之獨立機構，其合資方擁有對該機構之經濟活動共同控制權。

共同控制機構之業績及資產與負債利用會計權益法計入綜合財務報表。根據權益法，共同控制機構權益以成本在綜合財務狀況報表內列賬，並經本集團攤佔共同控制機構損益及股本權益變動之收購後變動而調整，減任何已識別減值虧損列賬。倘本集團攤佔共同控制機構之虧損相等於或高出其所佔該共同控制機構權益（包括任何實質上構成本集團於該共同控制機構之淨投資一部分之任何長期權益），則本集團會終止確認其攤佔之其他虧損。本集團會就額外攤佔之虧損撥備，並會確認負債，惟僅以本集團已產生法定或推定責任或代表該共同控制機構付款為限。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**3. 主要會計政策概要(續)****(c) Jointly controlled entities (cont'd)**

When a group entity transacts with a jointly controlled entity of the Group, unrealised profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

(c) 共同控制機構(續)

倘集團實體與本集團之共同控制機構進行交易，則會以本集團所佔有關共同控制機構權益為限而撇銷未變現損益，惟倘未變現虧損證實已轉讓資產出現減值，則全數確認虧損。

(d) Investments properties

Investment properties are properties held to earn rental income 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 measured at fair value. Gain or loss arising from changes in the fair value of the investment properties are included in the consolidated statement of comprehensive income for the year in which they arise.

(d) 投資物業

投資物業為持作賺取租金收入及／或作資本增值之物業。於初步確認時，投資物業按成本(包括任何直接應佔支出)計量。於初步確認後，投資物業利用公平值計量。投資物業因公平值之變動所產生之盈虧，計入於產生年度之綜合全面收入報表。

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the property) is included in the consolidated statement of comprehensive income for the year in which the item is derecognised.

當投資物業出售，或永不再使用有關投資物業，且預期出售時將不會產生未來經濟利益時，不再確認入賬。不再確認物業所產生之盈虧(按出售所得款項淨額與物業之賬面金額兩者間之差額計算)，乃於不再確認該項目之年度內計入綜合全面收入報表。

(e) Leasing

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

(e) 租約

凡租約條款規定將租賃資產擁有權之絕大部份風險及利益轉移至承租人之租約均列為財務租約。所有其他租約均分類為營業租約。

The Group as lessor

Rental income from operating leases is recognised in the consolidated statement of comprehensive income on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expenses on a straight-line basis over the lease term.

本集團為出租人

營業租約之租金收入會以直線法按有關租約年期在綜合全面收入報表確認。磋商及安排營業租約時產生之初步直接成本會加入租賃資產之賬面金額，並以直線法按租約年期確認為開支。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3. 主要會計政策概要 (續)

(f) Revenue recognition

Rental income, including rental invoiced in advance from properties under operating leases, is recognised in the consolidated statement of comprehensive income on a straight-line basis over the term of the relevant lease.

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.

(f) 收入確認

租金收入包括就營業租約物業預先開出發票之租金，乃就有關租約年期按直線法於綜合全面收入報表中確認。

金融資產之利息收入乃就本金結餘按適用實際利率及時間比例計算。有關利率指於金融資產預計年內將估計未來現金收入準確折現至資產賬面淨值之利率。

(g) 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 exchange rates prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in the consolidated statement of comprehensive income in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the consolidated statement of comprehensive income for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

(g) 外幣

在編製個別集團實體之財務報表時，以實體功能貨幣以外之貨幣(外幣)進行之交易按交易日通用之匯率以各自功能貨幣(即該實體經營之主要經濟環境之貨幣)記錄。於報告期末，以外幣列值之貨幣項目以該日期通用之匯率重新換算。以外幣列值並按公平值列賬之非貨幣項目以釐定公平值當日通用之匯率重新換算。

結算貨幣項目及重新換算貨幣項目時產生之匯兌差額於產生之期間在綜合全面收入報表中確認。重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內之綜合全面收入報表中，惟重新換算非貨幣項目產生之差額有關之盈虧直接於其他全面收入確認，在此情況下，匯兌差額亦會直接於其他全面收入中確認。

(h) Retirement benefits costs

Payments to defined contribution retirement benefit schemes are charged as an expense when employees have rendered service entitling them to the contributions.

(h) 退休福利成本

界定供款退休福利計劃之供款於僱員提供服務以有權取得供款時確認為開支。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**3. 主要會計政策概要(續)****(i) Financial instruments**

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

(i) 金融工具

當集團實體成為工具合約條文之一方，則確認金融資產及金融負債。金融資產及金融負債初步按公平值計算。收購或發行金融資產及金融負債直接應佔之交易成本(以公平值計入損益之金融資產及金融負債除外)乃於初步確認時加入金融資產或金融負債(如適用)之公平值，或從金融資產或金融負債之公平值扣除。收購以公平值計入損益之金融資產或金融負債直接應佔之交易成本，即時於綜合全面收入報表中確認。

Financial assets

The Group's financial assets are classified into one of the two categories, including loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of such category of financial assets are set out below.

金融資產

本集團之金融資產分類為下列兩項其中之一，包括貸款及應收款項及可供待售金融資產。所有正常買賣之金融資產按交易日之基準確認及不予確認。正常買賣之金融資產是指按照市場規定或慣例須在一段期間內進行資產交付之金融資產買賣。該類別金融資產所採納之會計政策載列如下。

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 and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

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內分配利息收入之方法。實際利率為於初步確認時將金融資產於預計年期或(如適用)較短期間內之估計未來現金收款(包括構成實際利率之一切已付或已收利差費用、交易成本及其他溢價或折讓)準確貼現至賬面淨值之利率。

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit or loss, of which interest income is included in net gains or losses.

除分類為以公平值計入損益之金融資產之利息收入會計入盈利或虧損淨額外，債務工具之收入按實際利息計算確認。

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截至二零一零年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3. 主要會計政策概要 (續)

(i) Financial instruments (cont'd)

(i) 金融工具 (續)

Financial assets (cont'd)*Loans and receivables*

Loans and receivables (including deposits and other receivables, short-term loans receivable, loan to a fellow subsidiary and time deposits and bank balances) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories under HKAS 39. Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated under the heading of securities investments reserve, until the financial asset is disposed of or determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the securities investments reserve is reclassified to the consolidated statement of comprehensive income (see the accounting policy in respect of impairment loss on financial assets below).

However, interest calculated using the effective interest method is recognised in the consolidated statement of comprehensive income.

For the purpose of recognising foreign exchange gains and losses, a monetary available-for-sale financial asset is treated as if it was carried at amortised cost in the foreign currency. Accordingly, for such a financial asset, exchange differences resulting from changes in carrying amount are recognised in the consolidated statement of comprehensive income.

金融資產 (續)*貸款及應收款項*

貸款及應收款項 (包括按金及其他應收款項、短期應收貸款、借予同系附屬公司貸款以及定期存款及銀行結存) 為並未於交投活躍之市場內報價而附帶固定或可議定付款之非衍生金融資產。貸款及應收款項使用實際利息法按經攤銷成本減任何可識別減值虧損計算。

可供待售金融資產

可供待售金融資產為非衍生項目，無論是被指派或並無分類為根據香港會計準則第39號之任何其他類別。於報告期末，可供待售金融資產按公平值計算。公平值之變動於其他全面收入中確認並於證券投資儲備中累計，直至該項金融資產被出售或釐定為已減值，屆時，以往於證券投資儲備確認之累計收益或虧損會予以扣除，並於綜合全面收入報表確認。(見下文有關金融資產減值虧損之會計政策)。

然而，利用實際利息法計算之利息會於綜合全面收入報表確認。

至於確認匯兌收益及虧損，貨幣性可供待售金融資產被視為以外幣按攤銷成本列賬。因此，就有關金融資產而言，賬面值變動所引致之匯兌差額會於綜合全面收入報表確認。

For the year ended 31 December 2010

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) Financial instruments (cont'd)

Financial assets (cont'd)

Impairment of financial assets

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

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

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

- (i) significant financial difficulty of the issuer or counterparty;
- (ii) default or delinquency in interest or principal payments; or
- (iii) it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

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

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

截至二零一零年十二月三十一日止年度

3. 主要會計政策概要(續)

(i) 金融工具(續)

金融資產(續)

金融資產減值

除以公平值計入損益之金融資產外，金融資產於報告期末進行有關減值現象之評估。當於初步確認金融資產後發生一項或多項事件，導致有客觀證據顯示金融資產之估計未來現金流量已受到影響，則金融資產已經減值。

就可供待售股本投資而言，倘有關投資之公平值大幅或長期低於其成本，則被視為減值之客觀憑證。

就所有其他金融資產而言，減值客觀證據可包括：

- (i) 發行人或對手出現嚴重財困；
- (ii) 無力支付或拖欠利息或本金額；或
- (iii) 借貸人有可能破產或進行財務重組。

就應收貿易賬項等若干類別之金融資產而言，被評為不會個別減值之資產會彙集評估減值。一組應收款項之減值客觀證據可包括本集團過往之收款經驗、組合內延遲還款至超過平均信貸期之次數增加，以及與無力支付應收款項有關之國家或地方之經濟環境明顯轉變。

就按攤銷成本列賬之金融資產而言，已確認減值虧損數額為資產之賬面金額與按金融資產之原實際利率折現其估計未來現金流量之現值兩者之差額。

For the year ended 31 December 2010

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3. 主要會計政策概要 (續)

(i) Financial instruments (cont'd)

(i) 金融工具 (續)

Financial assets (cont'd)**金融資產 (續)***Impairment of financial assets (cont'd)**金融資產減值 (續)*

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

就按成本列賬之金融資產而言，減值虧損以資產之賬面金額與按類似金融資產現時市場回報率折現其估計未來現金流量之現值兩者之差額計算。有關減值虧損不會於往後期間撥回。

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

除應收貿易賬項外，所有金融資產之賬面金額會直接扣除其減值虧損。應收貿易賬項之賬面金額會利用撥備賬進行扣減。當應收貿易賬項被視為不可收回，則會撇銷撥備賬。倘之前已撇銷之款項於其後收回，則會計入撥備賬。撥備賬之賬面金額的變動於綜合全面收入報表確認。

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through consolidated statement of comprehensive income 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.

