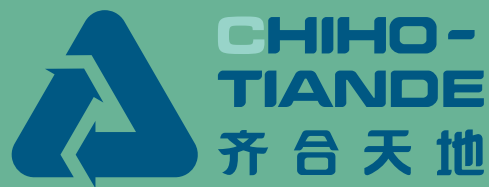


ANNUAL REPORT 2014 年報



CHIHO-TIANDE GROUP LIMITED
齊合天地集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 976



**The leading mixed
Metal recycler
Worldwide**

全球領先-混合金屬再生商



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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

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

Mr. Gu Liyong (*Vice President*)*

Independent Non-Executive Directors

Dr. Loke Yu

Ms. Zhang Jingdong

Mr. Zhu Dajian

EXECUTIVE COMMITTEE

Mr. Fang Ankong (*Chairman*)

Mr. Gu Liyong

AUDIT COMMITTEE

Dr. Loke Yu (*Chairman*)

Ms. Zhang Jingdong

Mr. Zhu Dajian

REMUNERATION COMMITTEE

Mr. Zhu Dajian (*Chairman*)

Dr. Loke Yu

Ms. Zhang Jingdong

Mr. Fang Ankong

NOMINATION COMMITTEE

Mr. Fang Ankong (*Chairman*)

Dr. Loke Yu

Ms. Zhang Jingdong

Mr. Zhu Dajian

AUTHORISED REPRESENTATIVES

Mr. Gu Liyong

Ms. Yu Miu Cheung

* Mr. Gu Liyong, the Executive Director of the Company, is also the main contact person of the external Company Secretary engaged by the Company

董事會

執行董事

方安空先生 (*主席兼行政總裁*)

顧李勇先生 (*副總裁*)*

獨立非執行董事

陸海林博士

章敬東女士

諸大建先生

執行委員會

方安空先生 (*主席*)

顧李勇先生

審核委員會

陸海林博士 (*主席*)

章敬東女士

諸大建先生

薪酬委員會

諸大建先生 (*主席*)

陸海林博士

章敬東女士

方安空先生

提名委員會

方安空先生 (*主席*)

陸海林博士

章敬東女士

諸大建先生

授權代表

顧李勇先生

余妙章女士

* 本公司執行董事顧李勇先生亦為與本公司外聘公司秘書之主要聯絡人



Corporate Information (continued)

公司資料(續)

QUALIFIED ACCOUNTANT AND CHIEF FINANCIAL OFFICER

Mr. Chow Wan Hoi Paul

合資格會計師兼財務總監

周雲海先生

COMPANY SECRETARY

Ms. Yu Miu Cheung

公司秘書

余妙章女士

AUDITOR

Deloitte Touche Tohmatsu

核數師

德勤 • 關黃陳方會計師行

LEGAL ADVISORS

Conyers Dill & Pearman (Cayman Islands)

Stephenson Harwood (Hong Kong)

Van den Boomen Advocaten B.V. (Dutch)

Zhong Lun Law Firm (PRC)

法律顧問

Conyers Dill & Pearman (開曼群島)

羅夏信律師事務所(香港)

Van den Boomen Advocaten B.V. (荷蘭)

中倫律師事務所(中國)

PRINCIPAL BANKERS

Agriculture Bank of China

Bank of China

Bank of Communications

China Merchants Bank

Hua Xia Bank

Shanghai Pudong Development Bank

OCBC Wing Hang Bank Limited

主要往來銀行

中國農業銀行

中國銀行

交通銀行

招商銀行

華夏銀行

上海浦東發展銀行

華僑永亨銀行有限公司

REGISTERED OFFICE

Cricket Square, Hutchins Drive

P.O. Box 2681, Grand Cayman

KY1-1111, Cayman Islands

註冊辦事處

Cricket Square, Hutchins Drive

P.O. Box 2681, Grand Cayman

KY1-1111, Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

48 Wang Lok Street

Yuen Long Industrial Estate

Hong Kong

香港總公司及主要營業地點

香港

元朗工業邨

宏樂街 48 號



Corporate Information (continued)

公司資料(續)

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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

中國總公司及主要營業地點

中國
浙江省
台州市路橋區峰江鎮
台州金屬再生工業園區
郵編：318054

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份登記及過戶分處

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

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

開曼群島主要股份登記及過戶處

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

WEBSITE

www.chiho-tiande.com

公司網站

www.chiho-tiande.com

STOCK CODE

Hong Kong Stock Exchange 976

股份代號

香港聯交所 976



Chairman's Statement 主席報告

On behalf of the Board of Directors (the "Board") of Chiho-Tiande Group Limited (齊合天地集團有限公司) (the "Company"), I present the audited annual results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2014.

The Group had a disappointing result for the 2014 financial year with a loss of HK\$1,058.0 million attributable to owners of the Company. During the year, the Group recorded a reduction in sales from HK\$7.2 billion in 2013 to HK\$5.9 billion in 2014, representing a reduction of 18.1%. The Group recorded a gross loss of HK\$17.4 million during the year, which was due to the adverse impact of the prolonged volatility and the overall downward movement of the global metal prices throughout the year. The prolonged volatility and the overall downward movement of commodity prices had a negative impact on the gross margin of the Group in 2014. As for the net loss, the Group recorded a loss attributable to the owners of the Company of HK\$1,058.0 million, when compared to the loss attributable to the owners of the Company of HK\$382.9 million recorded in 2013. Loss on fair value changes of derivative financial instruments of HK\$773.8 million was recognised in 2014.

With the significant volatile world metal market and despite the reduction in worldwide supply experienced throughout the year, the Group continued to maintain and balance its procurement volume to cater for its processing needs through its well established overseas procurement network. During the year, the Group sold in aggregate over 587,400 tonnes of its processed products within its three business segments. This represented a decrease of 15.8% when compared to 697,800 tonnes in 2013.

During the year, the Group continued to follow its usual practices of consistently buying mixed metal scrap and selling its recycled products in accordance with its processing ability so as to mitigate the short-term impact of price volatility on the overall performance of the Group.

Loss per share attributable to owners of the Company amounted to HK\$1.01 in 2014 (2013: Loss per share HK\$0.37).

Following the establishment of our Hong Kong operations in 2012, the Group's Hong Kong operations together with the Hong Kong joint venture company have established a strong presence in Hong Kong with a rapid increase in local market share. The Group is now in a well-placed position to establish a more diversified scrap metal and electronic waste processing platform in Hong Kong. We continued to be confident that the Hong Kong facility will eventually become an important contributor to the overall performance of the Group.

本人謹代表齊合天地集團有限公司(「本公司」)董事會(「董事會」)，提呈本公司及其附屬公司(「本集團」)截至二零一四年十二月三十一日止年度的經審核全年業績。

本集團二零一四年財政年度的業績不甚理想，錄得本公司擁有人應佔虧損1,058,000,000港元。於年內，本集團錄得銷售由二零一三年的7,200,000,000港元減少至二零一四年的5,900,000,000港元，減少18.1%。於年內，本集團錄得毛損17,400,000港元，乃由於整個年度內全球金屬價格長期波動及整體下滑趨勢的不利影響所致。於二零一四年，商品價格的長期波動及整體下滑趨勢對本集團的毛利率造成負面影響。就虧損淨額而言，本集團錄得本公司擁有人應佔虧損1,058,000,000港元，而二零一三年錄得本公司擁有人應佔虧損382,900,000港元。於二零一四年確認衍生金融工具公平值變動虧損773,800,000港元。

伴隨全球金屬市場大幅波動，儘管整個年度內全球供應減少，但本集團透過其完善的海外採購網絡繼續維持及平衡其採購量以應付加工所需。本集團在整個年度合共售出旗下三個業務分部的加工產品超過587,400噸，較二零一三年的697,800噸減少15.8%。

年內，本集團秉承一貫做法，根據自身的加工能力，持續買入混合廢金屬並出售其再生產品，以減低價格波動對本集團整體表現的短期影響。

於二零一四年，本公司擁有人應佔每股虧損為1.01港元(二零一三年：每股虧損0.37港元)。

於二零一二年設立香港業務後，本集團的香港業務連同香港合資公司已於香港奠定強大實力，快速增加本地市場份額。本集團現時具備優越的條件，以於香港成立更多元化的廢金屬及廢電子加工平台。我們依然確信，香港設施最終將為本集團的整體表現作出重大貢獻。



Chairman's Statement (continued)

主席報告 (續)

With regard to the investment in establishing new processing facilities in the Development Zone in Yantai City, the People's Republic of China (the "PRC"), we have completed the first stage of the development and the new processing facilities are now progressively operational.

Further to our announcement dated 1 December 2014 in relation to the proposed acquisition of 80% equity interest in Yantai Liheng Environmental Protection Technology Co., Limited, we expect to complete our due diligence review in the next few months. The Company will keep its shareholders and the investors informed of the status of the proposed acquisition as and when appropriate.

Going forward, we remain committed to further expanding our processing capability, and at the same time improving our profitability and return on equity. Our focus will continue to cover our existing facilities including Taizhou, Ningbo and Hong Kong. We will continue to be on the lookout for any potential opportunity, especially the activities within the scrap metal resources supply chain in the PRC and other countries.

With the continued emphasis of support from the PRC Government to develop the recycling industry, we are confident that the metal recycling industry in the PRC will continue to grow and will become an important source and an integral part of the metal resources supply chain of the PRC in the future.

Given that the metal recycling industry contributes significantly to the protection of environment and to the preservation of valuable natural resources, we continue to place heavy emphasis on our procurement volume to ensure that it is in line with our processing needs and to cater for our expansion strategy for scrap materials in the PRC.

Fang Ankong

Chairman

Hong Kong, 30 March 2015

有關於中華人民共和國(「中國」)煙台市開發區投資建立新加工設施，我們已完成第一階段開發，且新加工設施正逐步投入營運。

繼日期為二零一四年十二月一日有關建議收購煙台立衡環保科技有限公司80%股權的公告後，我們預期於未來數月內完成盡職審查。本公司將於適當時令其股東及投資者知悉建議收購的最新狀況。

展望未來，我們仍將繼續致力擴大我們的加工能力，同時改善我們的盈利能力及股本回報率。我們將繼續把重點放在現有設施，包括台州、寧波及香港。我們將繼續關注任何潛在商機，尤其是中國及其他國家廢金屬資源供應鏈內之活動。

由於中國政府繼續重點支持發展回收行業，我們相信中國的金屬再生行業將繼續發展，並會成為中國未來金屬資源供應鏈的重要來源及不可分割的一部分。

鑒於金屬再生行業對保護環境及保護寶貴天然資源均有重大貢獻，我們將繼續加強重視採購量，以確保迎合我們的加工需求以及符合我們在中國有關廢料行業的擴展策略。

方安空

主席

香港，二零一五年三月三十日



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK

With the significant volatility in the global metal market and the reduction in worldwide supply seen in 2014, the management continued to face exceptional challenges resulting in a net loss for the whole year in 2014. Despite current weakness and volatility in primary metals prices, which has a knock-on effect on the global metals recycling industry, the Directors believe that the longer prospect of the metals recycling industry in the PRC remains very robust.

The PRC is the world's leading consumer of many basic metals including copper and aluminium. The demand for these basic metals is not likely to reduce drastically in the short term. Given the PRC's increasing concern with environmental pollution, the Directors believe that demand for recycled metals will continue to rise and it is only a matter of whether or not Chinese recyclers can produce recycled metals at economically viable costs. Thus, the management continues to be cautiously optimistic about the Group's performance in the coming year.

In 2014, the Group continued to face difficult business environment including the highly volatile global metal market and the expected slowing economic growth in the PRC. During the year, the Group's revenue decreased from HK\$7.2 billion in 2013 to HK\$5.9 billion, representing a decrease of 18.1%. The gross loss of HK\$17.4 million recorded during the year was due to the adverse impact of the prolonged volatility and the overall downward movement of the global metal prices throughout the year. The prolonged volatility and the overall downward movement of commodity prices had a negative impact on gross margin of the Group in 2014. As for the net loss, the Group recorded a loss attributable to the owners of the Company of HK\$1,058.0 million while comparing to the loss attributable to the owners of the Company of HK\$382.9 million recorded in 2013. Loss on fair value changes of derivative financial instruments of HK\$773.8 million was recognised in 2014.

With a number of unforeseeable circumstances impacting the global supply of scrap materials, the Group experienced a reduction of scrap materials purchased. During the year, the reduction in mixed metal scrap supply was in the region of 20 – 25% when compared with last year. During the year, the Group sold in aggregate over 587,400 tonnes of processed products within its three business segments. This represented a decrease of 15.8% when compared to 697,800 tonnes in 2013.

During the year, the Group continued to follow its usual practices of consistently buying mixed metal scrap and selling its recycled products in accordance with its processing ability so as to mitigate the short-term impact of price volatility on the overall performance of the Group.

業務回顧及展望

伴隨二零一四年全球金屬市場大幅波動及全球供應減少，管理層繼續面臨異常挑戰，導致二零一四年全年錄得虧損淨額。雖然對全球金屬再生行業起鏈鎖效應之原料金屬價格目前處於疲弱及波動水平，董事相信，中國金屬再生行業較長遠而言之前景仍然十分強勁。

中國是全球很多基本金屬之主要消費國，包括銅和鋁。對該等基本金屬需求將不會於短期內出現大幅減少。鑒於中國對環境污染日益關注，董事相信，再生金屬之需求將繼續上升，所取決的只是中國之再生商是否可以按經濟上可行之成本生產再生金屬。因此，管理層繼續對本集團來年的表現持謹慎樂觀態度。

於二零一四年，本集團繼續面臨業務環境困難，包括全球金屬市場高度波動及中國經濟增長預期減緩。年內，本集團的收益由二零一三年的7,200,000,000港元減少至5,900,000,000港元，減少18.1%。年內錄得毛損17,400,000港元，乃由於整個年度內全球金屬價格長期波動及整體下滑趨勢的不利影響所致。於二零一四年，商品價格的長期波動及整體下滑趨勢對本集團的毛利率造成負面影響。就虧損淨額而言，本集團錄得本公司擁有人應佔虧損1,058,000,000港元，而二零一三年錄得本公司擁有人應佔虧損382,900,000港元。於二零一四年確認衍生金融工具公平值變動虧損773,800,000港元。

隨著若干不可預見情況影響全球廢料供應，本集團面臨廢料採購減少。年內，混合廢金屬供應較去年減少20–25%。本集團在整個年度合共售出旗下三個業務分部的加工產品超過587,400噸，較二零一三年的697,800噸減少15.8%。

年內，本集團秉承一貫做法，根據自身的加工能力，持續買入混合廢金屬並出售其再生產品，以減低價格波動對本集團整體表現的短期影響。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

BUSINESS REVIEW AND OUTLOOK (continued)

With regard to the legal proceedings in the PRC involving Shanghai Chiho-Tiande Resource Recycling Co., Limited (the “Shanghai JV”), the Baoshan People’s Court has delivered the judgment (the “Judgment”) in relation to the claim brought by Shanghai Science and Technology Co., Ltd. (the “lessor”) against the Shanghai JV and the counterclaim by the Shanghai JV against the lessor on 12 January 2015. The Shanghai JV has applied to the Second Intermediate People’s Court of Shanghai for an appeal against the Judgment on 27 January 2015.

The Board takes the view that the legal proceedings will not have any material adverse effect on the business, operations or financial results of the Group. The Company will keep its shareholders and the investors informed of the development of the legal proceedings as and when appropriate.

Loss per share attributable to owners of the Company amounted to HK\$1.01 in 2014 (2013: Loss per share HK\$0.37).

Our Procurement Network

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

Corporate and Business Development

Following the establishment of our Hong Kong operations in 2012, the Group’s Hong Kong operations together with the Hong Kong joint venture company continued to gain strong presence in Hong Kong. The Group is now in a well-placed position to establish a more diversified scrap metal and electronic waste processing platform in Hong Kong. We continued to be confident that the Hong Kong facility will eventually become an important contributor to the overall performance of the Group.

業務回顧及展望(續)

就在中國涉及上海齊合天地再生資源有限公司(「上海合資企業」)的法律訴訟而言，於二零一五年一月十二日，寶山區人民法院就上海民營科技實業發展公司(「出租人」)向上海合資企業提出的申索，以及上海合資企業向出租人提出的反申索作出判決(「判決」)。於二零一五年一月二十七日，上海合資企業已就判決向上海第二中級人民法院申請上訴。

董事會認為法律訴訟將不會對本集團的業務、營運或財務業績有任何重大不利影響。本公司將於適當時候知會其股東及投資者法律訴訟之進展。

於二零一四年，本公司擁有人應佔每股虧損為1.01港元(二零一三年：每股虧損0.37港元)。

本集團的採購網絡

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

企業及業務發展

於二零一二年設立香港業務後，本集團的香港業務連同香港合資公司繼續於香港奠定強大實力。本集團現時具備優越的條件，以於香港成立更多元化的廢金屬及廢電子加工平台。我們依然確信，香港設施最終將為本集團的整體表現作出重大貢獻。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

BUSINESS REVIEW AND OUTLOOK (continued) Corporate and Business Development (continued)

With regard to the investment in establishing new processing facilities in the Development Zone in Yantai City, PRC, we have completed the first stage of the development and the new processing facilities are now progressively operational.

Further to our announcement dated 1 December 2014 in relation to the proposed acquisition of 80% equity interest in Yantai Liheng Environmental Protection Technology Co., Limited, we expect to complete our due diligence review in the next few months. The Company will keep its shareholders and the investors informed of the status of the proposed acquisition as and when appropriate.

As part of the Group's future developments, on 21 and 27 March 2015, the Company entered into the following agreements in relation to the placing of new shares:

- (a) a subscription agreement (the "First Subscription Agreement") with USUM Investment Group Hong Kong Limited (the "Subscriber"), pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for 203.9 million new shares at the subscription price of HK\$9.01 per share. The net proceeds of such subscription are estimated to be approximately HK\$1,835.64 million. The new shares will be issued and allotted under the general mandate granted to the directors of the Company at the annual general meeting of the Company held on 14 May 2014.
- (b) a subscription agreement (as amended and restated by a supplemental agreement dated 27 March 2015, the "Second Subscription Agreement") with the Subscriber, pursuant to which the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for additional 253 million shares in the aggregate amount of HK\$2,279.53 million at the initial subscription price of HK\$9.01 per share (subject to adjustments). The net proceeds of such subscription are estimated to be approximately HK\$2,278.03 million. The new shares will be issued and allotted under a specific mandate to be sought from the independent shareholders at an extraordinary general meeting to be convened by the Company.

Details of the above transactions are set out in the announcement of the Company dated 27 March 2015.

業務回顧及展望(續)

企業及業務發展(續)

有關於中國煙台市開發區投資建立新加工設施，我們已完成第一階段開發，且新加工設施正逐步投入營運。

繼日期為二零一四年十二月一日有關建議收購煙台立衡環保科技有限公司80%股權的公告後，我們預期於未來數月內完成盡職審查。本公司將於適當時令其股東及投資者知悉建議收購的最新狀況。

作為本集團未來發展之一部分，於二零一五年三月二十一日及二十七日，本公司就配售新股份訂立下列協議：

- (a) 與渝商投資集團(香港)有限公司(「認購方」)訂立認購協議(「第一份認購協議」)，據此，本公司已有條件同意配發及發行，而認購方則已有條件同意以認購價每股股份9.01港元認購203,900,000股新股份。該認購事項之所得款項淨額估計約為1,835,640,000港元。新股份將根據本公司於二零一四年五月十四日舉行之股東週年大會授予本公司董事之一般授權予以發行及配發。
- (b) 與認購方訂立之認購協議(經日期為二零一五年三月二十七日之補充協議所修訂及重列，「第二份認購協議」)，據此，本公司已有條件同意發行，而認購方則已有條件同意以初始認購價每股股份9.01港元(可予調整)，認購額外253,000,000股股份，總金額為2,279,530,000港元。該認購事項之所得款項淨額估計約為2,278,030,000港元。新股份將根據於本公司將予舉行之股東特別大會上尋求獨立股東批准之特定授權予以發行及配發。

上述交易之詳情載於本公司日期為二零一五年三月二十七日之公告內。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

BUSINESS REVIEW AND OUTLOOK (continued) Corporate and Business Development (continued)

Going forward, we remain committed to further expanding our processing capability, and at the same time improving our profitability and return on equity. Our focus will continue to cover our existing facilities including Taizhou, Ningbo and Hong Kong. We will continue to be on the lookout for any potential opportunity, especially the activities within the scrap metal resources supply chain in the PRC and other countries.

Social Responsibilities

On the environmental protection front, we continued to place great emphasis on ensuring that all of our processing facilities are in line with local and national environmental protection standards.

With the changes in the evaluation process by the Environmental Protection Department of Zhejiang Province (浙江省環境保護廳) in 2013, our Taizhou facilities have once again passed the evaluation process as designated processing units for imported metal scraps recycling and utilization in Zhejiang Province. Our production processes do not consume large volumes of electricity and water and therefore produce very small volumes of waste materials. We consider that we have adopted sufficient environmental protection measures and controls against air, water, solids and noise pollutions produced during the course of our production process.

Prospects

With the continued strong support from the PRC Government to develop the recycling industry, we remain confident that the metal recycling industry in the PRC will continue to grow and will become an important source and an integral part of the metal resource supply chain of the PRC in the future.

On the basis that metal recycling industry contributes significantly to the protection of environment and to the preservation of valuable natural resources, we continue to place heavy emphasis on our procurement volume to ensure that it is in line with our processing needs and to cater for our expansion strategy for scrap materials in the PRC. With this in mind and in accordance with our expansion strategy, the Group is aiming to procure 40,000 to 60,000 tonnes of mixed metal scrap materials per month to cater for its processing needs. This purchase volume is expected to increase as the Group continues to expand. The management will continue making efforts to capitalise on such direction in achieving satisfactory returns to the Shareholders.

業務回顧及展望(續)

企業及業務發展(續)

展望未來，我們仍將繼續致力擴大我們的加工能力，同時改善我們的盈利能力及股本回報率。我們將繼續把重點放在現有設施，包括台州、寧波及香港。我們將繼續關注任何潛在商機，尤其是中國及其他國家廢金屬資源供應鏈內之活動。

社會責任

在環保方面，我們繼續把重點放在確保旗下所有加工設施均符合當地及國家的環保標準。

於二零一三年浙江省環境保護廳評估程序改變後，我們的台州設施再度通過評估程序，獲列為浙江省進口廢五金類廢物加工利用定點企業。本集團的生產流程不會耗用大量水電，故產生的廢料極少。本集團認為，其已採取足夠環境保護措施及監控，以減少生產工序產生的空氣、水、固體及噪音污染。

前景

由於中國政府繼續重點支持發展回收行業，我們仍然相信中國的金屬再生行業將繼續發展，並會成為中國未來金屬資源供應鏈的重要來源及不可分割的一部分。

鑒於金屬再生行業對保護環境及保護寶貴天然資源均有重大貢獻，我們將繼續加強重視採購量，以確保迎合我們的加工需求以及符合我們在中國有關廢料行業的擴展策略。有鑑於此，並根據本公司的擴充策略，本集團的目標是每月採購40,000至60,000噸混合廢金屬原料，以應付加工所需。預期上述採購量將會隨著本集團的不斷擴充而相應增加。管理層將繼續利用上述策略，致力為本公司股東爭取理想回報。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

FINANCIAL REVIEW

Revenue

Revenue decreased by approximately HK\$1.3 billion, or 18.1%, from HK\$7.2 billion in 2013 to HK\$5.9 billion in the year. The decrease was mainly contributed by a decrease in sales volume as well as average selling prices for our recycled metal products and foundry products.

Cost of sales

Cost of sales decreased by approximately HK\$1.3 billion, or 18.1%, from HK\$7.2 billion in 2013 to HK\$5.9 billion in the year. The decrease is in line with the decrease in revenue and primarily due to a decrease in sales volume and reduction in the average purchase prices of raw materials.

Gross loss and gross loss margin

Gross loss of approximately HK\$17.4 million was recorded when compared to gross loss of HK\$23.8 million in 2013. The decrease in gross loss is mainly due to slight improvement on gross margin contributed by some of our products, including copper scrap, steel scrap, aluminium alloy ingots and other metal scrap without processing.

Distribution and selling expenses

Distribution and selling expenses decreased by approximately HK\$11.8 million, or 33.2%, from HK\$35.5 million in 2013 to HK\$23.7 million in the year. This was mainly due to decrease in selling activities in Hong Kong during the year.

Administrative expenses

Administrative expenses decreased by approximately HK\$2.8 million, or 2.1%, from HK\$133.3 million in 2013 to HK\$130.5 million in the year. This was mainly due to the decrease in share-option expenses during the year.

Other income

Other income decreased by approximately HK\$15.7 million, or 35.9%, from HK\$43.7 million in 2013 to HK\$28.0 million in the year. This was mainly due to the decrease in government grants received during the year.

財務回顧

收益

收益減少約1,300,000,000港元或18.1%，由二零一三年的7,200,000,000港元減至本年度的5,900,000,000港元。減少的主要原因是由於再生金屬產品及鑄造產品的銷量及平均售價均告下降所致。

銷售成本

銷售成本減少約1,300,000,000港元或18.1%，由二零一三年的7,200,000,000港元減至本年度的5,900,000,000港元。該減少與收益減少一致，主要是由於銷量減少及原料平均採購價下降所致。

毛損及毛損率

錄得毛損約為17,400,000港元，而二零一三年毛損為23,800,000港元。毛損減少主要由於我們的若干產品(包括廢銅、廢鋼、鋁錠及其他未加工廢金屬)貢獻毛利率有輕微增加所致。

分銷及銷售開支

分銷及銷售開支減少約11,800,000港元或33.2%，由二零一三年的35,500,000港元減至本年度的23,700,000港元。主要由於年內香港的銷售活動減少所致。

行政開支

行政開支減少約2,800,000港元或2.1%，由二零一三年的133,300,000港元減至本年度的130,500,000港元，主要是由於年內購股權開支減少。

其他收入

其他收入減少約15,700,000港元或35.9%，由二零一三年的43,700,000港元減至本年度的28,000,000港元，主要是由於年內收到政府補貼減少所致。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

FINANCIAL REVIEW (continued)

Other gains and losses

Other losses increased by approximately HK\$710.3 million from HK\$60.6 million in 2013 to HK\$770.9 million in the year. This was mainly due to loss on fair value changes of derivative financial instruments of approximately HK\$773.8 million during the year.

Finance costs

Finance costs decreased by approximately HK\$19.0 million, or 11.0%, from HK\$172.3 million in 2013 to HK\$153.3 million in the year. This was mainly due to decrease in bank borrowings during the year.

Loss for the year

As a result of the factors mentioned above, the Company incurred a loss attributable to the owners of the Company for the year of approximately HK\$1,058.0 million, when compared to a loss attributable to the owners of the Company of HK\$382.9 million in 2013. The losses increase was mainly due to an adverse impact of the prolonged volatility and the overall downward movement of the global metal prices throughout the year and the loss on fair value changes of derivatives financial instruments when the Group is required to make under the “mark-to-market” accounting principle.

Key Financial Ratios

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

Liquidity Ratios	流動資金比率	At 31	At 31
		December	December
		2014	2013
		於二零一四年	於二零一三年
		十二月三十一日	十二月三十一日
Current ratio	流動比率	0.90	1.69
Quick ratio	速動比率	0.52	0.62
Gearing ratio (%)	資產負債比率(%)	58.8	55.3

財務回顧(續)

其他收益及虧損

其他虧損增加約710,300,000港元，由二零一三年的60,600,000港元增至本年度的770,900,000港元，主要是由於年內衍生金融工具公平值變動虧損約773,800,000港元所致。

財務成本

財務成本減少約19,000,000港元或11.0%，由二零一三年的172,300,000港元減至本年度的153,300,000港元，主要由於年內銀行借貸減少所致。

年內虧損

基於上述因素，本公司產生年內本公司擁有人應佔虧損約1,058,000,000港元，而二零一三年則錄得本公司擁有人應佔虧損382,900,000港元。虧損增加主要由於整個年度內全球金屬價格長期波動及整體下滑趨勢的不利影響及本集團須根據「市值計算」會計原則作出的衍生金融工具公平值變動虧損所致。

關鍵財務比率

下表載列於所示日期及期間本公司的若干財務比率：



Management Discussion and Analysis (continued)

管理層討論及分析(續)

FINANCIAL REVIEW (continued)

Key Financial Ratios (continued)

財務回顧(續)

關鍵財務比率(續)

		Year ended 31 December 截至十二月三十一日止年度	
		2014 二零一四年	2013 二零一三年
Inventory turnover days	存貨周轉日數	114	140
Debtor's turnover days	應收賬周轉日數	13	12
Creditor's turnover days	應付賬周轉日數	12	9

Liquidity and Financial Resources and Capital Structure

Included in net current assets were cash and various bank deposits totaling HK\$707.4 million (2013: HK\$588.3 million). Total borrowings were HK\$1.3 billion (2013: HK\$2.0 billion), and these were mainly used to finance the purchases of mixed metal scrap from overseas. Such borrowings are mainly denominated in United States dollars and Renminbi.

The gearing ratio of the Group as at 31 December 2014 was 58.8% (2013: 55.3%).

Debtor's turnover days increased from 12 days for the year ended 31 December 2013 to 13 days for the year ended 31 December 2014 and the creditor's turnover days increased from 9 days for the year ended 31 December 2013 to 12 days for the year ended 31 December 2014.

Inventory turnover days decreased from 140 days for the year ended 31 December 2013 to 114 days for the year ended 31 December 2014.

流動資金及財務資源及資本架構

包括於流動資產淨值中的為現金及多項銀行存款共707,400,000港元(二零一三年: 588,300,000港元)。借貸總額為1,300,000,000港元(二零一三年: 2,000,000,000港元)，主要用於為向海外採購混合廢金屬提供資金。該等借貸主要以美元及人民幣計值。

本集團於二零一四年十二月三十一日的資產負債比率為58.8%(二零一三年: 55.3%)。

應收賬周轉日數由截至二零一三年十二月三十一日止年度的12日增加至截至二零一四年十二月三十一日止年度的13日，而應付賬周轉日數由截至二零一三年十二月三十一日止年度的9日增加至截至二零一四年十二月三十一日止年度的12日。

存貨周轉日數由截至二零一三年十二月三十一日止年度的140日減少至截至二零一四年十二月三十一日止年度的114日。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2014, we had pledged certain property, plant and equipment, prepaid lease payments, investment properties and bank deposits with an aggregate carrying value of approximately HK\$577.9 million (2013: approximately HK\$447.6 million) to secure bank borrowings.

As at 31 December 2014, we had capital commitments in respect of acquisition of property, plant and equipment, and prepaid lease payments contracted but not provided for in the consolidated financial statements amounted to HK\$257.2 million (2013: HK\$82.2 million) and capital commitments in respect of acquisition of a subsidiary authorised but not contracted for amounted to HK\$81.1 million (2013: Nil).

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

RISK MANAGEMENT

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

The Company has established a Pricing Committee and adopted a hedging policy (the "Hedging Policy") which aimed to enhance the Group's risk management of commodity price fluctuations. The Hedging Policy sets out, among other things, the target inventory turnover days that the Group aims to achieve under normal circumstances and market conditions, and provides that the Board must approve any change to the inventory turnover day criteria. The Hedging Policy also requires the Board to obtain professional advice on the current and future market outlook of the commodities market if the target inventory turnover days could not be met.

資本承擔及或然負債

於二零一四年十二月三十一日，我們抵押賬面總值約577,900,000港元的若干物業、廠房及設備、預付租金、投資物業及銀行存款(二零一三年：約447,600,000港元)，以為銀行借貸作擔保。

於二零一四年十二月三十一日，我們就有關收購物業、廠房及設備以及預付租金已訂約但未於綜合財務報表計提撥備的資本開支為257,200,000港元(二零一三年：82,200,000港元)及就收購一間附屬公司已授權但未訂約的資本開支為81,100,000港元(二零一三年：無)。

於本報告日期，就董事會所知，概無任何重大或然負債。

風險管理

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

本公司已成立定價委員會及採納對沖政策(「對沖政策」)，旨在加強本集團對商品價格波動的風險管理。對沖政策載明(其中包括)本集團於正常環境及市場狀況下可達到的目標存貨周轉日數，且規定董事會須批准存貨周轉日數標準的任何變動。倘未能達到目標存貨周轉日數，對沖政策亦要求董事會就當前及未來商品市場的市場前景獲得專業意見。



Management Discussion and Analysis (continued)

管理層討論及分析(續)

RISK MANAGEMENT (continued)

Following the review of the historical inventory turnover days of the Group in 2013, the Board noted that the historical inventory turnover days were, in practice, longer than the then target inventory turnover days of 90 days because of various practical reasons, including seasonal factors and prevailing market conditions. The Board considered it is unrealistic to maintain the target inventory turnover days of 90 days, and that the Board should be given discretion to determine whether it is necessary for the Board to engage and seek relevant professional advice. The Board has therefore resolved to amend the Hedging Policy in January 2014 such that:

- (a) the target inventory turnover days is now changed from 90 days to 160 days;
- (b) any change to the inventory turnover day criteria (i.e. if the inventory turnover days are more than 160 days) will require approval by the Board in accordance with the terms of the Hedging Policy, save that no such approval is required if the target inventory turnover days are not achieved in January and February owing to the intervening Chinese New Year holiday; and
- (c) in the event that the commodity market experiences a sustained and sharp decline in prices that are likely to cause a lengthening in the inventory turnover days, the Board may consider engaging and seeking relevant professional firms to advise it on the current and future market outlook of the commodities market.

With regard to foreign currency risk management, we continued borrowing in United States dollars by securing Renminbi deposits in order to manage the foreign currency risk exposure. We will continue using this hedging strategy so long as the exchange rate justifies it.

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

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

風險管理(續)

經過於二零一三年對本集團歷史存貨周轉日數進行審閱後，董事會注意到，因為多個實際原因，包括季節性因素及現行市場狀況，歷史存貨周轉日數實際上長於90日的當時目標存貨周轉日數。董事會認為，維持90日的目標存貨周轉日數屬不現實，且董事會須獲全權決定是否有必要徵求及尋求相關專業意見。因此，董事會於二零一四年一月議決修改對沖政策為：

- (a) 目標存貨周轉日數現由90日改為160日；
- (b) 董事會須根據對沖政策條款批准對存貨周轉日數標準所作的任何變動(例如存貨周轉日數超過160日)，惟倘於一月及二月因中國新年假期而導致目標存貨周轉日數並未達至則除外；及
- (c) 倘商品市場遭受價格持續急劇下跌，可能導致延長存貨周轉日數，則董事會可考慮徵求及尋求相關專業公司就當前及未來商品市場的市場前景提供意見。

外幣風險管理方面，我們繼續以人民幣存款作抵押而增加美元借款，以管理外幣風險。只要外匯變動的趨勢合理，我們將繼續使用此對沖策略。

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

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



Management Discussion and Analysis (continued)

管理層討論及分析(續)

RISK MANAGEMENT (continued)

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

EMPLOYEES

As at 31 December 2014, we had a workforce of 521 employees. In addition, we engaged approximately 2,486 separation and selection workers through local recognized contractors. We have not experienced any strikes, work stoppages or significant labor disputes which have affected its operations in the past. We have not experienced any significant difficulties in recruiting and retaining qualified staff. We continue to maintain good relationships with our employees.

THE REMUNERATION POLICY

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

風險管理(續)

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

僱員

於二零一四年十二月三十一日，我們共有521名僱員。此外，我們透過當地認可工頭僱用約2,486名拆解及選料工人。我們過去並無經歷任何影響經營的罷工、停工或重大勞資糾紛。我們在招聘及挽留合資格僱員方面亦無遇到重大困難。我們與僱員一直維持良好的關係。

薪酬政策

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



Profile of Directors and Senior Management

董事及高級管理人員履歷

EXECUTIVE DIRECTORS

Mr. Fang Ankong (方安空), aged 49, is an Executive Director, Chairman and Chief Executive Officer of the Company and its subsidiaries (together the "Group"). Mr. Fang Ankong was appointed as an Executive Director on 15 May 2008. Mr. Fang serves as a Chairman of the Executive Committee, Nomination Committee and Pricing Committee and a member of the Remuneration Committee of the Company. He is also a Director of certain subsidiaries of the Group. Mr. Fang Ankong is also one of the founders of the Group. Mr. Fang Ankong founded the Group in 1999 and has over 20 years of experience in the business of metallurgy and metal scrap recycling. Mr. Fang Ankong is primarily responsible for setting corporate strategy and planning, and overall management of the Group. Prior to founding the Group, Mr. Fang Ankong has been engaged in the import and trading of metals scrap. From 1995, Mr. Fang Ankong was a shareholder of Tianan Resources, a company engaged in the importing of metal scrap into China and recycling of metal scrap, and also participated in the operation and management of Tianan Resources. Tianan Resources was deregistered in 2002.