就按攤銷成本計量之金融資產而言，倘減值虧損之金額於確認後之期間有所減少，而有關減少可以客觀地與確認減值虧損後發生之一項事件有關，之前已確認之減值虧損可透過綜合全面收入報表予以撥回，但撥回以減值日期資產之賬面值為限，不得超過該項資產原未確認減值時之已攤銷成本。

In respect of available-for-sale equity investments impairment losses previously recognised in profit or loss are not reversed through consolidated statement of comprehensive income in subsequent periods. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of securities investments reserve. In respect of available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

以往於損益確認之可供待售股本投資之減值虧損將不會於往後期間在綜合全面收入報表撥回。於確認減值虧損後之公平值增加於其他全面收入確認並於證券投資儲備中累計。就可供待售債務投資而言，倘該項投資之公平值增加可客觀地與確認減值虧損後之事件有關，則減值虧損將於其後撥回。

For the year ended 31 December 2010

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**(i) Financial instruments (cont'd)*****Financial liabilities and equity***

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

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

Other financial liabilities

Other financial liabilities (including creditors and accruals, deposits received and amounts due to fellow subsidiaries) are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

(j) 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 at the end of the reporting period.

截至二零一零年十二月三十一日止年度

3. 主要會計政策概要(續)**(i) 金融工具(續)*****金融負債及股本***

集團實體發行之債務及股本工具乃根據所訂立合約安排之實質及金融負債與股本工具之定義分類至其他金融負債或股本。

股本工具為可證明於本集團資產經扣除其所有負債後之餘額權益之任何合約。本集團之金融負債分類為其他金融負債，而就金融負債及股本工具所採納之會計政策載列如下。

其他金融負債

其他金融負債(包括應付賬項及應計費用、已收按金及應付同系附屬公司款項)均於其後使用實際利息法按攤銷成本計算。

股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

(j) 稅項

所得稅支出指當期應付稅項及遞延稅項。

當期應付稅項按年度應課稅溢利計算。應課稅溢利與綜合全面收入報表所報溢利不同，此乃由於其不包括在其他年度應課稅或可扣減之收入或支出項目，亦不包括永不課稅或扣減之項目。本集團有關當期稅項之負債按報告期末已實施或大致實施之稅率計算。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3. 主要會計政策概要 (續)

(j) Taxation (cont'd)

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, 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.

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

Current or deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the consolidated statement of comprehensive income, except when it relates to items that are recognised in other comprehensive income or directly to equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority and the entity intends to settle its current tax assets and liabilities on a net basis.

(j) 稅項 (續)

遞延稅項按綜合財務報表內資產及負債賬面金額與用於計算應課稅溢利之相應稅基兩者之暫時差異確認。遞延稅項負債通常會就所有應課稅暫時差異確認，而遞延稅項資產則限於可能於日後取得應課稅溢利，並可用以抵銷可扣減暫時差異時確認。若暫時差異乃因商譽或一項既不影響應課稅溢利亦不影響會計溢利之交易（業務合併除外）中初步確認其他資產及負債而引致，則不會確認該等遞延稅項資產及負債。

遞延稅項負債乃就附屬公司及聯營公司之權益產生之應課稅暫時差異而確認，惟倘本集團能夠控制該等暫時差異之回轉及該等暫時差異預料不會在可見將來回轉則屬例外。

遞延稅項資產之賬面金額於報告期末作檢討，並在不大有可能再有足夠應課稅溢利收回全部或部分稅項資產時減少。

當期或遞延稅項乃按預期於負債償還或資產變現期間之適用稅率計算。遞延稅項會扣自或計入綜合全面收入報表，惟有關於其他全面收入確認或直接於權益確認之項目，則有關之當期及遞延稅項亦會於其他全面收入確認或直接於權益確認。若當期稅項或遞延稅項乃因首次就業務合併入賬而產生，其稅務影響會納入業務合併之會計處理中。

當遞延稅項資產及負債與同一稅務機關徵收之所得稅有關，以及該實體有意按淨額基準結算其當期稅項資產及負債時，遞延稅項資產及負債予以對銷。

For the year ended 31 December 2010

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**(k) Related parties**

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

- (i) the party, directly or indirectly through one or more intermediaries, (a) controls, is controlled by, or is under common control with, the Group; (b) has an interest in the Group that gives it significant influence over the Group; or (c) has joint control over the Group;
- (ii) the party is an associate;
- (iii) the party is a jointly-controlled entity;
- (iv) the party is a member of the key management personnel of the Group or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

(l) Impairment losses

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 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.

截至二零一零年十二月三十一日止年度

3. 主要會計政策概要(續)**(k) 關連人士**

在下列情況下，有關人士將視為與本集團有關連：

- (i) 有關人士直接或透過一名或多名中介人間接：(a)控制本集團，或被本集團控制或與本集團受到共同控制；(b)擁有本集團權益，並可對本集團發揮重大影響力；或(c)與他人共同擁有本集團控制權；
- (ii) 有關人士為聯營公司；
- (iii) 有關人士為共同控制實體；
- (iv) 有關人士為本集團或其母公司之主要管理人員；
- (v) 有關人士為(i)或(iv)項所述人士之直系親屬；
- (vi) 有關人士受直接或間接歸屬於(iv)或(v)項所述人士之實體所控制、與他人共同控制或發揮重大影響力，或擁有重大投票權；或
- (vii) 有關人士為本集團或屬其關連人士任何實體之僱員之終止受僱後福利計劃。

(l) 減值虧損

於報告期末，本集團會檢討其有形及無形資產之賬面金額，以釐定該等資產有否出現減值虧損之現象。倘估計資產之可收回金額將低於其賬面金額，則將該資產之賬面金額減至其可收回金額。減值虧損則即時確認為開支。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3. 主要會計政策概要 (續)

(l) Impairment losses (cont'd)

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

(l) 減值虧損 (續)

倘減值虧損其後撥回，則有關資產之賬面金額會增至其經修訂估計可收回之金額，惟已增加之賬面金額不得超過假設有關資產於過往年度並無確認減值虧損而釐定之賬面金額。減值虧損撥回則即時確認為收入。

(m) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(m) 撥備

當本集團因過往事件而承擔現有責任，導致本集團將有可能就該責任付款，而該責任款額能可靠地估計時確認撥備。

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

確認為撥備之款額乃於報告期末就支付現有責任所需之代價之最佳估計，當中已考慮涉及有關責任之風險及不確定因素。倘撥備使用估計支付現有責任之現金流進行計量，其賬面金額即該等現金流之現值。

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

4. 關鍵會計判斷及估計不確定性之主要來源

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

管理層於應用本集團之會計政策（見附註3之描述）時，須對無法以其他途徑得知之資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設以過往經驗及被視為相關之其他因素為依據。實際結果可能有別於該等估計。

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

管理層會持續審閱各項估計及相關假設。如果會計估計之修訂只是影響某一期間，其影響便會在作出修訂之期間確認；如果修訂對當前及未來期間均有影響，則在作出修訂之期間及未來期間確認。

The following are the critical judgments, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

除涉及估計之判斷外，以下為管理層於應用本集團會計政策時所作出對綜合財務報表已確認金額有最重大影響之主要判斷。

For the year ended 31 December 2010

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Impairment of goodwill

The Group performs annual tests on whether there has been impairment of goodwill in accordance with the accounting policy stated in Note 3. The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations.

Investment properties

The Group's investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on method of valuation which involves certain estimates. In relying the valuation report, the management has exercised their judgment and is satisfied that the method of valuation is reflective of the current market conditions. Should there are changes in assumptions due to change in market conditions, the fair value of the investment properties will change in future.

5. FINANCIAL INSTRUMENTS

5.1 Categories of financial instruments

Financial assets

Available-for-sale financial assets
Loans and receivables
(including time deposits and bank balances)

Financial liabilities

Amortised cost

金融資產

可供待售之金融資產
貸款及應收款項
(包括定期存款及銀行結存)

金融負債

按攤銷成本

截至二零一零年十二月三十一日止年度

4. 關鍵會計判斷及估計不確定性之主要來源(續)

商譽之減值

本集團根據附註3所述之會計政策每年對商譽進行減值測試。現金產生單位之可收回金額會根據使用價值計算法釐定。使用價值計算法需要使用管理層對未來業務營運作出之估計及假設、稅前貼現率及其他有關使用價值計算法之假設。

投資物業

本集團之投資物業是以獨立專業估值師評定之公平值入賬。估值師於決定公平值時乃根據包含若干估計之估值方法進行，管理層於信賴估值報告時已作出了判斷及認同該估值方法乃反映市場現況。如市場狀況有變導致假設有任何變動，投資物業之公平值可能於未來變動。

5. 金融工具

5.1 金融工具類別

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Financial assets		
Available-for-sale financial assets	164,708	158,473
Loans and receivables (including time deposits and bank balances)	291,511	291,493
Financial liabilities		
Amortised cost	1,798	1,757

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5. FINANCIAL INSTRUMENTS (cont'd)

5. 金融工具 (續)

5.2 Financial risk management objectives and policies

5.2 財務風險管理目標及政策

The Group's major financial instruments include available-for-sale financial assets, deposits and others receivables, short-term loans receivable, loan to a fellow subsidiary, time deposits and bank balances, creditors and accruals, deposits received and amounts due to fellow subsidiaries. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

本集團之主要金融工具包括可供待售金融資產、按金及其他應收款項、短期應收貸款、借予同系附屬公司貸款、定期存款及銀行結存、應付賬項及應計費用、已收按金以及應付同系附屬公司款項。此等金融工具之詳情於各個相關附註內披露。金融工具附帶之風險及有關如何降低該等風險之政策載於下文。管理層監察該等風險，確保能以有效方式及時實施適當之措施。

Credit risk

信貸風險

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 December 2010 in relation to each class of recognised financial assets is the carrying amount of those assets. With respect to credit risk arising from loan to a fellow subsidiary, the Group's exposure to credit risk arising from default of the counterparty is limited as the counterparty has good history of repayment. The Group's time deposits are deposited with banks of high credit quality in Hong Kong.