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

Mr. Gu Liyong (顧李勇), aged 52, is an Executive Director and Vice President of the Group. He was appointed as an Executive Director on 28 August 2008. Mr. Gu serves as a member of the Executive Committee of the Company and he is also a Director of certain subsidiaries of the Group. He is primarily responsible for operational and financial activities and has over 29 years of experience in the industry. Mr. Gu graduated from Shanghai University of Technology (上海工業大學) in 1984 with a Bachelor's degree in Engineering and majoring in steel making from the Department of Metallurgy. He worked at China Resources Reclamation Corp., East China Co. (中國物資再生利用總公司華東公司), a company for recycling and trading ferrous metal (such as steel and iron) and non-ferrous metal (such as copper, aluminium, lead and tin) and plastic scrap in the East China region, for at least 10 years and started his career in the management and operation of domestic and international recycling business. He was a manager for the import and export department and an assistant to general manager in China Resources Reclamation Corp.,

執行董事

方安空先生，49歲，執行董事、本公司及其附屬公司(統稱「本集團」)主席兼行政總裁，於二零零八年五月十五日獲委任為執行董事。方先生為本公司執行委員會、提名委員會及定價委員會主席及薪酬委員會成員。彼亦為本集團若干附屬公司之董事。方安空先生亦為本集團創辦人之一。方安空先生於一九九九年創辦本集團，擁有逾二十年冶金及廢金屬再生業務經驗。方安空先生主要負責制訂本集團的企業策略及規劃與整體管理。彼於創辦本集團前曾從事廢金屬進口及貿易業務。方安空先生自一九九五年起為天安資源股東，亦參與天安資源的營運和管理。天安資源為從事於中國進口及回收利用廢金屬的公司，於二零零二年註銷。

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

顧李勇先生，52歲，執行董事兼本集團副總裁。彼於二零零八年八月二十八日獲委任為執行董事。顧先生為本公司執行委員會成員及本集團若干附屬公司之董事。彼主要負責營運及融資業務等工作，擁有逾二十九年行業經驗。顧先生在一九八四年畢業於上海工業大學，取得冶金系工程學學士學位，主修煉鋼，其後在華東地區從事回收及買賣黑色金屬(如鋼鐵)及有色金屬(如銅、鋁、鉛及錫)與塑膠廢料的中國物資再生利用總公司華東公司工作最少十年，自此開展其國內及國際再生業務之管理及經營事業。彼曾先後於中國物資再生利用總公司華東公司出任進出口部經理及總經理助理，負責管理向海外採購廢金屬及轉售予客戶等事務。顧先生對於各種資源(包括各類金屬及其他廢料)的回收利用經驗豐富。顧先生在



Profile of Directors and Senior Management (continued)

董事及高級管理人員履歷 (續)

East China Co., and was responsible for managing the procurement of metal scrap from overseas and reselling to their customers. Mr. Gu has extensive experience in the recycling of different resources, including metals and other scrap materials. Since he joined the Group in 1999, Mr. Gu has been responsible for the import and export businesses of the Group by utilising his professional knowledge in the recycling resources business.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Loke Yu alias Loke Hoi Lam (陸海林), aged 65, is an Independent Non-Executive Director. He was appointed as an Independent Non-Executive Director on 23 June 2010. Dr. Loke serves as the Chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee of the Company. Dr. Loke has over 39 years of experience in accounting and auditing for private and public companies, financial consultancy and corporate management. He holds a Master of Business Administration degree from Universiti Teknologi Malaysia and a Doctor of Business Administration degree from University of South Australia. He is a Fellow of The Institute of Chartered Accountants in England and Wales, Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Directors and The Hong Kong Institute of Chartered Secretaries.

He is currently the company secretary of Minth Group Limited and serves as an independent non-executive director of the following companies whose shares are listed on the Stock Exchange: V1 Group Limited (formerly known as VODone Limited), Matrix Holdings Limited, Sino Distillery Group Limited, China Fire Safety Enterprise Group Limited, Winfair Investment Company Limited, SCUD Group Limited, Zhong An Real Estate Limited, Tianjin Development Holdings Limited, China Household Holdings Limited, Wing Tai Investment Holdings Limited (formerly known as Wing Lee Holdings Limited) and Tianhe Chemicals Group Limited.

一九九九年加入本集團，運用其再生資源業務方面的專業知識，曾負責本集團的進出口業務的運作。

獨立非執行董事

陸海林博士，65歲，獨立非執行董事。彼於二零一零年六月二十三日獲委任為獨立非執行董事。陸博士為本公司審核委員會主席、薪酬委員會及提名委員會成員。陸博士於私人及上市公司之會計及審計工作、財務顧問及企業管理等方面擁有逾三十九年經驗，持有馬來西亞科技大學工商管理碩士學位和南澳大學工商管理博士學位。彼為英格蘭與威爾斯特許會計師學會、香港會計師公會、香港董事學會及香港特許秘書公會之資深會員。

彼現為敏實集團有限公司之公司秘書，亦為股份於聯交所上市之下列多家公司之獨立非執行董事：第一視頻集團有限公司、美力時集團有限公司、中國釀酒集團有限公司、中國消防企業集團有限公司、永發置業有限公司、飛毛腿集團有限公司、眾安房產有限公司、天津發展控股有限公司、中國家居控股有限公司、永泰投資控股有限公司(前稱永利控股有限公司)及天合化工集團有限公司。



Profile of Directors and Senior Management (continued) 董事及高級管理人員履歷 (續)

Ms. Zhang Jingdong (章敬東), aged 69, is an Independent Non-Executive Director. She joined the Group on 23 June 2010. Ms. Zhang is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. She was the vice-secretary-general of Financial Trust Association of Zhejiang Province (浙江省金融信託業協會) before joining our Group and she served as chief, general manager and independent director and held various positions in various Chinese banking and corporate finance sectors including the People's Bank of China Heilongjiang Branch (中國人民銀行黑龍江省分行), the People's Bank of China Zhejiang Branch (中國人民銀行浙江省分行), Financial Intermediation Centre of Zhejiang Province (浙江省資金融通中心), and office of Hangzhou Financial Supervision of People's Bank of China Shanghai Branch (中國人民銀行上海分行杭州金融監管辦公室).

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

Mr. Zhu Dajian (諸大建), aged 60, is an Independent Non-Executive Director. He joined the Group on 17 December 2014. Mr. Zhu serves as the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. He is a distinguished professor of the School of Economics & Management, a director of the Institute of Governance for Sustainable Development (可持續發展與管理研究所), the head of the Department of Public Management and Policy (公共管理系), and the vice chairman of the Tongji University Academic Committee (同濟大學學術委員會), at Tongji University in Shanghai (上海同濟大學), the People's Republic of China. He was awarded the special allowance by the China's State Council in 2000. He was also a senior research scholar at Harvard University in 2005 and a senior visiting fellow at Melbourne University in Australia from 1994 to 1995. Moreover, he is appointed as a member of The State Foundation for Social Sciences, a member of the Social Science Commission under the Chinese Education Ministry, a member of the Experts Commission on Sustainable Development & Resource and Environment (可持續發展及資源及環境之專家委員會) under the Chinese Construction Ministry, and a special policy advisor (決策諮詢特聘專家) for the Shanghai Municipal Government. He is also a member of the International Expert Committee of Enel Foundation in Italy, the Ellen MacArthur Foundation in the United Kingdom and Firmenich in Switzerland, respectively. Mr. Zhu was appointed as an independent non-executive director of China Taiping Insurance Holdings Company Limited on 21 August 2014, a company listed on The Stock Exchange of Hong Kong Limited (Stock code: 966).

章敬東女士，69歲，獨立非執行董事。於二零一零年六月二十三日加入本集團。章女士亦為本公司審核委員會、薪酬委員會及提名委員會成員。章女士加入本集團前擔任浙江省金融信託業協會副秘書長，且曾從事中國的多家銀行及企業財務行業，包括中國人民銀行黑龍江省分行、中國人民銀行浙江省分行、浙江省資金融通中心及中國人民銀行上海分行杭州金融監管辦公室等處長、總經理及獨立董事等多個職位。

章女士持有黑龍江省社會科學院經濟管理碩士學位。

諸大建先生，60歲，獨立非執行董事。彼於二零一四年十二月十七日加入本集團。諸先生為本公司薪酬委員會主席、審核委員會及提名委員會成員。彼為中華人民共和國上海同濟大學經濟及管理學院特聘教授、可持續發展與管理研究所所長、公共管理系主任及同濟大學學術委員會副主任。彼於二零零零年享受中國國務院特殊津貼。於二零零五年，彼於哈佛大學出任高級研究學者，及於一九九四年至一九九五年，彼於澳洲墨爾本大學出任高級訪問學者。此外，彼亦委任為國家哲學社會科學規劃專家、中國教育部社會科學委員會成員、中國建設部可持續發展及資源及環境之專家委員會成員以及上海市政府之決策諮詢特聘專家。彼亦分別為意大利Enel Foundation、英國Ellen MacArthur Foundation及瑞士Firmenich之國際專家委員會成員。諸先生於二零一四年八月二十一日獲委任為中國太平保險控股有限公司的獨立非執行董事，該公司於香港聯合交易所有限公司上市(股份代號：966)。



Profile of Directors and Senior Management (continued) 董事及高級管理人員履歷(續)

SENIOR MANAGEMENT

Mr. Chow Wan Hoi Paul (周雲海), aged 59, is the Qualified Accountant and Chief Financial Officer of the Group. He joined the Group in June 2009 as chief financial officer with responsibility for overall financial matters of the Group. Mr. Chow has significant experience in accounting and finance. He is an associate of both the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants in Australia. He is also a member of the Hong Kong Institute of Certified Public Accountants. Mr. Chow currently serves as an independent non-executive director of Associated International Hotels Limited (Stock code: 0105) and Tian Teck Land Limited (Stock code: 0266), companies listed on the Stock Exchange.

Mr. Ding Guopei (丁國培), aged 52, is the Senior Vice President of the Group, the General Manager, Director and Vice-Chairman of Taizhou Chiho-Tiande Metals Company Limited and Taizhou Chiho-Tiande Foundry Company Limited. Mr. Ding has over 16 years of experience in the industry and joined the Group in December 1999. Prior to joining the Group, he was a trader principally engaged in the metal recycling industry. Mr. Ding obtained a diploma majoring in International Economics and Trade from the Faculty of Business from Ningbo University in 2002.

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

高級管理人員

周雲海先生，59歲，本集團合資格會計師及財務總監。彼於二零零九年六月加入本集團，擔任財務總監，負責本集團整體財務事務。周先生擁有豐富的會計及財務經驗，為英格蘭和威爾斯特許會計師公會及澳洲特許會計師公會會員，亦為香港會計師公會會員。周先生現時分別於聯交所上市的公司凱聯國際酒店有限公司(股份代號：0105)及天德地產有限公司(股份代號：0266)擔任獨立非執行董事。

丁國培先生，52歲，本集團高級副總裁兼台州齊合天地金屬有限公司及台州齊合天地鑄造有限公司總經理、董事及副董事長。丁先生擁有逾十六年行業經驗，於一九九九年十二月加入本集團。加入本集團前，彼為主要從事再生金屬業的商人。丁先生於二零零二年取得寧波大學商學院國際經濟與貿易專業大專班文憑。

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



Profile of Directors and Senior Management (continued) 董事及高級管理人員履歷 (續)

Ms. Fang Aiping (方愛萍), aged 51, is the Vice President of the Group, and the Financial Vice-General Manager of Taizhou Chiho-Tiande Metals Company Limited and Taizhou Chiho-Tiande Foundry Company Limited. She is primarily responsible for the subsidiaries' overall financial planning, financial reporting and budgeting as well as implementing our Group's business strategies. Ms. Fang Aiping joined our Group since December 1999. Ms. Fang Aiping has more than 15 years of experience in financial management. Ms. Fang Aiping is the elder sister of Mr. Fang Ankong and Mr. Fang Anlin. She is the wife of Mr. Ding Guopei.

Mr. Fang Anlin (方安林), aged 46, is the Vice President of the Group, and the Vice-General Manager of Taizhou Chiho-Tiande Metals Company Limited and Taizhou Chiho-Tiande Foundry Company Limited. He is also a Director of certain subsidiaries of the Group. He is primarily responsible for the production of the subsidiaries. Mr. Fang Anlin joined the Group in December 1999 and has over 20 years of experience in the business of mixed metal scrap. Since Mr. Fang Anlin joined the Group, Mr. Fang Anlin has been responsible for overseeing the production of recycled metal products. Mr. Fang Anlin is the younger brother of Mr. Fang Ankong and Ms. Fang Aiping. Mr. Fang Anlin is also the brother-in-law of Mr. Ding Guopei.

Mr. Cai Haifeng (蔡海峰), aged 43, is the Vice President of the Group and the General Manager of Chiho-Tiande (Ningbo) Metals Recycling Company Limited, a subsidiary of the Group. Mr. Cai graduated from Zhejiang Polytechnic University (浙江工業大學) with a Bachelor's degree in Fine Chemical Engineering in 1993. Prior to joining the Group, Mr. Cai worked for Zhejiang Dong Da Ji Tuan Company (浙江東大集團公司), a company whose business involves the import and export agency business, as an assistant manager in the business development department responsible for metal scrap import business. He joined the Group in May 2000.

Mr. Gan Jun (甘軍), aged 45, is the assistant to the Chief Executive Officer and Finance Manager of the Group. Mr. Gan joined our Group in September 2007 and he is also a Director of certain subsidiaries of the Group. He holds a diploma of Accountancy in Southwestern University of Finance and Economics (西南財經大學). Prior to joining the Group, Mr. Gan worked as the financial manager and the assistant to the general manager in Guangdong Gentle Technology Company Limited (廣東正道科技有限公司), an information technology application provider (信息技術應用服務商), for more than a year. Mr. Gan has extensive experience in the accounting and finance field, and he is also a certified public accountant and registered tax adviser in China.

方愛萍女士，51歲，本集團副總裁兼台州齊合天地金屬有限公司及台州齊合天地鑄造有限公司財務副總經理，主要負責該等附屬公司整體財務計劃、財務報告、預算及執行本集團下達的業務策略。方愛萍女士於一九九九年十二月加入本集團，擁有逾十五年財務管理經驗。方愛萍女士為方安空先生及方安林先生的胞姐，以及丁國培先生的妻子。

方安林先生，46歲，本集團副總裁兼台州齊合天地金屬有限公司及台州齊合天地鑄造有限公司副總經理，亦為本集團若干附屬公司之董事。彼主要負責該等附屬公司的生產工作。方安林先生於一九九九年十二月加入本集團，擁有逾二十年混合廢金屬業務經驗。方安林先生自加入本集團起，一直負責監督再生金屬產品的生產。方安林先生為方安空先生及方愛萍女士的胞弟，以及丁國培先生的內弟。

蔡海峰先生，43歲，本集團副總裁及附屬公司齊合天地(寧波)再生金屬有限公司總經理。蔡先生於一九九三年畢業於浙江工業大學，獲得精細化工工程學士學位。加入本集團前，蔡先生曾就職於經營進出口代理業務的浙江東大集團公司，擔任業務發展部經理助理，負責廢金屬進口業務。彼於二零零零年五月加入本集團。

甘軍先生，45歲，本集團行政總裁助理及財務經理。甘先生於二零零七年九月加入本集團，亦為本集團若干附屬公司之董事。彼持有西南財經大學會計文憑，加入本集團前曾任職信息技術應用服務商廣東正道科技有限公司的財務經理及總經理助理逾一年，擁有豐富的會計及財務經驗，亦為中國的註冊會計師及註冊稅務顧問。



Profile of Directors and Senior Management (continued)

董事及高級管理人員履歷 (續)

Mr. Xu Jiali (許加良), aged 51, is the manager of the procurement department of the Group and is primarily responsible for procuring raw material supply of the Group. Mr. Xu joined the Group in December 1999 and was responsible for the procurement of mixed metal scrap. Mr. Xu has over 14 years of experience in mixed metal scrap procurement.

Mr. Zhu Zhonghui (朱忠輝), aged 36, is the manager of the sales and marketing department of the Group and is primarily responsible for the sales management of the Group. Mr. Zhu joined the Group in December 1999 and was responsible for the selling of recycled metal products. Mr. Zhu is the son-in-law of the elder brother of Mr. Fang Ankong.

許加良先生，51歲，本集團採購部經理，主要負責本集團原料採購。許先生於一九九九年十二月加入本集團，負責採購混合廢金屬，擁有逾十四年混合廢金屬採購經驗。

朱忠輝先生，36歲，本集團銷售及市場推廣部經理，主要負責本集團銷售管理。朱先生於一九九九年十二月加入本集團，負責銷售再生金屬產品。朱先生為方安空先生兄長的女婿。



Directors' Report

董事會報告

The Directors present the audited consolidated financial statements for the Group for the year ended 31 December 2014.

PRINCIPAL BUSINESSES

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

RESULTS

The results of the Company for the year ended 31 December 2014 are set out in the consolidated statement of profit or loss and other comprehensive income of the Group on page 91.

FINAL DIVIDENDS

The Board of Directors did not recommend the payment of final dividend for the year ended 31 December 2014.

PROPERTY, PLANT AND EQUIPMENT

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

BORROWINGS

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

SHARE CAPITAL

Details of the movements during the year in the share capital of the Company are set out in note 29 to the consolidated financial statements of the Group.

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

During the financial year ended 31 December 2014, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

董事提呈本集團截至二零一四年十二月三十一日止年度的經審核綜合財務報表。

主要業務

本公司為一間投資控股公司。其附屬公司的主要業務載於綜合財務報表附註43。

業績

本公司截至二零一四年十二月三十一日止年度業績載於第91頁的本集團綜合損益及其他全面收益表。

末期股息

董事會不建議派發截至二零一四年十二月三十一日止年度末期股息。

物業、廠房及設備

年內物業、廠房及設備的變動詳情載於本集團綜合財務報表附註17。

借貸

借貸詳情載於本集團綜合財務報表附註28。

股本

年內本公司股本變動詳情載於本集團綜合財務報表附註29。

購買、出售或贖回本公司股份

截至二零一四年十二月三十一日止財政年度內，本公司及其任何附屬公司均無購買、出售或贖回任何本公司上市證券。



Directors' Report (continued) 董事會報告(續)

PRE-EMPTIVE RIGHTS

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

RESERVES

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

As at 31 December 2014, the distributable reserves of the Company amounted to approximately HK\$1,229,433,000.

DONATIONS

The donations made by the Group during the year amounted to approximately HK\$100,000 (2013: HK\$392,003).

MAJOR CUSTOMERS AND SUPPLIERS

In 2014, the Group's largest supplier accounted for 11.82% (2013: 12.6%) of the total purchases. The five largest suppliers comprised 33.36% (2013: 32.9%) of the total purchases.

Aggregate sales attributable to the Group's five largest customers were less than 30% of total revenue in 2014 and 2013.

Apart from Sims Metal Management Asia Limited which indirectly held approximately 15.88% of the Company's share capital and is the Group's largest supplier, none of the Directors of the Company or any of their respective associates or any shareholder of the Company (which, to the knowledge of the Directors, owns more than 5% of the Company's share capital) had any beneficial interest in the Group's other four largest suppliers or five largest customers during the year.

MANAGEMENT CONTRACTS

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

優先購買權

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

儲備

年內本集團儲備變動詳情載於綜合權益變動表。

於二零一四年十二月三十一日，本公司的可分派儲備約為1,229,433,000港元。

捐贈

本集團於年內捐贈約100,000港元(二零一三年：392,003港元)。

主要客戶及供應商

於二零一四年，本集團的最大供應商佔總採購額11.82%(二零一三年：12.6%)。五大供應商佔總採購額33.36%(二零一三年：32.9%)。

於二零一四年及二零一三年，本集團的五大客戶銷售總額佔總收益少於30%。

除Sims Metal Management Asia Limited間接持有本公司約15.88%股本並為本集團最大供應商外，本公司董事或彼等各自之任何聯繫人或本公司任何股東(就董事所知擁有本公司超過5%股本)年內概無於本集團其他四大供應商或五大客戶擁有任何實益權益。

管理合約

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



Directors' Report (continued) 董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Certain related party transactions as disclosed in note 38 to the consolidated financial statements also constituted connected transactions or continuing connected transactions of the Company and are required to be disclosed in accordance with Chapter 14A of the Listing Rules. The following transactions are connected transactions between the connected persons (as defined in the Listing Rules) and the Company, of which some are ongoing. The Company has complied with all the applicable requirements in accordance with Chapter 14A of the Listing Rules in respect of the following transactions:

1. Continuing connected transactions in relation to the master supply agreement for the purchase of scrap metals from De Leeuw Metalen B.V.

On 21 March 2012, the Company entered into the master supply agreement (the "Master Supply Agreement") with De Leeuw Metalen B.V. (the "Supplier"), pursuant to which the relevant member(s) of the Group may purchase from the Supplier certain products including scrap metals at prevailing market prices during the term between 1 January 2012 and 31 December 2014. The aggregate values of the transactions between the Group and the Supplier under the Master Supply Agreement in the relevant financial years of the Company during the term are capped at the following annual caps:

Relevant financial years of the Company during the term 於期限內在本公司相關財政年度

1 January 2012 – 31 December 2012
二零一二年一月一日至二零一二年十二月三十一日
1 January 2013 – 31 December 2013
二零一三年一月一日至二零一三年十二月三十一日
1 January 2014 – 31 December 2014
二零一四年一月一日至二零一四年十二月三十一日

關連交易及持續關連交易

於綜合財務報表附註38披露的若干關連方交易亦構成本公司的關連交易或持續關連交易，須按照上市規則第14A章的規定予以披露。下列由關連人士(定義見上市規則)與本公司訂立的交易乃關連交易，其中若干部分仍在進行。本公司已就以下交易遵守上市規則第14A章的所有適用規定：

1. 有關自 De Leeuw Metalen B.V. 採購廢金屬之主供應協議之持續關連交易

於二零一二年三月二十一日，本公司與 De Leeuw Metalen B.V. (「供應商」) 訂立主供應協議(「主供應協議」)，據此，本集團相關成員公司可於二零一二年一月一日至二零一四年十二月三十一日止之期限內按現行市價自供應商採購包括廢金屬在內之若干產品。本集團與供應商於期限內在本公司相關財政年度根據主供應協議進行交易之總值以下列年度上限為上限：

Annual caps 年度上限

US\$2 million (approximately HK\$15.6 million)
2,000,000 美元 (約 15,600,000 港元)
US\$3 million (approximately HK\$23.4 million)
3,000,000 美元 (約 23,400,000 港元)
US\$3 million (approximately HK\$23.3 million)
3,000,000 美元 (約 23,300,000 港元)



Directors' Report (continued) 董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS (continued)

1. Continuing connected transactions in relation to the master supply agreement for the purchase of scrap metals from De Leeuw Metalen B.V. (continued)

As the Supplier is majority-owned by one of the sons of Mr. Herman Maurits de Leeuw, a substantial shareholder of the Company, the Supplier is an associate of a substantial shareholder of the Company under Rule 14A.12(2)(b) of the Listing Rules and hence a connected person of the Company. The transactions contemplated under the Master Supply Agreement therefore constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of the annual caps were more than 0.1% but less than 5%, the Master Supply Agreement was subject to the reporting, annual review and announcement requirements but was exempt from the independent shareholders' approval requirement under the Listing Rules.

As disclosed in note 38 to the consolidated financial statements, no transaction was carried out between the parties under the Master Supply Agreement during the year (2013: HK\$9.0 million). The Master Supply Agreement expired on 31 December 2014 and no new agreement was entered into by the two parties.

2. Continuing connected transactions in relation to the new master purchase agreement with Sims Metal Management Asia Limited ("Sims Asia")

In order to renew the existing arrangements under the old master purchase agreement dated 16 February 2012 between the Company and Sims Asia, on 28 March 2012, the Company entered into the new master purchase agreement (the "New Master Purchase Agreement") with Sims Asia pursuant to which the relevant member(s) of Sims Asia, its subsidiaries and associates (the "Sims Asia Group") may purchase from the relevant member(s) of the Group certain products including copper scrap at prevailing market prices for the term of three years from 1 June 2012 to 31 May 2015. The aggregate values of the transactions between the Group and the Sims Asia Group under the New Master Purchase Agreement in the relevant periods during the term are capped at the following annual caps:

關連交易及持續關連交易(續)

1. 有關自 De Leeuw Metalen B.V. 採購 廢金屬之主供應協議之持續關連交易 (續)

由於供應商由本公司主要股東 Herman Maurits de Leeuw 先生之其中一個兒子擁有大部分權益，根據上市規則第 14A.12(2)(b) 條，供應商因此為本公司主要股東之聯繫人，故成為本公司之關連人士。根據上市規則第 14A 章，主供應協議項下擬進行之交易因此構成本公司之持續關連交易。由於有關年度上限之適用百分比率超過 0.1% 但低於 5%，主供應協議須遵守上市規則項下有關申報、年度審閱及公告之規定，但獲豁免遵守獨立股東批准之規定。

如綜合財務報表附註 38 中所披露，雙方於年內並未就主供應協議進行任何交易（二零一三年：9,000,000 港元）。該主供應協議於二零一四年十二月三十一日屆滿且雙方並無訂立新的協議。

2. 有關與 Sims Metal Management Asia Limited (「Sims Asia」) 的新主採購 協議之持續關連交易

為延續本公司與 Sims Asia 於二零一二年二月十六日訂立之原主採購協議之現有安排，於二零一二年三月二十八日，本公司與 Sims Asia 訂立新主採購協議（「新主採購協議」），據此，Sims Asia、其附屬公司及聯繫人（「Sims Asia 集團」）相關成員公司可於二零一二年六月一日至二零一五年五月三十一日止三個年度之期限內按現行市價向本集團相關成員公司採購包括廢銅在內之若干產品。本集團與 Sims Asia 集團於期限內相關期間根據新主採購協議進行交易之總值以下列年度上限為上限：



Directors' Report (continued)
董事會報告 (續)

**CONNECTED TRANSACTIONS AND CONTINUING
CONNECTED TRANSACTIONS (continued)**

關連交易及持續關連交易 (續)

**2. Continuing connected transactions in relation to
the new master purchase agreement with Sims
Metal Management Asia Limited ("Sims Asia")
(continued)**

**2. 有關與Sims Metal Management
Asia Limited (「Sims Asia」) 的新主採購
協議之持續關連交易 (續)**

Relevant periods during the term
於期限內相關期間

Annual caps
年度上限

1 June 2012 – 31 December 2012
二零一二年六月一日至二零一二年十二月三十一日
1 January 2013 – 31 December 2013
二零一三年一月一日至二零一三年十二月三十一日
1 January 2014 – 31 December 2014
二零一四年一月一日至二零一四年十二月三十一日
1 January 2015 – 31 May 2015
二零一五年一月一日至二零一五年五月三十一日

US\$37 million (approximately HK\$288.6 million)
37,000,000 美元 (約 288,600,000 港元)
US\$74 million (approximately HK\$577.2 million)
74,000,000 美元 (約 577,200,000 港元)
US\$81 million (approximately HK\$628.1 million)
81,000,000 美元 (約 628,100,000 港元)
US\$45 million (approximately HK\$349 million)
45,000,000 美元 (約 349,000,000 港元)

Sims Asia is the intermediate holding company of Sims Metal Management Dragon Holdings Limited ("Sims") which held approximately 15.88% of the issued share capital of the Company when the New Master Purchase Agreement was entered into. Therefore, Sims Asia was a substantial shareholder and hence a connected person of the Company. The transactions contemplated under the New Master Purchase Agreement therefore constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of the annual caps are more than 5%, the transactions contemplated under the New Master Purchase Agreement constituted non-exempt continuing connected transactions for the Company under Rule 14A.31 of the Listing Rules and the New Master Purchase Agreement was therefore subject to the reporting, announcement, annual review and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Sims Asia 為 Sims Metal Management Dragon Holdings Limited (「Sims」) 之中介控股公司，而 Sims 於新主採購協議簽訂時持有本公司已發行股本之約 15.88%。因此，Sims Asia 於當時為主要股東，故成為本公司之關連人士。根據上市規則第 14A 章，新主採購協議項下擬進行之交易因此構成本公司之持續關連交易。由於有關年度上限之適用百分比率超過 5%，根據上市規則第 14A.31 條，新主採購協議項下擬進行之交易構成本公司之不獲豁免持續關連交易。因此，新主採購協議須遵守上市規則第 14A 章項下有關申報、公告、年度審閱及獨立股東批准之規定。

As disclosed in note 38 to the consolidated financial statements, no transaction was carried out between the parties under the New Master Purchase Agreement during the year (2013: nil).

如綜合財務報表附註 38 中所披露，雙方於年內並未就新主採購協議進行任何交易 (二零一三年：無)。

On 26 January 2015, Sims entered into two conditional sale and purchase agreements to dispose of its entire shareholding in the Company to unrelated third parties, therefore, Sims Asia is no longer a connected person to the Company under Chapter 14A of the Listing Rules.

於二零一五年一月二十六日，Sims 訂立兩份有條件買賣協議，以出售其於本公司全部股權予無關係的第三方，故此，根據上市規則第 14A 章，Sims Asia 不再為本公司之關連人士。



Directors' Report (continued)

董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS (continued)

3. Continuing connected transactions in relation to the new master supply agreement for the purchase of scrap metals from Sims Asia

In order to renew the then existing arrangements under the old master supply agreement dated 16 January 2012 entered into between the Company and Sims Asia, on 15 November 2012, the Company entered into the new master supply agreement (the "New Master Supply Agreement") with Sims Asia pursuant to which the relevant member(s) of the Group may purchase from the relevant member(s) of the Sims Asia Group certain products including scrap metals at prevailing market prices for the term of three years from 1 January 2013 to 31 December 2015. The aggregate values of the transactions between the Group and the Sims Asia Group under the New Master Supply Agreement in the relevant periods during the term are capped at the following annual caps:

Relevant periods during the term

於期限內相關期間

1 January 2013 – 31 December 2013
二零一三年一月一日至二零一三年十二月三十一日
1 January 2014 – 31 December 2014
二零一四年一月一日至二零一四年十二月三十一日
1 January 2015 – 31 December 2015
二零一五年一月一日至二零一五年十二月三十一日

關連交易及持續關連交易(續)

3. 有關自Sims Asia採購廢金屬的新主供應協議之持續關連交易

為延續本公司與Sims Asia於二零一二年一月十六日訂立之原主供應協議下當時之現有安排，於二零一二年十一月十五日，本公司與Sims Asia訂立新主供應協議(「新主供應協議」)，據此，本集團相關成員公司可於二零一三年一月一日至二零一五年十二月三十一日止三個年度之期限內按現行市價自Sims Asia集團相關成員公司採購包括廢金屬在內之若干產品。本集團與Sims Asia集團於期限內相關期間根據新主供應協議進行交易之總值以下列年度上限為上限：

Annual caps

年度上限

US\$200 million (approximately HK\$1,560 million)
200,000,000 美元 (約 1,560,000,000 港元)
US\$350 million (approximately HK\$2,714 million)
350,000,000 美元 (約 2,714,000,000 港元)
US\$500 million (approximately HK\$3,877 million)
500,000,000 美元 (約 3,877,000,000 港元)



Directors' Report (continued) 董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS (continued)

3. Continuing connected transactions in relation to the new master supply agreement for the purchase of scrap metals from Sims Asia (continued)

For the reasons set out in paragraph (2) above, Sims Asia was a connected person of the Company and the transactions contemplated under the New Master Supply Agreement therefore constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of the annual caps were more than 5%, the transactions contemplated under the New Master Supply Agreement constituted non-exempt continuing connected transactions for the Company under Rule 14A.31 of the Listing Rules. The New Master Supply Agreement was therefore subject to the reporting, announcement, annual review and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As disclosed in note 38 to the consolidated financial statements, scrap metals amounted to HK\$524.7 million (2013: HK\$853.1 million) was purchased from Sims Asia by the Group under the New Master Supply Agreement during the year.

For the reasons set out in paragraph (2) above, Sims Asia is no longer a connected person to the Company under Chapter 14A of the Listing Rules.

關連交易及持續關連交易(續)

3. 有關自Sims Asia採購廢金屬的新主供應協議之持續關連交易(續)

由於上文第(2)段載列之理由，Sims Asia曾經為本公司之關連人士，根據上市規則第14A章，新主供應協議項下擬進行之交易因此構成本公司之持續關連交易。由於有關年度上限之適用百分比率超過5%，新主供應協議項下擬進行之交易構成本公司於上市規則第14A.31項下之不獲豁免持續關連交易。因此，新主供應協議須遵守上市規則第14A章項下有關申報、公告、年度審閱及獨立股東批准之規定。

如綜合財務報表附註38中所披露，本集團於年內就新主供應協議一共向Sims Asia購買524,700,000港元(二零一三年：853,100,000港元)之廢金屬。

由於上文第(2)段載列之理由，根據上市規則第14A章，Sims Asia不再為本公司之關連人士。



Directors' Report (continued)

董事會報告(續)

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS (continued)

Review by Independent Non-Executive Directors and the auditor of the Company

The continuing connected transactions mentioned above not being exempted under Rule 14A.73 of the Listing Rules have been reviewed by the Independent Non-Executive Directors of the Company who have confirmed that the transactions have been entered into:

1. in the ordinary and usual course of business of the Company;
2. either on normal commercial terms or better; and
3. according to the agreements governing the transactions on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

The auditor of the Company was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants and has issued his unqualified letter containing his findings and conclusions in respect of the abovementioned continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

In addition, the consultancy agreement dated 29 August 2008 entered into between the Company and H.P.L. Metals B.V. expired on 28 August 2013 and no new agreement was entered into by the two parties.

關連交易及持續關連交易(續)

本公司獨立非執行董事及核數師之審閱

本公司獨立非執行董事經審閱上文所述於上市規則第 14A.73 條項下之不獲豁免持續關連交易後確認該等交易：

1. 乃於本公司一般及日常業務過程中訂立；
2. 按一般或更優商業條款訂立；及
3. 根據規管該等交易且條款屬公平合理並符合股東整體利益之協議訂立。

本公司核數師獲委託遵照香港會計師公會頒佈的香港核證委聘準則第 3000 號「審核或審閱過往財務資料以外的核證委聘工作」，並參照實務說明第 740 號「關於香港上市規則所述持續關連交易的核數師函件」，就本集團的持續關連交易作出報告，並已根據上市規則第 14A.56 條發出無保留意見函件，當中載有其有關上述持續關連交易的結果及結論。本公司已將核數師函件副本呈交聯交所。

此外，本公司與 H.P.L. Metals B.V. 訂立的日期為二零零八年八月二十九日之顧問協議已於二零一三年八月二十八日屆滿且雙方並無訂立新的協議。



Directors' Report (continued)

董事會報告(續)

DIRECTORS

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

Executive Directors

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

Mr. Stephanus Maria van Ooijen

(*Vice President*) (resigned on 12 March 2015)

Mr. Gu Liyong (*Vice President*)

Non-Executive Director

Mr. Michael Charles Lion (*resigned on 16 February 2015*)

Independent Non-Executive Directors

Dr. Loke Yu

Ms. Zhang Jingdong

Mr. Li Xikui (*resigned on 17 December 2014*)

Mr. Zhu Dajian (*appointed on 17 December 2014*)

In accordance with the Articles of Association of the Company, Dr. Loke Yu and Mr. Zhu Dajian shall retire from office, and being eligible offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

The Company has entered into service contracts with Mr. Fang Ankong, Mr. Stephanus Maria van Ooijen (resigned on 12 March 2015), Mr. Gu Liyong, Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Li Xikui (resigned on 17 December 2014) on 24 June 2013 for a period of three years. On 27 March 2012, the Company entered into another appointment letter with Mr. Michael Charles Lion (resigned on 16 February 2015) for a term of 3 years commencing from 24 May 2012 to 23 May 2015. On 17 December 2014, the Company entered into an appointment letter with Mr. Zhu Dajian for a term of 3 years commencing from 17 December 2014 to 16 December 2017. None of the Directors of the Company proposed for re-election at the forthcoming annual general meeting has any service contract with the Company and/or any of its subsidiaries which is not determinable within one year without payment of compensation other than statutory compensation.