本集團就倘交易方未能履行其於二零一零年十二月三十一日有關各類已確認金融資產之責任所面對最大信貸風險為該等金融資產之賬面金額。就借予同系附屬公司貸款所產生之信貸風險，由於交易對方還款往績良好，本集團所面對因交易對手違約而產生之信貸風險有限。本集團之定期存款存於香港高信貸質素之銀行。

The Group made transactions with counterparties with acceptable credit quality in conformance to the Group treasury policies to minimise credit exposure. Acceptable credit ratings from reputable credit rating agencies and scrutiny of financials for non-rated counterparties are two important criteria in the selection of counterparties. The credit quality of counterparties will be closely monitored over the life of the transaction. The Group reviews its financial counterparties periodically in order to reduce credit risk concentrations relative to the underlying size and credit strength of each counterparties.

本集團與符合本集團庫務政策所訂信貸評級良好的交易方進行交易，以盡量降低信貸風險。揀選交易方的兩項重要原則，是由有信譽的信貸評級機構發出可接受的信貸評級，以及對沒有評級的交易方進行財務評審。本集團會在整個交易期內密切監察交易方的信貸質素。本集團會定期為與其交易的財務機構進行評審，以減低因各交易方的信貸規模及金額而過度集中信貸的風險。

In an attempt to forestall adverse market movement, the Group also monitors potential exposures to each financial institution counterparties.

為不利的市場變動預先作準備，本集團為每間金融機構交易方檢測潛在的風險。

Other than concentration of credit risk on the loan to a fellow subsidiary, the Group does not have any other significant concentration of credit risk.

除借予同系附屬公司貸款面臨之集中信貸風險外，本集團並無任何其他重大集中信貸風險。

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5. FINANCIAL INSTRUMENTS (cont'd)

5. 金融工具(續)

5.2 Financial risk management objectives and policies (cont'd)

5.2 財務風險管理目標及政策(續)

Cash flow interest rate risk

The Group has interest-bearing assets including time deposits and bank balances, available-for-sale financial assets and loan to a fellow subsidiary. The Group currently does not have interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group analyses its interest rate exposure on a dynamic basis. The impact of the increase or decrease in Hong Kong Interbank Offered Rates ("HIBOR"), The London Interbank Offered Rates ("LIBOR") and The European Interbank Offered Rates ("EURIBOR") would have an effect on interest income arising from the interest-bearing financial assets of the Group.

Sensitivity analysis

If the floating rates had been 50 basis points higher/lower, the Group's loss before tax for the year ended 31 December 2010 would decrease/increase by approximately HK\$2,225,000 (2009: profit before tax increase/ decrease HK\$1,851,000).

At the end of the reporting period, the Group did not have significant exposure to fair value interest rate risk.

Foreign currency risk

The majority of the Group's monetary assets and monetary liabilities by value and the rental income are denominated in HK\$, except the available-for-sale financial assets are denominated in United States dollars ("USD") and Euros ("EUR"). The Group currently does not have a foreign currency hedging policy in respect of foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

現金流量利率風險

本集團擁有付息資產，包括定期存款及銀行結存、可供待售之金融資產及借予同系附屬公司貸款。本集團目前並無任何利率對沖政策。然而，管理層持續監察利率風險，並於有需要時考慮對沖重大利率風險。

本集團按動態基準分析其利率風險。香港銀行同業拆息（「香港銀行同業拆息」）、倫敦銀行同業拆息（「倫敦銀行同業拆息」）及歐洲銀行同業拆息（「歐洲銀行同業拆息」）之上升或下降將對本集團來自付息金融資產之利息收入產生影響。

敏感度分析

倘浮動利率上調／下調50個基本點，本集團截至二零一零年十二月三十一日止年度除稅前虧損則調低／調高約2,225,000港元（二零零九年：除稅前溢利調高／調低1,851,000港元）。

於報告期末，本集團並未承受重大公平值利率風險。

外幣風險

本集團以價值及租金收入劃分之貨幣資產及貨幣負債大部分以港元計值，惟可供待售金融資產以美元（「美元」）及歐元（「歐元」）計值。本集團目前並無就外幣資產及負債採納任何外幣對沖政策。本集團將密切監察其外幣風險，並於有需要時考慮對沖重大外幣風險。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

5. 金融工具(續)

5.2 Financial risk management objectives and policies (cont'd)

5.2 財務風險管理目標及政策(續)

Foreign currency risk (cont'd)

The carrying amounts of the Group's foreign currency denominated monetary assets at the end of the reporting period are as follows:

Assets	資產
EUR	歐元
USD	美元

Sensitivity analysis

As HK\$ are pegged to the USD, it is assumed that there would be no material currency risk exposure between these two currencies and therefore is excluded from the analysis below.

The following table details the Group's sensitivity to a 5% increase and decrease in the HK\$ against EUR. 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 outstanding foreign currency denominated monetary items, and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the HK\$ weaken 5% against the relevant currency. For a 5% strengthening of the HK\$ against the relevant currency, there would be an equal and opposite impact on the profit and the balances below would be negative.

Impact of EUR	歐元之影響
Profit or loss	盈虧

The Group's sensitivity to foreign currency has decreased during the current year mainly due to the decrease in monetary net assets denominated in EUR.

外幣風險(續)

本集團以外幣為單位之貨幣資產於報告期末之賬面金額如下：

2010	2009
HK\$'000	HK\$'000
千港元	千港元
40,952	42,819
130,635	121,374

敏感度分析

由於港元與美元掛鈎，故假設兩種貨幣之間並無重大貨幣風險，因而亦不會載於下文之分析。

下表詳列本集團對港元兌歐元及人民幣之匯率上升及下跌5%之敏感度。於內部向主要管理人員報告外幣風險時會用5%作為敏感度比率，而有關比率為管理層對外幣匯率可能合理出現之變動作出之評估。敏感度分析包括現存以外幣為單位之貨幣項目，並於期末就5%之外幣匯率變動調整該項目之換算。下文之正數表示港元兌相關貨幣之匯率轉弱5%時利潤會增加。倘港元兌相關貨幣之匯率轉強5%，對利潤造成之影響可能同等及相反，而下文之結餘將會呈負數。

2010	2009
HK\$'000	HK\$'000
千港元	千港元
2,048	2,141

本集團對外幣之敏感度於本年度減少，主要是因為以歐元計值之貨幣淨資產減少。

For the year ended 31 December 2010

5. FINANCIAL INSTRUMENTS (cont'd)

5.2 Financial risk management objectives and policies (cont'd)

Price risk

The Group's investments classified as available-for-sale financial assets are measured at fair value at the end of each reporting period and expose the Group to price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to price risk at the end of the reporting period:

If the price had been 5% higher/lower, the Group's:

- loss before tax for the year ended 31 December 2010 would not increase/decrease (2009: Nil).
- other comprehensive income for the year ended 31 December 2010 would increase/decrease by approximately HK\$8,235,000 (2009: HK\$7,924,000) as a result of the changes in fair value of available-for-sale financial assets.

Liquidity risk

The Group manages liquidity risk by regularly monitoring current and expected liquidity requirements and ensuring sufficient liquid cash and intended credit lines of funding from major financial institutions to meet the Group's liquidity requirements in the short and long term. The liquidity risk is under continuous monitoring by management. Management will raise or refinance bank borrowings whenever necessary.

At the end of the reporting period, the Group did not have significant exposure to liquidity risk.

The contractual maturities at the end of the reporting period of the Group's financial liabilities which are required to be repaid within one year or on demand amounted to HK\$1,798,000 (2009: HK\$1,757,000).

截至二零一零年十二月三十一日止年度

5. 金融工具(續)

5.2 財務風險管理目標及政策(續)

價格風險

於各報告期末按公平值計量且由本集團分類為可供待售金融資產之投資令本集團面臨價格風險。管理層以設立不同風險水平之投資組合管理有關風險。此外，本集團已委任特別小組監管價格風險，並於需要時考慮對沖風險。

敏感度分析

以下敏感度分析乃根據報告期末之價格風險釐定：

倘價格上升／下跌5%，則本集團：

- 截至二零一零年十二月三十一日止年度之稅前虧損不會增加／減少(二零零九年：無)。
- 截至二零一零年十二月三十一日止年度之其他全面收入將增加／減少約8,235,000港元(二零零九年：7,924,000港元)，此乃由於可供待售金融資產之公平值變動所致。

流動資金風險

本集團管理流動資金風險之方法為定期監察現時及預測之流動資金需要，並確保具備足夠流動現金及取得計劃來自主要金融機構之融資，以應付本集團之短期及長期流動資金需要。管理層會持續監察流動資金風險，並將於必要時籌集銀行借貸或將銀行借貸再融資。

於報告期末，本集團並無重大之流動資金風險。

於報告期末，須於一年內或按要求時償還之本集團金融負債為1,798,000港元(二零零九年：1,757,000港元)。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

5. 金融工具(續)

5.3 Fair value estimation

The fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised costs in the consolidated financial statements approximate to their fair values.

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

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets 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 asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows an analysis of financial instruments recorded at fair value by the fair value hierarchy:

5.3 公平值估計

具備標準條款及條件並於活躍流動市場交易之金融資產及金融負債，其賬面值分別參考所報市場買入價及賣出價而釐定。

本公司董事認為，綜合財務報表內按經攤銷成本入賬之金融資產及金融負債賬面值與公平值相若。

本集團分下列等級釐定及披露金融工具之公平值：

- 第一級：公平值計量參考同等之資產或負債於活躍市場取得之報價(未經調整)；
- 第二級：公平值計量(於第一級之報價外)，直接(由價格)或間接(參考價格)從可觀察之資產或負債所得的數據；及
- 第三級：公平值計量由輸入參數之估值技術，包括非從市場觀察所得之資產或負債數據(非可觀察數據)。

下表顯示按公平值分級制所劃分按公平值記錄之金融工具分析：

	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2010 於二零一零年 十二月三十一日				
Available-for-sale financial assets 可供待售之金融資產	164,708	-	-	164,708
At 31 December 2009 於二零零九年 十二月三十一日				
Available-for-sale financial assets 可供待售之金融資產	158,473	-	-	158,473

There were no transfers amongst Level 1, Level 2 and Level 3 in the fair value hierarchy.