董事

年內及截至本報告日期董事包括：

執行董事

方安空先生 (*主席兼行政總裁*)

Stephanus Maria van Ooijen 先生

(*副總裁*) (於二零一五年三月十二日辭任)

顧李勇先生 (*副總裁*)

非執行董事

Michael Charles Lion 先生

(於二零一五年二月十六日辭任)

獨立非執行董事

陸海林博士

章敬東女士

李錫奎先生 (於二零一四年十二月十七日辭任)

諸大建先生

(於二零一四年十二月十七日獲委任)

根據本公司組織章程細則，陸海林博士及諸大建先生均須告退，惟彼等均合資格並願意於應屆股東週年大會上膺選連任。

董事服務合約

於二零一三年六月二十四日，本公司與方安空先生、Stephanus Maria van Ooijen 先生 (於二零一五年三月十二日辭任)、顧李勇先生、陸海林博士、章敬東女士及李錫奎先生 (於二零一四年十二月十七日辭任) 訂立服務合約，為期三年。於二零一二年三月二十七日，本公司與 Michael Charles Lion 先生 (於二零一五年二月十六日辭任) 訂立另一份委任函，委任期自二零一二年五月二十四日起至二零一五年五月二十三日止，為期三年。於二零一四年十二月十七日，本公司與諸大建先生訂立一份委任函，委任期自二零一四年十二月十七日起至二零一七年十二月十六日止，為期三年。擬於應屆股東週年大會上膺選連任的本公司董事概無與本公司及/或其任何附屬公司訂有不可於一年內不付補償 (法定補償除外) 而終止的任何服務合約。



Directors' Report (continued)

董事會報告(續)

DIRECTORS' INTERESTS IN CONTRACTS

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

DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the financial year ended 31 December 2014, none of the Directors has interests in businesses which compete or are likely to compete either directly or indirectly, with the businesses of the Group.

SHARE OPTION SCHEME

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

(a) Pre-IPO Share Option Scheme

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

The total number of shares in respect of which share options granted under the Pre-IPO Share Option Scheme as at 31 December 2014 was 12,140,000 shares which represented approximately 1.16% of the issued share capital of the Company as at 31 December 2014.

董事於合約中的權益

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

董事於競爭業務中的權益

於截至二零一四年十二月三十一日止財政年度，概無董事於與本集團業務直接或間接競爭或可能構成競爭的業務中擁有權益。

購股權計劃

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

(a) 首次公開發售前購股權計劃

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

於二零一四年十二月三十一日，與根據首次公開發售前購股權計劃已授出的購股權有關的股份總數為12,140,000股，約相當於本公司於二零一四年十二月三十一日已發行股本之1.16%。

Directors' Report (continued)

董事會報告 (續)

SHARE OPTION SCHEME (continued)

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

As at 31 December 2014, details of the share option granted under the Pre-IPO Share Option Scheme are as follows:

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股行使價 (港元)	Exercisable period (dd/mm/yyyy) (Note 2) 行使期 (日/月/年) (附註2)	Number of	Number of	Number of	Number of	Number of	Approximate
				shares subject to outstanding options as at 1 January 2014 於二零一四年 一月一日尚未 行使之購股權涉 及之股份數目					
(i) Directors									
董事									
Mr. Fang Ankong 方安空先生	23/06/2010 二零一零年 六月二十三日	2.43	13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	1,400,000	0	1,400,000	0	0	-
Mr. Stephanus Maria van Ooijen (resigned on 12 March 2015) Stephanus Maria van Ooijen 先生 (於二零一五年 三月十二日辭職)	23/06/2010 二零一零年 六月二十三日	2.43	13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	400,000	0	400,000	0	0	-
Mr. Gu Liyong 顧李勇先生	23/06/2010 二零一零年 六月二十三日	2.43	13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	170,000	0	170,000	0	0	-
				1,970,000	0	1,970,000	0	0	-
(ii) Employees and other participants 僱員及其他參與者									
	23/06/2010 二零一零年 六月二十三日	2.43	13/07/2013 – 12/07/2014 二零一三年七月十三日至 二零一四年七月十二日	2,608,000	0	2,008,000	600,000	0	-
Total 合計				4,578,000	0	3,978,000	600,000	0	-

購股權計劃 (續)

(a) 首次公開發售前購股權計劃 (續)

於二零一四年十二月三十一日，根據首次公開發售前購股權計劃所授出的購股權詳情如下：



Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

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

Notes:

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

購股權計劃(續)

(a) 首次公開發售前購股權計劃(續)

附註：

- (1) 此為本公司根據首次公開發售前購股權計劃向承授人授出購股權的日期。
- (2) 根據首次公開發售前購股權計劃獲得有條件授予購股權的各承授人，可以：
 - (i) 自本公司股份於聯交所首次上市之日(「上市日期」)後第一週年之日起至上市日期第二週年當日止之期間內(包括首尾兩天在內)，隨時行使獲授購股權總數不超過30%；
 - (ii) 自緊接上市日期後第二週年之翌日起至上市日期第三週年當日止之期間內(包括首尾兩天在內)，隨時行使獲授購股權總數不超過30%；及
 - (iii) 自緊接上市日期後第三週年之翌日起至上市日期第四週年當日止之期間內(包括首尾兩天在內)，隨時行使獲授購股權總數不超過40%。



Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

(b) Post-IPO Share Option Scheme

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

Pursuant to the Extraordinary General Meeting held on 23 May 2013 and the approval granted by the Listing Committee of the Stock Exchange, the scheme mandate limit in respect of which share options may be granted under the Post-IPO Share Option Scheme is refreshed and not permitted to exceed 104,449,920 shares, representing 9.95% of the total number of shares of the Company as at 31 December 2014.

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

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

購股權計劃(續)

(b) 首次公開發售後購股權計劃

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

根據日期為二零一三年五月二十三日的股東特別大會及聯交所上市委員會授出的批准，與根據首次公開發售後購股權計劃可授出購股權的計劃授權限額已更新及不得超過104,449,920股，相當於本公司於二零一四年十二月三十一日的股份總數的9.95%。

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

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

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

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

As at 31 December 2014, details of the share option granted under the Post-IPO Share Option Scheme are as follows:

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股行使價 (港元)	Exercisable period (dd/mm/yyyy) 行使期 (日/月/年)	Number of shares subject to outstanding options as at 1 January 2014 於二零一四年 一月一日尚未 行使之購股權涉 及之股份數目	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of shares subject to outstanding options as at 31 December 2014 於二零一四年 十二月三十一日 尚未行使之 購股權涉及之 股份數目	Approximate percentage shareholdings 股權 概約百分比
(i) Directors									
董事									
Mr. Fang Ankong 方安空先生	03/05/2011 二零一一年 五月三日 (Note 5) (附註5)	6.388	04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日 04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日 (Note 2) (附註2)	4,950,000	0	0	4,950,000	0	-
				11,550,000	0	0	4,950,000	6,600,000	0.62891%
	22/03/2013 二零一三年 三月二十二日 (Note 6) (附註6)	3.75	22/03/2014 – 21/03/2017 二零一四年三月二十二日至 二零一七年三月三十一日 22/03/2015 – 21/03/2017 二零一五年三月二十二日至 二零一七年三月三十一日 22/03/2016 – 21/03/2017 二零一六年三月二十二日至 二零一七年三月三十一日 (Note 4) (附註4)	4,950,000	0	0	4,950,000	0	-
				16,500,000	0	0	16,500,000 (Note 6) (附註6)	0	-

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

於二零一四年十二月三十一日，根據首次公開發售後購股權計劃所授出的購股權詳情如下：

Directors' Report (continued)

董事會報告 (續)

SHARE OPTION SCHEME (continued)

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

購股權計劃 (續)

(b) 首次公開發售後購股權計劃 (續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股行使價 (港元)	Exercisable period (dd/mm/yyyy) 行使期 (日/月/年)	Number of shares subject to outstanding options as at 1 January 2014 於二零一四年 一月一日尚未 行使之購股權涉 及之股份數目	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of shares subject to outstanding options as at 31 December 2014 於二零一四年 十二月三十一日 尚未行使之 購股權涉及之 股份數目	Approximate percentage shareholdings 股權 概約百分比
(i) Directors (continued)									
董事(續)									
Mr. Stephanus	03/05/2011	6.388	04/05/2013 – 03/05/2014	300,000	0	0	300,000	0	-
Maria van Ooijen	二零一一年 五月三日		二零一三年五月四日至 二零一四年五月三日						
(resigned on 12 March 2015)	(Note 5)		04/05/2014 – 03/05/2015	400,000	0	0	0	400,000	0.03812%
Stephanus Maria van Ooijen 先生	(附註5)		二零一四年五月四日至 二零一五年五月三日						
(於二零一五年 三月十二日辭職)			(Note 2) (附註2)						
				700,000	0	0	300,000	400,000	0.03812%
	22/03/2013	3.75	22/03/2014 – 21/03/2017	600,000	0	0	600,000	0	-
	二零一三年 三月二十二日		二零一四年三月二十二日至 二零一七年三月三十一日						
	(Note 6) (附註6)		22/03/2015 – 21/03/2017	600,000	0	0	600,000	0	-
			二零一五年三月二十二日至 二零一七年三月三十一日						
			22/03/2016 – 21/03/2017	800,000	0	0	800,000	0	-
			二零一六年三月二十二日至 二零一七年三月三十一日						
			(Note 4) (附註4)						
				2,000,000	0	0	2,000,000 (Note 6) (附註6)	0	-

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

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

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股行使價 (港元)	Exercisable period (dd/mm/yyyy) 行使期 (日/月/年)	Number of shares subject to outstanding options as at 1 January 2014 於二零一四年 一月一日尚未 行使之購股權涉 及之股份數目	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of shares subject to outstanding options as at 31 December 2014 於二零一四年 十二月三十一日 尚未行使之 購股權涉及之 股份數目	Approximate percentage shareholdings 股權 概約百分比
(i) Directors (continued)									
董事(續)									
Mr. Gu Liyong 顧李勇先生	03/05/2011 二零一一年 五月三日	6.388	04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	262,500	0	0	262,500	0	-
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日 (Note 2) (附註2)	350,000	0	0	0	350,000	0.03335%
				612,500	0	0	262,500	350,000	0.03335%
	22/03/2013 二零一三年 三月二十二日 (Note 6) (附註6)	3.75	22/03/2014 – 21/03/2017 二零一四年三月二十二日至 二零一七年三月三十一日	195,000	0	0	195,000	0	-
			22/03/2015 – 21/03/2017 二零一五年三月二十二日至 二零一七年三月三十一日	195,000	0	0	195,000	0	-
			22/03/2016 – 21/03/2017 二零一六年三月二十二日至 二零一七年三月三十一日 (Note 4) (附註4)	260,000	0	0	260,000	0	-
				650,000	0	0	650,000 (Note 6) (附註6)	0	-

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

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

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股行使價 (港元)	Exercisable period (dd/mm/yyyy) 行使期 (日/月/年)	Number of shares subject to outstanding options as at 1 January 2014 於二零一四年 一月一日尚未 行使之購股權涉 及之股份數目	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of shares subject to outstanding options as at 31 December 2014 於二零一四年 十二月三十一日 尚未行使之 購股權涉及之 股份數目	Approximate percentage shareholdings 股權 概約百分比
(i) Directors (continued)									
董事(續)									
Dr. Loke Yu 陸海林博士	03/05/2011 二零一一年 五月三日	6.388	04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	45,000	0	0	45,000	0	-
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日 (Note 2) (附註2)	60,000	0	0	0	60,000	0.00572%
				105,000	0	0	45,000	60,000	0.00572%
	28/03/2012 二零一二年 三月二十八日	4.186	28/03/2013 – 27/03/2016 二零一三年三月二十八日至 二零一六年三月二十七日	22,500	0	0	0	22,500	0.00214%
			28/03/2014 – 27/03/2016 二零一四年三月二十八日至 二零一六年三月二十七日	22,500	0	0	0	22,500	0.00214%
			28/03/2015 – 27/03/2016 二零一五年三月二十八日至 二零一六年三月二十七日 (Note 3) (附註3)	30,000	0	0	0	30,000	0.00286%
				75,000	0	0	0	75,000	0.00714%

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

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

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股行使價 (港元)	Exercisable period (dd/mm/yyyy) 行使期 (日/月/年)	Number of shares subject to outstanding options as at 1 January 2014 於二零一四年 一月一日尚未 行使之購股權涉 及之股份數目	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of shares subject to outstanding options as at 31 December 2014 於二零一四年 十二月三十一日 尚未行使之 購股權涉及之 股份數目	Approximate percentage shareholdings 股權 概約百分比
(i) Directors (continued) 董事(續)									
Ms. Zhang Jingdong 章敬東女士	03/05/2011 二零一一年 五月三日	6.388	04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	45,000	0	0	45,000	0	-
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日 (Note 2) (附註2)	60,000	0	0	0	60,000	0.00572%
				105,000	0	0	45,000	60,000	0.00572%
	28/03/2012 二零一二年 三月二十八日	4.186	28/03/2013 – 27/03/2016 二零一三年三月二十八日至 二零一六年三月二十七日	22,500	0	0	0	22,500	0.00214%
			28/03/2014 – 27/03/2016 二零一四年三月二十八日至 二零一六年三月二十七日	22,500	0	0	0	22,500	0.00214%
			28/03/2015 – 27/03/2016 二零一五年三月二十八日至 二零一六年三月二十七日 (Note 3) (附註3)	30,000	0	0	0	30,000	0.00286%
				75,000	0	0	0	75,000	0.00714%

Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

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

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股行使價 (港元) (附註1)	Exercisable period (dd/mm/yyyy) 行使期 (日/月/年)	Number of shares subject to outstanding options as at 1 January 2014 於二零一四年 一月一日尚未 行使之購股權涉 及之股份數目	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of shares subject to outstanding options as at 31 December 2014 於二零一四年 十二月三十一日 尚未行使之 購股權涉及之 股份數目	Approximate percentage shareholdings 股權 概約百分比
(i) Directors (continued)									
董事(續)									
Mr. Li Xikui (resigned on 17 December 2014)	03/05/2011 二零一一年 五月三日	6.388	04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	45,000	0	0	0 (Note 7) (附註7)	0	-
李錫奎先生 (於二零一四年 十二月十七日辭任)			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日 (Note 2) (附註2)	60,000	0	0	0 (Note 7) (附註7)	0	-
				105,000	0	0	0 (Note 7) (附註7)	0 (Note 7) (附註7)	-
	28/03/2012 二零一二年 三月二十八日	4.186	28/03/2013 – 27/03/2016 二零一三年三月二十八日至 二零一六年三月二十七日	22,500	0	0	0 (Note 7) (附註7)	0	-
			28/03/2014 – 27/03/2016 二零一四年三月二十八日至 二零一六年三月二十七日	22,500	0	0	0 (Note 7) (附註7)	0	-
			28/03/2015 – 27/03/2016 二零一五年三月二十八日至 二零一六年三月二十七日 (Note 3) (附註3)	30,000	0	0	0 (Note 7) (附註7)	0	-
				75,000	0	0	0 (Note 7) (附註7)	0 (Note 7) (附註7)	-
				32,552,500	0	0	24,752,500 (Note 7) (附註7)	7,620,000 (Note 7) (附註7)	0.72610%



Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

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

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股行使價 (港元)	Exercisable period (dd/mm/yyyy) 行使期 (日/月/年)	Number of shares subject to outstanding options as at 1 January 2014 於二零一四年 一月一日尚未 行使之購股權涉 及之股份數目	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of shares subject to outstanding options as at 31 December 2014 於二零一四年 十二月三十一日 尚未行使之 購股權涉及之 股份數目	Approximate percentage shareholdings 股權 概約百分比
				23/09/2013 – 22/09/2014 二零一三年九月二十三日至 二零一四年九月二十二日 (Note 2) (附註2)	0	852,000	576,000	0	-
(ii) Employees and other participants 僱員及其他參與者	22/09/2010 二零一零年 九月二十二日	3.38	23/09/2013 – 22/09/2014 二零一三年九月二十三日至 二零一四年九月二十二日 (Note 2) (附註2)	1,428,000	0	852,000	576,000	0	-
	03/05/2011 二零一一年 五月三日	6.388	04/05/2013 – 03/05/2014 二零一三年五月四日至 二零一四年五月三日	3,381,000	0	0	3,426,000 (Note 7) (附註7)	0	-
			04/05/2014 – 03/05/2015 二零一四年五月四日至 二零一五年五月三日 (Note 2) (附註2)	4,508,000	0	0	388,000 (Note 7) (附註7)	4,180,000 (Note 7) (附註7)	0.39831%
				7,889,000	0	0	3,814,000 (Note 7) (附註7)	4,180,000 (Note 7) (附註7)	0.39831%

Directors' Report (continued) 董事會報告(續)

SHARE OPTION SCHEME (continued) (b) Post-IPO Share Option Scheme (continued)

購股權計劃(續) (b) 首次公開發售後購股權計劃(續)

Grantees 承授人	Date of Grant (dd/mm/yyyy) (Note 1) 授出日期 (日/月/年) (附註1)	Exercise price per share (HK\$) 每股行使價 (港元)	Exercisable period (dd/mm/yyyy) 行使期 (日/月/年)	Number of shares subject to outstanding options as at 1 January 2014 於二零一四年 一月一日尚未 行使之購股權涉 及之股份數目	Number of options granted during the year 年內授出 購股權數目	Number of options exercised during the year 年內行使 購股權數目	Number of options lapsed during the year 年內失效 購股權數目	Number of shares subject to outstanding options as at 31 December 2014 於二零一四年 十二月三十一日 尚未行使之 購股權涉及之 股份數目	Approximate percentage shareholdings 股權 概約百分比
(ii) Employees and other participants (continued) 僱員及其他參與者(續)	28/03/2012 二零一二年 三月二十八日	4.186	28/03/2013 – 27/03/2016 二零一三年三月二十八日至 二零一六年三月二十七日	3,163,500	0	0	381,000	2,805,000 (Note 7) (附註7)	0.26728%
			28/03/2014 – 27/03/2016 二零一四年三月二十八日至 二零一六年三月二十七日	3,163,500	0	0	381,000	2,805,000 (Note 7) (附註7)	0.26728%
			28/03/2015 – 27/03/2016 二零一五年三月二十八日至 二零一六年三月二十七日 (Note 3) (附註3)	4,218,000	0	0	508,000	3,740,000 (Note 7) (附註7)	0.35639%
				10,545,000	0	0	1,270,000	9,350,000 (Note 7) (附註7)	0.89095%
				19,862,000	0	852,000	5,660,000 (Note 7) (附註7)	13,530,000 (Note 7) (附註7)	1.28926%
Total 合計				52,414,500	0	852,000	30,412,500	21,150,000	2.01536%



Directors' Report (continued) 董事會報告(續)

SHARE OPTION SCHEME (continued)

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

Notes:

- (1) It was the date when the Company offered to the grantees the options under the Post-IPO Share Option Scheme (the "Date of Grant").
- (2) Each of the grantees to whom options have been conditionally granted under the Post-IPO Share Option Scheme will be entitled to exercise:
 - (i) up to 30% of the total number of options granted, at any time during the period commencing from the first anniversary of the Date of Grant to the date of the second anniversary of the Date of Grant (both days inclusive);
 - (ii) up to 30% of the total number of options granted, at any time during the period commencing from the date immediately following the second anniversary of the Date of Grant to the date of the third anniversary of the Date of Grant (both days inclusive); and
 - (iii) up to 40% of the total number of options granted, at any time during the period commencing from the date immediately following the third anniversary of the Date of Grant to the date of the fourth anniversary of the Date of Grant (both days inclusive).
- (3) Each of the grantees to whom options have been conditionally granted under the Post-IPO Share Option Scheme will be entitled to exercise:
 - (i) as to 30%, from the date of the first anniversary of the Date of Grant, i.e. 28 March 2013, to the date immediately before the fourth anniversary of the Date of Grant, i.e. 27 March 2016 (both dates inclusive);
 - (ii) as to 30%, from the date of the second anniversary of the Date of Grant, i.e. 28 March 2014, to the date immediately before the fourth anniversary of the Date of Grant, i.e. 27 March 2016 (both dates inclusive); and
 - (iii) as to 40%, from the date of the third anniversary of the Date of Grant, i.e. 28 March 2015, to the date immediately before the fourth anniversary of the Date of Grant, i.e. 27 March 2016 (both dates inclusive).

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

附註：

- (1) 此為本公司根據首次公開發售後購股權計劃向承授人授出購股權的日期(「授出日期」)。
- (2) 根據首次公開發售後購股權計劃獲得有條件授予購股權的各承授人，可以：
 - (i) 自授出日期後第一週年之日起至授出日期後第二週年當日止之期間內(包括首尾兩天在內)，隨時行使獲授購股權總數不超過30%；
 - (ii) 自授出日期後第二週年之翌日起至授出日期後第三週年當日止之期間內(包括首尾兩天在內)，隨時行使獲授購股權總數不超過30%；及
 - (iii) 自授出日期後第三週年之翌日起至授出日期後第四週年當日止之期間內(包括首尾兩天在內)，隨時行使獲授購股權總數不超過40%。
- (3) 根據首次公開發售後購股權計劃有條件獲授購股權的各承授人，將有權：
 - (i) 自授出日期後第一週年之日(即二零一三年三月二十八日)起至緊接授出日期後第四週年當日前之日(即二零一六年三月二十七日)止(包括首尾兩天在內)，最多行使30%；
 - (ii) 自授出日期後第二週年之日(即二零一四年三月二十八日)起至緊接授出日期後第四週年當日前之日(即二零一六年三月二十七日)止(包括首尾兩天在內)，最多行使30%；及
 - (iii) 自授出日期後第三週年之日(即二零一五年三月二十八日)起至緊接授出日期後第四週年當日前之日(即二零一六年三月二十七日)止(包括首尾兩天在內)，最多行使40%。



Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

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

Notes: (continued)

- (4) Each of the grantees to whom options have been conditionally granted under the Post-IPO Share Option Scheme will be entitled to exercise:
- (i) as to 30%, from the date of the first anniversary of the Date of Grant, i.e. 22 March 2014, to the date immediately before the fourth anniversary of the Date of Grant, i.e. 21 March 2017 (both dates inclusive);
 - (ii) as to 30%, from the date of the second anniversary of the Date of Grant, i.e. 22 March 2015, to the date immediately before the fourth anniversary of the Date of Grant, i.e. 21 March 2017 (both dates inclusive); and
 - (iii) as to 40%, from the date of the third anniversary of the Date of Grant, i.e. 22 March 2016, to the date immediately before the fourth anniversary of the Date of Grant, i.e. 21 March 2017 (both dates inclusive).
- (5) The 16,500,000 share options and 1,000,000 share options were granted to each of Mr. Fang Ankong ("Mr. Fang") and Mr. Stephanus Maria van Ooijen ("Mr. van Ooijen") on 3 May 2011 subject to the vesting condition that the net profit of the Group for the financial year of the Company ended 31 December 2011 is equal to or exceeds 130% of the net profit of the Group for the financial year ended 31 December 2010. As the aforesaid condition has not been met and therefore the share options granted to Mr. Fang and Mr. van Ooijen on 3 May 2011 have not been duly vested and are not exercisable. Notwithstanding this, these share options should be taken into account for the purpose of determining whether the limits under Rule 17.04(1) of the Listing Rules are exceeded.

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

附註：(續)

- (4) 根據首次公開發售後購股權計劃有條件獲授購股權的各承授人，將有權：
- (i) 自授出日期後第一週年之日(即二零一四年三月二十二日)起至緊接授出日期後第四週年當日前之日(即二零一七年三月二十一日)止(包括首尾兩天在內)，最多行使30%；
 - (ii) 自授出日期後第二週年之日(即二零一五年三月二十二日)起至緊接授出日期後第四週年當日前之日(即二零一七年三月二十一日)止(包括首尾兩天在內)，最多行使30%；及
 - (iii) 自授出日期後第三週年之日(即二零一六年三月二十二日)起至緊接授出日期後第四週年當日前之日(即二零一七年三月二十一日)止(包括首尾兩天在內)，最多行使40%。
- (5) 於二零一一年五月三日向方安空先生(「方先生」)及Stephanus Maria van Ooijen先生(「van Ooijen先生」)分別授出16,500,000份購股權及1,000,000份購股權，受限於截至二零一一年十二月三十一日止本公司財政年度本集團淨溢利相等於或超過截至二零一零年十二月三十一日止財政年度本集團淨溢利的130%的歸屬條件。由於上述條件並未達成，因此，於二零一一年五月三日授予方先生及van Ooijen先生的購股權並未正式歸屬及不可行使。儘管如此，釐定有否超逾上市規則第17.04(1)條時，仍應計及該等購股權。



Directors' Report (continued)

董事會報告(續)

SHARE OPTION SCHEME (continued)

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

Notes: (continued)

- (6) The 16,500,000 share options, 2,000,000 share options and 650,000 share options were granted to each of Mr. Fang, Mr. van Ooijen and Mr. Gu Liyong ("Mr. Gu") on 22 March 2013 subject to the vesting condition that the net profit of the Group for the financial year of the Company ended 31 December 2013 is equal to or exceeds 130% of the net profit of the Group for the financial year ended 31 December 2010. As the aforesaid condition has not been met and therefore the share options granted to Mr. Fang, Mr. van Ooijen and Mr. Gu on 22 March 2013 were automatically lapsed on the publication date of the final results of the Company for the year ended 31 December 2013.
- (7) Mr. Li Xikui resigned as Director on 17 December 2014 and was retained as consultant of the Group. His interest in share options to subscribe for 135,000 shares of the Company was reclassified under the category of "Employees and other participants".

Save as disclosed above, no options were granted, cancelled or lapsed as at 31 December 2014. The consideration paid by each grantee for each grant of option is HK\$1.00.

購股權計劃(續)

(b) 首次公開發售後購股權計劃(續)

附註：(續)

- (6) 於二零一三年三月二十二日向方先生、van Ooijen先生及顧李勇先生(「顧先生」)分別授出16,500,000份購股權、2,000,000份購股權及650,000份購股權，受限於截至二零一三年十二月三十一日止本公司財政年度本集團淨溢利相等於或超過截至二零一零年十二月三十一日止財政年度本集團淨溢利的130%的歸屬條件。由於上述條件並未達成，因此，於二零一三年三月二十二日授予方先生、van Ooijen先生及顧先生的購股權於刊發本公司截至二零一三年十二月三十一日止年度之全年業績之日自動失效。
- (7) 李錫奎先生於二零一四年十二月十七日辭任董事，但留任本集團的顧問。彼於購股權中擁有可認購本公司135,000股股份的權益被重新分類為「僱員及其他參與者」類別下。

除上文所披露外，於二零一四年十二月三十一日並無購股權授出、註銷或失效。各承授人每次接納購股權時所付代價為1.00港元。

Directors' Report (continued)

董事會報告(續)

DISCLOSURE OF INTERESTS

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

As at 31 December 2014, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"), were as follows:

(i) Long positions in Shares and underlying Shares:

Name of Director 董事名稱	Capacity/Nature of Interest 身份/權益性質	Number of Shares interested 持有權益的 股份數目	Number of underlying Shares interested 持有權益的 相關股份數目	Total number of Shares interested 持有權益的 股份總數	Approximate percentage shareholding in the Company 佔本公司股權 的概約百分比
Mr. Fang Ankong 方安空先生	Beneficial owner 實益擁有人	7,014,000	6,600,000 (Note 1) (附註1)	13,614,000	
	Interest in controlled corporations 於受控制法團之權益	318,905,265 (Note 2) (附註2)	31,266,667 (Note 2) (附註2)	350,171,932	
	Interest of the other parties to an agreement under section 317 of the SFO 證券及期貨條例第317條下協議 其他訂約方所持有之權益	282,594,745 (Note 3) (附註3)	138,575,536 (Note 3) (附註3)	421,170,281	
				Total: 總計:	784,956,213 74.80%

權益披露

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於二零一四年十二月三十一日，本公司董事及主要行政人員於本公司或其任何相聯法團(定義見《證券及期貨條例》(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有本公司須根據證券及期貨條例第352條須予存置的登記冊中所記錄或根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯合交易所有限公司(「聯交所」)的權益或淡倉如下：

(i) 股份及相關股份的好倉：

Directors' Report (continued)

董事會報告 (續)

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

權益披露 (續)

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

(i) Long positions in Shares and underlying Shares: (continued)

(i) 股份及相關股份的好倉：(續)

Name of Director 董事名稱	Capacity/Nature of Interest 身份/權益性質	Number of Shares interested 持有權益的股份數目	Number of underlying Shares interested 持有權益的相關股份數目	Total number of Shares interested 持有權益的股份總數	Approximate percentage shareholding in the Company 佔本公司股權的概約百分比
Mr. Stephanus Maria van Ooijen (resigned on 12 March 2015)	Beneficial owner 實益擁有人	700,000	400,000 (Note 4) (附註4)	1,100,000	
Stephanus Maria van Ooijen 先生 (於二零一五年三月十二日辭任)	Interest in controlled corporations 於受控制法團之權益	115,197,991 (Note 5) (附註5)	52,100,000 (Note 5) (附註5)	167,297,991	
	Interest of the other parties to an agreement under section 317 of the SFO 證券及期貨條例第317條下協議其他訂約方所持有之權益	492,616,019 (Note 6) (附註6)	123,942,203 (Note 6) (附註6)	616,558,222	
Total: 總計：				784,956,213	74.80%
Mr. Gu Liyong 顧李勇先生	Beneficial owner 實益擁有人	425,000	350,000 (Note 7) (附註7)	775,000	0.07%
Dr. Loke Yu 陸海林博士	Beneficial owner 實益擁有人	-	135,000 (Note 8) (附註8)	135,000	0.01%
Ms. Zhang Jingdong 章敬東女士	Beneficial owner 實益擁有人	-	135,000 (Note 9) (附註9)	135,000	0.01%
Mr. Li Xikui (resigned on 17 December 2014) 李錫奎先生 (於二零一四年十二月十七日辭任)	Beneficial owner 實益擁有人	-	135,000 (Note 10) (附註10)	135,000	0.01%

Directors' Report (continued)

董事會報告 (續)

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

(ii) Short positions in Shares:

Name of Director 董事名稱	Capacity/Nature of Interest 身份／權益性質	Number of Shares interested 持有權益的股份數目	Approximate percentage shareholding in the Company 佔本公司股權的概約百分比
Mr. Fang Ankong 方安空先生	Interest of the other parties to an agreement under section 317 of the SFO 證券及期貨條例第317條下協議 其他訂約方所持有之權益	20,837,095 (Note 11) (附註11)	1.99%
Mr. Stephanus Maria van Ooijen (resigned on 12 March 2015) Stephanus Maria van Ooijen 先生 (於二零一五年三月十二日辭任)	Interest in controlled corporations 於受控制法團之權益	20,837,095 (Note 11) (附註11)	1.99%

(iii) Long positions in debentures of the Company:

Name of Director 董事名稱	Capacity/Nature of Interest 身份／權益性質	Principal amount of the debentures held 所持有債券之本金額 (HK\$) (港元)
Mr. Fang Ankong 方安空先生	Interest in controlled corporations 於受控制法團之權益	187,600,000 (Note 12) (附註12)
Mr. Stephanus Maria van Ooijen (resigned on 12 March 2015) Stephanus Maria van Ooijen 先生 (於二零一五年三月十二日辭任)	Interest in controlled corporations 於受控制法團之權益	312,600,000 (Note 13) (附註13)

權益披露 (續)

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

(ii) 股份的淡倉：

(iii) 本公司債券的好倉：



Directors' Report (continued)

董事會報告(續)

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

Notes:

- (1) Mr. Fang Ankong ("Mr. Fang") was granted Share Options under the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme to subscribe for 3,500,000 Shares and 49,500,000 Shares, respectively. Mr. Fang exercised Share Options to subscribe for 1,050,000 Shares on 18 May 2012. 1,050,000 Share Options granted to Mr. Fang on 23 June 2010 have not been exercised in the exercisable period and were lapsed on 13 July 2013. Two batches of 4,950,000 Share Options granted to Mr. Fang on 3 May 2011 have not been exercised in the exercisable periods and were lapsed on 4 May 2013 and 4 May 2014, respectively. 16,500,000 Share Options were granted to Mr. Fang on each of 28 March 2012 and 22 March 2013 subject to the vesting condition that the net profit of the Group for the financial years of the Company ended 31 December 2012 and 31 December 2013, respectively, is equal to or exceeds 130% of the net profit of the Group for the financial year ended 31 December 2010. As the aforesaid condition has not been met and therefore the two batches of 16,500,000 Share Options granted to Mr. Fang on 28 March 2012 and 22 March 2013 were automatically lapsed on 21 March 2013 and 20 March 2014, respectively. Mr. Fang exercised Share Options to subscribe for 1,400,000 Shares on 18 June 2014.

權益披露(續)

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

附註:

- (1) 方安空先生(「方先生」)根據首次公開發售前購股權計劃及首次公開發售後購股權計劃獲授予購股權分別認購3,500,000股股份及49,500,000股股份。方先生於二零一二年五月十八日行使購股權以認購1,050,000股股份。於二零一零年六月二十三日授予方先生之1,050,000份購股權並未於行使期內獲行使且於二零一三年七月十三日失效。兩批於二零一一年五月三日授予方先生之4,950,000份購股權並未於行使期內獲行使且分別於二零一三年五月四日及二零一四年五月四日失效。於二零一二年三月二十八日及二零一三年三月二十二日分別向方先生授出16,500,000份購股權，惟受限於歸屬條件，即分別截至二零一二年十二月三十一日及二零一三年十二月三十一日止本公司財政年度的本集團淨溢利相等於或超逾截至二零一零年十二月三十一日止財政年度本集團淨溢利的130%。由於上述條件並未達成，因此，兩批於二零一二年三月二十八日及二零一三年三月二十二日授予方先生的16,500,000份購股權已分別於二零一三年三月二十一日及二零一四年三月二十日自動失效。方先生於二零一四年六月十八日行使購股權以認購1,400,000股股份。



Directors' Report (continued) 董事會報告(續)

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

Notes: (continued)

- (2) 318,905,265 Shares are held by HWH Holdings Limited ("HWH") as beneficial owner and HWH is wholly-owned by Mr. Fang. On 1 March 2012, the Company issued a three-year 4% coupon convertible bonds (the "Convertible Bonds") in the aggregate principal amount of HK\$815,800,000 entitling the holders thereof to convert into Shares at an initial conversion price of HK\$6.00 per Share, subject to adjustments, and HWH subscribed for the Convertible Bonds in the principal amount of HK\$187,600,000. Pursuant to a sale and purchase agreement dated 16 January 2013 entered into between, among others, HWH and Greenwoods China Alpha Master Fund ("Greenwoods"), an independent third party, HWH has, on 16 January 2013, transferred part of its Convertible Bonds in the principal amount of HK\$120,000,000 ("Option Bonds") to Greenwoods and Greenwoods has granted a call option ("Call Option") in favour of HWH to purchase all or part of the Option Bonds on the same day. The 31,266,667 underlying Shares comprise (i) 11,266,667 underlying Shares held by HWH as beneficial owner which fall to be issued to HWH upon full conversion of the Convertible Bonds; and (ii) 20,000,000 underlying Shares held by HWH as beneficial owner which Greenwoods is obliged to deliver to HWH upon exercise of the Call Option by HWH. Therefore, Mr. Fang is deemed to be interested in an aggregate of 350,171,932 Shares held by his controlled corporations.

權益披露(續)

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

附註：(續)

- (2) 由方先生全資擁有之HWH Holdings Limited (「HWH」)作為實益擁有人持有318,905,265股股份。於二零一二年三月一日，本公司發行本金總額815,800,000港元之三年4%票息之可換股債券(「可換股債券」)，賦予持有者權利可按初步兌換價每股6.00港元兌換成股份(可予調整)，及HWH認購本金額為187,600,000港元的可換股債券。根據(其中包括)HWH與獨立第三方Greenwoods China Alpha Master Fund(「Greenwoods」)於二零一三年一月十六日訂立的買賣協議，HWH已於二零一三年一月十六日轉讓本金額為120,000,000港元的部分可換股債券(「期權債券」)予Greenwoods且Greenwoods已於同日授出以HWH為受益人以購買全部或部分期權債券之認購期權(「認購期權」)。31,266,667股相關股份包括(i)由HWH作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予HWH的11,266,667股相關股份；及(ii)於HWH行使認購期權後Greenwoods有責任交付予HWH且由HWH作為實益擁有人持有的20,000,000股相關股份。因此，方先生被視為於由其受控制法團持有之合共350,171,932股股份中擁有權益。



Directors' Report (continued)

董事會報告(續)

DISCLOSURE OF INTERESTS (continued)

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

Notes: (continued)

- (3) Mr. Fang, Mr. Stephanus Maria van Ooijen ("Mr. van Ooijen"), Mr. Herman Maurits de Leeuw ("Mr. de Leeuw"), HWH, Delco Participation B.V. ("Delco"), Sims Metal Management Dragon Holdings Limited ("Sims") and Sims Metal Management Asia Limited ("Sims Asia") are considered having entered into an agreement under section 317 of the SFO. The 282,594,745 Shares comprise (i) 700,000 Shares held by Mr. van Ooijen as beneficial owner; (ii) 115,197,991 Shares held by Delco as beneficial owner; and (iii) 166,696,754 Shares held by Sims as beneficial owner. The 138,575,536 underlying Shares comprise (i) 400,000 underlying Shares held by Mr. van Ooijen as beneficial owner as referred to in Note 4 below; (ii) 52,100,000 underlying Shares held by Delco as beneficial owner which fall to be issued to Delco upon full conversion of the Convertible Bonds; (iii) 20,837,095 underlying Shares held by Sims as beneficial owner which Delco is obliged to deliver to Sims upon exercise of the Option by Sims; (iv) 52,600,000 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Convertible Bonds; and (v) 12,638,441 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Warrants. Therefore, Mr. Fang is deemed to be interested in an aggregate of 421,170,281 Shares held by the other parties to an agreement under section 317 of the SFO.