公平值分級制內第一級、第二級及第三級之間並無轉撥。

For the year ended 31 December 2010

6. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders of the Company and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The directors of the Company actively and regularly review and manage the Group's capital structure to maximise the returns to shareholders through the optimisation of the debt afforded by a sound capital position, and make adjustments to the capital structure in light of changes in economic conditions. The Group's overall strategy remains unchanged from 2009.

Consistent with others in the industry, the Group monitors its capital structure on the basis of the gearing ratio. The debt-to-equity ratio is calculated as total borrowings divided by total equity. At 31 December 2010 and 2009, the Group's gearing ratio was undefined because the Group did not have any borrowings as at 31 December 2010 and 2009.

7. REVENUE

Revenue represents the aggregate amounts received and receivable, summarised as follows:

Rental income	租金收入
Interest income from investment and finance	投資及財務之利息收入

截至二零一零年十二月三十一日止年度

6. 資本風險管理

本集團通過根據風險水平給予產品及服務相應定價，及確保按合理成本提供融資之方式管理資本，主要目標為保持本集團之實體持續經營之能力，以確保本集團能為本公司股東持續提供回報，並為其他權益相關者提供利益。

本公司董事積極並定時檢討及管理本集團之資本架構，透過以完善資本狀況支持優化債務及於經濟條件發生變動時對資本架構作出調整，為股東爭取最大之回報。本集團整體策略與二零零九年保持不變。

本集團運用資本負債比率監察其資本結構，此舉與行業其他業者貫徹一致。債務權益比率乃按借貸總額除以權益總額計算。由於本集團於二零一零年及二零零九年十二月三十一日並無任何借貸，故並無於二零一零年及二零零九年十二月三十一日界定資本負債比率。

7. 收益

收益為已收及應收之合計款項，茲概述如下：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Rental income	租金收入	1,695	1,685
Interest income from investment and finance	投資及財務之利息收入	6,788	7,414
		8,483	9,099

For the year ended 31 December 2010

8. OPERATING SEGMENTS

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions.

The Group has two reportable segments – (i) investment and finance; and (ii) properties investment. The segmentations are based on the information about the operations of the Group that management uses to make decisions.

Principal activities are as follows:

Investment and finance	–	Investing and financing activities
Properties investment	–	Property leasing

The Group's measurement methods used to determine reported segment profit or loss remain unchanged from 2009.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business has different markets and requires different marketing strategies.

The Group evaluates performance on the basis of profit or loss from operations before tax expense but not including the major non-cash items. There is no intersegment revenue accountable for in both years.

Included in revenue arising from investment and finance of HK\$6,788,000 (2009: HK\$7,414,000) is revenue of approximately HK\$5,961,000 (2009: HK\$7,414,000) which arose from the Group's four (2009: five) major customers and each customer accounted for more than 10% of the Group's total revenue.

截至二零一零年十二月三十一日止年度

8. 經營分類

本集團根據主要營運決策用於作出策略決定時審閱之報告釐定經營分類。

本集團現時經營兩個可呈報分類 – (i) 投資及財務；及(ii) 物業投資。本集團乃以管理層用作決策之本集團營運資料進行分類。

主要業務如下：

投資及財務	–	投資及財務業務
物業投資	–	租賃物業

本集團用作釐定已報告分類溢利或虧損之計量方式自二零零九年起維持不變。

本集團之可呈報分類為經營不同活動之策略業務單元，而由於各項業務之市場不同，需要制訂不同營銷策略，故各個可呈報分類乃分開管理。

本集團會以稅前經營溢利或虧損評估表現，惟並未計及重大非現金項目。在兩個年度內並無將分類間之收益入賬。

於投資及財務收益6,788,000港元(二零零九年：7,414,000港元)中有大約5,961,000港元(二零零九年：7,414,000港元)收益來自集團四位(二零零九年：五位)主要客戶，而來自該等主要客戶收益則各佔本集團之全部收益超出10%。

For the year ended 31 December 2010

8. OPERATING SEGMENTS (cont'd)

Operating segment information is presented below:

The segment results for the year ended 31 December 2010

		Investment and finance 投資及財務 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收益			
Revenue from external customers	來自外部客戶之收益			
– Hong Kong	– 香港	6,788	1,695	8,483
Results	業績			
Segment result for reportable segments	可呈報分類之分類業績			
– Hong Kong	– 香港	4,437	1,508	5,945
Interest income	利息收入			93
Unallocated corporate expenses	未分配公司開支			(2,767)
Income tax expense	所得稅開支			(980)
Core profit (excluding major non-cash item)	核心溢利(撇除主要非現金項目)			2,291
Major non-cash item	主要非現金項目			
– fair value changes on investment properties	– 投資物業之公平值變動			(4,150)
Loss for the year attributable to owners of the Company	本公司持有人應佔本年度虧損			(1,859)

The segment assets and liabilities at 31 December 2010

		Investment and finance 投資及財務 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Assets	資產			
Segment assets for reportable segments	可呈報分類之分類資產			
– Hong Kong	– 香港	452,846	32,159	485,005
Unallocated corporate assets	未分配公司資產			2,939
Consolidated total assets	綜合總資產			487,944
Liabilities	負債			
Segment liabilities for reportable segments	可呈報分類之分類負債			
– Hong Kong	– 香港	1,326	551	1,877
Unallocated corporate liabilities	未分配公司負債			115
Consolidated total liabilities	綜合總負債			1,992

截至二零一零年十二月三十一日止年度

8. 經營分類(續)

經營分類資料呈列如下：

截至二零一零年十二月三十一日止年度之分類業績

		Investment and finance 投資及財務 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收益			
Revenue from external customers	來自外部客戶之收益			
– Hong Kong	– 香港	6,788	1,695	8,483
Results	業績			
Segment result for reportable segments	可呈報分類之分類業績			
– Hong Kong	– 香港	4,437	1,508	5,945
Interest income	利息收入			93
Unallocated corporate expenses	未分配公司開支			(2,767)
Income tax expense	所得稅開支			(980)
Core profit (excluding major non-cash item)	核心溢利(撇除主要非現金項目)			2,291
Major non-cash item	主要非現金項目			
– fair value changes on investment properties	– 投資物業之公平值變動			(4,150)
Loss for the year attributable to owners of the Company	本公司持有人應佔本年度虧損			(1,859)

於二零一零年十二月三十一日之分類資產及負債

		Investment and finance 投資及財務 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Assets	資產			
Segment assets for reportable segments	可呈報分類之分類資產			
– Hong Kong	– 香港	452,846	32,159	485,005
Unallocated corporate assets	未分配公司資產			2,939
Consolidated total assets	綜合總資產			487,944
Liabilities	負債			
Segment liabilities for reportable segments	可呈報分類之分類負債			
– Hong Kong	– 香港	1,326	551	1,877
Unallocated corporate liabilities	未分配公司負債			115
Consolidated total liabilities	綜合總負債			1,992

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

8. OPERATING SEGMENTS (cont'd)

8. 經營分類 (續)

The segment results for the year ended 31 December 2009

截至二零零九年十二月三十一日止年度之分類業績

		Investment and finance 投資及財務 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元 (restated) (重列)
Revenue	收益			
Revenue from external customers – Hong Kong	來自外部客戶之收益 – 香港	7,414	1,685	9,099
Results	業績			
Segment result for reportable segments – Hong Kong	可呈報分類之分類業績 – 香港	8,195	1,523	9,718
Interest income	利息收入			59
Unallocated corporate expenses	未分配公司開支			(2,710)
Income tax credit	所得稅抵免			379
Core profit (excluding major non-cash item)	核心溢利(撇除主要非現金項目)			7,446
Major non-cash item – fair value changes on investment properties	主要非現金項目 – 投資物業之公平值變動			5,200
Profit for the year attributable to owners of the Company	本公司持有人 應佔本年度溢利			12,646

The segment assets and liabilities at 31 December 2009

於二零零九年十二月三十一日之分類資產及負債

		Investment and finance 投資及財務 HK\$'000 千港元	Properties investment 物業投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元 (restated) (重列)
Assets	資產			
Segment assets for reportable segments – Hong Kong	可呈報分類之分類資產 – 香港	448,156	34,749	482,905
Unallocated corporate assets	未分配公司資產			3,867
Consolidated total assets	綜合總資產			486,772
Liabilities	負債			
Segment liabilities for reportable segments – Hong Kong	可呈報分類之分類負債 – 香港	1,391	436	1,827
Unallocated corporate liabilities	未分配公司負債			121
Consolidated total liabilities	綜合總負債			1,948

For the year ended 31 December 2010

8. OPERATING SEGMENTS (cont'd)

Geographical information

For the years ended 31 December 2010 and 2009, all the Group's operations are located in Hong Kong. The Group's revenue is all derived from Hong Kong for both years.

9. OTHER INCOME

Other income included the following:

Interest income
Exchange gain, net

其他收入包括以下各項

利息收入
匯兌收益淨額

2010
HK\$'000
千港元

2009
HK\$'000
千港元

93

59

-

775

10. (LOSS) PROFIT BEFORE TAX

(Loss) profit before tax has been arrived
at after charging:

Staff costs:

Directors' emoluments (Note 11(a))
Salaries and other benefits
Retirement benefit scheme contributions

員工成本：

董事酬金(附註11(a))
薪金及其他福利
退休福利計劃供款

2010
HK\$'000
千港元

2009
HK\$'000
千港元

410

350

899

806

40

37

1,349

1,193

Auditors' remuneration

Exchange loss, net

核數師酬金

匯兌虧損淨額

300

330

2,451

-

and after crediting:

Gross rental income from investment properties
Less: direct operating expenses from investment
properties that generated rental income
during the year
direct operating expenses from investment
properties that did not generate rental
income during the year

並計入：

投資物業之租金收入總額
減：年內產生租金收入之
投資物業直接經營
開支
年內並無產生租金
收入之投資物業
直接經營開支

1,695

1,685

(187)

(161)

(17)

(17)

1,491

1,507

截至二零一零年十二月三十一日止年度

8. 經營分類(續)

地區資料

截至二零一零年及二零零九年十二月三十一日止
年度，本集團在香港經營所有業務。在兩個年度
本集團之收益全部來自香港。

9. 其他收入

10. 除稅前(虧損)溢利

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

11. 董事及僱員酬金

(a) Directors' emoluments

Fees and other emoluments paid and payable to the directors of the Company for the years ended 31 December 2010 and 2009 were as follows:

(a) 董事酬金

截至二零一零年及二零零九年十二月三十一日止年度，已付或應付予本公司各董事之袍金及其他酬金呈列如下：

		Fee		Salaries and other emoluments		Total	
		袍金		薪金及其他酬金		合計	
		2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Executive directors	執行董事						
Kong, Chi-ming	江志明	10	10	-	-	10	10
Leung, Wing-pong	梁榮邦	10	10	-	-	10	10
		20	20	-	-	20	20
Independent non-executive directors	獨立非執行董事						
David Chain, Chi-woo	錢其武	130	110	-	-	130	110
Lam, Yat-fai	林日輝	130	110	-	-	130	110
Leung, Yun-fai	梁潤輝	130	110	-	-	130	110
		390	330	-	-	390	330
		410	350	-	-	410	350

No director of the Company waived any emolument in the years ended 31 December 2010 and 2009.

截至二零一零年及二零零九年十二月三十一日止年度，本公司董事概無放棄任何酬金。

(b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, all (2009: four) were directors of the Company whose emoluments were included in (a) above. The emoluments of the remaining one individual for the year ended 31 December 2009 were as follows:

(b) 僱員酬金

本集團五位最高薪酬僱員，所有(二零零九年：四位)為本公司之董事，其酬金資料載列於上文(a)。截至二零零九年十二月三十一日止年度餘下一位人士之酬金資料載列如下：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	-	49
Retirement benefit scheme contributions	退休福利計劃供款	-	2
		-	51

For the year ended 31 December 2010

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (cont'd)**(b) Employees' emoluments (cont'd)**

The emoluments of the remaining one individual for the year ended 31 December 2009 were less than HK\$1,000,000.

During the years ended 31 December 2010 and 2009, no emolument was paid by the Group to the five highest paid individuals or the directors of the Company, as an inducement to join or upon joining the Group as compensation for loss of office.

12. INCOME TAX EXPENSE (CREDIT)

The tax charge (credit) comprises:

Current tax

– Hong Kong

Underprovision in prior years

– Hong Kong

Deferred tax (Note 26)

稅項支出(抵免)包括：

當期稅項

– 香港

過往年度撥備不足

– 香港

遞延稅項(附註26)

截至二零一零年十二月三十一日止年度

11. 董事及僱員酬金(續)**(b) 僱員酬金(續)**

截至二零零九年十二月三十一日止年度餘下一位人士之酬金為1,000,000港元以下之酬金級別。

截至二零一零年及二零零九年十二月三十一日止年度，本集團概無支付任何酬金予該五位最高薪酬僱員或本公司董事作為吸引加入或於加入本集團時之報酬。

12. 所得稅開支(抵免)

2010	2009
HK\$'000	HK\$'000
千港元	千港元
	(restated)
	(重列)

51

55

–

25

929

(459)

980

(379)

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for both years.

香港利得稅乃根據兩個年度之估計應課稅溢利按稅率16.5%計算。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

12. INCOME TAX EXPENSE (CREDIT) (cont'd)

12. 所得稅開支(抵免)(續)

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

本年度之稅項支出(抵免)與綜合全面收入報表之除稅前(虧損)溢利對賬如下：

		2010 HK\$'000 千港元	%	2009 HK\$'000 千港元 (restated) (重列)	%
(Loss) profit before tax	除稅前(虧損)溢利	(879)		12,267	
Tax at the Hong Kong Profits Tax rate of 16.5% (2009:16.5%)	按香港利得稅稅率16.5% (二零零九年：16.5%)				
	計算之稅項	(145)	(16.5)	2,024	16.5
Tax effect of income not taxable for tax purpose	稅務上毋須課稅收入之 稅務影響	(556)	(63.3)	(1,506)	(12.3)
Tax effect of expenses not deductible for tax purpose	稅務上不可扣減支出之 稅務影響	950	108.1	1	—
Tax effect of tax losses not recognised	未予確認稅項虧損 之稅務影響	1,619	184.2	14	0.1
Utilisation of tax losses previously not recognised	動用先前未確認之 稅務虧損	(888)	(101.0)	(937)	(7.6)
Underprovision in prior years	過往年度撥備不足	—	—	25	0.2
Income tax charge (credit)	所得稅支出(抵免)	980	111.5	(379)	(3.1)

13. DIVIDENDS

13. 股息

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Final dividend for 2009 paid on 25 June 2010 of HK0.1 cent (2008: Nil) per share	於二零一零年六月二十五日派付之 二零零九年末期股息每股 0.1港仙(二零零八年：無)	2,428	—

Subsequent to the end of the reporting period, the final dividend of HK0.2 cents (2009: HK0.1 cent) per ordinary share has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

於報告期末後，本公司董事建議派付末期股息每股普通股0.2港仙(二零零九年：每股0.1港仙)，有待股東於應屆股東週年大會上批准。

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

14. (LOSS) EARNINGS PER SHARE

14. 每股(虧損)盈利

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

本公司持有人應佔每股基本及攤薄(虧損)盈利乃根據以下數據計算：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元 (restated) (重列)
(Loss) earnings:		
(Loss) profit attributable to owners of the Company for the purpose of basic and diluted (loss) earnings per share	(虧損) 盈利： 用作計算每股基本(虧損) 盈利之本公司持有人 應佔(虧損)溢利	
	(1,859)	12,646

Number of shares:**股份數目：**

Weighted average number of ordinary shares in issue

已發行普通股之
加權平均股數

2,428,255,008 2,245,241,309

For the years ended 31 December 2010 and 2009, diluted (loss) earnings per share is the same as the basic (loss) earnings per share as there were no diluting events during these years.

截至二零一零年及二零零九年十二月三十一日止年度，由於並無攤薄事項，故該等年度內每股攤薄(虧損)盈利與每股基本(虧損)盈利相同。

15. INVESTMENT PROPERTIES

15. 投資物業

		HK\$'000 千港元
Fair value	公平值	
At 1 January 2009	於二零零九年一月一日	27,300
Increase in fair value recognised in the consolidated statement of comprehensive income	已於綜合全面收入報表確認之 公平值增加	5,200
At 31 December 2009 and 1 January 2010	於二零零九年十二月三十一日 及二零一零年一月一日	32,500
Decrease in fair value recognised in the consolidated statement of comprehensive income	已於綜合全面收入報表確認之 公平值減少	(4,150)
At 31 December 2010	於二零一零年十二月三十一日	28,350

The Group's investment properties are under long-term leases in Hong Kong as at 31 December 2010 and 2009.

於二零一零年及二零零九年十二月三十一日，本集團之投資物業以長期租約於香港持有。

For the year ended 31 December 2010

15. INVESTMENT PROPERTIES (cont'd)

The fair value of the Group's investment properties at 31 December 2010 has been arrived at on the basis of valuation carried out on that date by B.I. Appraisals Limited ("B.I. Appraisals") (2009: Norton Appraisals Limited ("Norton Appraisals")), independent qualified professional valuers not connected with the Group.

Both B.I. Appraisals and Norton Appraisals have appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation, which conformed to The Hong Kong Institute of Surveyors Valuation Standards on Properties (1st Edition 2005) published by the Hong Kong Institute of Surveyors, was based on market value basis.

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

截至二零一零年十二月三十一日止年度

15. 投資物業 (續)

本集團投資物業於二零一零年十二月三十一日之公平值按一家與本集團概無關連之獨立合資格專業估值師保柏國際評估有限公司(「保柏國際」)(二零零九年：普敦國際評估有限公司(「普敦國際」))於該日進行之估值為基準而計算。

保柏國際及普敦國際均對於相關地點之同類型物業估值具有適合資格及近期之估值經驗。該項估值乃遵守香港測量師學會所頒布之香港測量師學會物業估值準則(二零零五年第一版)，並按市值基準進行重估。

本集團所有根據經營租約持有以賺取租金或作資本增值用途之物業權益，乃以公平值模式計算，並分類及列作投資物業。

16. GOODWILL

16. 商譽

HK\$'000
千港元

Cost

At 1 January 2009, 31 December 2009,
1 January 2010 and 31 December 2010

成本

於二零零九年一月一日、
二零零九年十二月三十一日、
二零一零年一月一日及
二零一零年十二月三十一日

2,939

Impairment

At 1 January 2009, 31 December 2009,
1 January 2010 and 31 December 2010

減值

於二零零九年一月一日、
二零零九年十二月三十一日、
二零一零年一月一日及
二零一零年十二月三十一日

—

Carrying amount

At 31 December 2009 and 2010

賬面值

於二零零九年及
二零一零年十二月三十一日

2,939

For the year ended 31 December 2010

16. GOODWILL (cont'd)

Impairment testing of goodwill

For the purpose of impairment testing, goodwill has been allocated to the following cash-generating unit. The carrying amount of goodwill (net of accumulated impairment losses) as at 31 December 2010 and 2009 is allocated as follows:

Investment properties	投資物業
-----------------------	------

The recoverable amount of the goodwill allocated to investment properties business was assessed by reference to value-in-use model which based on a five-year cash flow projection approved by the directors of the Company. A discount rate of approximately 11.67% per annum (2009: 15.35%) was applied in the value-in-use model when assessing the recoverability of the goodwill.

There are a number of assumptions and estimates involved for the preparation of the cash flow projection. Key assumptions included gross margin and discount rate which are determined by the management of the Group based on past performance and its expectation for market development. Gross margin are budgeted gross margin. The discount rate used is pre-tax and reflects specific risks relating to the industry.