權益披露(續)

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

附註：(續)

- (3) 方先生、Stephanus Maria van Ooijen先生(「van Ooijen先生」)、Herman Maurits de Leeuw先生(「de Leeuw先生」)、HWH、Delco Participation B.V.(「Delco」)、Sims Metal Management Dragon Holdings Limited(「Sims」)及Sims Metal Management Asia Limited(「Sims Asia」)被視為訂立證券及期貨條例第317條下的協議。282,594,745股股份包括(i)由van Ooijen先生作為實益擁有人持有的700,000股股份；(ii)由Delco作為實益擁有人持有的115,197,991股股份；及(iii)由Sims作為實益擁有人持有的166,696,754股股份。138,575,536股相關股份包括(i)下文附註4所述由van Ooijen先生作為實益擁有人持有的400,000股相關股份；(ii)由Delco作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予Delco的52,100,000股相關股份；(iii)於Sims行使購股權後Delco有責任交付予Sims且由Sims作為實益擁有人持有的20,837,095股相關股份；(iv)由Sims作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予Sims的52,600,000股相關股份；及(v)由Sims作為實益擁有人持有且於認股權證獲悉數兌換後而將發行予Sims的12,638,441股相關股份。因此，方先生被視為於證券及期貨條例第317條下協議其他訂約方所持有之合共421,170,281股股份中擁有權益。



Directors' Report (continued) 董事會報告(續)

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

Notes: (continued)

- (4) Mr. van Ooijen was granted Share Options under the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme to subscribe for 1,000,000 Shares and 5,000,000 Shares, respectively. Mr. van Ooijen exercised Share Options to subscribe for 300,000 Shares on 18 May 2012. 300,000 Share Options granted to Mr. van Ooijen on 23 June 2010 have not been exercised in the exercisable period and were lapsed on 13 July 2013. Two batches of 300,000 Share Options granted to Mr. van Ooijen on 3 May 2011 have not been exercised in the exercisable periods and were lapsed on 4 May 2013 and 4 May 2014, respectively. 2,000,000 Share Options were granted to Mr. van Ooijen on each of 28 March 2012 and 22 March 2013 subject to the vesting condition that the net profit of the Group for the financial years of the Company ended 31 December 2012 and 31 December 2013, respectively, is equal to or exceeds 130% of the net profit of the Group for the financial year ended 31 December 2010. As the aforesaid condition has not been met and therefore the two batches of 2,000,000 Share Options granted to Mr. van Ooijen on 28 March 2012 and 22 March 2013 were automatically lapsed on 21 March 2013 and 20 March 2014, respectively. Mr. van Ooijen exercised Share Options to subscribe for 400,000 Shares on 11 July 2014.
- (5) 115,197,991 Shares are held by Delco as beneficial owner and Delco is indirectly 50%-owned by Mr. van Ooijen. The 52,100,000 underlying Shares represent such number of underlying Shares which fall to be issued to Delco upon full conversion of the Convertible Bonds. Therefore, Mr. van Ooijen is deemed to be interested in an aggregate of 167,297,991 Shares held by his controlled corporations.

權益披露(續)

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

附註：(續)

- (4) van Ooijen 先生根據首次公開發售前購股權計劃及首次公開發售後購股權計劃獲授予購股權分別認購1,000,000股股份及5,000,000股股份。van Ooijen 先生於二零一二年五月十八日行使購股權以認購300,000股股份。於二零一零年六月二十三日授予van Ooijen 先生之300,000份購股權並未於行使期內獲行使且於二零一三年七月十三日失效。兩批於二零一一年五月三日授予van Ooijen 先生之300,000份購股權並未於行使期內獲行使且分別於二零一三年五月四日及二零一四年五月四日失效。於二零一二年三月二十八日及二零一三年三月二十二日分別向van Ooijen 先生授予2,000,000份購股權，惟受限於歸屬條件，即分別截至二零一二年十二月三十一日及二零一三年十二月三十一日止本公司財政年度的本集團淨溢利相等於或超逾截至二零一零年十二月三十一日止財政年度本集團淨溢利的130%。由於上述條件並未達成，因此，兩批於二零一二年三月二十八日及二零一三年三月二十二日授予van Ooijen 先生的2,000,000份購股權已分別於二零一三年三月二十一日及二零一四年三月二十日自動失效。van Ooijen 先生於二零一四年七月十一日行使購股權以認購400,000股股份。
- (5) 115,197,991股股份由van Ooijen 先生間接擁有50%之Delco作為實益擁有人持有。52,100,000股相關股份指於可換股債券獲悉數兌換後而將發行予Delco的相關股份有關數目。因此，van Ooijen 先生被視為於其受控制法團持有之合共167,297,991股股份中擁有權益。



Directors' Report (continued)

董事會報告(續)

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

Notes: (continued)

- (6) Mr. Fang, Mr. van Ooijen, Mr. de Leeuw, HWH, Delco, Sims and Sims Asia are considered having entered into an agreement under section 317 of the SFO. The 492,616,019 Shares comprise (i) 7,014,000 Shares held by Mr. Fang as beneficial owner; (ii) 318,905,265 Shares held by HWH as beneficial owner; and (iii) 166,696,754 Shares held by Sims as beneficial owner. The 123,942,203 underlying Shares comprise (i) 6,600,000 underlying Shares held by Mr. Fang as beneficial owner as referred to in Note 1 above; (ii) 31,266,667 underlying Shares held by HWH as beneficial owner as referred to in Note 2 above; (iii) 20,837,095 underlying Shares held by Sims as beneficial owner which Delco is obliged to deliver to Sims upon exercise of the Option by Sims; (iv) 52,600,000 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Convertible Bonds; and (v) 12,638,441 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Warrants. Therefore, Mr. van Ooijen is deemed to be interested in an aggregate of 616,558,222 Shares held by the other parties to an agreement under section 317 of the SFO.

權益披露(續)

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

附註：(續)

- (6) 方先生、van Ooijen先生、de Leeuw先生、HWH、Delco、Sims及Sims Asia被視為訂立證券及期貨條例第317條下的協議。492,616,019股股份包括(i)由方先生作為實益擁有人持有的7,014,000股股份；(ii)由HWH作為實益擁有人持有的318,905,265股股份；及(iii)由Sims作為實益擁有人持有的166,696,754股股份。123,942,203股相關股份包括(i)上文附註1所述由方先生作為實益擁有人持有的6,600,000股相關股份；(ii)上文附註2所述由HWH作為實益擁有人持有的31,266,667股相關股份；(iii)於Sims行使購股權後Delco有責任交付予Sims且由Sims作為實益擁有人持有的20,837,095股相關股份；(iv)由Sims作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予Sims的52,600,000股相關股份；及(v)由Sims作為實益擁有人持有且於認股權證獲悉數兌換後而將發行予Sims的12,638,441股相關股份。因此，van Ooijen先生被視為於證券及期貨條例第317條下協議其他訂約方所持有之合共616,558,222股股份中擁有權益。



Directors' Report (continued)

董事會報告(續)

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

Notes: (continued)

- (7) Mr. Gu Liyong ("Mr. Gu") was granted Share Options under the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme to subscribe for 425,000 Shares and 2,175,000 Shares, respectively. Mr. Gu exercised Share Options to subscribe for 127,500 Shares and 127,500 Shares on 18 May 2012 and 14 May 2013, respectively. Two batches of 262,500 Share Options granted to Mr. Gu on 3 May 2011 have not been exercised in the exercisable periods and were lapsed on 4 May 2013 and 4 May 2014, respectively. 650,000 Share Options were granted to Mr. Gu on each of 28 March 2012 and 22 March 2013 subject to the vesting condition that the net profit of the Group for the financial years of the Company ended 31 December 2012 and 31 December 2013, respectively, is equal to or exceeds 130% of the net profit of the Group for the financial year ended 31 December 2010. As the aforesaid condition has not been met and therefore the two batches of 650,000 Share Options granted to Mr. Gu on 28 March 2012 and 22 March 2013 were automatically lapsed on 21 March 2013 and 20 March 2014, respectively. Mr. Gu exercised Share Options to subscribe for 170,000 Shares on 18 June 2014.
- (8) Dr. Loke Yu ("Dr. Loke") was granted Share Options under the Post-IPO Share Option Scheme to subscribe for 225,000 Shares. Two batches of 45,000 Share Options granted to Dr. Loke on 3 May 2011 have not been exercised in the exercisable periods and were lapsed on 4 May 2013 and 4 May 2014 respectively.
- (9) Ms. Zhang Jingdong ("Ms. Zhang") was granted Share Options under the Post-IPO Share Option Scheme to subscribe for 225,000 Shares. Two batches of 45,000 Share Options granted to Ms. Zhang on 3 May 2011 have not been exercised in the exercisable periods and were lapsed on 4 May 2013 and 4 May 2014 respectively.
- (10) Mr. Li Xikui ("Mr. Li") was granted Share Options under the Post-IPO Share Option Scheme to subscribe for 225,000 Shares. Two batches of 45,000 Share Options granted to Mr. Li on 3 May 2011 have not been exercised in the exercisable periods and were lapsed on 4 May 2013 and 4 May 2014 respectively.

權益披露(續)

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

附註：(續)

- (7) 顧李勇先生(「顧先生」)根據首次公開發售前購股權計劃及首次公開發售後購股權計劃獲授予購股權分別認購425,000股股份及2,175,000股股份。顧先生於二零一二年五月十八日及二零一三年五月十四日分別行使購股權以認購127,500股股份及127,500股股份。兩批於二零一一年五月三日授予顧先生的262,500份購股權並未於行使期內獲行使且分別於二零一三年五月四日及於二零一四年五月四日失效。於二零一二年三月二十八日及二零一三年三月二十二日分別向顧先生授出650,000份購股權，惟受限於歸屬條件，即分別截至二零一二年十二月三十一日及二零一三年十二月三十一日止本公司財政年度的本集團淨溢利相等於或超逾截至二零一零年十二月三十一日止財政年度本集團淨溢利的130%。由於上述條件並未達成，因此，兩批於二零一二年三月二十八日及二零一三年三月二十二日授予顧先生的650,000份購股權已分別於二零一三年三月二十一日及二零一四年三月二十日自動失效。顧先生於二零一四年六月十八日行使購股權以認購170,000股股份。
- (8) 陸海林博士(「陸博士」)根據首次公開發售後購股權計劃獲授予購股權認購225,000股股份。兩批於二零一一年五月三日授予陸博士的45,000份購股權並未於行使期內獲行使且已分別於二零一三年五月四日及二零一四年五月四日失效。
- (9) 章敬東女士(「章女士」)根據首次公開發售後購股權計劃獲授予購股權認購225,000股股份。兩批於二零一一年五月三日授予章女士的45,000份購股權並未於行使期內獲行使且已分別於二零一三年五月四日及二零一四年五月四日失效。
- (10) 李錫奎先生(「李先生」)根據首次公開發售後購股權計劃獲授予購股權認購225,000股股份。兩批於二零一一年五月三日授予李先生的45,000份購股權並未於行使期內獲行使且已分別於二零一三年五月四日及二零一四年五月四日失效。



Directors' Report (continued)

董事會報告(續)

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

Notes: (continued)

- (11) Pursuant to a sale and purchase agreement dated 17 January 2012 entered into between, among others, Delco and Sims, Delco has granted a call option (the "Option") in favour of Sims in respect of 20,837,095 Shares, subject to adjustments (the "Option Shares"). The short position in respect of 20,837,095 Shares represent the number of the Option Shares which Delco is obliged to deliver to Sims upon exercise of the Option by Sims. Mr. van Ooijen is deemed to have the same short position as Delco since Delco is indirectly 50%-owned by Mr. van Ooijen. Mr. Fang is also deemed to have the same short position as Delco since Mr. Fang and Delco are parties to an agreement under section 317 of the SFO referred to in Notes 3 and 6 above.
- (12) This represents the aggregate of (i) the principal amount of the Convertible Bonds of HK\$67,600,000 held by HWH as at 31 December 2014; and (ii) the principal amount of the Option Bonds of HK\$120,000,000 held by Greenwoods (in which HWH is deemed to be interested by virtue of the Call Option as referred to in Note 2 above), by virtue of which HWH is deemed to be interested in 31,266,667 underlying Shares as referred to in Notes 2 and 6 above. Mr. Fang is deemed to be interested in the same principal amount of the Convertible Bonds as HWH since HWH is wholly-owned by Mr. Fang.
- (13) This represents the principal amount of the Convertible Bonds subscribed by Delco, by virtue of which Delco is deemed to be interested in 52,100,000 underlying Shares as referred to in Notes 3 and 5 above. Mr. van Ooijen is deemed to be interested in the same principal amount of the Convertible Bonds as Delco since Delco is indirectly 50%-owned by Mr. van Ooijen.

Save as disclosed above, as at 31 December 2014, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

權益披露(續)

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

附註：(續)

- (11) 根據(其中包括)Delco及Sims於二零一二年一月十七日訂立的買賣協議, Delco就20,837,095股股份(「購股權股份」)(可予調整)已授出認購期權(「期權」)予Sims。有關20,837,095股之淡倉指於Sims行使購股權後Delco有責任交付予Sims的購股權股份數目。van Ooijen先生被視為與Delco擁有相同淡倉, 因Delco由van Ooijen先生間接擁有50%。方先生亦被視為與Delco擁有相同淡倉, 因方先生及Delco均為上述附註3及6所指證券及期貨條例第317條下協議其他訂約方。
- (12) 此代表(i) HWH於二零一四年十二月三十一日持有可換股債券之本金額67,600,000港元; 及(ii) Greenwoods持有期權債券之本金額120,000,000港元(其中HWH被視為擁有上述附註2所指認購期權之權益)之總和, 據此, HWH被視為擁有上述附註2及6所指31,266,667股相關股份之權益。方先生被視為與HWH於相同可換股債券本金額中擁有權益, 因HWH由方先生全資擁有。
- (13) 此代表Delco認購可換股債券之本金額, 據此, Delco被視為擁有上述附註3及5所指52,100,000股相關股份之權益。van Ooijen先生被視為與Delco於相同可換股債券本金額中擁有權益, 因Delco由van Ooijen先生間接擁有50%。

除上文所披露外, 於二零一四年十二月三十一日, 本公司董事及主要行政人員概無於本公司或其任何相聯法團之股份、相關股份或債券中擁有須根據證券及期貨條例第XV部第7及8分部須予知會本公司及聯交所(包括根據證券及期貨條例有關條文規定, 彼等被當作或視作擁有之權益或淡倉); 或本公司根據證券及期貨條例第352條所存置之登記冊中所記錄; 或根據標準守則須予知會本公司及聯交所之任何權益或淡倉。

Directors' Report (continued)

董事會報告(續)

DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company

As at 31 December 2014, the interests and short positions of the persons, other than the Directors and chief executives of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

(i) Long positions in Shares and underlying Shares:

Name of Shareholder 股東名稱	Capacity/Nature of Interest 身份/權益性質	Number of Shares interested 持有權益的 股份數目	Number of underlying Shares interested 持有權益的 相關股份數目	Total number of Shares interested 持有權益的 股份總數	Approximate percentage shareholding in the Company 佔本公司股權 的概約百分比
HWH Holdings Limited	Beneficial owner 實益擁有人	318,905,265 (Note 1) (附註1)	31,266,667 (Note 1) (附註1)	350,171,932	
	Interest of the other parties to an agreement under section 317 of the SFO 證券及期貨條例第317條下協議 其他訂約方所持有之權益	289,608,745 (Note 2) (附註2)	145,175,536 (Note 2) (附註2)	434,784,281	
			Total: 總計:	784,956,213	74.80%
Delco Participation B.V.	Beneficial owner 實益擁有人	115,197,991 (Note 3) (附註3)	52,100,000 (Note 3) (附註3)	167,297,991	
	Interest of the other parties to an agreement under section 317 of the SFO 證券及期貨條例第317條下協議 其他訂約方所持有之權益	493,316,019 (Note 4) (附註4)	124,342,203 (Note 4) (附註4)	617,658,222	
			Total: 總計:	784,956,213	74.80%

權益披露(續)

主要股東於本公司的股份及相關股份的權益及淡倉

於二零一四年十二月三十一日，除本公司董事及主要行政人員外，以下人士於本公司股份及相關股份中擁有須根據證券及期貨條例第336條須予存置之登記冊中所記錄的權益及淡倉如下：

(i) 股份及相關股份的好倉：

Directors' Report (continued)

董事會報告 (續)

DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

權益披露 (續)

主要股東於本公司的股份及相關股份的權益及淡倉 (續)

(i) Long positions in Shares and underlying Shares: (continued)

(i) 股份及相關股份的好倉：(續)

Name of Shareholder 股東名稱	Capacity/Nature of Interest 身份/權益性質	Number of Shares interested 持有權益的 股份數目	Number of underlying Shares interested 持有權益的 相關股份數目	Total number of Shares interested 持有權益的 股份總數	Approximate percentage shareholding in the Company 佔本公司股權 的概約百分比
Mr. Herman Maurits de Leeuw Herman Maurits de Leeuw 先生	Interest in controlled corporations 於受控制法團之權益	115,197,991 (Notes 3 & 5) (附註3及5)	52,100,000 (Notes 3 & 5) (附註3及5)	167,297,991	
	Interest of the other parties to an agreement under section 317 of the SFO 證券及期貨條例第317條下協議 其他訂約方所持有之權益	493,316,019 (Notes 4 & 5) (附註4及5)	124,342,203 (Notes 4 & 5) (附註4及5)	617,658,222	
				Total: 總計：	784,956,213 74.80%
SVO Company B.V.	Interest in controlled corporations 於受控制法團之權益	608,514,010 (Notes 3, 4 & 5) (附註3、4及5)	176,442,203 (Notes 3, 4 & 5) (附註3、4及5)	784,956,213	74.80%
H.P.L. Metals B.V.	Interest in controlled corporations 於受控制法團之權益	608,514,010 (Notes 3, 4 & 5) (附註3、4及5)	176,442,203 (Notes 3, 4 & 5) (附註3、4及5)	784,956,213	74.80%
Stichting Beheer Aandelen H.P.L. Metals	Interest in controlled corporations 於受控制法團之權益	608,514,010 (Notes 3, 4 & 5) (附註3、4及5)	176,442,203 (Notes 3, 4 & 5) (附註3、4及5)	784,956,213	74.80%
Sims Metal Management Dragon Holdings Limited	Beneficial owner 實益擁有人	166,696,754 (Note 6) (附註6)	86,075,536 (Note 6) (附註6)	252,772,290	
	Interest of the other parties to an agreement under section 317 of the SFO 證券及期貨條例第317條下協議 其他訂約方所持有之權益	441,817,256 (Note 7) (附註7)	90,366,667 (Note 7) (附註7)	532,183,923	
				Total: 總計：	784,956,213 74.80%

Directors' Report (continued) 董事會報告(續)

DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

權益披露(續) 主要股東於本公司的股份及相關股份的權 益及淡倉(續)

(i) Long positions in Shares and underlying Shares: (continued)

(i) 股份及相關股份的好倉：(續)

Name of Shareholder 股東名稱	Capacity/Nature of Interest 身份/權益性質	Number of Shares interested 持有權益的 股份數目	Number of underlying Shares interested 持有權益的 相關股份數目	Total number of Shares interested 持有權益的 股份總數	Approximate percentage shareholding in the Company 佔本公司股權 的概約百分比
Sims Metal Management China Holdings Limited	Interest in controlled corporations 於受控制法團之權益	608,514,010 (Notes 6, 7 & 8) (附註6、7及8)	176,442,203 (Notes 6, 7 & 8) (附註6、7及8)	784,956,213	74.80%
Sims Metal Management Asia Limited	Interest in controlled corporations 於受控制法團之權益	608,514,010 (Notes 6, 7 & 8) (附註6、7及8)	176,442,203 (Notes 6, 7 & 8) (附註6、7及8)	784,956,213	74.80%
Sims Metal Management Limited	Interest in controlled corporations 於受控制法團之權益	608,514,010 (Notes 6, 7 & 8) (附註6、7及8)	176,442,203 (Notes 6, 7 & 8) (附註6、7及8)	784,956,213	74.80%
Tai Security Holding Limited	Beneficial owner 實益擁有人	175,197,990 (Note 9) (附註9)	–	175,197,990	16.69%
Mr. Cai Huabo Cai Huabo 先生	Interest in controlled corporations 於受控制法團之權益	175,197,990 (Note 9) (附註9)	–	175,197,990	16.69%



Directors' Report (continued) 董事會報告(續)

DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

(ii) Short positions in underlying Shares:

權益披露(續)

主要股東於本公司的股份及相關股份的權益及淡倉(續)

(ii) 相關股份的淡倉：

Name of Shareholder 股東名稱	Capacity/Nature of Interest 身份／權益性質	Number of underlying Shares interested 持有權益的 相關股份數目	Approximate percentage shareholding in the Company 佔本公司股權 的概約百分比
Delco Participation B.V.	Beneficial owner 實益擁有人	20,837,095 (Note 10) (附註10)	1.99%
HWH Holdings Limited	Interest of the other parties to an agreement under section 317 of the SFO 證券及期貨條例第317條下協議 其他訂約方所持有之權益	20,837,095 (Note 10) (附註10)	1.99%
Mr. Herman Maurits de Leeuw Herman Maurits de Leeuw 先生	Interest in controlled corporations 於受控制法團之權益	20,837,095 (Notes 5 & 10) (附註5及10)	1.99%
SVO Company B.V.	Interest in controlled corporations 於受控制法團之權益	20,837,095 (Notes 5 & 10) (附註5及10)	1.99%
H.P.L. Metals B.V.	Interest in controlled corporations 於受控制法團之權益	20,837,095 (Notes 5 & 10) (附註5及10)	1.99%
Stichting Beheer Aandelen H.P.L. Metals	Interest in controlled corporations 於受控制法團之權益	20,837,095 (Notes 5 & 10) (附註5及10)	1.99%
Sims Metal Management Dragon Holdings Limited	Interest of the other parties to an agreement under section 317 of the SFO 證券及期貨條例第317條下協議 其他訂約方所持有之權益	20,837,095 (Note 10) (附註10)	1.99%



Directors' Report (continued) 董事會報告(續)

DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

(ii) Short positions in underlying Shares: (continued)

權益披露(續)

主要股東於本公司的股份及相關股份的權益及淡倉(續)

(ii) 相關股份的淡倉：(續)

Name of Shareholder 股東名稱	Capacity/Nature of Interest 身份／權益性質	Number of underlying Shares interested 持有權益的 相關股份數目	Approximate percentage shareholding in the Company 佔本公司股權 的概約百分比
Sims Metal Management China Holdings Limited	Interest in controlled corporations 於受控制法團之權益	20,837,095 (Notes 8 & 10) (附註8及10)	1.99%
Sims Metal Management Asia Limited	Interest in controlled corporations 於受控制法團之權益	20,837,095 (Notes 8 & 10) (附註8及10)	1.99%
Sims Metal Management Limited	Interest in controlled corporations 於受控制法團之權益	20,837,095 (Notes 8 & 10) (附註8及10)	1.99%

Notes:

- (1) 318,905,265 Shares are held by HWH as beneficial owner. The 31,266,667 underlying Shares comprise (i) 11,266,667 underlying Shares held by HWH as beneficial owner which fall to be issued to HWH upon full conversion of the Convertible Bonds; and (ii) 20,000,000 underlying Shares held by HWH as beneficial owner which Greenwoods is obliged to deliver to HWH upon exercise of the Call Option by HWH as referred to in Note 2 under the section headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation" above.

附註：

- (1) HWH作為實益擁有人持有318,905,265股股份。31,266,667股相關股份包括(i)由HWH作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予HWH的11,266,667股相關股份；及(ii)上文「董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉」一節附註2所述於HWH行使認購期權後，Greenwoods有責任交付予HWH且由HWH作為實益擁有人持有的20,000,000股相關股份。



Directors' Report (continued) 董事會報告 (續)

DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

Notes: (continued)

- (2) Mr. Fang, Mr. van Ooijen, Mr. de Leeuw, HWH, Delco, Sims and Sims Asia are considered having entered into an agreement under section 317 of the SFO. The 289,608,745 Shares comprise (i) 7,014,000 Shares held by Mr. Fang as beneficial owner; (ii) 700,000 Shares held by Mr. van Ooijen as beneficial owner; (iii) 115,197,991 Shares held by Delco as beneficial owner; and (iv) 166,696,754 Shares held by Sims as beneficial owner. The 145,175,536 underlying Shares comprise (i) 6,600,000 underlying Shares held by Mr. Fang as beneficial owner; (ii) 400,000 underlying Shares held by Mr. van Ooijen as beneficial owner; (iii) 52,100,000 underlying Shares held by Delco as beneficial owner which fall to be issued to Delco upon full conversion of the Convertible Bonds; (iv) 20,837,095 underlying Shares held by Sims as beneficial owner which Delco is obliged to deliver to Sims upon exercise of the Option by Sims; (v) 52,600,000 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Convertible Bonds; and (vi) 12,638,441 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Warrants. Therefore, HWH is deemed to be interested in an aggregate of 434,784,281 Shares held by the other parties to an agreement under section 317 of the SFO.
- (3) 115,197,991 Shares are held by Delco as beneficial owner. The 52,100,000 underlying Shares represent such number of underlying Shares which fall to be issued to Delco upon full conversion of the Convertible Bonds.

權益披露 (續)

主要股東於本公司的股份及相關股份的權益及淡倉 (續)

附註：(續)

- (2) 方先生、van Ooijen先生、de Leeuw先生、HWH、Delco、Sims及Sims Asia被視為訂立證券及期貨條例第317條下的協議。289,608,745股股份包括(i)由方先生作為實益擁有人持有的7,014,000股股份；(ii)由van Ooijen先生作為實益擁有人持有的700,000股股份；(iii)由Delco作為實益擁有人持有的115,197,991股股份；及(iv)由Sims作為實益擁有人持有的166,696,754股股份。145,175,536股相關股份包括(i)由方先生作為實益擁有人持有的6,600,000股相關股份；(ii)由van Ooijen先生作為實益擁有人持有的400,000股相關股份；(iii)由Delco作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予Delco的52,100,000股相關股份；(iv)於Sims行使購股權後Delco有責任交付予Sims且由Sims作為實益擁有人持有的20,837,095股相關股份；(v)由Sims作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予Sims的52,600,000股相關股份；及(vi)由Sims作為實益擁有人持有且於認股權證獲悉數兌換後而將發行予Sims的12,638,441股相關股份。因此，HWH被視為於證券及期貨條例第317條下協議其他訂約方所持有之合共434,784,281股股份中擁有權益。
- (3) Delco作為實益擁有人持有115,197,991股股份。52,100,000股相關股份指於可換股債券獲悉數兌換後而將發行予Delco的相關股份的有關數目。



Directors' Report (continued) 董事會報告 (續)

DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

Notes: (continued)

- (4) Mr. Fang, Mr. van Ooijen, Mr. de Leeuw, HWH, Delco, Sims and Sims Asia are considered having entered into an agreement under section 317 of the SFO. The 493,316,019 Shares comprise (i) 7,014,000 Shares held by Mr. Fang as beneficial owner; (ii) 700,000 Shares held by Mr. van Ooijen as beneficial owner; (iii) 318,905,265 Shares held by HWH as beneficial owner; and (iv) 166,696,754 Shares held by Sims as beneficial owner. The 124,342,203 underlying Shares comprise (i) 6,600,000 underlying Shares held by Mr. Fang as beneficial owner; (ii) 400,000 underlying Shares held by Mr. van Ooijen as beneficial owner; (iii) 31,266,667 underlying Shares held by HWH as beneficial owner as referred to in Note 1 above; (iv) 20,837,095 underlying Shares held by Sims as beneficial owner which Delco is obliged to deliver to Sims upon exercise of the Option by Sims; (v) 52,600,000 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Convertible Bonds; and (vi) 12,638,441 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Warrants. Therefore, Delco is deemed to be interested in an aggregate of 617,658,222 Shares held by the other parties to an agreement under section 317 of the SFO.
- (5) Delco is 50%-owned by each of SVO Company B.V. ("SVO") and H.P.L. Metals B.V. ("HPL"). SVO is wholly-owned by Mr. van Ooijen. HPL is wholly-owned by Stichting Beheer Aandelen H.P.L. Metals ("Stichting HPL"), a foundation for the sole benefit of Mr. de Leeuw. Therefore, each of SVO, Mr. van Ooijen, Mr. de Leeuw, HPL and Stichting HPL is deemed to be interested in the long positions and short positions held by and through Delco.

權益披露 (續)

主要股東於本公司的股份及相關股份的權益及淡倉 (續)

附註：(續)

- (4) 方先生、van Ooijen先生、de Leeuw先生、HWH、Delco、Sims及Sims Asia被視為訂立證券及期貨條例第317條下的協議。493,316,019股股份包括(i)由方先生作為實益擁有人持有的7,014,000股股份；(ii)由van Ooijen先生作為實益擁有人持有的700,000股股份；(iii)由HWH作為實益擁有人持有的318,905,265股股份；及(iv)由Sims作為實益擁有人持有的166,696,754股股份。124,342,203股相關股份包括(i)由方先生作為實益擁有人持有的6,600,000股相關股份；(ii)由van Ooijen先生作為實益擁有人持有的400,000股相關股份；(iii)上文附註1所述由HWH作為實益擁有人持有的31,266,667股相關股份；(iv)於Sims行使購股權後Delco有責任交付予Sims且由Sims作為實益擁有人持有的20,837,095股相關股份；(v)由Sims作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予Sims的52,600,000股相關股份；及(vi)由Sims作為實益擁有人持有且於認股權證獲悉數兌換後而將發行予Sims的12,638,441股相關股份。因此，Delco被視為於證券及期貨條例第317條下協議其他訂約方所持有之合共617,658,222股股份中擁有權益。
- (5) Delco由SVO Company B.V. (「SVO」)及H.P.L. Metals B.V. (「HPL」)各自擁有50%。SVO由van Ooijen先生全資擁有。HPL由Stichting Beheer Aandelen H.P.L. Metals (「Stichting HPL」)全資擁有而Stichting HPL為由de Leeuw先生享有唯一利益的基金會。因此，SVO、van Ooijen先生、de Leeuw先生、HPL及Stichting HPL各自被視為於透過Delco持有的好倉及淡倉中擁有權益。



Directors' Report (continued)

董事會報告 (續)

DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

Notes: (continued)

- (6) 166,696,754 Shares are held by Sims as beneficial owner. The 86,075,536 underlying Shares comprise (i) 20,837,095 underlying Shares held by Sims as beneficial owner which Delco is obliged to deliver to Sims upon exercise of the Option by Sims; (ii) 52,600,000 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Convertible Bonds; and (iii) 12,638,441 underlying Shares held by Sims as beneficial owner which fall to be issued to Sims upon full conversion of the Warrants.
- (7) Mr. Fang, Mr. van Ooijen, Mr. de Leeuw, HWH, Delco, Sims and Sims Asia are considered having entered into an agreement under section 317 of the SFO. The 441,817,256 Shares comprise (i) 7,014,000 Shares held by Mr. Fang as beneficial owner; (ii) 700,000 Shares held by Mr. van Ooijen as beneficial owner; (iii) 318,905,265 Shares held by HWH as beneficial owner; and (iv) 115,197,991 Shares held by Delco as beneficial owner. The 90,366,667 underlying Shares comprise (i) 6,600,000 underlying Shares held by Mr. Fang as beneficial owner; (ii) 400,000 underlying Shares held by Mr. van Ooijen as beneficial owner; (iii) 31,266,667 underlying Shares held by HWH as beneficial owner as referred to in Note 1 above; and (iv) 52,100,000 underlying Shares held by Delco as beneficial owner which fall to be issued to Delco upon full conversion of the Convertible Bonds. Therefore, Sims is deemed to be interested in an aggregate of 532,183,923 Shares held by the other parties to an agreement under section 317 of the SFO.

權益披露 (續)

主要股東於本公司的股份及相關股份的權益及淡倉 (續)

附註：(續)

- (6) Sims 作為實益擁有人持有 166,696,754 股股份。86,075,536 股相關股份包括 (i) 於 Sims 行使購股權後 Delco 有責任交付予 Sims 且由 Sims 作為實益擁有人持有的 20,837,095 股相關股份；(ii) 由 Sims 作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予 Sims 的 52,600,000 股相關股份；及 (iii) 由 Sims 作為實益擁有人持有且於認股權證獲悉數兌換後而將發行予 Sims 的 12,638,441 股相關股份。
- (7) 方先生、van Ooijen 先生、de Leeuw 先生、HWH、Delco、Sims 及 Sims Asia 被視為訂立證券及期貨條例第 317 條下的協議。441,817,256 股股份包括 (i) 由方先生作為實益擁有人持有的 7,014,000 股股份；(ii) 由 van Ooijen 先生作為實益擁有人持有的 700,000 股股份；(iii) 由 HWH 作為實益擁有人持有的 318,905,265 股股份；及 (iv) 由 Delco 作為實益擁有人持有的 115,197,991 股股份。90,366,667 股相關股份包括 (i) 由方先生作為實益擁有人持有的 6,600,000 股相關股份；(ii) 由 van Ooijen 先生作為實益擁有人持有的 400,000 股相關股份；(iii) 上文附註 1 所述由 HWH 作為實益擁有人持有的 31,266,667 股相關股份；及 (iv) 由 Delco 作為實益擁有人持有且於可換股債券獲悉數兌換後而將發行予 Delco 的 52,100,000 股相關股份。因此，Sims 被視為於證券及期貨條例第 317 條下協議其他訂約方所持有之合共 532,183,923 股股份中擁有權益。



Directors' Report (continued) 董事會報告(續)

DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

Notes: (continued)

- (8) Sims is a wholly-owned subsidiary of Sims Metal Management China Holdings Limited ("SMM China"), which in turn is a wholly-owned subsidiary of Sims Asia. Sims Asia is a wholly-owned subsidiary of Sims Metal Management Limited ("SMM"). Therefore, each of SMM, SMM China and Sims Asia is deemed to be interested in the long positions and short positions held by and through Sims.
- (9) 175,197,990 Shares are held by Tai Security Holding Limited ("Tai Security") as beneficial owner and Tai Security is wholly-owned by Mr. Cai Huabo ("Mr. Cai"). Therefore, Mr. Cai is deemed to be interested in the same number of Shares as held by Tai Security.
- (10) The short position in respect of 20,837,095 Shares represent the number of the Option Shares which Delco is obliged to deliver to Sims upon exercise of the Option by Sims.

Save as disclosed above, as at 31 December 2014, the Company had not been notified by any persons (other than the Directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

MATERIAL CONTRACTS

There were no contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or the controlling shareholder of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

權益披露(續)

主要股東於本公司的股份及相關股份的權益及淡倉(續)

附註：(續)

- (8) Sims為Sims Metal Management China Holdings Limited(「SMM China」)的全資附屬公司，而SMM China為Sims Asia的全資附屬公司。Sims Asia為Sims Metal Management Limited(「SMM」)的全資附屬公司。因此，SMM、SMM China及Sims Asia各自被視為為透過Sims持有的好倉及淡倉中擁有權益。
- (9) Tai Security Holding Limited(「Tai Security」)作為實益擁有人持有175,197,990股股份，而Tai Security由Cai Huabo先生(「Cai先生」)全資擁有。因此，Cai先生被視為與Tai Security持有的相同數目股份中擁有權益。
- (10) 有關20,837,095股股份之淡倉指於Sims行使購股權後Delco有責任交付予Sims的購股權股份數目。

除上文所披露外，於二零一四年十二月三十一日，本公司並不知悉任何人士(本公司董事及主要行政人員除外)於本公司股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部條文規定予以披露或本公司根據證券及期貨條例第336條須予存置的登記冊所記錄的權益或淡倉。

重大合約

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



Directors' Report (continued) 董事會報告(續)

EMOLUMENT POLICY

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

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

The Company has adopted a share option scheme as an incentive to the Directors and eligible employees, details of the scheme are set out in note 37 to the consolidated financial statements.