17. INTERESTS IN JOINTLY CONTROLLED ENTITIES

Share of net assets of jointly controlled entities	攤佔共同控制機構資產淨額
--	--------------

截至二零一零年十二月三十一日止年度

16. 商譽(續)

商譽減值測試

為進行減值測試，商譽已分配至以下現金產生單位。於二零一零年及二零零九年十二月三十一日，商譽之賬面值(扣除累積減值虧損)分配如下：

2010	2009
HK\$'000	HK\$'000
千港元	千港元

2,939	2,939
--------------	-------

分配至投資物業業務之商譽可收回金額乃根據本公司董事批准之五年現金流量預測，並參考使用價值模式進行評估。於評估商譽之可收回程度時，使用價值模式採用之年折現率為11.67% (二零零九年：15.35%)。

編製現金流量預測涉及多項假設及估計。主要假設包括由本集團管理層根據過往表現及其對市場發展預測釐定之毛利及折現率。毛利乃預算毛利，而所採用之折現率則為除稅前折現率，並反映與行業相關之特定風險。

17. 共同控制機構權益

2010	2009
HK\$'000	HK\$'000
千港元	千港元

—	—
---	---

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

17. INTERESTS IN JOINTLY CONTROLLED ENTITIES (cont'd)

17. 共同控制機構權益 (續)

Details of the Group's jointly controlled entities which are held indirectly by the Company at 31 December 2010, are as follows:

於二零一零年十二月三十一日，本公司間接持有之本集團共同控制機構之詳情如下：

Name of jointly controlled entity 共同控制機構名稱	Form of business and structure 業務組建形式	Place of incorporation 註冊成立地點	Proportion of nominal value of issued share capital held 所持已發行股本面值比率	Principal activities 主要業務
Golden Royce Investment Limited 金萊斯投資有限公司	Incorporated 註冊成立	Hong Kong 香港	40%	Dormant 暫無營業
Top Grade Assets Limited	Incorporated 註冊成立	British Virgin Islands 英屬維爾京群島	50%	Dormant 暫無營業
Upgrade Properties Limited	Incorporated 註冊成立	British Virgin Islands 英屬維爾京群島	50%	Dormant 暫無營業

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

本集團共同控制機構之財務資料概述如下：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Total assets	總資產	-	4,247
Total liabilities	總負債	(160,138)	(160,395)
Net liabilities	負債淨額	(160,138)	(156,148)
Net assets attributable to the Group	本集團應佔資產淨額	-	-
Revenue	收益	-	-
Loss for the year	本年度虧損	(3,990)	(10)
Profit for the year attributable to the Group	本集團應佔本年度溢利	-	-

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

18. AVAILABLE-FOR-SALE FINANCIAL ASSETS

18. 可供待售之金融資產

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Available-for-sale financial assets	可供待售之		
comprise:	金融資產包括：		
Club debentures (Note i)	會籍債券(附註i)	—	—
Floating rate notes	浮息票據		
— Listed (Note ii)	— 上市(附註ii)	38,976	41,121
— Unlisted (Note iii)	— 非上市(附註iii)	125,732	117,352
		164,708	158,473
Analysis for reporting purposes as:	作報告用途之分析：		
— Non-current assets	— 非流動資產	79,677	158,473
— Current assets	— 流動資產	85,031	—
		164,708	158,473

Notes:

附註：

- i) The club debentures are stated at cost less accumulated impairment loss at the end of each reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

At 31 December 2010 and 2009, the costs of club debenture were HK\$220,000. The directors of the Company reassessed the recoverable amount of the club debentures and considered HK\$220,000 (2009: HK\$220,000) was impaired.

- ii) The listed floating rate note with maturity date in 2011 carries floating interest at EURIBOR plus 0.2% per annum and was classified as current asset. At the end of the reporting period, the listed floating rate note is denominated in EUR and its fair value is referenced with quoted market bid price.
- iii) The unlisted floating rate notes with maturity dates from 2011 to 2014 carry floating interests at LIBOR plus 0.3% to 0.35% per annum and the balances with maturity date in 2011 were classified as current assets. At the end of the reporting period, the unlisted floating rate notes are denominated in USD and their fair values are referenced with quoted market bid price available on the industry group.

- i) 就會籍債券而言，由於估計合理公平值時所需考慮之假設因素範圍甚廣，本公司董事認為未能可靠地衡量其公平值，故此該等會籍債券於報告期末之成本扣除累計減值虧損入賬。

於二零一零年及二零零九年十二月三十一日，會籍債券之成本為220,000港元。本公司董事重估該等會籍債券之可收回金額及認為該220,000港元已全額減值(二零零九年：220,000港元)。

- ii) 上市浮息票據到期日為二零一一年，按浮動年利率歐洲銀行同業拆息加0.2厘計息及已分類為流動資產。於報告期末，該等上市浮息票據以歐元為單位，而其公平值乃參考市場所報買入價計算。
- iii) 非上市浮息票據到期日為二零一一年至二零一四年，按浮動年利率倫敦銀行同業拆息加0.3厘至0.35厘計息，而到期日為二零一一年之餘額已分類為流動資產。於報告期末，該等非上市浮息票據以美元為單位，而其公平值乃參考行業內可得之市場所報買入價計算。

For the year ended 31 December 2010

19. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

The directors of the Company consider that the carrying amounts of the Group's deposits, prepayments and other receivables approximate to their fair values. There were no trade debtors included in deposits, prepayments and other receivables as at 31 December 2010 and 2009.

20. SHORT-TERM LOANS RECEIVABLE

Loans receivable	應收貸款
Less: Allowance for bad and doubtful debts	減：呆壞賬撥備

截至二零一零年十二月三十一日止年度

19. 按金、預付款項及其他應收款項

本公司董事認為本集團之按金、預付款項及其他應收款項之賬面值與其公平值相若。於二零一零年及二零零九年十二月三十一日，按金、預付款項及其他應收款項內並無包括應收貿易賬項。

20. 短期應收貸款

2010	2009
HK\$'000	HK\$'000
千港元	千港元
3,203	3,203
(3,203)	(3,203)
-	-

The Group maintained a defined credit policy in accordance with respective loan agreements. Loans receivable of the Group as at 31 December 2010 and 2009 amounted to HK\$3,203,000 were overdue and allowance was made. The Group does not hold any collateral over these balances.

本集團因應個別之貸款協議而採用既定之信貸政策。本集團於二零一零年及二零零九年十二月三十一日之應收貸款3,203,000港元已到期，亦已作出撥備。本集團於該等結餘中並無持有任何抵押品。

21. LOAN TO A FELLOW SUBSIDIARY

On 4 November 2008, the Company, as lender, entered into a loan agreement (the "Loan Agreement") with Fancy Mark Limited ("Fancy Mark"), a subsidiary of Chinese Estates, as borrower, and Chinese Estates, as guarantor.

In accordance with the Loan Agreement, the Company provided a three-year revolving facility of up to HK\$200 million to Fancy Mark and the loan carries an interest rate of HIBOR plus 1% per annum. For further details, please refer to the Company's circular dated 25 November 2008.

21. 借予同系附屬公司貸款

於二零零八年十一月四日，本公司（作為貸方）、Fancy Mark Limited（「Fancy Mark」，作為借方）及華置（作為擔保人）訂立一份貸款協議（「貸款協議」）。

根據貸款協議，本公司向Fancy Mark提供一筆最多200,000,000港元之三年期循環貸款融資及此貸款之年利率為香港銀行同業拆息加1厘。更詳細資料，請參閱本公司日期為二零零八年十一月二十五日之通函。

Name of fellow subsidiary	Highest balance during the year	2010	2009
同系附屬公司名稱	年內最高結餘	HK\$'000	HK\$'000
		千港元	千港元
Fancy Mark Limited	200,000	200,000	200,000

The directors of the Company consider that the carrying amount of the Group's loan to a fellow subsidiary approximates to its fair value.

本公司董事認為本集團借予同系附屬公司貸款之賬面值與其公平值相若。

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22. TIME DEPOSITS AND BANK BALANCES

The deposits carry interest rate at prevailing bank deposit rates and mature within one month. The directors of the Company consider that the carrying amounts of the time deposits and bank balances approximate to their fair values. The Group does not hold collateral over the balance.

23. CREDITORS AND ACCRUALS/DEPOSITS AND RECEIPTS IN ADVANCE

There were no trade payable included in creditors and accruals as at 31 December 2010 and 2009. The directors of the Company consider that the carrying amounts of the creditors and accruals, deposits and receipts in advance approximate to their fair values.

24. AMOUNTS DUE TO FELLOW SUBSIDIARIES

The amounts are unsecured, interest-free and repayable on demand. The directors of the Company consider that the carrying amounts of the amounts due to fellow subsidiaries approximate to their fair values.

25. SHARE CAPITAL

截至二零一零年十二月三十一日止年度

22. 定期存款及銀行結存

存款按當時之銀行利率計息，並於一個月內到期。本公司董事認為定期存款、銀行結存及現金之賬面值與其公平值相若。本集團並無就結餘持有抵押。

23. 應付賬項及應計費用／按金及預收款項

於二零一零年及二零零九年十二月三十一日，應付賬項及應計費用內並無應付貿易賬項。本公司董事認為應付賬項及應計費用、按金及預收款項之賬面值與其公平值相若。

24. 應付同系附屬公司款項

有關金額為無抵押、免息及按通知償還。本公司董事認為應付同系附屬公司款項之賬面值與其公平值相若。

25. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
Authorised:	法定股本：		
At 31 December 2009 and 2010	於二零零九年及 二零一零年十二月三十一日	80,000,000,000	800,000
Issued and fully paid:	已發行及繳足股本：		
At 1 January 2009	於二零零九年一月一日	2,028,255,008	20,282
Placing of shares (Note)	配售股份(附註)	400,000,000	4,000
At 31 December 2009, 1 January 2010 and 31 December 2010	於二零零九年十二月三十一日、 二零一零年一月一日及 二零一零年十二月三十一日	2,428,255,008	24,282

Note:

Pursuant to a share placing agreement dated 3 June 2009, the Company issued 400,000,000 ordinary shares at price of HK\$0.373 per share on 17 June 2009. The proceeds were mainly used to finance the loan to a fellow subsidiary and operation. The new shares issued during the year ended 31 December 2009 rank pari passu with the then existing shares in all respects.