CORPORATE GOVERNANCE

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and with the knowledge of the Directors, the Company has maintained sufficient public float throughout the financial year ended 31 December 2014.

AUDITORS

The consolidated financial statements for the year ended 31 December 2014 have been audited by Deloitte Touche Tohmatsu. A resolution for the re-appointment of Deloitte Touche Tohmatsu as the Company's auditor is to be proposed at the forthcoming annual general meeting.

For and on behalf of the Board

Chiho-Tiande Group Limited
Fang Ankong
Chairman

Hong Kong, 30 March 2015

薪酬政策

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

薪酬委員會經考慮本公司的經營業績、個人表現及比較市場數據釐定董事的薪酬。

本公司已採納購股權計劃作為激勵董事及合資格僱員，計劃詳情載於綜合財務報表附註37。

企業管治

本公司採用的主要企業管治常規載於本年報企業管治報告。

足夠公眾持股量

基於本公司所獲公開資料及就董事所知，截至二零一四年十二月三十一日止財政年度全年，本公司一直維持足夠公眾持股量。

核數師

截至二零一四年十二月三十一日止年度的綜合財務報表由德勤•關黃陳方會計師行審核。本公司將於應屆股東週年大會提呈續聘德勤•關黃陳方會計師行為本公司核數師的決議案。

代表董事會

齊合天地集團有限公司
方安空
主席

香港，二零一五年三月三十日



Corporate Governance Report

企業管治報告

INTRODUCTION

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

During the year ended 31 December 2013, the Company identified certain practices which were not in full compliance with the Hedging Policy of the Group. In view of this, the Board has taken remedial actions and commissioned an independent professional to review the internal control system and corporate governance of the Group and a report with recommendations was submitted to the Board in March 2014.

The Group has reinforced its internal control mechanism based on the recommendations provided by the independent professional, such reinforcements included enhancing the monitoring mechanism and conducting more detailed analysis in order to improve the risk management system of the Group.

Most of the recommended reinforcements were implemented during the first half of 2014, and for the remaining recommendations, which mainly cover the Hedging Limits stated in the Hedging Policy, the Group managed to decrease, in the second half of 2014, its exposure in the futures market with the view of complying with the policy. By March 2015, the Group had decreased its positions in all future contracts to comply with the Hedging Limits stated in the Hedging Policy.

On 26 March 2015, taking into account the movement in the world commodity market, the Group adopted a new set of policy regarding dealings in metal futures contracts that better reflects the current requirements of our business.

Throughout the Year, the Company has adopted, applied and complied with all the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") except on the deviations set out below.

緒言

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

截至二零一三年十二月三十一日止年度，本公司發現若干不完全符合本集團對沖政策之行為。有鑒於此，董事會已採取補救措施及委託獨立專業人士審閱本集團的內部監控系統及企業管治，並於二零一四年三月提呈包含改善建議之報告予董事會。

本集團已根據獨立專業人士的建議加強其內部監控機制。有關加強措施包括加強監察機制及進行更詳細的分析，以改善本集團的風險管理系統。

大部分建議加強措施已於二零一四年上半年實施，而對於主要涵蓋對沖政策中所載的對沖限制之餘下建議，本集團已於二零一四年下半年致力降低其在期貨市場所承受的風險，以符合政策所訂之要求。截至二零一五年三月，本集團為遵守對沖政策所載的對沖限制，已全面減持所有的期貨合約。

於二零一五年三月二十六日，經考慮全球商品市場之變動後，本集團已採納一套可更好地反映目前業務規定的有關買賣金屬期貨合約的新政策。

於整個年度，本公司已採納、應用及遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載企業管治守則（「企業管治守則」）之所有守則條文，惟下文所載之偏離者除外。



Corporate Governance Report (continued)

企業管治報告(續)

INTRODUCTION (continued)

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

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

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules as the guidelines for the Directors' dealings in the securities of the Company. Upon specific enquiries of all the Directors, each of them confirmed that they have complied with the required standards set out in the Model Code throughout the Year in relation to their securities dealings, if any.

The Model Code has extended to be applicable to senior management and relevant employees who likely possesses the inside information of the Company.

緒言(續)

本公司主席及行政總裁的職責並無根據企業管治守則條文A.2.1所要求予以區分。

方安空先生同時擔任本公司主席兼行政總裁。憑藉於混合廢金屬回收行業的豐富經驗，方先生負責本集團整體策略性規劃及業務管理。董事會認為由同一人出任主席兼行政總裁對本集團的業務前景及管理有利。由具豐富經驗及卓越能力人士組成的高級管理人員及董事會的運作可確保權力得以平衡。董事會目前由兩名執行董事(包括方先生)及三名獨立非執行董事組成，其組成具有相當強烈的獨立成份。

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事買賣本公司證券的指引。經向全體董事作出具體查詢後，各董事確認，於整個年度，彼等進行的證券買賣(如有)已遵守標準守則所列明的規定準則。

標準守則已擴展至適用於高級管理人員及有可能擁有本公司內幕消息之有關僱員。



Corporate Governance Report (continued) 企業管治報告(續)

THE BOARD

The Board is responsible for the leadership and control of the Company and overseeing the Group's business, strategic decisions and performances and comprises five Directors, including two Executive Directors namely Mr. Fang Ankong and Mr. Gu Liyong and three Independent Non-Executive Directors namely Ms. Zhang Jingdong, Dr. Loke Yu and Mr. Zhu Dajian (appointed on 17 December 2014 in replacement of Mr. Li Xikui who resigned on 17 December 2014). Mr. Li Xikui has resigned as an Independent Non-Executive Director, a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company on 17 December 2014. Mr. Michael Charles Lion has resigned as a Non-Executive Director and a member of the Audit Committee of the Company on 16 February 2015. Mr. Stephanus Maria van Ooijen has resigned as an Executive Director, a member of the Remuneration Committee, Nomination Committee and Executive Committee on 12 March 2015. The management is delegated with the authority and responsibility by the Board for the day-to-day operation and management of the Group under the Board's instruction. In addition, the Board has also established various Board committees and has delegated various responsibilities to the Board committees including the Executive Committee (the "Executive Committee"), the Audit Committee (the "Audit Committee"), the Remuneration Committee (the "Remuneration Committee"), the Nomination Committee (the "Nomination Committee") and the Pricing Committee (the "Pricing Committee") (together, the "Board Committees"). All the Board Committees perform their distinct roles in accordance with their respective terms of reference and further details of these committees are set out hereunder. The Directors' and senior management's remuneration and the Group's annual results for the Year were approved in the board meetings of the Company.

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

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

董事會

董事會負責領導及監控本公司，並監管本集團的業務、策略方針及表現。董事會由五名董事組成，包括兩名執行董事方安空先生及顧李勇先生及三名獨立非執行董事章敬東女士、陸海林博士及諸大建先生(於二零一四年十二月十七日獲委任以替任李錫奎先生(於二零一四年十二月十七日辭任))。李錫奎先生已於二零一四年十二月十七日辭任本公司獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。Michael Charles Lion先生已於二零一五年二月十六日辭任非執行董事及審核委員會成員。Stephanus Maria van Ooijen先生已於二零一五年三月十二日辭任執行董事、薪酬委員會、提名委員會及執行委員會成員。董事會已向管理層授出權力及責任，根據董事會的指示進行本集團的日常營運及管理事宜。此外，董事會亦已成立多個董事委員會，並將各項職責分派予各董事委員會，包括執行委員會(「執行委員會」)、審核委員會(「審核委員會」)、薪酬委員會(「薪酬委員會」)、提名委員會(「提名委員會」)及定價委員會(「定價委員會」)(統稱「董事委員會」)。全部董事委員會均會按其各自的職權範圍履行其特定的職務，而有關該等委員會的進一步詳情載於下文。董事及高級管理人員的薪酬以及本集團於本年度的全年業績已於本公司董事會會議通過。

就本公司所深知，董事會成員之間概無財務、業務、家族或其他重大關係。

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

Corporate Governance Report (continued)

企業管治報告(續)

THE BOARD (continued)

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

The Board has convened four regular meetings during the Year. The attendance of all Directors at the Board Meetings and Annual General Meeting (“AGM”) of the Company held during the Year are as follows:

董事會(續)

董事會定期檢討其架構、人數及組成，確保董事會具備適合本公司業務所需的專業知識、技能、經驗及多元化。

於本年度，董事會共召開四次定期會議。本年度各董事出席本公司召開的董事會會議及股東週年大會(「股東週年大會」)如下：

Name of Directors 董事姓名		No. of Meetings attended/ No. of Meeting held 出席會議數目／舉行會議數目	
		Regular Board Meetings 董事會定期會議	AGM 股東週年大會
Executive Directors	執行董事		
Fang Ankong (Chairman)	方安空(主席)	4/4	1/1
Stephanus Maria van Ooijen (resigned on 12 March 2015)	Stephanus Maria van Ooijen (於二零一五年三月十二日辭任)	4/4	1/1
Gu Liyong	顧李勇	4/4	1/1
Non-Executive Director	非執行董事		
Michael Charles Lion (resigned on 16 February 2015)	Michael Charles Lion (於二零一五年二月十六日辭任)	4/4	1/1
Independent Non-Executive Directors	獨立非執行董事		
Loke Yu	陸海林	4/4	1/1
Li Xikui (resigned on 17 December 2014)	李錫奎 (於二零一四年十二月十七日辭任)	4/4	0/1
Zhang Jingdong	章敬東	4/4	0/1
Zhu Dajian (appointed on 17 December 2014)	諸大建 (於二零一四年十二月十七日獲委任)	0/0	0/0

The Company adopted a procedure to enable the Directors to seek independent professional advice in appropriate circumstances at the Company's expense. Subject to the prior approval by the Chairman of the Board and notification to the Chief Executive Officer of the Company, the Directors may seek independent legal, financial or other professional advice from advisors independent of those advising the Company as and when necessary in appropriate circumstances to enable them to discharge their responsibilities effectively, either on the Company's affairs or in respect of their fiduciary or other duties, at the Company's expenses.

本公司已採納一項程序讓董事在適當情況下尋求獨立專業意見，費用由本公司支付。經董事會主席事先批准及向本公司行政總裁發出通知，董事可於有需要時在適當情況下就本公司事務或彼等的受托責任或其他職責向獨立於本公司提供意見之人士的顧問尋求獨立的法律、財務或其他專業意見，從而使彼等有效履行其責任，費用由本公司支付。



Corporate Governance Report (continued)

企業管治報告(續)

THE BOARD (continued)

The Chairman of the Company held two meetings with the Non-Executive Directors (including Independent Non-Executive Directors) without the Executive Directors present in 2014.

EXECUTIVE COMMITTEE

The Board has established the Executive Committee with written terms of reference, which is responsible for the management and administration of the business of the Company and any matters which are within the ordinary course of the Company's business under the control and supervision of the Board and in accordance with the provisions of the Terms of Reference of Chiho-Tiande Group Limited for ensuring a high standard of corporate governance and compliance of the Company. The written terms of reference of the Executive Committee are available on the Stock Exchange's website and the Company's website.

The Executive Committee currently consists of Mr. Fang Ankong and Mr. Gu Liyong, the Executive Directors of the Company, and is chaired by Mr. Fang Ankong. Mr. Stephanus Maria van Ooijen has resigned as a member of the Executive Committee of the Company on 12 March 2015. The Board delegated the corporate governance function to the Executive Committee to develop and review the Company's policies and practices on corporate governance and make recommendation to the Board, review and monitor the training and continuous professional development of Directors and senior management, compliance with legal and regulatory requirements, review and monitor the code of conduct and Model Code applicable to the Directors or employees.

Directors' Training and Professional Development

Every newly appointed Director of the Company receives a comprehensive, formal and tailored induction on the first occasion of his appointment to make sure that he has proper understanding of the operations and business of the Company and that he is fully aware of his responsibilities in the Company.

During the Year, all Directors received regular updates and presentation on changes and developments to the Group's business and on the latest developments in the laws, rules and regulations relating to the Directors' duties and responsibilities.

董事會(續)

本公司主席與非執行董事(包括獨立非執行董事)於二零一四年已舉行兩次會議，而無執行董事出席。

執行委員會

董事會已成立執行委員會，並訂明書面職權範圍。執行委員會負責本公司的管理及行政事務，以及本公司日常業務過程中的任何事宜，受董事會控制及監管，並按齊合天地集團有限公司職權範圍所規定行事，以確保本公司高水準的企業管治及合規。執行委員會的書面職權範圍於聯交所網站及本公司網站可供閱覽。

執行委員會目前由本公司執行董事方安空先生及顧李勇先生組成，當中方安空先生為主席。Stephanus Maria van Ooijen先生已於二零一五年三月十二日辭任本公司執行委員會成員。董事會已授權執行委員會企業管治職能，制定及審閱本公司企業管治政策及常規，並向董事會作出意見，檢討及監察董事及高級管理人員的培訓及持續專業發展，遵守法律及監管規定，檢討及監察適用於董事或僱員的行為守則及標準守則。

董事培訓及專業發展

本公司每名新委任董事於首次獲委任時將會獲得全面、正式兼特為其而設的就任須知，確保其均有適當的理解本公司運作及業務，以及全面知悉其於本公司的責任。

於本年度，所有董事已獲得本集團業務變更及發展的定期更新及說明，以及有關董事職責及責任的法律、法規及規定的最新發展。



Corporate Governance Report (continued)

企業管治報告(續)

EXECUTIVE COMMITTEE (continued) Directors' Training and Professional Development (continued)

The Company recommends Directors to attend relevant seminars for continuous professional development to develop and refresh their knowledge and skills. During the Year, all Directors have participated in continuous professional development programmes by attending seminars, in-house briefing and reading materials. The Company organized a training section conducted by a professional firm in December 2014 on the amendments to the Listing Rules.

Directors' training is an ongoing process, all Directors are encouraged to attend relevant training courses at the Company's expenses and they are requested to provide their respective training records to the Company Secretary for record as follows:

執行委員會(續) 董事培訓及專業發展(續)

本公司推薦董事參加持續專業發展的相關研討會以發展及更新彼等的知識及技能。於本年度，所有董事通過出席研討會、內部簡報及閱讀材料以參加持續專業發展計劃。本公司就上市規則之修訂於二零一四年十二月已組織一節培訓課程，由專業機構執行。

董事培訓是個持續過程，所有董事均獲鼓勵參加相關培訓課程，費用由本公司支付，且彼等須向公司秘書提供彼等各自的培訓記錄如下：

Name of Directors 董事姓名	Attending seminars/In-house briefing/ Reading materials 參加研討會／內部簡報／閱讀材料
Executive Directors 執行董事	
Fang Ankong (Chairman)	✓
Stephanus Maria van Ooijen (resigned on 12 March 2015)	✓
Gu Liyong	✓
Non-Executive Directors 非執行董事	
Michael Charles Lion (resigned on 16 February 2015)	✓
Independent Non-Executive Directors 獨立非執行董事	
Loke Yu	✓
Li Xikui (resigned on 17 December 2014)	✓
Zhang Jingdong	✓
Zhu Dajian (appointed on 17 December 2014)	✓

Corporate Governance Report (continued)

企業管治報告(續)

AUDIT COMMITTEE

The Audit Committee was established in June 2010 with written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The written terms of reference of the Audit Committee are available on the Stock Exchange's website and the Company's website. The Audit Committee has established a whistleblowing policy of the Company in December 2012 and set out the procedures on reporting possible improprieties in financial reporting matters of the Company.

The primary duties of the Audit Committee include reviewing and supervising the financial reporting process and internal control procedures of the Group and nominating and monitoring external auditors. The Audit Committee currently consists of three Independent Non-Executive Directors, Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Zhu Dajian (appointed on 17 December 2014 in replacement of Mr. Li Xikui who resigned on 17 December 2014) and is chaired by Dr. Loke Yu. Mr. Michael Charles Lion has resigned as a member of the Audit Committee on 16 February 2015. In compliance with Rule 3.21 of the Listing Rules, the chairman of the Audit Committee possesses the appropriate professional and accounting qualifications.

The Audit Committee has convened three meetings during the financial year ended 31 December 2014 with the attendance of each member as follows:

審核委員會

本公司已遵照上市規則附錄十四所載企業管治守則於二零一零年六月成立審核委員會，並訂明書面職權範圍。審核委員會的書面職權範圍於聯交所網站及本公司網站可供閱覽。審核委員會已於二零一二年十二月制定本公司的舉報政策，並列明舉報本公司的財務申報事宜中可能存在之不恰當行為的程序。

審核委員會的主要職責包括檢討及監督本集團的財務報告程序及內部監控程序，以及提名及監察外聘核數師。審核委員會現時包括三名獨立非執行董事，即陸海林博士、章敬東女士及諸大建先生（於二零一四年十二月十七日獲委任以替任李錫奎先生（於二零一四年十二月十七日辭任））。陸海林博士為審核委員會主席。Michael Charles Lion先生已於二零一五年二月十六日辭任審核委員會成員。為符合上市規則第3.21條規定，審核委員會主席具備適當專業及會計資格。

截至二零一四年十二月三十一日止財政年度，審核委員會共召開三次會議，各成員出席如下：

Name of Committee members 委員會成員姓名		No. of Meetings attended/ No. of Meetings held 出席會議數目／舉行會議數目
Independent Non-Executive Directors	獨立非執行董事	
Loke Yu (Chairman)	陸海林(主席)	3/3
Li Xikui (resigned on 17 December 2014)	李錫奎 (於二零一四年十二月十七日辭任)	3/3
Zhang Jingdong	章敬東	3/3
Zhu Dajian (appointed on 17 December 2014)	諸大建 (於二零一四年十二月十七日獲委任)	0/0
Non-Executive Director	非執行董事	
Michael Charles Lion (resigned on 16 February 2015)	Michael Charles Lion (於二零一五年二月十六日辭任)	3/3



Corporate Governance Report (continued)

企業管治報告(續)

AUDIT COMMITTEE (continued)

The Audit Committee has reviewed and discussed in the Committee meetings the audited financial results for the year ended 31 December 2013, the unaudited interim results of the Company for the six months ended 30 June 2014, the connected transactions report for the year ended 31 December 2013, the whistleblowing policy reports for the period from 1 July 2013 to 31 December 2013 and for the six months ended 30 June 2014, the internal control reports for the year ended 31 December 2013 and for the six months ended 30 June 2014, the engagement terms and remuneration of auditors and the effectiveness of the Group's internal control systems.

REMUNERATION COMMITTEE

The Remuneration Committee was established in June 2010 with written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The written terms of reference of the Remuneration Committee are available on the Stock Exchange's website and the Company's website.

The primary duties of the Remuneration Committee include making recommendations to the Board on the remuneration packages and conditions of employment for the Directors and senior management and evaluating and making recommendations on employee benefit arrangements. The Remuneration Committee currently consists of Mr. Fang Ankong, Executive Director, and Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Zhu Dajian (appointed on 17 December 2014 in replacement of Mr. Li Xikui who resigned on 17 December 2014), Independent Non-Executive Directors and is chaired by Mr. Zhu Dajian. Mr. Stephanus Maria van Ooijen has resigned as a member of the Remuneration Committee on 12 March 2015. Mr. Fang Ankong has ceased to be the Chairman of the Remuneration Committee and Mr. Zhu Dajian has been appointed as Chairman of the Remuneration Committee, with effect from 26 March 2015.

審核委員會(續)

審核委員會已於委員會會議上檢討及討論截至二零一三年十二月三十一日止年度的經審核財務業績、本公司截至二零一四年六月三十日止六個月的未經審核中期業績、截至二零一三年十二月三十一日止年度的關連交易報告、由二零一三年七月一日至二零一三年十二月三十一日期間及截至二零一四年六月三十日止六個月的舉報政策報告、截至二零一三年十二月三十一日止年度及截至二零一四年六月三十日止六個月的內部監控報告、核數師的委聘條款及薪酬及本集團內部監控系統的有效性。

薪酬委員會

本公司已遵照上市規則附錄十四所載企業管治守則於二零一零年六月成立薪酬委員會，並訂明書面職權範圍。薪酬委員會的書面職權範圍於聯交所網站及本公司網站可供閱覽。

薪酬委員會的主要職責包括就董事及高級管理人員的薪酬組合及聘用條件向董事會提出建議，以及評估員工福利安排及就此提出建議。薪酬委員會目前包括執行董事方安空先生以及獨立非執行董事陸海林博士、章敬東女士及諸大建先生(於二零一四年十二月十七日獲委任以替任李錫奎先生(於二零一四年十二月十七日辭任))。諸大建先生為薪酬委員會主席。Stephanus Maria van Ooijen先生已於二零一五年三月十二日辭任薪酬委員會成員。方安空先生辭任為薪酬委員會主席及諸大建先生獲委任為薪酬委員會主席，於二零一五年三月二十六日生效。



Corporate Governance Report (continued)

企業管治報告(續)

REMUNERATION COMMITTEE (continued)

The Remuneration Committee has convened two meetings during the Year with the attendance of each member as follows:

薪酬委員會(續)

於本年度，薪酬委員會共召開兩次會議，各成員出席如下：

Name of Committee members 委員會成員姓名		No. of Meetings attended/ No. of Meetings held 出席會議數目／舉行會議數目
Independent Non-Executive Directors		
獨立非執行董事		
Zhu Dajian (Chairman) (appointed on 17 December 2014)	諸大建(主席) (於二零一四年十二月十七日獲委任)	0/0
Loke Yu	陸海林	2/2
Li Xikui (resigned on 17 December 2014)	李錫奎 (於二零一四年十二月十七日辭任)	2/2
Zhang Jingdong	章敬東	2/2
Executive Directors		
執行董事		
Fang Ankong	方安空	2/2
Stephanus Maria van Ooijen (resigned on 12 March 2015)	Stephanus Maria van Ooijen (於二零一五年三月十二日辭任)	1/2

Throughout the Year, the Remuneration Committee has discussed and recommended to the Board for approval of the Directors' and senior managements' remuneration of the Group for the years of 2014 and 2015, the service contract and remuneration for the appointment of Mr. Zhu Dajian as the Independent Non-Executive Director and the renewal of service contracts of senior management of the Company in 2014.

於整個年度，薪酬委員會已討論及建議董事會批准於二零一四年及二零一五年本集團董事及高級管理人員的薪酬、委任諸大建先生為獨立非執行董事的服務合約及薪酬及於二零一四年續簽本公司高級管理人員服務合約。

NOMINATION COMMITTEE

The Company established the Nomination Committee in June 2010 with written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The Company has adopted a set of the revised terms of reference of the Nomination Committee on 15 August 2013. The written terms of reference of the Nomination Committee are available on the Stock Exchange's website and the Company's website.

提名委員會

本公司已遵照上市規則附錄十四所載企業管治守則於二零一零年六月成立提名委員會，並訂明書面職權範圍。本公司已於二零一三年八月十五日採納一套提名委員會之經修訂職權範圍。提名委員會的書面職權範圍於聯交所網站及本公司網站可供閱覽。



Corporate Governance Report (continued)

企業管治報告(續)

NOMINATION COMMITTEE (continued)

The duties of the Committee include:

1. to formulate nomination policy for consideration of the Board and implement the nomination policy laid down by the Board;
2. to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
3. to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
4. to assess the independence of independent non-executive directors, having regard to the requirements under the Listing Rules;
5. to make recommendations to the Board on the appointment or reappointment of directors and succession planning for directors in particular the chairman and the chief executive;
6. to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
7. to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

The Nomination Committee currently comprises Mr. Fang Ankong, Executive Director, and Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Zhu Dajian (appointed on 17 December 2014 in replacement of Mr. Li Xikui who resigned on 17 December 2014), Independent Non-Executive Directors and is chaired by Mr. Fang Ankong. Mr. Stephanus Maria van Ooijen has resigned as a member of the Nomination Committee on 12 March 2015.

提名委員會(續)

本委員會的職責包括：

1. 制定提名政策供董事會考慮，實施董事會規定的提名政策；
2. 至少每年檢討董事會的架構、人數和組成(包括技能、知識和經驗方面)，並就任何為配合本公司的企業策略而擬對董事會作出的變動提出建議；
3. 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
4. 依照上市規則的要求，評估獨立非執行董事的獨立性；
5. 就董事(特別是主席和行政總裁)的委任或重新委任和繼任計劃向董事會提供建議；
6. 採取一切措施確保本委員會履行董事會賦予的權力和職能；及
7. 遵守董事會、本公司章程或法律不時規定的任何要求、指令和管理規定。

提名委員會目前包括執行董事方安空先生以及獨立非執行董事陸海林博士、章敬東女士及諸大建先生(於二零一四年十二月十七日獲委任以替任李錫奎先生(於二零一四年十二月十七日辭任))。方安空先生為提名委員會主席。Stephanus Maria van Ooijen先生已於二零一五年三月十二日辭任提名委員會成員。

Corporate Governance Report (continued)

企業管治報告(續)

NOMINATION COMMITTEE (continued)

The Nomination Committee has convened two meetings during the Year with the attendance of each member as follows:

提名委員會(續)

提名委員會於本年度共召開兩次會議，各成員出席如下：

Name of Committee members		No. of Meetings attended/ No. of Meetings held
委員會成員姓名		出席會議數目／舉行會議數目
Executive Directors		
執行董事		
Fang Ankong (Chairman)	方安空(主席)	2/2
Stephanus Maria van Ooijen (resigned on 12 March 2015)	Stephanus Maria van Ooijen (於二零一五年三月十二日辭任)	1/2
Independent Non-Executive Directors		
獨立非執行董事		
Loke Yu	陸海林	2/2
Li Xikui (resigned on 17 December 2014)	李錫奎 (於二零一四年十二月十七日辭任)	2/2
Zhang Jingdong	章敬東	2/2
Zhu Dajian (appointed on 17 December 2014)	諸大建 (於二零一四年十二月十七日獲委任)	0/0

Throughout the Year, the Nomination Committee has reviewed and discussed the composition, size and structure of the Board, the independence of the Independent Non-Executive Directors, re-election of Directors and appointment of Mr. Zhu Dajian as Independent Non-Executive Director.

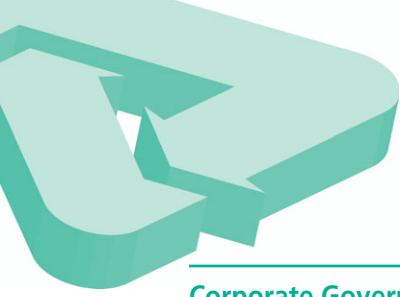
於整個年度，提名委員會已檢討及討論董事會的組成、人數及架構、獨立非執行董事的獨立性、重選董事及委任諸大建先生為獨立非執行董事。

In considering the nomination of new directors, the Company will propose the candidates to the Nomination Committee and the Committee will review and make recommendation to the Board on the expertise, skills and experience of the candidates appropriate to the requirements of the business of the Company.

於考慮提名新董事時，本公司會向提名委員會建議候選人，而委員會將檢討符合本公司業務要求的候選人的專業知識、技能及經驗並就此向董事會提供推薦意見。

The composition of the Board has the significant element of diversity, in terms of skills, regional and industry experience, background and gender.

董事會組成須在技能、地區及行業經驗、背景及性別方面有多元化重要元素。



Corporate Governance Report (continued)

企業管治報告(續)

NOMINATION COMMITTEE (continued)

Board Diversity Policy

The Company has established a board diversity policy (the “Board Diversity Policy”) on 15 August 2013 which sets out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service.

The Board will consider setting measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

PRICING COMMITTEE

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

提名委員會(續)

董事會成員多元化政策

本公司於二零一三年八月十五日制定董事會成員多元化政策(「董事會成員多元化政策」)，當中載列董事會為達致及維持成員多元化以提升董事會之有效性而採取之方針。

本公司為尋求達致董事會成員多元化會考慮眾多因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。

董事會將考慮制定可衡量目標，以實施董事會成員多元化政策及不時審閱該等目標，確保其適用性及把握為達至該等目標而作出之進展。

提名委員會將審閱董事會成員多元化政策，如適合，不時確保其繼續保持有效。

定價委員會

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



Corporate Governance Report (continued)

企業管治報告(續)

PRICING COMMITTEE (continued)

The Pricing Committee has convened eleven regular meetings during the Year with the attendance of each member as follows:

定價委員會(續)

於本年度，定價委員會共召開十一次定期會議，各成員出席如下：

Name of Committee Members 委員會成員姓名		No. of Meetings attended/ No. of Meetings held 出席會議數目／舉行會議數目
		Regular Meetings 定期會議
Chairman of Pricing Committee Fang Ankong	定價委員會主席 方安空	11/11
Committee Members	委員會成員	
Chow Wan Hoi Paul	周雲海	11/11
Xu Jialiang	許加良	11/11
Zhu Zhonghui	朱忠輝	11/11
Gan Jun	甘軍	11/11
Chan Tung Tung	陳彤彤	11/11

Throughout the Year, the Pricing Committee has reviewed the Group's monthly physical stocks price and commodities transactions. The Pricing Committee had held 4 quarterly review meetings with the Board of Directors in 2014 to review and discuss the Pricing Committee Report. In the review meetings, the Pricing Committee and the Board of Directors had reviewed and discussed the Group's commodity future contracts' exposure level, the corresponding procurement and inventory management strategy of each quarter in 2014, and reviewed the Group's Hedging Policy.

於整個年度，定價委員會已審閱本集團每月現貨價格及商品交易。於二零一四年，定價委員會與董事會舉行四次季度審議會，以審閱及討論定價委員會報告。於審議會中，定價委員會及董事會已審閱及討論本集團於二零一四年每季度的商品期貨合約的風險水平、相應採購及存貨管理策略，及審閱本集團的對沖政策。

COMPANY SECRETARY

The Company Secretary provides support to the Chairman, Board and Board Committees by ensuring good information flow and that Board policies and procedures are followed. The draft Minutes of all Board Meetings and Committee Meetings were circulated to the Board and Board Committees within a reasonable time. All signed Minutes and Resolutions of all Board Meetings and Committee Meetings were circulated to all the Directors and Committee Members for record.

公司秘書

公司秘書負責支援主席、董事會及董事委員會，確保資訊流通無阻，而董事會的政策及程序得到遵守。公司秘書於合理時間內傳閱所有董事會會議及委員會會議的會議記錄草擬本。所有董事會會議及委員會會議的所有經簽署會議記錄及決議案供所有董事及委員會成員傳閱以作存檔。

The Company Secretary is not an employee of the Company. The Company appointed Mr. Gu Liyong, the Executive Director, as primary contact person with the Company Secretary of the Company.

公司秘書並非本公司員工。本公司已委任執行董事顧李勇先生作為與本公司的公司秘書聯絡的主要聯絡人士。



Corporate Governance Report (continued)

企業管治報告(續)

COMPANY SECRETARY (continued)

The Company Secretary has attended relevant professional seminars to update her skills and knowledge. She has complied with Rule 3.29 of the Listing Rules and has taken no less than 15 hours of relevant professional training during the Year.

AUDITORS' REMUNERATION

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

		HK\$
		港元
Type of services	服務種類	
Audit fee for the Group	本集團審核費用	2,430,000
Review of the Group's Interim Result	審閱本集團中期業績	620,000
Review of the Group's indebtedness	審閱本集團債務	100,000
Review of the Continuing Connected Transaction	審閱持續關連交易	50,000
Total	總計	3,200,000

ACCOUNTABILITY AND AUDIT

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

The statements of the auditor of the Group about its reporting responsibilities on the financial statements of the Group is set out in the section headed "Independent Auditor's Report" on page 89 of this report.

公司秘書(續)

公司秘書已出席相關專業研討會以更新其技能及知識。彼一直遵守上市規則第3.29條，且於本年度已參與不少於十五個小時的相關專業培訓。

核數師酬金

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

問責及審核

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

本集團核數師就其對本集團財務報表的呈報責任作出的聲明載於本報告第89頁的「獨立核數師報告」一節。



Corporate Governance Report (continued)

企業管治報告(續)

INTERNAL CONTROL

The Board is responsible for establishing, maintaining and operating an effective system of internal controls. The Company leverages on the expertise offered by internal and external professionals to develop its internal control system which includes a well-established corporate structure and an organization with clearly defined lines of responsibility and authority. The Internal Control Department is to provide independent assurance to the Board and executive management on the adequacy and effectiveness of internal controls for the Group. The internal control system is reviewed and assessed on on-going basis by the Executive Directors, and will be further reviewed and assessed at least once each year by the Audit Committee and the Board.

Internal Control Department adopts a risk-and-control based audit approach. The annual work plan of Internal Control Department covers major activities and processes of the Group's business units. The audit plan is reviewed and agreed by the Audit Committee. In addition to the agreed schedule of work, Internal Control Department conducts other review and investigative work as may be required. All audit reports are communicated to the Audit Committee and key members of executive and senior management. Audit issues are tracked and followed up for proper implementation, with progress reported to the Audit Committee, executive and senior management periodically.

As disclosed in the Annual Report 2013, the Board identified certain practices which were not in full compliance with the Hedging Policy and has taken the following remedial actions during 2014:

- (a) the Board considered it is unrealistic to maintain the then target inventory turnover days of 90 days, and that the Board should be given a discretion to determine whether it is necessary for the Board to engage and seek relevant professional advice. Accordingly, the Board has resolved to amend the Hedging Policy such that (i) the target inventory turnover days is now changed from 90 days to 160 days; (ii) any change to the inventory turnover day criteria (i.e. if the inventory turnover days are more than 160 days) will require approval by the Board in accordance with the terms of the Hedging Policy, save that no such approval is required if the target inventory turnover days are not achieved in January and February owing to the intervening Chinese New Year holiday; and (iii) in the event that the commodity market experiences a sustained and sharp decline in prices that are likely to cause a lengthening in the inventory turnover days, the Board may consider engaging and seeking relevant professional firms to advise it on the current and future market outlook of the commodities market.

內部監控

董事會負責建立、維持及運作有效的內部監控系統。本公司憑藉公司內外的專業人員的專業知識發展內部監控系統，包括良好的公司架構及職責與權力的明確分立。內部監控部門就本集團內部控制的充足性及有效性向董事會及執行管理層提供獨立保證。內部監控系統由執行董事持續檢討及評估，並由審核委員會及董事會至少每年一次進一步檢討與評估。

內部監控部門採納以風險及控制為本的審核方式。內部監控部門的年度工作計劃涵蓋本集團業務單位的主要活動及程序。審核計劃由審核委員會檢討及批准。除經同意的工作安排外，內部監控部門會按要求從事其他審閱及調查工作。所有審核報告均交予審核委員會及行政及高級管理層的主要成員。求妥善實行審核事項，有關進展會定期匯報予審核委員會、行政及高級管理層，予以追查及跟進。

誠如二零一三年年報所披露，董事會發現若干不完全符合對沖政策之行為，並於二零一四年已採取以下補救措施：

- (a) 董事會認為，維持90日的當時目標存貨周轉日數屬不現實，且董事會須獲全權決定是否有必要徵求及尋求相關專業意見。因此，董事會議決修改對沖政策為 (i) 目標存貨周轉日數現由90日改為160日；(ii) 董事會須根據對沖政策條款批准對存貨周轉日數標準所作的任何變動（例如存貨周轉日數超過160日），惟倘於一月及二月因中國新年假期而導致目標存貨周轉日數並未達至則除外；及(iii) 倘商品市場遭受價格持續急劇下跌，可能導致延長存貨周轉日數，則董事會可考慮徵求及尋求相關專業公司就當前及未來商品市場的市場前景提供意見。



Corporate Governance Report (continued)

企業管治報告(續)

INTERNAL CONTROL (continued)

(b) the Board has appointed an independent professional to perform an internal control and corporate governance assessment (the "Internal Control and Corporate Governance Assessment") and make recommendations to the Board in 2013, the Internal Audit Manager of the Company was assigned to participate and assist in the Internal Control and Corporate Governance Assessment. The Internal Control and Corporate Governance Assessment was completed in February 2014 and a report (the "List of Findings and Recommendations Report") was submitted to the Company in March 2014. The Board has resolved to adopt the List of Findings and Recommendations Report and implement the recommendations in the List of Findings and Recommendations Report.

Following the submission of report by the independent professional for the Internal Control and Corporate Governance Assessment in March 2014, a series of reinforcement work was implemented in accordance with the recommendations provided, the reinforcement work mainly involved enhancing the monitoring mechanism and conducting more detailed analysis in order to improve the risk management system of the Group.

Also, the Group managed to decrease, in the second half of 2014, its exposure in the futures market with the view of complying with the policy. By March 2015, the Group had decreased its positions in all future contracts to comply with the Hedging Limits stated in the Hedging Policy.

On 26 March 2015, taking into account the movement in the world commodity market, the Group adopted a new set of policy regarding dealings in metal futures contracts that better reflects to current requirements of our business.

The major changes in the new set of policy regarding dealings in metal futures contracts is summarised as below:

- (a) the Board considered it is important to lock in our profits and mitigate any potential for loss or diminution of our profit margin, so it has increased the limit on the total quantity of futures contracts that the Group may sell for hedging purposes to 100% of the then latest available quantity of physical inventories.
- (b) the Board has introduced a maximum amount of metal futures that the Group may enter daily for each type of metal (the "Daily Limits") for the purposes of cash flow and inventory management, in order to avoid any sudden movement in open positions held by the Group.

內部監控(續)

(b) 董事會已於二零一三年委任一位獨立專業人士進行內部監控及企業管治覆核(「內部監控及企業管治覆核」)及向董事會提出推薦意見，且本公司內部審核部門經理已獲指派參與該內部監控及企業管治覆核及提供協助。內部監控及企業管治覆核已於二零一四年二月完成，報告(「發現點及改進建議報告」)已於二零一四年三月提交本公司。董事會議決採納發現點及改進建議報告並實行於發現點及改進建議報告中提出的推薦意見。

於二零一四年三月獨立專業人士就內部監控及企業管治覆核提呈報告後，本集團根據所提供建議已實施一系列加強措施，加強措施主要涉及加強監察機制及進行更詳細的分析，以改善風險管理系統。

此外，本集團已於二零一四年下半年致力降低其在期貨市場所承受的風險，以符合政策所訂之要求。截至二零一五年三月，本集團為遵守對沖政策所載之對沖限制，已全面減持所有的期貨合約。

於二零一五年三月二十六日，經考慮全球商品市場之變動後，本集團已採納一套可更好地反映目前業務規定的有關買賣金屬期貨合約的新政策。

該有關買賣金屬期貨合約的新政策中之主要變動概述如下：

- (a) 董事會認為，鎖定溢利，避免引致任何潛在虧損或本集團利潤率減少十分重要，故董事會將本集團就對沖目的而出售的期貨合約總數量限額提高至其時本集團所知實際存貨的100%。
- (b) 為避免本集團所持期貨合約數量出現任何劇烈波動，董事會為以實現現金流和庫存管理目的而買賣之每種金屬期貨合約交易量引進每日上限(「每日限額」)。



Corporate Governance Report (continued)

企業管治報告(續)

COMMUNICATION WITH SHAREHOLDERS

The Company has established a shareholders' communication policy (the "Shareholders' Communication Policy") in March 2012 for setting out the policies, communication strategies and practices of the Company for communication with its shareholders. The Shareholders' Communication Policy enables the shareholders (the "Shareholders") of the Company to obtain comprehensive and plain information of the Company, to exercise their powers on an informed basis and to strengthen their communication with the Company.

The Company has established and maintained a dialogue with Shareholders by conveying information to the Shareholders and investors through the Company's financial reports (interim and annual reports); annual general meeting and other meetings that may be held; and all the information submitted to the Stock Exchange for disclosure, as well as corporate communications and other publications which shall be posted on the website of the Company.

The Company undertakes to convey information to the Shareholders and investors in a timely and effective manner at all times. If there are any questions about the Shareholders' Communication Policy, it shall be delivered to the Company Secretary or the Head of Investor Relations Department of the Company.

SHAREHOLDERS' RIGHTS

Shareholders general enquiries

Shareholders should direct their questions about their shareholdings to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited.

Shareholders and the investment community may at any time make a request for the Company's information to the extent such information is publicly available.

Procedures for putting forward enquiries to the Board

Shareholders may at any time forward enquires to the Board in writing through the Company Secretary who will direct the enquiries to the Board for handling. Contact of the Company Secretary is as follows:

The Company Secretary
48 Wang Lok Street
Yuen Long Industrial Estate
Hong Kong

Fax: (852) 2587 7799
Email Address: cosec@chiho-tiande.com

與股東的溝通

於二零一二年三月，本公司建立一項股東通訊政策(「股東通訊政策」)，當中載有本公司與其股東通訊有關的政策、通訊策略及常規。股東通訊政策能使本公司股東(「股東」)獲得本公司全面及容易理解的資料，以在知情情況下行使權利及加強彼等與本公司的溝通。

本公司已與股東建立及保持對話，向股東及投資者傳達信息，途徑包括本公司財務報告(中期及年度報告)；股東週年大會及可能舉行的其他大會；及提交至聯交所以供披露的所有資料以及將於本公司網站刊發的公司通訊及其他出版資料。

本公司承諾始終以適時及有效的方式向股東及投資人士傳達信息。倘對股東通訊政策有任何疑問，須諮詢本公司秘書或本公司投資者關係部主管。

股東權利

股東一般查詢

股東如對名下股權有任何問題，應向本公司的香港股份登記及過戶分處香港中央證券登記有限公司提出。

股東及投資人士可隨時要求索取本公司可供公開查閱的資料。

向董事會提出查詢之程序

股東可隨時透過公司秘書向董事會提出書面查詢，而公司秘書會轉交有關查詢予董事會處理。公司秘書之聯絡詳情如下：

公司秘書
香港
元朗工業邨
宏樂街48號

傳真：(852) 2587 7799
電子郵件地址：cosec@chiho-tiande.com



Corporate Governance Report (continued)

企業管治報告(續)

SHAREHOLDERS' RIGHTS (continued)

Procedures for Shareholders to Convene General Meetings

Subject to the provisions of the articles of association of the Company ("Articles of Association"), the Listing Rules and the applicable laws and regulations, Shareholders may convene general meetings of the Company in accordance with the following procedures:

1. One or more Shareholders holding at the date of the deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company (the Requisitionist(s)) may require the Board to convene an extraordinary general meeting of the Company (the "EGM") by depositing a written requisition (the "Requisition") at the registered office of the Company at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and a copy thereof at the principal place of business of the Company in Hong Kong at 48 Wang Lok Street, Yuen Long Industrial Estate, Hong Kong, for the attention of the Board or the Company Secretary.
2. The Requisition must clearly state the name(s) and shareholding in the Company of the Requisitionist(s), specify the purposes of the EGM and the details of the business proposed to be transacted in the EGM and be signed by the Requisitionist(s) and may consist of several documents in like form, each signed by one or more of the Requisitionists.
3. Upon receipt of the Requisition, the Directors shall verify the Requisition with the Company's branch share registrar and upon this confirmation that the Requisition is proper and in order, shall forthwith proceed duly to convene the EGM, and such EGM shall be held within two (2) months after the deposit of the Requisition.
4. If the Directors do not within twenty-one (21) days from the date of the deposit of the Requisition proceed duly to convene the EGM, the Requisitionist(s), may himself or themselves convene the EGM in the same manner and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the Board shall be reimbursed to the Requisitionist(s) by the Company.

股東權利(續)

股東召開股東大會之程序

根據本公司組織章程細則(「章程細則」)條文、上市規則及適用法律和法規，股東可根據以下程序召開本公司股東大會：

1. 一名或多名於提出該請求日期持有不少於獲賦予權利於本公司股東大會上投票之本公司繳足股本十分之一的股東(「請求人」)可請求董事會召開本公司股東特別大會(「股東特別大會」)，該請求須以書面請求形式(「請求書」)送至本公司註冊辦事處(地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands)及其副本須送至本公司香港主要營業地點(地址為香港元朗工業邨宏樂街48號)，收件人為董事會或公司秘書。
2. 請求書須清楚寫明請求人之姓名及於本公司之股權，列明股東特別大會之目的及擬於股東特別大會上處理之事項的詳情，並由請求人簽署；該請求書可包括多份相同形式之文件，每份由一位或多位請求人簽署。
3. 收到請求書後，董事須與本公司之股份登記分處核實該請求書，並於確認該請求書為妥善及適當時，應立即正式召開股東特別大會，該股東特別大會須於請求書送交後兩(2)個月內舉行。
4. 倘送交請求書後二十一(21)日內，董事未正式召開股東特別大會，則請求人可自發以同樣方式召開股東特別大會，而請求人因董事會未有召開股東特別大會而合理產生之所有開支須由本公司向請求人作出償付。



Corporate Governance Report (continued)

企業管治報告(續)

SHAREHOLDERS' RIGHTS (continued)

Procedures for Shareholders to Convene General Meetings (continued)

5. Under the Articles of Association and pursuant to the requirements of the Listing Rules, a notice specifying the time and place and the general nature of the proposed business to be transacted at the EGM shall be given to all Shareholders entitled to attend the EGM for consideration in the following manner:
- (i) notice of not less than 21 clear days or 10 clear business days, whichever is the longer, if a special resolution is to be passed at the EGM; and
 - (ii) notice of not less than 14 clear days or 10 clear business days, whichever is the longer, in all other cases, provided that a EGM may be called by a shorter notice if it is so agreed by a majority in number of the Shareholders having the right to attend and vote at the EGM, being a majority together holding not less than 95% in nominal value of the issued shares of the Company giving such right.

The notice period is exclusive of (i) the day on which the notice is served or deemed to be served; and (ii) the day on which the EGM is to be held.

Procedures for Shareholders to Make Proposals at General Meetings

Subject to the provisions of the Articles of Association, the Listing Rules and the applicable laws and regulations, Shareholders may propose a resolution at general meetings of the Company by following the "Procedures for Shareholders to Convene General Meetings" to convene an extraordinary general meeting and propose a resolution to be resolved at that extraordinary general meeting. Please refer to the document titled "Procedures for Shareholders to Convene General Meetings" on the Company's website.

股東權利(續)

股東召開股東大會之程序(續)

5. 根據章程細則及上市規則之規定，一份指明時間、地點及擬於股東特別大會上處理之事項之一般性質之通告應按照以下方式向所有有權出席股東特別大會之股東發出：
- (i) 倘將於股東特別大會上通過特別決議案，則須發出不少於21整日或10個完整營業日的通告(以較長者為準)；及
 - (ii) 於所有其他情況下，須發出不少於14整日或10個完整營業日的通告(以較長者為準)，惟倘獲大多數有權出席股東特別大會並於會上有投票權之股東(該大多數股東合共持有不少於賦予該權利之本公司已發行股份之面值95%)同意，則可以較短期的通告召開股東特別大會。

通告期不包括(i)通告送達或被視為送達當日；及(ii)舉行股東特別大會當日。

股東於股東大會上提呈建議之程序

根據組織章程細則的條文、上市規則及適用法例及法規，股東可遵照「股東召開股東大會之程序」於本公司股東大會上提呈決議案，以召開股東特別大會及提呈將於股東特別大會上決議的決議案。請參考本公司網站「股東召開股東大會之程序」一節的文件。



Corporate Governance Report (continued)

企業管治報告(續)

SHAREHOLDERS' RIGHTS (continued)

Procedures for Shareholders to Propose a Person for Election as a Director

Subject to the provisions of the Articles of Association, the Listing Rules and the applicable laws and regulations, the Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an additional Director.

1. Shareholder(s) may propose a person (the "Candidate") for election as a Director at general meeting in accordance with the following procedures:
 - (a) a Shareholder or a group of Shareholders holding not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company may requisition an extraordinary general meeting to propose the Candidate to be elected as a Director in the manner provided in "Procedures for Shareholders to Convene General Meetings"; or
 - (b) Election of directors whether by rotation or otherwise in the place of those retiring would be considered ordinary business at an annual general meeting of the Company (the "AGM") and if the notice of an AGM includes the election of Directors, any Shareholder may propose the election of any person as a Director at the AGM;

Provided that, in each case, no Candidate other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless:

- (i) a notice signed by a Shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such Candidate for election; and
- (ii) a notice signed by the Candidate of his willingness to be elected,

股東權利(續)

股東建議推選一名人士為董事之程序

根據組織章程細則條文、上市規則及適用法律和法規，本公司可不時於股東大會通過普通決議案選出任何人士成為董事，以填補臨時空缺或作為新增董事。

1. 股東可根據以下程序於股東大會上建議推選一名人士(「候選人」)為董事：
 - (a) 持有不少於獲賦予權利於本公司股東大會上投票之本公司繳足股本十分之一的一名或多名股東可要求股東特別大會按「股東召開股東大會之程序」所規定之方式建議推選候選人為董事；或
 - (b) 於本公司股東週年大會(「股東週年大會」)上選舉董事，不論通過輪席或以其他方式取代退任之董事，將被視為一般事務及倘股東週年大會通告包括選舉董事，任何股東可於股東週年大會上建議推選任何人士為董事；

於各情況下，除非獲董事推薦參選，否則除董事於股東大會上退任外，概無候選人合資格於任何股東大會上參選，除非：

- (i) 由正式合資格出席大會並於會上表決之股東(除擬參選人外)簽署通告，其表明建議提名該候選人參選之意向；及
- (ii) 由候選人簽署表示願意參選之通告，



Corporate Governance Report (continued)

企業管治報告(續)

SHAREHOLDERS' RIGHTS (continued)

Procedures for Shareholders to Propose a Person for Election as a Director (continued)

shall have been lodged to the Company at its principal place of business in Hong Kong at 48 Wang Lok Street, Yuen Long Industrial Estate, Hong Kong within the period of at least seven (7) days commencing on the day after the despatch of the notice of the general meeting and ending no later than seven (7) days prior to the date appointed for such general meeting.

2. In addition, the notice must contain the information as specified in Rule 13.51(2) of the Listing Rules about the Candidate, including but not limited to the following:
 - (i) full name;
 - (ii) age;
 - (iii) business and residence addresses;
 - (iv) principal occupation or employment;
 - (v) experience including (a) other directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, and (b) the major appointments and professional qualifications; and
 - (vi) interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 576 of the Laws of Hong Kong).

CONSTITUTIONAL DOCUMENTS

During the Year, there was no change in the Company's constitutional documents.

股東權利(續)

股東建議推選一名人士為董事之程序(續)

於寄發股東大會通告後開始最少須為七(7)天至不遲於該股東大會指定舉行日期前七(7)天結束之期間內，送至本公司香港主要營業地點(地址為香港元朗工業邨宏樂街48號)。

2. 此外，該通告須包含上市規則第13.51(2)條所載有關候選人之資料，包括但不限於以下內容：
 - (i) 全名；
 - (ii) 年齡；
 - (iii) 業務及居住地址；
 - (iv) 主要職業或受僱工作；
 - (v) 經驗，包括(a)過往三年於其證券在香港或海外任何證券市場上市之公眾公司擔任之其他董事職務，及(b)主要的任命及專業資格；及
 - (vi) 持有本公司之股份權益(定義見證券及期貨條例第XV部(香港法例第576章))。

章程文件

於本年度，本公司章程文件並無變動。



Corporate Governance Report (continued)

企業管治報告(續)

INVESTOR RELATIONS

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

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

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

WHISTLEBLOWING POLICY

To deter wrongdoing and to promote standards of good corporate practices, the Company has adopted a whistleblowing policy in December 2012. The policy aims at encouraging and enabling employees of the Group at all levels and others to report violations or suspected violations and to raise serious concerns about possible improprieties in matters of financial reporting or other matters of the Group.

INFORMATION DISCLOSURE

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

投資者關係

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

此外，我們於本年度為數位基金經理及股票市場分析員安排了數次到我們設施的實地考察。透過該等實地考察，到訪者能更好的了解本集團的運作並有機會了解本集團的發展策略。

我們將繼續建立溝通機會以增強投資者對本公司的了解及信心。

舉報政策

為遏止不恰當行為及提升良好企業管治水平，本公司已於二零一二年十二月採納舉報政策。該政策旨在鼓勵及促使本集團各級僱員及其他人士舉報違規行為或涉嫌違規行為，及高度關注本集團之財務報告事宜或其他事項中可能存在之不恰當行為。

資料披露

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



Independent Auditor's Report

獨立核數師報告

Deloitte.
德勤

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

We have audited the consolidated financial statements of Chiho-Tiande Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 91 to 231, which comprise the consolidated statement of financial position as at 31 December 2014, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

致：齊合天地集團有限公司股東
(於開曼群島註冊成立的有限公司)

我們已審核載於第91頁至第231頁的齊合天地集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，其中包括於二零一四年十二月三十一日的綜合財務狀況表及於該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及重大會計政策概要連同其他解釋資料。

董事就綜合財務報表須負的責任

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

核數師的責任

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



Independent Auditor's Report (continued)

獨立核數師報告(續)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2014, 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.

Deloitte Touche Tohmatsu

Certified Public Accountants
Hong Kong
30 March 2015

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

我們相信，我們所獲得的審核憑證充足及適當地為我們的審核意見建立基礎。

意見

我們認為，按照香港財務報告準則編製的綜合財務報表已真實公平地反映 貴集團於二零一四年十二月三十一日的財務狀況及 貴集團截至該日止年度的虧損及現金流量，並已按照香港公司條例之披露規定妥善編製。

德勤•關黃陳方會計師行

執業會計師
香港
二零一五年三月三十日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

		NOTES 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Revenue	收益	7	5,877,970	7,222,003
Cost of sales	銷售成本	8	(5,895,336)	(7,245,813)
Gross loss	毛損		(17,366)	(23,810)
Other income	其他收入	9	27,977	43,665
Other gains and losses	其他收益及虧損	10	(770,923)	(60,558)
Distribution and selling expenses	分銷及銷售開支		(23,722)	(35,481)
Administrative expenses	行政開支		(130,534)	(133,250)
Finance costs	財務成本	11	(153,327)	(172,342)
Share of profit of an associate	應佔聯營公司溢利	24	284	–
Loss before tax	除稅前虧損		(1,067,611)	(381,776)
Income tax expense	所得稅開支	14	(3,629)	(25,742)
Loss for the year	年內虧損	12	(1,071,240)	(407,518)
Other comprehensive (expense) income	其他全面(開支)收益			
Item that will not be reclassified subsequently to profit or loss:	其後將不會重新分類至損益的項目：			
Exchange difference arising on translation to presentation currency	換算成呈報貨幣產生的匯兌差額		(9,623)	51,050
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：			
Reclassification to profit or loss on disposal of available-for-sale investment	就出售可供出售投資重新分類至損益		499	–
Fair value gain (loss) on available-for-sale investment	可供出售投資公平值收益(虧損)		918	(1,417)
			1,417	(1,417)
Other comprehensive (expense) income for the year	年內其他全面(開支)收益		(8,206)	49,633
Total comprehensive expense for the year	年內全面開支總額		(1,079,446)	(357,885)
Loss for the year attributable to:	以下各方應佔年內虧損：			
Owners of the Company	本公司擁有人		(1,057,980)	(382,920)
Non-controlling interests	非控股權益		(13,260)	(24,598)
			(1,071,240)	(407,518)
Total comprehensive expense for the year attributable to:	以下各方應佔年內全面開支總額：			
Owners of the Company	本公司擁有人		(1,066,423)	(331,677)
Non-controlling interests	非控股權益		(13,023)	(26,208)
			(1,079,446)	(357,885)
Loss per share	每股虧損			
– basic	– 基本	16	(1.01)	(0.37)
– diluted	– 攤薄	16	(1.01)	(0.37)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2014 於二零一四年十二月三十一日

			2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
	NOTES 附註			
Non-current assets		非流動資產		
Property, plant and equipment	17	物業、廠房及設備	508,265	331,530
Prepaid lease payments	18	預付租金	421,461	433,069
Investment properties	19	投資物業	22,351	28,942
Interest in an associate	24	於聯營公司權益	2,609	–
Available-for-sale investment	20	可供出售投資	–	14,053
Deposits paid for acquisition of property, plant and equipment	41	收購物業、廠房及設備 所付按金	19,033	40,332
Deferred tax assets	33	遞延稅項資產	8,189	5,997
			981,908	853,923
Current assets		流動資產		
Inventories	21	存貨	1,107,789	2,570,273
Trade and other receivables	22	貿易及其他應收款項	431,316	744,477
Bills receivables	23	應收票據	127	6,614
Prepaid lease payments	18	預付租金	10,620	10,642
Derivative financial instruments	25	衍生金融工具	391,476	132,688
Tax recoverable		可退回稅項	10,382	10,334
Pledged bank deposits	26	已抵押銀行存款	182,559	141,841
Margin deposits	26	保證金	253,292	175,405
Bank balances and cash	26	銀行結餘及現金	271,556	271,095
			2,659,117	4,063,369
Current liabilities		流動負債		
Trade and other payables	27	貿易及其他應付款項	412,209	407,005
Derivative financial instruments	25	衍生金融工具	402,932	33,303
Tax payable		應付稅項	3,771	2,268
Bank borrowings and overdrafts	28	銀行借貸及透支	1,324,831	1,958,680
Convertible bonds	31	可換股債券	816,421	–
			2,960,164	2,401,256
Net current (liabilities) assets		流動(負債)資產淨值	(301,047)	1,662,113
Total assets less current liabilities		資產總值減流動負債	680,861	2,516,036



Consolidated Statement of Financial Position (continued)

綜合財務狀況表(續)

At 31 December 2014 於二零一四年十二月三十一日

		NOTES 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Capital and reserves	股本及儲備			
Share capital	股本	29	10,494	10,446
Share premium and reserves	股份溢價及儲備		713,556	1,763,914
Equity attributable to owners of the Company	本公司擁有人應佔權益		724,050	1,774,360
Non-controlling interests	非控股權益	30	(80,694)	(67,671)
Total equity	總權益		643,356	1,706,689
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券	31	–	759,406
Embedded derivative components of convertible bonds	可換股債券嵌入式衍生 工具部分	31	–	13,353
Warrants	認股權證	32	–	1,331
Deferred tax liabilities	遞延稅項負債	33	37,505	35,257
			37,505	809,347
			680,861	2,516,036

The consolidated financial statements on pages 91 to 231 were approved and authorised for issue by the Board of Directors on 30 March 2015 and are signed on its behalf by:

載於第91頁至231頁的綜合財務報表於二零一五年三月三十日獲董事會批准及授權公佈，並由下列董事代表簽署：

Mr. Fang Ankong
DIRECTOR

Mr. Gu Liyong
DIRECTOR

方安空先生
董事

顧李勇先生
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

Attributable to owners of the Company

歸屬於本公司擁有人

		Share capital	Share premium	Capital redemption reserve	Share option reserve	Statutory reserve	Enterprise expansion fund	Investment revaluation reserve	Foreign currency translation reserve	Accumulated profits (losses)	Sub-total	Attributable to non-controlling interests	Total	
		股本	股份溢價	資本贖回儲備	購股權儲備	資本儲備	法定一般儲備	企業發展基金	投資重估儲備	外幣匯兌儲備	(虧損)溢利累計	小計	權益應佔	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
					(note i) (附註i)	(note ii) (附註ii)	(note ii) (附註ii)							
At 1 January 2013	於二零一三年一月一日	10,435	888,986	220	29,987	222,760	102,167	102,166	-	118,951	639,333	2,115,005	(41,463)	2,073,542
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(382,920)	(382,920)	(24,598)	(407,518)	
Exchange difference arising on translation to presentation currency	換算成呈報貨幣產生的匯兌差額	-	-	-	-	-	-	-	52,660	-	52,660	(1,610)	51,050	
Fair value loss on available-for-sale investment	可供出售投資公平值虧損	-	-	-	-	-	-	(1,417)	-	-	(1,417)	-	(1,417)	
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	-	-	(1,417)	52,660	(382,920)	(331,677)	(26,208)	(357,885)	
Cash dividend paid (Note 15)	已派現金股息(附註15)	-	-	-	-	-	-	-	-	(22,143)	(22,143)	-	(22,143)	
Share options exercised (Note 29 (note ii))	獲行使購股權(附註29(附註ii))	15	4,827	-	(1,105)	-	-	-	-	-	3,737	-	3,737	
Lapse of share options	購股權失效	-	-	-	(7,809)	-	-	-	-	7,809	-	-	-	
Recognition of equity-settled share-based payments (Note 37)	確認以股權結算及以股份為基礎之付款(附註37)	-	-	-	10,762	-	-	-	-	-	10,762	-	10,762	
Shares repurchased and cancelled (Note 29 (note ii))	股份購回及註銷(附註29(附註ii))	(4)	(1,320)	4	-	-	-	-	-	(4)	(1,324)	-	(1,324)	
Transfer of reserves	儲備轉撥	-	-	-	-	2,209	2,210	-	-	(4,419)	-	-	-	
At 31 December 2013	於二零一三年十二月三十一日	10,446	892,493	224	31,835	222,760	104,376	104,376	(1,417)	171,611	237,656	1,774,360	(67,671)	1,706,689

Consolidated Statement of Changes in Equity (continued)

綜合權益變動表(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

		Attributable to owners of the Company 歸屬於本公司擁有人												
		Share capital	Share premium	Capital redemption reserve	Share option reserve	Capital reserve	Statutory general reserve	Enterprise expansion fund	Investment revaluation reserve	Foreign currency translation reserve	Accumulated profits (losses)	Attributable to non-controlling interests	Total	
		股本	股份溢價	資本贖回儲備	購股權儲備	資本儲備	法定一般儲備	企業發展基金	投資重估儲備	外幣匯兌儲備	(虧損)溢利累計	小計	總計	
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
					(note i)	(note ii)	(note ii)							
					(附註i)	(附註ii)	(附註ii)							
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(1,057,980)	(1,057,980)	(13,260)	(1,071,240)	
Exchange difference arising on translation to presentation currency	換算成呈報貨幣產生的匯兌差額	-	-	-	-	-	-	-	(9,860)	-	(9,860)	237	(9,623)	
Fair value gain on available-for-sale investment	可供出售投資公平值收益	-	-	-	-	-	-	918	-	-	918	-	918	
Reclassified to profit or loss on disposal of available-for-sale investment	於出售可供出售投資時重新分類至損益	-	-	-	-	-	-	499	-	-	499	-	499	
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	-	-	1,417	(9,860)	(1,057,980)	(1,066,423)	(13,023)	(1,079,446)	
Share options exercised (Note 29 (note ii))	獲行使購股權 (附註29 (附註ii))	48	16,568	-	(4,070)	-	-	-	-	-	12,546	-	12,546	
Lapse of share options	購股權失效	-	-	-	(10,949)	-	-	-	-	10,949	-	-	-	
Recognition of equity-settled share-based payments (Note 37)	確認以股權結算及以股份為基礎之付款 (附註37)	-	-	-	3,567	-	-	-	-	-	3,567	-	3,567	
Transfer of reserves	儲備轉撥	-	-	-	-	670	670	-	-	(1,340)	-	-	-	
At 31 December 2014	於二零一四年十二月三十一日	10,494	909,061	224	20,383	222,760	105,046	105,046	-	161,751	(810,715)	724,050	(80,694)	643,356

notes:

- (i) Capital reserve represents the sum of (a) the difference between the nominal value of the aggregate share capital and share premium of the subsidiaries acquired by the Company upon a group reorganisation in 2008 and the nominal value of the Company's shares issued in exchange and (b) a capitalisation of shareholders' loans in 2010.
- (ii) Statutory general reserve and enterprise expansion fund represent the appropriation of 10% of profit after tax determined based on the relevant accounting rules and regulations of the People's Republic of China (the "PRC") as required by the Articles of Association of the Company's PRC subsidiaries. The appropriation may cease to apply if the balance of the statutory general reserve and enterprise expansion fund has reached 50% of the PRC subsidiaries' registered capital. The statutory general reserve and enterprise expansion fund can be used to make up prior year losses or to increase share capital.

附註:

- (i) 資本儲備指(a)本公司於二零零八年集團重組時所收購附屬公司股本及股份溢價總額之面值與本公司交換股權所發行股份之面值的差額及(b)二零一零年資本化股東貸款。
- (ii) 本公司中國附屬公司的組織章程細則規定，須根據中華人民共和國(「中國」)相關會計規則及法規釐定將除稅後溢利10%撥入法定一般儲備及企業發展基金。倘法定一般儲備及企業發展基金餘額達中國附屬公司註冊資本的50%，則可終止撥備。法定公積金及企業發展基金可用於彌補過往年度虧損或增加股本。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Loss for the year	年內虧損	(1,071,240)	(407,518)
Adjustments for:	對下列各項之調整：		
Income tax	所得稅項	3,629	25,742
Finance costs	財務成本	153,327	172,342
Interest income	利息收入	(7,671)	(6,207)
Dividend income from available-for-sale investment	可供出售投資股息收入	(301)	(428)
Depreciation of investment properties	投資物業折舊	1,631	1,866
Depreciation of property, plant and equipment	物業、廠房及設備折舊	36,122	34,308
Amortisation of prepaid lease payments	預付租金攤銷	10,593	8,829
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備的(收益)虧損	(335)	90
Gain on disposal of an investment property	出售投資物業收益	(29,216)	-
Recovery of doubtful debts	呆賬收回	-	(12)
Impairment loss on trade and other receivables	貿易及其他應收款項減值虧損	1,807	2,911
Share-based payment expense	以股份為基礎付款之開支	3,567	10,762
Share of profit of an associate	應佔聯營公司溢利	(284)	-
Reclassified to profit or loss on disposal of available-for-sale investment	於出售可供出售投資時重新分類至損益	499	-
Gain on fair value change of derivative components of convertible bonds	可換股債券衍生工具部分之公平值變動收益	(13,353)	(71,937)
Gain on fair value change of warrants	認股權證公平值變動收益	(1,331)	(6,715)
Net foreign exchange losses (gains)	匯兌虧損(收益)淨額	34,005	(99,881)
Reversal of allowance for inventories	撥回存貨撥備	(11,906)	(6,243)
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	(890,457)	(342,091)
Decrease in inventories	存貨減少	1,460,898	500,822
Decrease in trade and other receivables	貿易及其他應收款項減少	312,334	75,075
Decrease in bills receivables	應收票據減少	6,465	654
Decrease in investments at fair value through profit or loss ("FVTPL")	按公平值計入損益(「按公平值計入損益」)的投資減少	-	24,677
Decrease (increase) in derivative financial instruments	衍生金融工具減少(增加)	110,841	(64,438)
Increase in trade and other payables	貿易及其他應付款項增加	4,809	102,160
Cash from operations	經營所得現金	1,004,890	296,859
Interest paid	已付利息	(95,468)	(122,951)
Tax paid	已付稅項	(2,198)	(31,637)
Tax refunded	已退還稅項	98	2,141
NET CASH FROM OPERATING ACTIVITIES	經營活動所得現金淨額	907,322	144,412

Consolidated Statement of Cash Flows (continued)

綜合現金流量表(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Purchases of property, plant and equipment	購置物業、廠房及設備	(175,108)	(57,806)
Deposit for leasehold interests and property, plant and equipment	租賃權益及物業、廠房及設備之按金	(17,736)	(50,332)
Refund of deposit for leasehold interests	租賃權益按金之退款	-	10,000
Proceeds from sales of property, plant and equipment	出售物業、廠房及設備所得款項	1,281	1,008
Payment for prepaid lease payments	預付租金付款	-	(89,537)
Investment in an associate	投資於聯營公司	(2,325)	-
Placement of margin deposits	存入保證金	(2,147,974)	(1,379,976)
Withdrawal of margin deposits	提取保證金	2,069,615	1,250,358
Placement of pledged bank deposits	存入已抵押銀行存款	(276,812)	(223,163)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	235,786	189,664
Proceeds from disposal of an investment property	出售投資物業所得款項	34,176	-
Proceeds from disposal of available-for-sale investment	出售可供出售投資所得款項	14,971	-
Dividend received from available-for-sale investment	收取可供出售投資的股息	301	428
Interest received	已收利息	4,166	5,009
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(259,659)	(344,347)
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新增銀行借貸	4,533,757	7,304,449
Repayment of bank borrowings	償還銀行借貸	(5,193,076)	(7,266,950)
Repurchases of shares	購回股份	-	(1,324)
Net proceeds from issue of shares through exercise of share options	透過行使購股權發行股份所得款項淨額	12,546	3,737
Dividend paid	已付股息	-	(22,143)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資活動(所用)所得現金淨額	(646,773)	17,769
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目淨值增加(減少)	890	(182,166)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日現金及現金等值項目	270,779	446,536
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動的影響	(834)	6,409
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於十二月三十一日現金及現金等值項目	270,835	270,779
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等值項目分析		
Bank balances and cash	銀行結餘及現金	271,556	271,095
Bank overdrafts (Note 28)	銀行透支(附註28)	(721)	(316)
		270,835	270,779



Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

1. GENERAL

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

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

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

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group incurred a loss of HK\$1,071,240,000 for the year ended 31 December 2014 and the Group's current liabilities exceeded its current assets by HK\$301,047,000 as at 31 December 2014. The directors of the Company are satisfied that the Group will have sufficient financial resources to meet its financial obligations as and when they fall due for the foreseeable future, after taking into consideration the following factors: (i) the estimated net proceeds of approximately HK\$1,835,640,000 from share placing as set out in Note 29(iv); (ii) the convertible bonds holders agreeing to extend the convertible bonds as set out in Note 31(vii), together with the undertakings from the Company, as set out in the Company's announcements dated 5 March 2015, 10 March 2015 and 18 March 2015; (iii) the unutilised borrowing facilities of approximately HK\$975,158,000 as at 31 December 2014; (iv) the estimated future cash flows of the Group; and (v) assets available to pledge for obtaining further banking facilities. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

1. 一般資料

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

本公司為投資控股公司。其附屬公司的主要業務載於附註43。

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

於編製綜合財務報表時，鑒於本集團於截至二零一四年十二月三十一日止年度產生虧損1,071,240,000港元及於二零一四年十二月三十一日本集團的流動負債較其流動資產超出301,047,000港元，本公司董事已審慎考慮本集團日後之流動資金情況。經考慮以下因素：(i) 股份配售估計所得款項淨額約1,835,640,000港元(如附註29(iv)所載)；(ii) 如本公司日期為二零一五年三月五日、二零一五年三月十日及二零一五年三月十八日的公告所載，可換股債券持有人同意可換股債券延期(如附註31(vii)所載)，連同本公司作出的承諾；(iii) 於二零一四年十二月三十一日未動用借貸融資約975,158,000港元；(iv) 本集團的估計未來現金流；及(v) 可供抵押以獲得進一步銀行融資之資產後，本公司董事信納，本集團將有足夠財務資源在可見將來全面履行其到期財務責任。因此，綜合財務報表按持續經營基準編製。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

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

In the current year, the Group has applied, for the first time, the following amendments to HKFRSs and a new Interpretation issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC)-Int 21	Levies

Except as described below, the application of the new interpretation and the other amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 32 *Offsetting Financial Assets and Financial Liabilities*

The Group has applied the amendments to HKAS 32 *Offsetting Financial Assets and Financial Liabilities* for the first time in the current year. The amendments to HKAS 32 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of ‘currently has a legally enforceable right of set-off’ and ‘simultaneous realisation and settlements’.