附註：

根據日期為二零零九年六月三日之股份配售協議，本公司於二零零九年六月十七日以每股0.373港元之價格發行400,000,000股普通股。所得款項主要用以撥支借予同系附屬公司之貸款及用作營運資金。截至二零零九年十二月三十一日止年度內發行之新股份於各方面與當時現有股份享有同等地位。

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截至二零一零年十二月三十一日止年度

26. DEFERRED TAX LIABILITIES (ASSETS)

26. 遞延稅項負債(資產)

The following are the major deferred tax liabilities provided (assets recognised) by the Group and movements thereon during the current and prior reporting years:

以下為本集團於當期及過往報告年度之主要遞延稅項負債撥備(資產確認)及其變動：

		Revaluation of investment properties 投資物業重估 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 2009 (originally stated)	於二零零九年一月一日 (原本呈列)	2,493	(468)	2,025
Effect of change in accounting policy	會計政策變動 之影響	(2,389)	—	(2,389)
At 1 January 2009 (restated)	於二零零九年一月一日 (重列)	104	(468)	(364)
Charge (credit) to the consolidated statement of comprehensive income for the year (restated)	本年度自綜合全面 收入報表扣除 (計入)(重列)	1	(460)	(459)
At 31 December 2009 (restated)	於二零零九年 十二月三十一日 (重列)	105	(928)	(823)
At 1 January 2010 (restated)	於二零一零年一月一日 (重列)	105	(928)	(823)
Charge to the consolidated statement of comprehensive income for the year	本年度自綜合全面 收入報表 扣除	1	928	929
At 31 December 2010	於二零一零年 十二月三十一日	106	—	106

At 31 December 2010, the Group had unused tax losses of HK\$705,677,000 (2009: HK\$664,978,000) available for offset against future profits. No deferred tax assets (2009: HK\$928,000) have been recognised in respect of the tax losses of HK\$705,677,000 (2009: HK\$659,353,000) due to the unpredictability of future profit streams. All unused tax losses may be carried forward indefinitely.

於二零一零年十二月三十一日，本集團可用作對銷未來溢利但尚未動用之稅項虧損為705,677,000港元(二零零九年：664,978,000港元)。由於未能預測日後溢利來源，故本集團並無將餘下之705,677,000港元(二零零九年：659,353,000港元)之稅項虧損確認為遞延稅項資產(二零零九年：928,000港元)。所有未動用之稅項虧損可無限期結轉。

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27. SHARE OPTION SCHEME

The Company adopted a share option scheme on 15 February 2002 (the "2002 Scheme") for the primary purpose of providing incentives to directors of the Company and eligible employees. Details are set out below:

Pursuant to the terms of the 2002 Scheme which will expire on 14 February 2012, the Company may grant options to directors and full time employees of the Company or its subsidiaries to subscribe for ordinary shares in the Company at a consideration of HK\$10 per grant. The subscription price for the shares under the 2002 Scheme shall be a price determined by the directors of the Company being at least the higher of the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, or the average closing price of the shares stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant. Options granted are exercisable at any time during a period to be notified by the Board of Directors but limited to a maximum period of ten years after the date the options are granted. Options granted should be accepted within 21 days from date of offer.

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2002 Scheme and the other schemes shall not exceed 10% of the shares in issue at the date on which the 2002 Scheme becomes unconditional (the "Mandate Limit"). Options lapsed will not be counted for the purpose of calculating the Mandate Limit. For the avoidance of doubt, the share underlying the options which have been cancelled and have not lapsed will be counted as part of the Mandate Limit.

The Mandate Limit may be refreshed at any time by the approval of the shareholders in general meeting provided that the total number of shares which may be issued upon exercise of all options to be granted under the 2002 Scheme and the other share option schemes must not exceed 10% of the shares in issue at the date of such shareholders' approval. For the avoidance of doubt, options previously granted under the 2002 Scheme and the other share option schemes (including those outstanding, cancelled, lapsed in accordance with the 2002 Scheme and the other share option schemes of the Company or exercised options) will not be counted for the purpose of calculating the refreshed 10%.

截至二零一零年十二月三十一日止年度

27. 認股權計劃

本公司於二零零二年二月十五日採納一項認股權計劃（「二零零二年計劃」），主要目的是獎勵本公司董事及合資格僱員，詳情載列如下：

根據將於二零一二年二月十四日屆滿之二零零二年計劃之條款，本公司可按每次10港元之代價向本公司或其附屬公司之董事及全職僱員授出可認購本公司普通股之認股權。二零零二年計劃之股份認購價由本公司董事決定，惟最低為股份於授出日期在聯交所每日報價表所示之收市價或股份於緊接授出日期前五個營業日在聯交所每日報價表所示之收市價平均值（以較高為準）。已授出之認股權於董事會知會之期間內可隨時行使，惟該期間最長以認股權授出日期起計十年為限。所授出之認股權於提呈日期起計21天內可供接納。

因行使按二零零二年計劃及其他計劃將予授出之所有認股權而可予發行之股數上限，不得超過於二零零二年計劃成為無條件當日已發行股份之10%（「授權限額」）。於計算授權限額時，已作廢之認股權不會計入。為免混淆，已註銷但未有作廢之認股權涉及之股份，將計入作為授權限額之一部份。

授權限額經股東在股東大會上批准後可隨時更新，惟因行使按二零零二年計劃及其他認股權計劃授出之所有認股權而可予發行之股份總數，不得超過取得上述股東批准當日之已發行股份之10%。為免混淆，過往按二零零二年計劃及其他認股權計劃授出之認股權（包括未行使、已註銷、按二零零二年計劃及本公司其他認股權計劃作廢之認股權或已行使之認股權），於計算經更新之10%時不會計入。

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27. SHARE OPTION SCHEME (cont'd)

The Company may, by the approval of the shareholders in general meeting, grant options beyond the 10% limit provided that the options in excess of the 10% limit are granted only to employees specifically identified by the Company before shareholders' approval is sought.

Unless approved by the shareholders as set out herein, the total number of shares issued and to be issued upon exercise of the options granted to each employee (including both exercised and outstanding options) in any twelve months period must not exceed 1% of the shares of the Company in issue. Where any further grant of options to an employee would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the twelve months period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by the shareholders in general meeting with such employee and his associates abstaining from voting.

However, the overall limit on the number of shares which may be issued upon exercise of all options granted under all share option schemes of the Company must not exceed 30% of the shares in issue from time to time.

No options were outstanding at 31 December 2010 and 2009 under the 2002 Scheme. No options were granted, exercised, cancelled or lapsed during these years.

28. RETIREMENT BENEFIT SCHEMES

The Group operates defined contribution retirement schemes in Hong Kong, namely the Occupational Retirement Scheme ("ORSO Scheme") and the Mandatory Provident Fund Scheme ("MPF Scheme"). Contributions to the ORSO Scheme are based on a percentage of employees' salaries ranging from 5% to 10%, depending upon the length of service of the employees. From 1 December 2000, newly joined employees are compulsorily required to join the MPF Scheme. The employer and its employees are each required to make contributions to the scheme at rates specified in the rules of the MPF Scheme.

The Group's costs charged to the consolidated statement of comprehensive income for the current year amounted to HK\$40,000 (2009: HK\$37,000) represented contribution payable to these schemes by fellow subsidiaries of the Company on behalf of the Group.

截至二零一零年十二月三十一日止年度

27. 認股權計劃 (續)

本公司可於股東大會上而股東批准之情況下，授出超過10%限額之認股權，惟超過10%限額之認股權只可授予本公司於尋求股東批准前列明之僱員。

除非按本文所述獲得股東批准，否則，因行使於任何十二個月期間內向各僱員授出之認股權（包括已行使及未行使認股權）而已獲及將獲發行之股份總數，不得超過已發行股份之1%。如向任何僱員進一步授出認股權會導致因其行使於截至進一步授出認股權之日期（該日期包括在內）止之任何十二個月期間內經已及將會獲授之所有認股權（包括已行使、已註銷及未行使之認股權）而已獲及將獲發行之股份，合共超過已發行股份之1%，則進一步授出認股權之事宜須在股東大會上獲股東另行批准，而有關僱員及其聯繫人士均不得投票。

然而，因行使本公司所有認股權計劃授出之全部認股權而可予發行之股份之整體限制，不得超過不時之已發行股份之30%。

於二零一零年及二零零九年十二月三十一日，概無二零零二年計劃之認股權尚未行使。該等年度內，概無認股權授出、行使、註銷或失效。

28. 退休福利計劃

本集團在香港設有界定供款退休計劃，即職業退休計劃（「職業退休計劃」）及強制性公積金計劃（「強積金計劃」）。職業退休計劃按照僱員薪金之5%至10%供款，視乎僱員之年資而定。由二零零零年十二月一日起，新入職僱員均須加入強積金計劃。僱主及其僱員均須根據強積金計劃條款內列明之比率而作出供款。

本集團本年度於綜合全面收入報表扣除之費用為40,000港元（二零零九年：37,000港元），為同系附屬公司代本集團應付予該等計劃之供款。

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截至二零一零年十二月三十一日止年度

29. MATERIAL RELATED PARTY TRANSACTIONS AND BALANCES**29. 重大有關連人士交易及結餘****Transactions****交易**

Save as disclosed elsewhere in the consolidated financial statements, the Group had the following material related party transactions:

除綜合財務報表其他部分所披露外，本集團已進行下列重大有關連人士交易：

		2010	2009
		HK\$'000	HK\$'000
		千港元	千港元
Interest income on loan to a fellow subsidiary (Note)	借予同系附屬公司貸款之 利息收入(附註)	2,354	1,942
Staff cost recharged from fellow subsidiaries	同系附屬公司徵收之 員工成本	939	843

Note: Interest was charged on outstanding balance during the year, details are set out in Note 21.

附註：利息根據年內尚欠結餘計算，詳情載於附註21。

Balances**結餘**

Details of balances with related parties at the end of reporting period are set out in Notes 21 and 24.

於報告期末，與關連人士之結餘詳情載於附註21及24。

Key management personnel emoluments**主要管理人員酬金**

Remuneration for key management personnel is disclosed in Note 11(a).