The amendments have been applied retrospectively. The Group has assessed whether certain of its financial assets and financial liabilities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments has had no impact on the amounts recognised in the Group’s consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已首次應用以下由香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則之修訂及新註釋。

香港財務報告準則第10號、 香港財務報告準則 第12號及香港會計準則 第27號(修訂本)	投資實體
香港會計準則第32號 (修訂本)	抵銷金融資產及 金融負債
香港會計準則第36號 (修訂本)	披露非金融資產之 可收回金額
香港會計準則第39號 (修訂本)	衍生工具更替及對 沖會計法之延續
香港(國際財務報告詮釋 委員會)—詮釋第21號	徵費

除下文所述外，於本年度應用香港財務報告準則之新詮釋及其他修訂對本集團於本年度及過往年度之財務表現及狀況及/或於該等綜合財務報表所載列之披露並無重大影響。

香港會計準則第32號(修訂本) *抵銷金融資產及金融負債*

本集團於本年度首次採納香港會計準則第32號(修訂本) *抵銷金融資產及金融負債*。香港會計準則第32號(修訂本)澄清與抵銷金融資產及金融負債要求有關的現有應用問題。具體而言，有關修訂澄清「現時擁有於法律上可強制執行的抵銷權」及「同時變現及結算」的涵義。

有關修訂已追溯應用。本集團已根據有關修訂本所載的標準評估其若干金融資產及金融負債是否合資格外作抵銷，並確定應用有關修訂不會對本集團綜合財務報表確認的金額產生影響。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

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

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments ⁵
HKFRS 15	Revenue from Contracts with Customers ⁴
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations ³
Amendments to HKAS 1	Disclosure Initiative ³
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ³
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants ³
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions ¹
Amendments to HKAS 27	Equity Method in Separate Financial Statements ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle ²
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle ³

- ¹ Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted.
- ² Effective for annual periods beginning on or after 1 July 2014, with limited exceptions. Earlier application is permitted.
- ³ Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.
- ⁴ Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.
- ⁵ Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

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)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並未提前應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 ⁵
香港財務報告準則第15號	客戶合約收益 ⁴
香港財務報告準則第11號(修訂本)	收購共同經營權益的會計處理 ³
香港會計準則第1號(修訂本)	披露計劃 ³
香港會計準則第16號及香港會計準則第38號(修訂本)	澄清折舊及攤銷的可接受方式 ³
香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物 ³
香港會計準則第19號(修訂本)	定額福利計劃：僱員供款 ¹
香港會計準則第27號(修訂本)	獨立財務報表的權益法 ³
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合資公司之間的資產出售或投入 ³
香港財務報告準則(修訂本)	二零一零年至二零一二年週期香港財務報告準則的年度改進 ²
香港財務報告準則(修訂本)	二零一一年至二零一三年週期香港財務報告準則的年度改進 ¹
香港財務報告準則(修訂本)	二零一二年至二零一四年週期香港財務報告準則的年度改進 ³

- ¹ 於二零一四年七月一日或其後開始之年度期間生效，允許提早應用。
- ² 於二零一四年七月一日或其後開始之年度期間生效，具有豁免。允許提早應用。
- ³ 於二零一六年一月一日或其後開始之年度期間生效，允許提早應用。
- ⁴ 於二零一七年一月一日或其後開始之年度期間生效，允許提早應用。
- ⁵ 於二零一八年一月一日或其後開始之年度期間生效，允許提早應用。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

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

HKFRS 9 *Financial Instruments*

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2014 to include the new requirements for hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a ‘fair value through other comprehensive income’ measurement category for certain simple debt instruments.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具

香港財務報告準則第9號於二零零九年頒佈，引進有關金融資產分類和計量的新要求。香港財務報告準則第9號隨後於二零一零年修訂，加入有關金融負債分類和計量及終止確認的規定，並於二零一四年進一步修訂，加入對沖會計處理新規定。香港財務報告準則第9號另一個經修訂版本於二零一四年頒佈主要加入a)有關金融資產之減值規定；及b)藉為若干簡單債務工具引入「透過其他全面收入按公平價值列賬」計量類別，對分類及計量規定作出有限修訂。

香港財務報告準則第9號的主要規定如下：

- 所有符合香港會計準則第39號金融工具：確認和計量範圍內的已有已確認金融資產其後按攤銷成本或公平值計量。特別是，目標為集合合約現金流量的業務模式中所有持有及合約現金流量均為本金及尚未償還本金的利息付款的債務投資，一般按後續會計期末的攤銷成本計量。所有其他債務投資及權益性投資均按後續報告期末的公平值計量。此外，根據香港財務報告準則第9號，實體可能不可撤回地選擇在其他全面收益中呈列股本投資(並非持作買賣)之其後公平值變動，並一般只在損益中確認股息收入。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued) HKFRS 9 *Financial Instruments* (continued)

- With regard to the measurement of financial liabilities designated as at FVTPL, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as FVTPL was presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具(續)

- 就指定為按公平值計入損益的金融負債之計量而言，香港財務報告準則第9號規定，因金融負債信貸風險有變而導致其公平值變動的款額乃於其他全面收益呈列，除非於其他全面收益呈報該負債信貸風險變動的影響會產生或增加損益的會計錯配，則作別論。因金融負債之信貸風險而導致其公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益的金融負債的全部公平值變動款額均於損益中呈列。
- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。
- 新的一般對沖會計要求保留了三種類型對沖會計法。然而，符合對沖會計處理的交易類型已引入更大靈活性，尤其是擴大合資格作對沖的工具類型及合資格進行對沖會計的非金融項目風險部分的類型。此外，有效性測試已經全面改革，並以「經濟關係」原則取代。對沖有效性亦不再需要追溯評估。同時，有關實體風險管理活動亦已引入加強披露要求。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

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

HKFRS 9 *Financial Instruments* (continued)

The directors of the Company anticipate that the adoption of HKFRS 9 will have no material effect on the Group’s financial assets and financial liabilities based on the analysis of the Group’s financial assets and financial liabilities as at 31 December 2014.

HKFRS 15 *Revenue from Contracts with Customers*

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具(續)

本公司董事預計，根據對於二零一四年十二月三十一日本集團金融資產及金融負債所作的分析，應用香港財務報告準則第9號將不會對本集團的金融資產及金融負債造成重大影響。

香港財務報告準則第15號客戶合約收益

香港財務報告準則第15號於二零一四年七月頒佈，其制定一項單一全面模式供實體用作將來自客戶合約所產生的收益入賬。於香港財務報告準則第15號生效後，將取代現時載於香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋的收益確認指引。

香港財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得的代價。具體而言，該準則引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於實體完成履約責任時(或就此)確認收益



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

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

HKFRS 15 Revenue from Contracts with Customers (continued)

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i. e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group’s consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

Except as described above, the directors of the Company anticipate that the application of other new and revised HKFRSs in issue but not yet effective will not have material impact on the Group’s consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第15號客戶合約收益(續)

根據香港財務報告準則第15號，實體於完成履約責任時(或就此)確認收益，即當特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號要求更詳盡的披露。

本公司董事預期，於未來應用香港財務報告準則第15號可能會對本集團的綜合財務報表中的已呈報金額及披露資料造成重大影響。然而，本集團必須在完成詳細審閱後，才可能提供對香港務報告準則第15號的影響的合理估計。

除上文所述者外，本公司董事預期應用已頒佈但未生效的其他新訂及經修訂香港財務報告準則將不會對本集團的綜合財務報表造成重大影響。

3. 重大會計政策

合規聲明

綜合財務報表按香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則(「上市規則」)及香港公司條例規定的適用披露。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies set out below.

3. 重大會計政策(續)

編製基準

如下文會計政策所述，於各報告期末，除若干金融工具以公平值計量外，綜合財務報表按歷史成本法編製。

歷史成本一般按交換貨品及服務之代價之公平值計算。

公平值為於計量日期市場參與者在有序交易中出售資產可收取或轉讓負債須支付之價格，不論價格可直接觀察或使用另外估值法估計。於估計資產或負債的公平值時，本集團會考慮市場參與者於計量日對資產或負債定價時所考慮的資產或負債特點。該等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟屬於香港財務報告準則第2號之以股份為基礎之付款交易、香港會計準則第17號之租賃交易及與公平值擁有一些類似地方但非公平值的計量(如香港會計準則第2號之可變現淨值或香港會計準則第36號之使用價值)除外。

此外，就財務呈報而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一、第二或第三級，詳情如下：

- 第一級輸入數據為實體有能力於計量日獲得的同類資產或負債於活躍市場的報價(未調整)；
- 第二級輸入數據為除第一級所載報價外資產或負債的可直接或間接觀察的輸入數據；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。

重大會計政策載列如下。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

3. 重大會計政策(續)

綜合基準

綜合財務報表包括本公司及本公司所控制實體及其附屬公司的財務報表。控制權即已實現，倘本公司：

- 可對被投資方行使權力；
- 因參與被投資方業務而對浮動回報承擔風險或享有權利；及
- 有能力使用其權力影響其回報，

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對被投資方擁有控制權。

倘本集團於被投資方之投票權未能佔大多數，則當投票權足以賦予本公司實際能力以單方面指示投資方的相關活動時即對被投資方擁有權力。本集團於評估本集團於被投資方的投票權是否足以賦予其權力時考慮所有相關事實及情況，包括：

- 相較其他投票權持有人所持投票權的數量及分散情況，本集團持有投票權的數量；
- 本集團、其他投票權持有人或其他人士持有之潛在投票權；
- 其他合約安排產生的權利；及
- 需要作出決定時，本集團目前能夠或不能指示相關活動的任何額外事實及情況(包括於過往股東會議上的投票模式)。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries 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.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Investment in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

3. 重大會計政策(續)

綜合基準(續)

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收益之每個項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

如有需要，會對附屬公司的財務報表作出調整，使其會計政策與本集團會計政策一致。

所有集團內公司間資產及負債、權益、收入、開支以及與本集團成員公司之間交易有關之現金流量均於綜合賬目時悉數對銷。

於聯營公司投資

聯營公司為本集團對其有重大影響的實體。重大影響為參與被投資方的財務及經營決策的權力，但並非對該等政策的控制或共同控制。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in an associate (continued)

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 重大會計政策(續)

於聯營公司投資(續)

聯營公司的業績及資產及負債按權益會計法納入該等綜合財務報表。根據權益法，於聯營公司投資最初按成本於綜合財務狀況表內確認，其後予以調整以確認本集團應佔聯營公司的損益及其他全面收益。當本集團應佔聯營公司虧損超過本集團於該聯營公司的權益(包括任何實質上構成本集團於聯營公司的投資淨額的長期權益)時，本集團取消確認應佔額外進一步虧損。僅當本集團須代表聯營公司承擔法定或推定責任或作出付款時，方會確認應佔額外虧損。

於聯營公司投資自被投資方成為聯營公司之日起採用權益法入賬。收購於聯營公司投資時，投資成本超出本集團應佔被投資方可辨認資產及負債公平值淨額的部分確認為商譽，納入該項投資的賬面值。本集團應佔可辨認資產及負債公平值淨額超出投資成本的部分，於重新評估後在取得該項投資的當期立即於損益內確認。

應用香港會計準則第39號的規定，以釐定是否需要就本集團於聯營公司投資確認任何減值虧損。如有需要，該項投資的全部賬面值(包括商譽)會根據香港會計準則第36號*資產減值*，以一項單項資產通過對其可收回金額(使用價值與公平值減出售成本的較高者)與賬面值來進行減值測試。任何已確認的減值虧損構成該項投資賬面值的一部分。有關減值虧損的任何撥回根據香港會計準則第36號確認，惟以於該項投資的可收回金額其後增加為限。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in an associate (continued)

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Dividend and interest income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3. 重大會計政策(續)

於聯營公司投資(續)

當集團實體與本集團聯營公司進行交易時，與聯營公司交易產生的損益僅於聯營公司的權益與本集團無關時方會於本集團綜合財務報表內確認。

收益確認

收益按已收或應收代價之公平值計量。收益乃經扣除估計客戶退貨、回扣及其他類似撥備。

銷售貨品

貨品銷售收益於貨品交接及物權轉移時，即下列條件全部達成時確認：

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

股息及利息收入

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

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Rental income

The Group's policy for recognition of revenue from operating leases is described in the accounting policy for leasing below.

Leasing

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

The Group as lessor

Rental income from operating leases is recognised 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 an expense on a straight-line basis over the lease term.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives is recognised as a reduction of rental expense on a straight-line basis.

Leasehold land for own use

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

3. 重大會計政策(續)

收益確認(續)

租金收入

本集團確認經營租賃收益之政策載於下文租賃之會計政策。

租賃

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

本集團作為出租人

來自經營租賃之租金收入乃按相關租賃年期以直線法於損益表確認。在磋商及安排營業租約時產生之初步直接成本加入租賃資產之賬面值，於租約年期以直線法確認為開支。

本集團作為承租人

經營租賃款項於相關租賃期間按直線法確認為開支。倘訂立經營租賃可以獲得租賃優惠，該等優惠作為負債確認。激勵措施的總利益按直線法確認為租金開支的減少。

作自用之租賃土地

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

Leasehold land for own use (continued)

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see the accounting policies below); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

3. 重大會計政策(續)

租賃(續)

作自用之租賃土地(續)

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

外幣

編製個別集團實體的財務報表時，以該實體非功能貨幣(外幣)進行的交易按交易日期當時的匯率列賬。於各呈報期結算日，以外幣計值的貨幣項目均按結算日當日的匯率重新換算。以外幣計值按歷史成本計量的非貨幣項目則毋須重新換算。

貨幣項目的匯兌差額均於產生期間在損益確認，惟以下項目除外：

- 有關用作未來生產用途之在建資產之外幣借貸之匯兌差異，該等差異被視為外幣借貸之利息成本調整時計入該等資產之成本；
- 為對沖若干外幣風險進行之交易之匯兌差額(參閱下文會計政策)；及
- 應收或應付海外業務之貨幣項目之匯兌差額，既無計劃結算且出現之可能性亦不大(因此為海外業務淨投資之一部分)，初步於其他全面收益確認，並於償還貨幣項目時由權益重新分類至損益。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

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

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

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

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

Government grants

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

Government grants that are receivable for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 重大會計政策(續)

外幣(續)

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

借貸成本

收購、興建或生產符合條件資產(即須經過一段長時間才可達致其擬定用途或可供出售之資產)之直接借貸成本須作為該等資產成本之一部份，直至該等資產大體上達致其擬定用途或可供出售時。

倘符合條件資產之特定貸款於支付其支出前暫作投資之用，其投資收入須用作減低已資本化的借貸成本。

所有其他借貸成本乃於產生之期間在損益賬確認。

政府補助

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

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Retirement benefit costs

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

Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 37.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

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

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

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

3. 重大會計政策(續)

退休福利成本

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

以股份為基礎之付款安排

授予僱員及其他提供類似服務者之股本結算以股份為基礎之付款按權益工具於授出日期之公平值計算。有關釐定股本結算以股份為基礎的付款的公平值的詳情載於附註37。

公平值於股本結算以股份為基礎的付款授出日期釐定，按直線法於歸屬期內列為支出，且基於本集團對最終歸屬之權益工具之估計，而權益亦相應增加。

於報告期末，本集團修訂其對預期歸屬的股本工具數目之估計。修訂原先估計的影響(如有)於損益中確認，令累計開支反映經修訂之估計，並於購股權儲備作出相應調整。

就於授出日期即時歸屬之購股權而言，所授出購股權公平值即時於損益列為開支。

購股權獲行使時，先前於購股權儲備中確認之款項將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於到期日仍未獲行使，則先前於購股權儲備中確認之款項將撥入累計溢利/虧損。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

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

Current tax

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

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

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

3. 重大會計政策(續)

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期稅項

即期應付稅項乃根據年內的應課稅溢利計算。由於其他年度應課稅的收入或可扣稅開支項目及毋須課稅或不可扣稅收支項目的緣故，應課稅溢利與綜合損益及其他全面收益表內列賬的「除稅前溢利」不同。本集團的即期稅項負債乃採用於報告期末已實施或實際已實施的稅率計算。

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

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

Current tax (continued)

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. 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.

3. 重大會計政策(續)

稅項(續)

即期稅項(續)

於各報告期末均會檢討遞延稅項資產的賬面值，並扣減至不可能再有足夠應課稅溢利可收回全部或部分資產為止。

遞延稅項資產及負債按償還負債或變現資產期間的預期適用稅率(根據各報告期末已實施或實際已實施之稅率(及稅法))計算。

遞延稅項負債及資產之計算反映按照本集團所預期方式於各報告期末收回或清償其資產及負債賬面值之稅務後果。

本年度即期及遞延稅項

即期及遞延稅項於損益中確認，除非該等稅項與其他全面收益或直接於權益中確認的項目有關，於此情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益中確認。就因對業務合併進行初步會計處理而產生的即期稅項或遞延稅項而言，稅務影響乃計入業務合併的會計處理內。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment including buildings and leasehold land (classified as finance leases) held for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress), are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

Depreciation is recognised so as to write off the cost of items of assets (other than construction in progress) less their residual value over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 重大會計政策(續)

物業、廠房及設備

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

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

折舊乃按資產項目(在建工程除外)的可使用年期以直線法撇銷成本減其剩餘價值確認。估計可使用年期、剩餘價值及折舊法於各報告期末檢討，而任何估計變動的影響按預期基準入賬。

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

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

Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 重大會計政策(續)

投資物業

投資物業指持作賺取租金及／或資本升值之物業。投資物業初步按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業按成本減其後累計折舊及任何累計減值虧損列賬。折舊獲確認以按投資物業之估計可使用年期並計及其估計剩餘價值後以直線法撇銷其成本。

於投資物業出售或永久停止使用及預計不會從出售中獲得未來經濟收益時，會被取消確認。取消確認該資產所產生之任何收益或虧損(按出售所得款項淨額與該資產之賬面值差額計算)於被取消確認之期間內計入損益。

有形資產及無形資產(商譽除外)之減值

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of tangible and intangible assets other than goodwill (continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined by the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make the sale.

3. 重大會計政策(續)

有形資產及無形資產(商譽除外)之減值(續)

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

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

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

存貨

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

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

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. When 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 (where the effect of the time value of money is material).

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 or financial liabilities at FVTPL) 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 FVTPL are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into the following specified categories: financial assets at FVTPL, loans and receivables and available-for-sale (“AFS”) financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 重大會計政策(續)

撥備

倘本集團因過往事件而須承擔現有法定或推定責任，且本集團很可能須履行該責任，並能可靠地估計所須承擔之金額，則須確認撥備。

確認為撥備之金額乃對於報告期末履行現時責任所需代價作出之最佳估計，並計及有關責任之風險及不確定因素。當撥備按履行現時責任估計所需之現金流量計量時，其賬面值為有關現金流量之現值(如貨幣時間價值之影響重大)。

金融工具

當集團實體成為工具合約條文的訂約方時，確認金融資產及金融負債。

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

金融資產

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument 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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

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

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

實際利率法

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

債務工具的收入按實際利率基準確認，惟按公平值計入損益的金融資產則作別論。

按公平值計入損益之金融資產

當金融資產為持作買賣或指定為按公平值計入損益，金融資產分類為按公平值計入損益。

金融資產會被分類為持作買賣，倘：

- 主要的收購目的是於近期內將其出售；或
- 於初始確認時，其為本集團共同管理的金融工具的已識別的金融組合的一部分，並於近期錄得實質短期完成獲利的模式；或
- 其為並未指定及有效成為對沖工具之一項衍生工具。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at FVTPL (continued)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

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

Financial assets at FVTPL are stated at fair value, with any gains or losses arising from remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in Note 6.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益之金融資產(續)

持作買賣的金融資產以外的金融資產可能於首次確認時被指定為按公平值計入損益之金融資產，倘：

- 該指定可消除或相當大程度上減低計量或確認時可能出現的不一致；或
- 根據本集團已備檔的風險管理或投資策略，及內部提供的分組資料按其基準構成一組金融資產或金融負債或兩者相備的金融資產，並以公平值基準管理及評估表現；或
- 構成一項包含一個或多個嵌入的衍生工具的合約的部分，並且香港會計準則第39號金融工具：確認及計量允許整份合併合約指定為按公平值計入損益的金融資產。

按公平值計入損益的金融資產乃按公平值列賬，重新計量產生的任何收益或虧損則直接於損益中確認。於損益中確認的收益或虧損淨額包括金融資產賺取的任何股息或利息，並計入「其他收益及虧損項目」內。公平值以附註6所述方式釐定。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) financial assets at FVTPL or (b) loans and receivables.

Equity securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the fair value of AFS equity investments are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When the instrument is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see accounting policy in respect of impairment loss on financial assets below).

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bills receivables, pledged bank deposits, margin deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

可供出售金融資產

可供出售金融資產指指定為可供出售或並非分類為(a)按公平值計入損益之金融資產或(b)貸款及應收款項的非衍生工具。

本集團持有的分類為可供出售金融資產之股本證券於活躍市場交易並於報告期末按公平值計量。可供出售股權投資之公平值變動於其他全面收益內確認並於投資重估儲備中累計。當金融資產出售或釐定減值，於此時，先前於投資重估儲備累計之累計收益或虧損重新分類至損益(見下列有關金融資產減值虧損之會計政策)。

可供出售股權工具之股息於本集團有權收取股息時於損益內確認。

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款，並沒有在活躍市場報價的非衍生金融資產。貸款及應收款項(包括貿易及其他應收款項、應收票據、已抵押銀行存款、保證金及銀行結餘及現金)減任何減值後以實際利率法計算並按攤銷成本計量。

利息收入乃使用實際利率確認，惟確認利息影響不大的短期應收款項除外。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when 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 AFS equity investment, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

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

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

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

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值

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

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

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或交易方出現重大財政困難；或
- 違反合約，如未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組；或
- 該金融資產因發生重大財務困難無法在活躍市場繼續交易。

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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

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 uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

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

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

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

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

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity instruments

Classification as debt or 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.

Equity instruments

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

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

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Financial liabilities at FVTPL

Financial liabilities classified as FVTPL are derivative that are not designated and effective as hedging instruments.

Financial liabilities at FVTPL are stated at fair value, with any gain or loss arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in Note 6.

3. 重大會計政策(續)

金融工具(續)

金融負債及股權工具

分類為債務或權益

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

股權工具

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

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

金融負債

金融負債分類為按公平值計入損益之金融負債或其他金融負債。

按公平值計入損益之金融負債

並非指定及有效作對沖工具之按公平值計入損益之金融負債為衍生工具。

按公平值計入損益之金融資產乃按公平值列賬，而再計量後所產生之任何損益於損益表中確認。於損益表中確認之收益或虧損淨額則包括就金融負債所付的任何利息並計入「其他收益及虧損」項目內。公平值以附註6所述方式釐定。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Other financial liabilities

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than those financial liabilities classified as at FVTPL.

Convertible bonds and warrants

Convertible bonds

The component parts of compound instruments (convertible bonds) issued by the Company are classified separately as financial liabilities and derivative in accordance with the substance of the contractual arrangements on its initial recognition. Derivative that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is a conversion option derivative.

At the date of issue, both the liability and derivative components are recognised at fair value. In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The derivatives together with other embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss.

3. 重大會計政策(續)

金融工具(續)

金融負債及股權工具(續)

其他金融負債

其他金融負債(包括貿易及其他應付款項及銀行借貸及透支)隨後以攤銷成本使用實際利率法計量。

實際利率法

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

利息開支按實際利率基準確認，惟按公平值計入損益的金融負債則作別論。

可換股債券及認股權證

可換股債券

本公司發行的組合工具(可換股債券)的組成部分根據合約安排於初步確認時單獨分類為金融負債及衍生工具。衍生工具如透過以定額現金或另一項金融資產交換定額的本公司本身股權工具以外的方式結算，則屬轉換權衍生工具。

於發行日期，負債及衍生工具部分均按公平值確認。於往後期間，可換股債券的負債部分會利用實際利率法按攤銷成本列賬。該衍生工具及其他嵌入式衍生工具按公平值計量，而公平值變動則於損益確認。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Convertible bonds and warrants (continued)

Convertible bonds (continued)

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative components are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the lives of the convertible loan notes using the effective interest method.

Warrants

Warrants that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments are classified as derivatives and are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Derivative financial instruments

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

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

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

3. 重大會計政策(續)

金融工具(續)

可換股債券及認股權證(續)

可換股債券(續)

有關發行可換股債券的交易成本按負債及衍生工具部份的相對公平值比例分配至該兩部份。有關衍生工具部分的交易成本即時於損益中扣除。有關負債部份的交易成本會計入負債部份的賬面值並以實際利息法於可換股債券票據期內攤銷。

認股權證

認股權證將透過以定額現金或另一項金融資產交換定額的本公司本身股權工具以外的方式結算並於衍生合約訂立日期分類為衍生工具及按公平值初步確認，隨後於報告期末按公平值重新計量。所產生之收益或虧損於損益即時確認。

衍生金融工具

本集團的衍生金融工具包括商品期貨、臨時定價安排及外匯遠期合約。

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

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Derivative financial instruments (continued)

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

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

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

3. 重大會計政策(續)

金融工具(續)

衍生金融工具(續)

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

嵌入式衍生工具

倘非衍生主合約所包括的工具符合衍生工具的定義，且其風險及特質與主合約之風險及特質並無密切關係，及主合約並非按公平值計量時，非衍生主合約內含之衍生工具乃被視作獨立衍生工具。

終止確認

僅當資產現金流量的合約權利到期時，或將其金融資產或該資產擁有權的絕大部分風險及回報轉移至另一實體時，本集團方會終止確認金融資產。倘本集團仍保留已轉移金融資產擁有權的絕大部分風險及回報，本集團將繼續確認該金融資產並確認已收所得款項的有抵押借貸。

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

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



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Write down on inventories

Management of the Group reviews the inventories listing on a category-by-category basis at the end of the reporting period, and assesses whether the cost of the finished products will exceed their net realisable value. Management estimates the net realisable value for such inventories based primarily on the latest resale value and quoted prices on applicable commodity exchanges. If the market price of inventories are to decline, additional write down may be required. The Group's inventories are stated at the lower of cost and net realisable value in the consolidated statement of financial position at the end of the reporting period. The carrying amount of inventories is disclosed in Note 21.

Estimated impairment of property, plant and equipment, and prepaid lease payments

When there is indication that an item of property, plant and equipment, or prepaid lease payments has suffered an impairment loss, management of the Group takes into consideration of the estimation of its recoverable amount. The recoverable amount calculation requires the Group to estimate the higher of fair value less costs of disposal and value in use expected to arise from the property, plant and equipment, and prepaid lease payments and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. The carrying amount of property, plant and equipment, and prepaid lease payments are disclosed in Notes 17 and 18 respectively.

The management conducts an impairment review of the property, plant and equipment, and prepaid lease payments and assesses the recoverable amount for cash-generating units. As explained in Note 7, the Group has three operating segments and each segment represents the lowest level cash-generating unit with the Group for internal management purpose. With the segment loss is identified in the metal recycling business segment (the "Recycling CGU"), for the purpose of the impairment testing, the management reviews the impairment in property, plant and equipment, and prepaid lease payments are allocated to the Recycling CGU.

4. 估計不確定因素的主要來源

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

存貨撇減

本集團管理層於報告期末按類別檢討存貨，並估計製成品的成本會否超逾可變現淨值。管理層主要按最新轉售價值及相關商品交易所報價估計有關存貨的可變現淨值。倘存貨市價下跌，則或須作出額外撇減。本集團於報告期末的所有存貨均按成本及淨現值(以較低者為準)於綜合財務狀況表列賬。存貨之賬面值於附註21披露。

物業、廠房及設備以及預付租金的減值估計

倘有跡象顯示物業、廠房及設備項目或預付租金已出現減值虧損，本集團管理層會考慮估計物業、廠房及設備的可回收金額。計算可回收金額要求本集團估計較高的公平值減出售成本及對預期物業、廠房及設備以及預付租金所產生之使用價值及適當之貼現率以計算現值。倘實際未來現金流量少於預期，則可能出現重大減值虧損。物業、廠房及設備以及預付租金之賬面值分別於附註17及18披露。

管理層對物業、廠房及設備以及預付租金進行減值審閱及評估現金產生單位之可收回金額。如附註7所述，本集團有三個經營分部及各個分部即為本集團作內部管理目的之最低級現金產生單位。由於金屬再生業務分部(「再生現金產生單位」)確認分部虧損，就減值測試而言，管理層檢討被分配至再生現金產生單位之物業、廠房及設備以及預付租金之減值。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated impairment of property, plant and equipment, and prepaid lease payments (continued)

The recoverable amount of the Recycling CGU has been determined based on the value in use calculation. The calculation for the Recycling CGU uses cash flow projections based on financial budgets approved by the management covering a 5-year period, and a discount rate of 11%. The cash flows beyond the 5-year period are extrapolated using zero growth rate. The key assumptions for the value in use calculation relate to the estimation of cash inflows/outflows which include budgeted sales and budgeted gross margin, which are determined based on the Recycling CGU's past performance and management's expectation for the market development. The estimated recoverable amount exceed the carrying amount of the Recycling CGU. The management believes that any reasonably possible change in any of the above assumptions would not cause the carrying amount to exceed the recoverable amount. No impairment loss is recognised for the year ended 31 December 2014.

Depreciation of property, plant and equipment

Property, plant and equipment (other than construction in progress) are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual value. The Group assesses annually the residual value and the useful lives of property, plant and equipment. If the expectation differs from the original estimate, such difference will impact the depreciation charge in the year in which such estimate is changed.

Fair value of embedded derivative components of convertible bonds and warrants

As described in Notes 31 and 32, the directors of the Company use their judgment in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. The fair values of the embedded derivative components of convertible bonds and warrants are determined using the Binomial Option Pricing Model adjusted for specific terms and conditions of the respective instruments. Major inputs into the model include quoted market prices, risk free rates, expected volatility, dividend yields and the option's life.

4. 估計不確定因素的主要來源(續)

物業、廠房及設備以及預付租金的減值估計(續)

再生現金產生單位之可收回金額已按使用價值釐定。再生現金產生單位使用基於管理層所批准五年期財政預算之現金流預測及11%折現率計算。五年以上期間之現金流量採用0增長率推算。使用價值計演算法之主要假設涉及現金流入/流出估計，包括預算銷售及預算毛利率乃根據再生現金產生單位之過往業績及管理層對市場發展預期而釐定。估計可收回金額超過再生現金產生單位的賬面值。管理層相信，任何上述假設之任何合理可能變動均不會導致賬面值超過其可收回金額。於截至二零一四年十二月三十一日止年度並無確認減值虧損。

物業、廠房及設備折舊

物業、廠房及設備(在建工程除外)經計及其估計剩餘價值後，以直線法按估計可用年期折舊。本集團每年就評估物業、廠房及設備之剩餘價值及可使用年期進行評估，倘預期有別於原定估計，則有關差異將影響估計更改年內之折舊開支。

可換股債券及認股權證內嵌入式衍生工具的公平值

誠如附註31及32所述，本公司董事採用彼等之判斷就並無於活躍市場報價之金融工具選用適當之估值技術。採納市場從業員一般應用之估值技術。可換股債券及認股權證內嵌入式衍生工具的公平值乃使用二項期權定價模式釐定，以適應各自工具的特定條款及條件。該模式所輸入之主要數據包括所報市價、無風險利率、預期波動、股息回報率及期權期限。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

5. CAPITAL MANAGEMENT

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

The capital structure of the Group consists of debt, which includes bank borrowings and overdrafts and convertible bonds disclosed in Note 28 and Note 31, respectively, net of cash and cash equivalents and equity attributable to owners of the Company, comprising capital, various reserves and accumulated profits/losses.

The directors of the Company review the capital structure periodically. The directors of the Company also balance the overall capital structure through the payment of dividends, new share issues and share repurchases as well as the issue of new debt or the redemption of existing debt. No changes were made in the objectives, policies or processes during the year ended 31 December 2014.

6. FINANCIAL INSTRUMENTS

6a. Categories of financial instruments

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Financial assets	金融資產		
Derivative financial instruments	衍生金融工具	391,476	132,688
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等值項目)	860,668	915,988
AFS investment	可供出售投資	–	14,053
Financial liabilities	金融負債		
Derivative financial instruments	衍生金融工具	402,932	33,303
Embedded derivative components of convertible bonds	可換股債券嵌入式衍生工具部分	–	13,353
Warrants	認股權證	–	1,331
Amortised cost	攤銷成本	2,455,290	3,033,070

5. 資本管理

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

本集團的資本架構包括債務(包括附註28及附註31分別所披露的銀行借貸及透支以及可換股債券，扣除現金及現金等值項目)及本公司擁有人應佔權益(包括資本、多項儲備及累計溢利/虧損)。

本公司董事定期審閱資本架構。本公司董事亦透過支付股息、發行新股及股份購回以及發行新債務或贖回現有債務平衡本集團整體資本架構。截至二零一四年十二月三十一日止年度，有關目標、政策或程序並無變動。

6. 金融工具

6a. 金融工具的種類

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Derivative financial instruments	391,476	132,688
Loans and receivables (including cash and cash equivalents)	860,668	915,988
AFS investment	–	14,053
Derivative financial instruments	402,932	33,303
Embedded derivative components of convertible bonds	–	13,353
Warrants	–	1,331
Amortised cost	2,455,290	3,033,070



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bills receivables, derivative financial assets, pledged bank deposits, margin deposits, bank balances and cash, AFS investment, trade and other payables, derivative financial liabilities, bank borrowings and overdrafts, convertible bonds, embedded derivative components of convertible bonds and warrants. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

The Group has foreign currency sales, purchases, trade and other receivables, pledged bank deposits, margin deposits, bank balances and cash, AFS investment, trade and other payables, derivative financial instruments, bank borrowings, which expose the Group to market risk arising from changes in foreign exchange rates. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors its foreign currency risk exposure and considers any foreign currency forward contracts should the need arise.

6. 金融工具(續)

6b. 金融風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、應收票據、衍生金融資產、已抵押銀行存款、保證金、銀行結餘及現金、可供出售投資、貿易及其他應付款項、衍生金融負債、銀行借貸及透支、可換股債券、可換股債券嵌入式衍生工具部分及認股權證。該等金融工具詳情於相關附註披露。有關該等金融工具的風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。為減輕該等風險而制訂的政策載於下文。管理層管理及監控該等風險以確保及時有效地採取適當措施。

市場風險

(i) 貨幣風險

本集團因有外幣買賣、貿易及其他應收款項、已抵押銀行存款、保證金、銀行結餘及現金、可供出售投資、貿易及其他應付款項、衍生金融工具及銀行借貸而面對外匯匯率變動帶來的市場風險。本集團現時並無外幣對沖政策。然而，管理層仍密切監控外幣風險，並會於需要時考慮任何外幣遠期合約。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Market risk (continued)

(i) Currency risk (continued)

In addition, the Group had entered into several foreign currency forward contracts with a bank to reduce its exposure to currency fluctuation risk of payments for trade payables which were denominated in United States dollars ("USD"). The derivatives were not accounted for under hedge accounting. The Group was required to estimate the fair value of the foreign currency forward contracts at the end of the reporting period, which therefore also exposed the Group to currency risk.

The carrying amounts of the Group's monetary assets and liabilities which are denominated in currencies other than the functional currency of the relevant group entities are as follows:

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

此外，本集團與一間銀行訂立多項遠期外匯合約，以降低其因以美元(「美元」)支付貿易應付款項而面臨的貨幣波動風險。衍生工具未按對沖會計法列賬。本集團須於報告期末估計遠期外匯合約之公平值，由此導致本集團面臨其他貨幣風險。

本集團貨幣資產及負債之賬面值乃除相關集團實體之功能貨幣以外之以下貨幣計值：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Monetary assets	貨幣資產		
HK\$	港元	2,562	13,496
USD	美元	118,287	136,861
Euro ("EUR")	歐元(「歐元」)	24,490	7,575
RMB	人民幣	244	300
Monetary liabilities	貨幣負債		
HK\$	港元	12,496	830
USD	美元	1,068,551	1,815,277
EUR	歐元	1,147	28,705
Net monetary assets (liabilities)	貨幣資產(負債)淨額		
HK\$	港元	(9,934)	12,666
USD	美元	(950,264)	(1,678,416)
EUR	歐元	23,343	(21,130)
RMB	人民幣	244	300

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis

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

A 5% sensitivity rate is used when reporting foreign currency risk internally to key management personnel because it represents management's assessment of the possible change in foreign exchange rates. On this basis, if the foreign currencies strengthen/weaken against the functional currency of the relevant group entities by 5%, the Group's post-tax loss for the year would increase/decrease by the following magnitude, and vice versa:

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析

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

公司內部向高級管理人員呈報外幣風險時使用5%的敏感度比率，乃因該比率代表管理層所評估匯率可能出現的波動比率。基於此，倘外幣兌換相關集團實體之功能貨幣升值/貶值5%，本集團年內除稅後虧損將增加/減少的幅度如下，反之亦然：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
(Increase) decrease in loss:	虧損(增加)減少：		
Monetary assets and liabilities	貨幣資產及負債		
HK\$ strengthening against RMB	港元兌人民幣升值	(415)	529
USD strengthening against RMB	美元兌人民幣升值	(35,621)	(62,865)
EUR strengthening against RMB/USD	歐元兌人民幣／美元升值	975	(882)
RMB strengthening against USD	人民幣兌美元升值	10	13

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Market risk (continued)

(i) *Currency risk (continued)*

Sensitivity analysis (continued)

The sensitivity analysis below had been determined based on the exposure to the Group's forward buying rate risk at the end of the reporting period. If the forward exchange rate of USD strengthens/weakens 5% against RMB while all other input variables of the valuation models were held constant, the Group's post-tax loss for the year would increase/decrease by the following magnitude:

Increase/decrease in loss: 虧損增加/減少;
USD strengthening against 美元兌人民幣升值
RMB

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

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

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(i) *貨幣風險(續)*

敏感度分析(續)

以下敏感度分析乃根據本集團於報告期末所面臨之遠期買入匯率風險釐定。倘美元兌人民幣及美元遠期匯率分別升值/貶值5%，而估值模式之所有其他輸入變量維持不變，則本集團年內除稅後虧損將增加/減少的幅度如下：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
855	99

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

除港元、美元、歐元及人民幣外，本集團並無面對其他主要外幣風險。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Market risk (continued)

(ii) Interest rate risk

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

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

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

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

Sensitivity analysis

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

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Liabilities	負債	291,783	1,086,913

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險

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

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

本集團的公平值利率風險主要與定息已抵押銀行存款、銀行借貸及透支及可換股債券有關。本集團的政策為將大部分借貸維持為定息借貸，減低現金流量利率風險。

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

敏感度分析

於報告期末，按浮息利率計息的本集團貨幣負債賬面值如下：



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Market risk (continued)

(ii) Interest rate risk (continued)

Sensitivity analysis (continued)

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

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

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

Increase/decrease in loss 虧損增加/減少

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析(續)

下列敏感度分析乃基於報告期末浮息銀行借貸的利率變動風險而定，由於所涉數額不大，故管理層認為浮息銀行存款的利率變動風險並不大。

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

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

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Increase/decrease in loss 虧損增加/減少	2,188	8,152



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Market risk (continued)

(iii) Equity, debt and commodity price risks

At 31 December 2014, the Group was exposed to equity, debt and commodity price risks through its AFS investment and metal commodities future contracts. At 31 December 2013, the Group was also exposed to the provisional pricing arrangements embedded in sales contracts.