主要管理人員之酬金於附註11(a)披露。

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30. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

30. 本公司之財務狀況報表之資料

The Company's statement of financial position at 31 December 2010 and 2009 are as follows:

本公司於二零一零年及二零零九年十二月三十一日之財務狀況報表如下：

		2010 HK\$'000 千港元	2009 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	附屬公司投資	154,260	150,310
Available-for-sale financial asset	可供待售之金融資產	-	-
		154,260	150,310
Current assets	流動資產		
Prepayment and other receivables	預付款項及其他應收款項	463	451
Loan to a fellow subsidiary	借予一間同系附屬公司之貸款	200,000	200,000
Bank balances and cash	銀行結存及現金	80,583	83,334
		281,046	283,785
Current liabilities	流動負債		
Creditors and accruals	應付賬項及應計費用	359	388
Amounts due to fellow subsidiaries	應付同系附屬公司款項	149	189
		508	577
Net current assets	流動資產淨額	280,538	283,208
Total assets less current liabilities	總資產減流動負債	434,798	433,518
Equity attributable to owners of the Company	本公司持有人應佔權益		
Share capital	股本	24,282	24,282
Share premium (Note)	股份溢價(附註)	351,638	351,638
Retained profits (Note)	保留溢利(附註)		
– Proposed final dividend	– 擬派末期股息	4,857	2,428
– Others	– 其他	53,601	54,793
		434,378	433,141
Total equity	權益總額	434,378	433,141
Non-current liability	非流動負債		
Amounts due to subsidiaries	應付附屬公司款項	420	377
		434,798	433,518

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截至二零一零年十二月三十一日止年度

30. INFORMATION ABOUT THE STATEMENT OF
FINANCIAL POSITION OF THE COMPANY
(cont'd)30. 本公司之財務狀況報表之
資料(續)

Note:

附註：

Reserves**儲備**

		Share premium 股份溢價	Retained profits 保留溢利	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2009	於二零零九年一月一日	210,168	54,351	264,519
Profit for the year	本年度溢利	—	2,870	2,870
Placing of ordinary shares	配售普通股	145,200	—	145,200
Transaction costs attributable to placing of ordinary shares	配售普通股之交易成本	(3,730)	—	(3,730)
At 31 December 2009 and 1 January 2010	於二零零九年十二月三十一日及 二零一零年一月一日	351,638	57,221	408,859
Profit for the year	本年度溢利	—	3,665	3,665
Final dividend paid	已付末期股息	—	(2,428)	(2,428)
At 31 December 2010	於二零一零年十二月三十一日	351,638	58,458	410,096

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31. PARTICULARS OF PRINCIPAL SUBSIDIARIES

31. 主要附屬公司詳情

Details of the Company's principal subsidiaries at 31 December 2010 are as follows:

於二零一零年十二月三十一日，本公司主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立／ 經營地點	Class of shares/ registered capital held 所持股份／ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本／ 註冊資本	Proportion of nominal value of paid up capital/ registered capital held by the Company 本公司所持繳足股本／ 註冊資本面值之百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Grow Wealth Company Ltd (Business name: Grow Wealth Property Investment Limited) (業務名稱： Grow Wealth Property Investment Limited)	Republic of Liberia/ Hong Kong 利比里亞共和國／ 香港	Registered 記名股	US\$1 1美元	—	100%	Property investment 物業投資
G-Prop Services Limited	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	—	100%	Investment and finance 投資及財務
Minkind Development Limited 名佳發展有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	—	100%	Property investment 物業投資

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affects the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

上表所列為本公司董事認為主要影響本集團業績或資產之本公司附屬公司。本公司董事認為，詳列其他附屬公司之資料將令篇幅冗長。

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

目前概無附屬公司於報告期末或本年度內任何時間擁有任何未償還債務證券。

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32. OPERATING LEASE COMMITMENTS

At 31 December 2010 and 2009, the Group did not have any material operating lease commitments.

33. CAPITAL COMMITMENTS

At 31 December 2010 and 2009, the Group did not have any material capital commitments.

34. EVENTS AFTER THE REPORTING PERIOD

The Group does not have material events after the end of the reporting period.

35. COMPARATIVE FIGURES

As explained in Note 2, due to the adoption of new and revised HKFRSs during the current year, the accounting treatment and presentation of certain items and balances in the consolidated financial statements have been revised to comply with the new requirements. Accordingly, certain prior year and opening balance adjustments have been made, certain comparative amounts have been reclassified and restated to conform with the current year's presentation and accounting treatment, and a third consolidated statement of financial position as at 1 January 2009 has been presented.

36. AUTHORISATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 17 March 2011.

截至二零一零年十二月三十一日止年度

32. 營業租約承擔

於二零一零年及二零零九年十二月三十一日，本集團並無任何重大營業租約承擔。

33. 資本承擔

於二零一零年及二零零九年十二月三十一日，本集團並無任何重大資本承擔。

34. 報告期末後事項

報告期末後本集團概無重大事件發生。

35. 比較數字

誠如附註2所述，於本年度採納香港財務報告準則之新準則及修訂詮釋，財務報表相關之會計方法及呈列方式之項目及結餘經修訂以符合新規定。因此，過往年度及期初結餘已作出調整，而與本年度之會計方法及呈列方式相關之比較數字已重新分類及重列，二零零九年一月一日之重列已呈列於綜合財務狀況報表第三欄。

36. 授權刊發綜合財務報表

董事會已於二零一一年三月十七日批准及授權刊發綜合財務報表。

Summary of the results, assets and liabilities of the Group for the last five years is as follows:

本集團過去五年之業績、資產與負債概要如下：

		For the year ended 31 December 截至十二月三十一日止年度				
		2010 HK\$'000 千港元	2009 HK\$'000 千港元 (restated) (重列) (Note (a)) (附註(a))	2008 HK\$'000 千港元 (Note (b)) (附註(b))	2007 HK\$'000 千港元 (Note (b)) (附註(b))	2006 HK\$'000 千港元 (Note (b)) (附註(b))
Results	業績					
Revenue	收益	8,483	9,099	6,790	2,812	3,512
(Loss) profit before tax from continuing operations	來自持續經營業務之除稅前(虧損)溢利	(879)	12,267	(5,731)	15,297	5,511
Income tax (expense) credit	所得稅(開支)抵免	(980)	379	2,690	1,334	(692)
(Loss) profit for the year from continuing operations	來自持續經營業務之本年度(虧損)溢利	(1,859)	12,646	(3,041)	16,631	4,819
Loss for the year from discontinued operation	來自已終止經營業務之本年度虧損	-	-	(1,813)	(1,438)	-
(Loss) profit for the year attributable to owners of the Company	本公司持有人應佔本年度(虧損)溢利	(1,859)	12,646	(4,854)	15,193	4,819
(Loss) earnings per share (HK cents)	每股(虧損)盈利(港仙)					
Basic	基本	(0.08)	0.56	(0.24)	1.49	0.61
Diluted	攤薄	(0.08)	0.56	(0.24)	1.39	0.61
		At 31 December 於十二月三十一日				
		2010 HK\$'000 千港元	2009 HK\$'000 千港元 (restated) (重列) (Note (a)) (附註(a))	2008 HK\$'000 千港元 (Note (b)) (附註(b))	2007 HK\$'000 千港元 (Note (b)) (附註(b))	2006 HK\$'000 千港元 (Note (b)) (附註(b))
Assets and liabilities	資產與負債					
Total assets	總資產	487,944	486,772	301,330	532,342	133,813
Total liabilities	總負債	(1,992)	(1,948)	(3,952)	(166,683)	(5,137)
Total assets and liabilities	資產及負債總額	485,952	484,824	297,378	365,659	128,676

Notes:

附註：

- (a) Figures for year 2009 have been adjusted to reflect the changes in accounting policies as described in Note 2 to the consolidated financial statements.
- (b) The summary of the results, assets and liabilities of the Group for the three years ended 31 December 2008 have not been restated upon the early adoption of HKAS 12 (Amendment) "Deferred Tax: Recovery of Underlying Assets" as the directors of the Company are of the opinion that the restatement would involve costs not in proportion to the benefit of the Group.

- (a) 二零零九年之數字已經調整，以反映綜合財務報表附註2所述之會計政策改變。
- (b) 本集團截至二零零八年十二月三十一日止三個年度之業績、資產與負債概要並無因採納香港會計準則第12號(修訂本)「遞延稅項：收回相關資產」而重列，理由是本公司董事認為重列所涉之成本與本集團之得益不相稱。

Particulars of the Group's properties, all of which are wholly-owned, at 31 December 2010 are as follows:

本集團於二零一零年十二月三十一日全資擁有之物業詳情如下：

INVESTMENT PROPERTIES

投資物業

Location 地點	Lot number 地段編號	Category of the lease term 租期類別	Usage 用途
1. 25 car parking spaces on various floors and 5 adjoining spaces on the 2nd and 4th floors of the Bank of East Asia Harbour View Centre, No. 56 Gloucester Road, Wanchai, Hong Kong 香港灣仔告士打道56號東亞銀行港灣中心數層之25個車位及2樓與4樓之5個毗鄰空間	Certain parts or shares of and in the Remaining Portion of Inland Lot No. 2818 The Remaining Portion of Section D of Inland Lot No. 2818 The Remaining Portion of Section F of Inland Lot No. 2817 and Section M of Inland Lot No. 2817 內地段第2818號餘段之若干部份或份額 內地段第2818號D段餘段 內地段第2817號F段餘段以及內地段第2817號M段	Long 長期	Parking 車位
2. 6 car parking spaces and carport basement of No. 9 Queen's Road Central, Central, Hong Kong 香港中環皇后大道中9號6個車位及地庫停車場	Certain parts or shares of and in Sections A and B and the Remaining Portion of Section C and the Remaining Portion of Marine Lot No. 101, the Remaining Portion of Section A of Marine Lot No. 102, Section C of Marine Lot No. 103 and the Remaining Portion of Inland Lot No. 514 海傍地段第101號餘段及A段與B段及C段餘段之若干部份或份額， 海傍地段第102號A段餘段， 海傍地段第103號C段以及內地段第514號餘段	Long 長期	Parking 車位



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