Sensitivity analysis

The sensitivity analysis below is determined based on the exposure to commodity price risk of metal commodities future contracts and the provisional pricing arrangements embedded in sales contract of copper scrap at the end of the reporting period. If the commodity price risk of metal commodities future contracts and the quoted copper future price for the valuation of provisional pricing arrangements had been 5% higher/lower, the Group's post-tax loss for the year would decrease/increase by the following magnitude:

Decrease/increase in loss 虧損減少/增加

The sensitivity analysis above excluded the price risks on AFS investment as the management considers the price sensitivity on AFS investment is not significant.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(iii) 股權、債項及商品價格風險
於二零一四年十二月三十一日，本集團因於可供出售投資及金屬商品期貨合約而面對股權、債項及商品價格風險。於二零一三年十二月三十一日，本集團亦因銷售合約附帶的臨時定價安排面對商品價格風險。

敏感度分析

下列敏感度分析乃基於各報告期末金屬商品期貨合約以及銷售合約附帶的臨時定價安排面對的商品價格風險而定。倘金屬商品期貨合約的商品價格及就臨時定價安排估值所報的銅期貨價格上升/下降5%，則本集團年內除稅後虧損減少/增加的幅度如下：

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Decrease/increase in loss 虧損減少/增加	171,841	173,844

上述敏感度分析不包括可供出售投資之價格風險，乃由於管理層認為，對可供出售投資之價格敏感度並不重要。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Market risk (continued)

(iv) Equity price risk on the Company's shares

At 31 December 2014, the Group was also exposed to equity price risk as a result of the fair value change on the embedded derivative components of convertible bonds and the warrants the Company had issued as set out in Notes 31 and 32.

Sensitivity analysis

The sensitivity analysis below is determined based on the exposure to the Company's shares' equity price risk of embedded derivative components of convertible bonds and warrants. If the share price of the Company inputted to the valuation model for assessing the fair values of the embedded derivative components of convertible bonds and warrants had been 10% higher/lower while all other variables were held constant, the Group's post-tax loss for the year would be changed by the following magnitude:

	Company's share price 10% higher 本公司股價上漲10%		Company's share price 10% lower 本公司股價下跌10%	
	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
(Increase) decrease in loss 虧損(增加)減少	(5)	(7,163)	-	5,470

In management's opinion, the sensitivity analysis is not necessarily representative of the inherent market risk as the pricing model used in the fair value valuation of the embedded derivative components of convertible bonds and warrants involves multiple variable where certain variables are interdependent.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(iv) 本公司股份之股票價格風險於二零一四年十二月三十一日，本集團亦因本公司已發行的可換股債券之嵌入式衍生工具部份及認股權證之公平值變動(如附註31及32所載)而面臨股票價格風險。

敏感度分析

下列敏感度分析乃根據可換股債券之嵌入式衍生工具部份及認股權證所面臨之本公司股票價格風險而釐定。倘用於評估可換股債券之嵌入式衍生工具部份及認股權證內公平值而輸入至估值模式之本公司股價上漲/下跌10%，而所有其他變量保持不變，則本集團年內除稅後虧損變動之幅度如下：

管理層認為，敏感度分析未必代表固有市場風險，因為可換股債券之嵌入式衍生工具部份及認股權證之公平值估值中所使用之定價模式，涉及多個變數，而其中若干變數屬互為影響。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Credit risk

As at 31 December 2014, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

At 31 December 2014, the Group had concentration of credit risk as 66% and 81% (2013: 61% and 79%) of its total trade receivables was due from its largest customer and the five largest customers respectively. The five largest customers have good repayment history and credit quality with reference to the track records of these customers under internal assessment by the Group.

The Group is also exposed to concentration of credit risk arising on the deposit paid to a shareholder with significant influence over the Group for purchase of raw materials of HK\$4,294,000 (2013: HK\$36,442,000) as at 31 December 2014, and deposits with several banks and commodities future brokers with high credit ratings. The substantial shareholder has good repayment history and credit quality with reference to the track records under internal assessment by the Group.

In order to minimise the credit risk, management of the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

信貸風險

於二零一四年十二月三十一日，本集團因交易方無法履行責任而面臨蒙受財務虧損的最大信貸風險額度為綜合財務狀況表所呈列相關已確認金融資產之賬面值。

於二零一四年十二月三十一日，本集團有信貸集中風險，因貿易應收款項總值的66%及81%(二零一三年：61%及79%)分別來自本集團的最大客戶及五大客戶。根據本集團對該等客戶作出內部評估記錄，該等客戶擁有良好還款記錄及信貸質素。

於二零一四年十二月三十一日，本集團亦因就採購原材料向對本集團具重大影響的股東支付按金4,294,000港元(二零一三年：36,442,000港元)及於若干銀行及具有高信貸評級之商品期貨經紀之存款而承受信貸集中風險。經參照本集團內部評估之過往記錄，主要股東具有良好的還款記錄及信貸質素。

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

由於交易方是國際評級機構評級為信譽良好之銀行，故流動資金之信貸風險有限。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Liquidity risk

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

As set out in Note 1, the directors of the Company are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due for the foreseeable future.

The following table details the Group's remaining contractual maturity for non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

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

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

流動資金風險

本集團的目標為保持持續供資、靈活運用銀行借貸之間的平衡。

誠如附註1所載，本公司董事信納，本集團將擁有充足財務資源以滿足其於可預見未來到期之財務責任。

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

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

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Liquidity risk (continued)

Liquidity and interest risk tables

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表格

		On demand or less than 1 month	1-3 months	3 months to 1 year	1-5 years	Total undiscounted cash flows	Total carrying value at the end of the reporting period
	Weighted average interest rate	加權平均利率				未貼現現金流量總額	於報告期末之賬面總值
	%	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
At 31 December 2014							
Non-derivative financial liabilities							
Trade and other payables		313,736	-	302	-	314,038	314,038
Bank borrowings and overdrafts							
- fixed rate	3.74	933,387	89,096	12,862	-	1,035,345	1,033,048
- variable rate	3.35	292,184	-	-	-	292,184	291,783
Convertible bonds							
- fixed rate	4.00	-	832,116	-	-	832,116	816,421
		1,539,307	921,212	13,164	-	2,473,683	2,455,290
Derivatives – net settlement							
Metal commodities future contracts		266,853	126,349	9,715	-	402,917	402,917
Derivatives – gross settlement							
Foreign currency forward contracts							
- inflow		-	-	(8,057)	-	(8,057)	(8,057)
- outflow		-	-	8,072	-	8,072	8,072
		-	-	15	-	15	15
Derivative financial liabilities		266,853	126,349	9,730	-	402,932	402,932

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Liquidity risk (continued)

Liquidity and interest risk tables (continued)

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表格(續)

		Weighted average interest rate 加權 平均利率 %	On demand or less than 1 month 少於一個月 HK\$'000 千港元	1-3 months 一至三個月 HK\$'000 千港元	3 months to 1 year 三個月至 一年 HK\$'000 千港元	1-5 years 一至五年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Total carrying value at the end of the reporting period 於報告期末之 賬面總值 HK\$'000 千港元
At 31 December 2013	二零一三年十二月三十一日							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付款項	-	314,440	-	544	-	314,984	314,984
Bank borrowings and overdrafts	銀行借貸及透支							
- fixed rate	- 定息	1.51	438,653	60,984	375,463	-	875,100	871,767
- variable rate	- 浮息	2.53	838,893	1,038	251,790	-	1,091,721	1,086,913
Convertible bonds	可換股債券							
- fixed rate	- 定息	4.00	-	16,316	16,316	832,116	864,748	759,406
			1,591,986	78,338	644,113	832,116	3,146,553	3,033,070
Derivatives – net settlement	衍生工具 – 淨額結算							
Metal commodities future contracts	金屬商品期貨合約	-	18,816	12,632	1,235	-	32,683	32,683
Provisional pricing arrangements	臨時定價安排	-	-	-	181	-	181	181
			18,816	12,632	1,416	-	32,864	32,864
Derivatives – gross settlement	衍生工具 – 總額結算							
Foreign currency forward contracts	外幣遠期合約							
- inflow	- 流入	-	-	-	-	(16,222)	(16,222)	(16,222)
- outflow	- 流出	-	-	-	-	16,661	16,661	16,661
			-	-	-	439	439	439
Derivative financial liabilities	衍生金融負債		18,816	12,632	1,416	439	33,303	33,303



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Liquidity risk (continued)

Bank borrowings with a repayment on demand clause are included in the “on demand or less than 1 month” time band in the above maturity analysis. As at 31 December 2014, the aggregate carrying amounts of these bank borrowings amounted to HK\$1,186,895,000 (2013: HK\$1,275,158,000). Taking into account the Group’s financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors believe that such bank borrowings will be repaid within one year (2013: within two years) after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements and the facility letters. At that time, the aggregate principal and interest cash outflows of HK\$1,206,900,000 will be repaid within one year (2013: HK\$1,274,788,000 and HK\$15,785,000 within one year and one to two years respectively).

The amounts included above for the variable interest rate instruments are subject to change if changes in actual interest rates differ to those estimated at the end of the reporting period.

6c. Fair value

Fair value of the Group’s financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group’s financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used), as well as the level of fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

流動資金風險(續)

須按要求償還之銀行借貸計入上述到期日分析之「按要或於一個月」時間範圍內。於二零一四年十二月三十一日，該等銀行借貸之賬面值總額達1,186,895,000港元(二零一三年：1,275,158,000港元)。經計及本集團之財務狀況後，董事相信銀行不可能將行使其酌情權以要求即時還款。董事相信，該等銀行借貸將於報告日期後一年內(二零一三年：兩年內)根據貸款協議及融資函件所載預定還款日期償還。屆時，本金總額及利息現金流出為1,206,900,000港元，並於一年內償還(二零一三年：1,274,788,000港元及15,785,000港元，並分別於一年內及一至兩年內償還)。

倘實際利率之變動有別於報告期末釐定之估計利率變動，上述浮息工具之金額或會出現變動。

6c. 公平值

按經常性基準以公平值計量之本集團金融資產及金融負債之公平值

本集團部分金融資產及金融負債於各報告期末按公平值計量。下表提供有關根據公平值計量的輸入數據的可觀測程度如何釐定該等金融資產及金融負債之公平值(特別是所使用的估值技術及輸入數據)，及公平值計量所劃分之公平值級別水平(一至三級)之資料。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

6. 金融工具(續)

6c. 公平值(續)

按經常性基準以公平值計量之本集團金融資產及金融負債之公平值(續)

Financial assets (financial liabilities) 金融資產(金融負債)	Fair value as at 31 December 2014 於二零一四年 十二月三十一日 之公平值 HK\$'000 千港元	Fair value as at 31 December 2013 於二零一三年 十二月三十一日 之公平值 HK\$'000 千港元	Fair value hierarchy 公平值架構	Valuation technique(s) and key input(s) 估值技術及主要輸入數據	Significant unobservable inputs 重大不可觀察 輸入數據	Relationship of unobservable inputs to fair value 不可觀察 輸入數據與 公平值的關係
1) Listed equity securities in Hong Kong classified as AFS investment in the consolidated statement of financial position 1) 於綜合財務狀況表中分類為可供出售投資之於香港上市股本證券	-	14,053	Level 1 第一級	Quoted bid price on the Stock Exchange 於聯交所報買入價	N/A 不適用	N/A 不適用
2) Metal commodities future contracts classified as derivative financial instruments in the consolidated statement of financial position 2) 於綜合財務狀況表中分類為衍生金融工具之金屬商品期貨合約	390,786 (402,917)	130,272 (32,683)	Level 1 第一級	Quoted bid commodity futures prices on the London Metal Exchange and the Shanghai Futures Exchange 倫敦金屬交易所及上海期貨交易所報商品期貨買入價	N/A 不適用	N/A 不適用
3) Provisional pricing arrangements classified as derivative financial instruments in the consolidated statement of financial position 3) 於綜合財務狀況表中分類為衍生金融工具之臨時定價安排	-	2,149 (181)	Level 2 第二級	Computation of difference between quoted bid market price of copper futures with the adjustments for the purity of the copper scraps sold and contract prices. The key inputs were quoted copper futures price on the London Metal Exchange and the Shanghai Futures Exchange and purity rates of copper scrap. 計算銅期貨所報按所售廢銅純度調整的買入市價與合約價之差額。 主要輸入數據為於倫敦金屬交易所及上海期貨交易所報銅期貨價及廢銅純度。	N/A 不適用	N/A 不適用

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

6. 金融工具(續)

6c. 公平值(續)

按經常性基準以公平值計量之本集團金融資產及金融負債之公平值(續)

Financial assets (financial liabilities) 金融資產(金融負債)	Fair value as at 31 December 2014 於二零一四年 十二月三十一日 之公平值 HK\$'000 千港元	Fair value as at 31 December 2013 於二零一三年 十二月三十一日 之公平值 HK\$'000 千港元	Fair value hierarchy 公平值架構	Valuation technique(s) and key input(s) 估值技術及主要輸入數據	Significant unobservable inputs 重大不可觀察 輸入數據	Relationship of unobservable inputs to fair value 不可觀察 輸入數據與 公平值的關係
4) Foreign currency forward contracts classified as derivative financial instruments in the consolidated statement of financial position 4) 於綜合財務狀況表中分類為衍生金融工具之外幣遠期合約	690 (15)	267 (439)	Level 2 第二級	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates. 根據遠期外幣兌換率(於報告期末可觀察的遠期外幣兌換率)及已訂約的遠期比率來估計未來現金流。	N/A 不適用	N/A 不適用
5) Embedded derivative component of convertible bonds (note i) 5) 可換股債券嵌入式衍生工具部分(附註i)	-	(13,353)	Level 3 第三級	Binomial Option Pricing Model. The key inputs are the Company's share price, expected volatility, dividend yield, option life and risk free rate. 二項期權定價模式。 主要輸入數據為本公司股價、預期波動、股息回報率、期權期限及無風險利率。	Expected volatility, taking into account the average historical volatility of the Company's share price as at the date of valuation. 預期波動乃計及本公司股價於估值日期之平均歷史波動。 Dividend yield, taking into account the Company's most recent dividends payout ratio and management's experience. 股息回報率乃計及本公司歷史股息派發率及管理層經驗。	The higher the expected volatility, the higher the fair value. 預期波動越大，公平值越大。 The higher the dividend yield, the lower the fair value. 股息回報率越高，公平值越小。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

6. 金融工具(續)

6c. 公平值(續)

按經常性基準以公平值計量之本集團金融資產及金融負債之公平值(續)

Financial assets (financial liabilities) 金融資產(金融負債)	Fair value as at 31 December 2014 於二零一四年 十二月三十一日 之公平值 HK\$'000 千港元	Fair value as at 31 December 2013 於二零一三年 十二月三十一日 之公平值 HK\$'000 千港元	Fair value hierarchy 公平值架構	Valuation technique(s) and key input(s) 估值技術及主要輸入數據	Significant unobservable inputs 重大不可觀察 輸入數據	Relationship of unobservable inputs to fair value 不可觀察 輸入數據與 公平值的關係
6) Detachable warrants to the convertible bonds classified as warrants in the consolidated statement of financial position (note ii)	-	(1,331)	Level 3 第三級	Binomial Option Pricing Model. The key inputs are the Company's share price, expected volatility, dividend yield, warrant life and risk free rate. 二項期權定價模式。 主要輸入數據為本公司股價、預期波動、股息回報率、認股權證期限及無風險利率。	Expected volatility, taking into account the average historical volatility of the Company's share price as at the date of valuation. 預期波動乃計及本公司股價於估值日期之平均歷史波動。	The higher the expected volatility, the higher the fair value. 預期波動越大，公平值越大。
6) 於綜合財務狀況表中分類為認股權證之可分拆認股權證的可換股債券(附註ii)					Dividend yield, taking into account the Company's most recent dividends payout ratio and management's experience. 股息回報率乃計及本公司歷史股息派發率及管理層經驗。	The higher the dividend yield, the lower the fair value. 股息回報率越高，公平值越小。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

notes:

- (i) If the expected volatility to the Binomial Option Pricing Model was 10% higher and lower while all other variables were held constant, the carrying amount of the embedded derivative component of convertible bonds would increase by HK\$2,000 (2013: HK\$5,497,000) and decrease by nil (2013: HK\$4,615,000) respectively.

No dividend was paid or proposed during the year ended 31 December 2014. Dividend yield as at validation date of 31 December 2014 is nil (31 December 2013: 0.739%), no sensitivity analysis for dividend yield was performed in current year (31 December 2013: if the dividend yield to the Binomial Option Pricing Model was 10% higher/lower while all other variables were held constant, the carrying amount of the embedded derivative component of convertible bonds would decrease/increase by HK\$45,000).

- (ii) If the expected volatility to the Binomial Option Pricing Model was 10% higher and lower while all other variables were held constant, the carrying amount of the Warrants (as defined in Note 31) would increase by HK\$1,000 (2013: HK\$539,000) and decrease by nil (2013: HK\$452,000) respectively.

No dividend was paid or proposed during the year ended 31 December 2014. Dividend yield as at validation date of 31 December 2014 is nil (31 December 2013: 0.739%), no sensitivity analysis for dividend yield was performed in current year (31 December 2013: if the dividend yield to the Binomial Option Pricing Model was 10% higher/lower while all other variables were held constant, the carrying amount of the Warrants (as defined in Note 31) would decrease/increase by HK\$5,000).

In management's opinion, the sensitivity analyses are not necessarily representative of the fair value as the pricing model used in the fair value valuation of the embedded derivative components of convertible bonds and warrants involves multiple variable where certain variables are interdependent.

6. 金融工具(續)

6c. 公平值(續)

按經常性基準以公平值計量之本集團金融資產及金融負債之公平值(續)

附註:

- (i) 倘於其他變數保持不變的情況下，二項期權定價模式的預期波動提高或降低10%，可換股債券嵌入式衍生工具之賬面值將分別增加2,000港元(二零一三年: 5,497,000港元)及減少零港元(二零一三年: 4,615,000港元)。

於截至二零一四年十二月三十一日止年度，概無派付或建議派付股息。於估值日期，即二零一四年十二月三十一日，股息收益率為零(二零一三年十二月三十一日: 0.739%)，本年度並無就股息收益率進行敏感度分析(二零一三年十二月三十一日: 倘於其他變數保持不變的情況下，二項期權定價模式的股息回報率提高/降低10%，可換股債券嵌入式衍生工具之賬面值將減少/增加45,000港元)。

- (ii) 倘於其他變數保持不變的情況下，二項期權定價模式的預期波動提高或降低10%，認股權證(定義見附註31)之賬面值將分別增加1,000港元(二零一三年: 539,000港元)及減少零港元(二零一三年: 452,000港元)。

於截至二零一四年十二月三十一日止年度，概無派付或建議派付股息。於估值日期，即二零一四年十二月三十一日，股息收益率為零(二零一三年十二月三十一日: 0.739%)，本年度並無就股息收益率進行敏感度分析(二零一三年十二月三十一日: 倘於其他變數保持不變的情況下，二項期權定價模式的股息回報率提高/降低10%，認股權證(定義見附註31)之賬面值將減少/增加5,000港元)。

管理層認為，敏感度分析未必代表公平值，因為可換股債券之嵌入式衍生工具部分及認股權證之公平值估值中所使用之定價模式，涉及多個變數，而其中若干變數屬互為影響。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Fair value measurements recognised in the consolidated statement of financial position

6. 金融工具(續)

6c. 公平值(續)

於綜合財務狀況表確認的公平值計量

		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
As at 31 December 2014	於二零一四年 十二月三十一日				
Financial assets at FVTPL	按公平值計入損益 的金融資產				
Derivative financial assets	衍生金融資產	390,786	690	-	391,476
Financial liabilities at FVTPL	按公平值計入損益 的金融負債				
Derivative financial liabilities	衍生金融負債	402,917	15	-	402,932
As at 31 December 2013	於二零一三年 十二月三十一日				
AFS financial assets	可供出售金融資產				
Listed equity securities	上市股本證券	14,053	-	-	14,053
Financial assets at FVTPL	按公平值計入損益 的金融資產				
Derivative financial assets	衍生金融資產	130,272	2,416	-	132,688
Financial liabilities at FVTPL	按公平值計入損益 的金融負債				
Derivative financial liabilities	衍生金融負債	32,683	620	-	33,303
Derivative components of convertible bonds	可換股債券 衍生工具部分	-	-	13,353	13,353
Warrants	認股權證	-	-	1,331	1,331

There were no transfers between the three levels during either of the years ended 31 December 2013 or 2014.

截至二零一三年或二零一四年十二月三十一日止年度，三個層級之間並無轉移。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Reconciliation of Level 3 fair value measurements of financial liabilities

		Derivative components of convertible bonds 可換股債券之衍生 工具部分 HK\$'000 千港元	Warrants 認股權證 HK\$'000 千港元
At 1 January 2013	於二零一三年一月一日	85,290	8,046
Gain recognised in profit or loss	於損益中確認的收益	(71,937)	(6,715)
At 31 December 2013	於二零一三年十二月三十一日	13,353	1,331
Gain recognised in profit or loss	於損益中確認的收益	(13,353)	(1,331)
At 31 December 2014	於二零一四年十二月三十一日	-	-

Financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management considers that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the consolidated financial statements approximate their fair values which is at Level 3 and determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Fair value measurements and valuation process

The Chief Financial Officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 and 2 inputs are not available, the Group engages third party qualified valuers to perform the valuation for financial instruments that are measured at fair value on a recurring basis. The Chief Financial Officer works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

6. 金融工具(續)

6c. 公平值(續)

金融負債之第三級公平值計量之對賬

並非按經常性基準以公平值計量之金融資產及負債

管理層認為，於綜合財務報表內按攤銷成本計量的金融資產及金融負債的賬面值與其屬於第三級的公平值相若且根據貼現現金流量分析按一般公認定價模式釐定。

公平值計量及估值程序

本公司財務總監就公平值計量釐定合適的估值方法及輸入數據。

於估計資產或負債的公平值時，本集團運用其獲得的市場觀察數據。倘第一及第二級輸入數據不可用，本集團委聘第三方合資格估值師對按經常性基準以公平值計量之金融工具進行估值。估值團隊與外聘合資格估值師密切合作以制定合適的估值技術及輸入數據模式。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Fair value measurements and valuation process (continued)

The Chief Financial Officer engages the external valuers to perform the valuations of the convertible bonds and the Warrants required for financial reporting purposes, including Level 3 fair value measurements of financial instruments. As a part of the valuation process, the Chief Financial Officer reports the findings to the board of directors of the Company semi-annually, in line with the Group's interim and annual reporting dates.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed above.

Business and economic circumstances affecting fair value of measurements

During the current year, the Group experienced the adverse impact of the prolonged volatility and the overall downward movement of the global metal prices. The Group entered into metal commodities future contracts in order to manage its exposure to the volatility in metals' price risks. The decline in the commodity market prices led to a realised loss in the fair value change of derivative financial instruments.

6d. Financial instruments under enforceable master netting agreements

The following table sets out financial assets and financial liabilities that are under enforceable master netting agreements and similar agreements, which are not offset in the Group's consolidated statement of financial position.

6. 金融工具(續)

6c. 公平值(續)

公平值計量及估值程序(續)

財務總監就財務報告目的聘用外部估值師對可換股債券及認股權證進行估值，包括金融工具第三級公平值計量。作為估值程序的一部分，財務總監每半年向本公司董事會報告估值結果，報告的時間與本集團中期及年度報告日期一致。

有關釐定不同資產及負債公平值所使用的估值方法及輸入數據詳情載於上文。

業務及經濟環境影響公平值計量

於本年度，本集團承受全球金屬價格長期波動及整體下滑的不利影響。本集團訂立金屬商品期貨合約以管理其金屬價格波動風險。商品市場價格的下跌導致衍生金融工具公平值變動已變現虧損。

6d. 強制執行統一淨額結算協議項下之金融工具

下表載列強制執行統一淨額結算協議及類似協議項下並未於本集團綜合財務狀況表內抵銷之金融資產及金融負債。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6d. Financial instruments under enforceable master netting agreements (continued)

The amounts recognised for the provisional pricing arrangements classified under derivative financial assets and liabilities are excluded since these transactions are not under any master netting arrangements or similar agreements.

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

As at 31 December 2014

6. 金融工具(續)

6d. 強制執行統一淨額結算協議項下之金融工具(續)

就分類於衍生金融資產及金融負債項下的臨時定價安排確認的金額被排除在外，此乃由於該等交易並無根據任何統一淨額結算協議或類似協議進行。

受限於抵銷、強制執行統一淨額結算安排及類似安排之金融資產

於二零一四年十二月三十一日

Description	Gross amounts of recognised financial assets	Gross amount of recognised financial liabilities set off in the consolidated statement of financial position	Net amounts of financial assets presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount
				Financial instruments	Cash collateral received	
概述	已確認金融資產總額	抵銷之已確認金融負債總額	呈列之金融資產淨額	金融工具	已收現金抵押品	淨額
	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
Margin deposits 保證金	253,292	-	253,292	(28,451)	-	224,841
Pledged bank deposits 已抵押銀行存款	92,556	-	92,556	-	-	92,556
Derivative financial assets 衍生金融資產						
- Metal commodities 金屬商品期貨合約						
future contracts	390,786	-	390,786	(374,466)	-	16,320
- Foreign currency forward contracts 外幣遠期合約						
contracts	690	-	690	(15)	-	675

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6d. Financial instruments under enforceable master netting agreements (continued)

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

As at 31 December 2014

6. 金融工具(續)

6d. 強制執行統一淨額結算協議項下之金融工具(續)

受限於抵銷、強制執行統一淨額結算安排及類似安排之金融負債

於二零一四年十二月三十一日

Description	Gross amounts of recognised financial liabilities	Gross amount of recognised financial assets set off in the consolidated statement of financial position	Net amounts of financial liabilities presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount
				Financial instruments	Cash collateral pledged	
概述	已確認金融負債總額	抵銷之已確認金融資產總額	呈列之金融負債淨額	並未於綜合財務狀況表內抵銷之有關金額	已抵押現金	淨額
	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
Derivative financial liabilities						
– Metal commodities future contracts	402,917	-	402,917	(374,466)	(28,451)	-
– Foreign currency forward contracts	15	-	15	(15)	-	-

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6d. Financial instruments under enforceable master netting agreements (continued)

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

As at 31 December 2013

Description	Gross amounts of recognised financial assets	Gross amount of recognised financial liabilities set off in the consolidated statement of financial position	Net amounts of financial assets presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount	
				Financial instruments	Cash collateral received		
概述	已確認金融資產總額	抵銷之已確認金融負債總額	呈列之金融資產淨額	金融工具	已收現金抵押品	淨額	
	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	
Margin deposits	保證金	175,405	-	175,405	(67)	-	175,338
Pledged bank deposits	已抵押銀行存款	102,170	-	102,170	(439)	-	101,731
Derivative financial assets	衍生金融資產						
- Metal commodities future contracts	- 金屬商品期貨合約	130,272	-	130,272	(32,616)	-	97,656
- Foreign currency forward contracts	- 外幣遠期合約	267	-	267	-	-	267

6. 金融工具(續)

6d. 強制執行統一淨額結算協議項下之金融工具(續)

受限於抵銷、強制執行統一淨額結算安排及類似安排之金融資產

於二零一三年十二月三十一日

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6d. Financial instruments under enforceable master netting agreements (continued)

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

As at 31 December 2013

Description	Gross amounts of recognised financial liabilities	Gross amount of recognised financial assets set off in the consolidated statement of financial position	Net amounts of financial liabilities presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount
				Financial instruments	Cash collateral pledged	
概述	已確認金融負債總額	抵銷之已確認金融資產總額	呈列之金融負債淨額	金融工具	已抵押現金	淨額
	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
Derivative financial liabilities						
– Metal commodities future contracts	32,683	–	32,683	(32,616)	(67)	–
– Foreign currency forward contracts	439	–	439	–	(439)	–

6. 金融工具(續)

6d. 強制執行統一淨額結算協議項下之金融工具(續)

受限於抵銷、強制執行統一淨額結算安排及類似安排之金融負債

於二零一三年十二月三十一日



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6d. Financial instruments under enforceable master netting agreements (continued)

The gross amounts of the recognised financial assets and financial liabilities as presented in the Group's consolidated statement of financial position, both of which have been disclosed in the above tables, are measured as follows:

- Margin deposits and pledged bank deposits—amortised cost
- Derivatives—fair value

The disclosures set out in the tables above include commodities futures contracts traded on the London Metal Exchange or the Shanghai Futures Exchange through brokers and foreign currency contracts contracted with banks. The related collaterals are included in margin deposits and pledged bank deposits. If a default event (included but not limited to default payment, liquidation, bankruptcy or insolvency) occurs, the brokers and the banks are able to exercise the right to offset against any favourable contracts and/or the collaterals placed.

7. REVENUE AND SEGMENT INFORMATION

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

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

6. 金融工具(續)

6d. 強制執行統一淨額結算協議項下之金融工具(續)

本集團綜合財務狀況表內呈列的已確認金融資產及金融負債的總額(均已披露於上表)計量如下:

- 保證金及已抵押銀行存款—攤銷成本
- 衍生工具—公平值

上表所述披露包括於倫敦金屬交易所或上海期貨交易所透過經紀人及與銀行訂立的外幣合約交易之商品期貨合約。相關抵押品計入保證金及已抵押銀行存款。倘出現違約事件(包括但不限於拖欠付款、清盤、破產或無力償債),經紀人及銀行可行使權利抵銷任何有利合約及/或抵押品。

7. 收益及分部資料

本集團收益指年內銷售廢金屬之已收或應收款項,扣除銷售相關稅項。

業務及可呈報分部的劃分基準與首席營運決策者(「營運總裁」)定期審閱有關本集團業務結構以分配調資及評估分部表現的內部報告的基準一致。本公司執行董事擔任營運總裁角色,定期審閱關於各種業務活動及各類產品所得毛利(或所產生毛損)的內部報告,評估本集團業績並分配資源。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

7. REVENUE AND SEGMENT INFORMATION (continued)

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

- (i) metal recycling business (including sales of copper scrap, steel scrap, aluminium scrap, iron scrap and other metal scrap);
- (ii) foundry business (including sales of aluminium-alloy ingots and copper rod and wire); and
- (iii) wholesales business (including sales of other metal scrap without processing and copper cathode).

7. 收益及分部資料(續)

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

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

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

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

Segment revenues and segment results

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

分部收益及分部業績

以下為按業務及可呈報分部時本集團分部收益及分部業績所作之分析。

For the year ended 31 December 2014

截至二零一四年十二月三十一日止年度

	Metal recycling business 金屬再生業務				Foundry business 鑄造業務			Wholesales business 批發業務			Total
	Copper scrap 廢銅	Steel scrap 廢鋼	Aluminium scrap 廢鋁	Iron scrap 廢鐵	Other metal scrap 其他廢金屬	Aluminium-ingots 鋁錠	Copper rod and wire 銅桿及銅線	Other metal scrap without processing 其他未加工廢金屬	Copper cathode 陰極銅	Elimination 對銷	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
REVENUE 收益											
External sales 外部銷售	3,661,650	719,266	138,339	154,192	49,259	304,115	33,052	507,055	311,042	-	5,877,970
Inter-segment sales 分部間銷售	101,887	30,667	201,513	-	2,571	-	-	1,991,776	-	(2,328,414)	-
Total segment revenue 分部收益總額	3,763,537	749,933	339,852	154,192	51,830	304,115	33,052	2,498,831	311,042	(2,328,414)	5,877,970
Segment (loss) profit 分部(虧損)溢利	(54,323)	1,686	(2,138)	(2,120)	(6,390)	15,754	(5,725)	68,920	(16,266)	(16,764)	(17,366)
Other income 其他收入											27,977
Other gains and losses 其他收益及虧損											(770,923)
Distribution and selling expenses 分銷及銷售開支											(23,722)
Administrative expenses 行政開支											(130,534)
Finance costs 財務成本											(153,327)
Share of profit of an associate 應佔聯營公司溢利											284
Loss before tax 除稅前虧損											(1,067,611)
Income tax expense 所得稅開支											(3,629)
Loss for the year 年內虧損											(1,071,240)
Reversal of allowance (allowance) for inventories included in segment (loss) profit 撥回包括於分部(虧損)溢利內的撥備(存貨撥備)	11,495	2,301	1,117	3	(2,025)	-	846	-	(1,831)	-	11,906

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

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

Segment revenues and segment results (continued)

分部收益及分部業績(續)

For the year ended 31 December 2013

截至二零一三年十二月三十一日止年度

	Metal recycling business 金屬再生業務				Foundry business 鑄造業務			Wholesales business 批發業務			Total 總計
	Copper scrap 廢銅	Steel scrap 廢鋼	Aluminium scrap 廢鋁	Iron scrap 廢鐵	Other metal scrap 其他廢金屬	Aluminium- ingots 鋁錠	Copper rod and wire 銅桿及 銅線	Other metal scrap without processing 其他未加工 廢金屬	Copper cathode 陰極銅	Elimination 對銷	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
REVENUE	收益										
External sales	3,854,404	961,499	238,261	201,023	59,022	366,552	24,335	1,005,234	511,673	-	7,222,003
Inter-segment sales	193,093	26,464	279,365	-	3,390	26,099	-	3,775,353	5,963	(4,309,727)	-
Total segment revenue	4,047,497	987,963	517,626	201,023	62,412	392,651	24,335	4,780,587	517,636	(4,309,727)	7,222,003
Segment (loss) profit	(71,772)	(14,878)	10,464	429	(5,868)	9,025	(8,175)	72,716	(13,674)	(2,077)	(23,810)
Other income											43,665
Other gains and losses											(60,558)
Distribution and selling expenses											(35,481)
Administrative expenses											(133,250)
Finance costs											(172,342)
Loss before tax											(381,776)
Income tax expense											(25,742)
Loss for the year											(407,518)
Reversal of allowance (allowance) for inventories included in segment (loss) profit	5,113	11,412	(819)	-	(4,875)	-	(5,063)	-	475	-	6,243



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

7. REVENUE AND SEGMENT INFORMATION (continued)

Segment revenues and segment results (continued)

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

Inter-segment sales are charged at prevailing market price.

Segment assets and segment liabilities

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

Geographical information

Approximately 92% of external revenue of the Group during the year ended 31 December 2014 (2013: 90%) are attributable to customers established in the PRC, the place of domicile of the Group's major operating entities. The remaining revenue is immaterial for separate disclosure of the Group's geographical information. Majority of the Group's non-current assets are located in the PRC.

Information about a major customer

No single customer contributed 10% or more to the Group's revenue in during the year ended 31 December 2014. During the year ended 31 December 2013, included in revenue arising from metal recycling business of HK\$5,314,209,000 was revenue of HK\$818,333,000 which arose from sales to the Group's largest customer and no other single customer contributed 10% or more to the Group's revenue.

7. 收益及分部資料(續)

分部收益及分部業績(續)

業務及可呈報分部之會計政策與附註3所述之本集團會計政策相同。分部(虧損)溢利指各分部產生的毛(損)利，未分配其他收入、其他收益及虧損、分銷及銷售開支、行政開支、財務成本、應佔聯營公司溢利及所得稅開支，此乃向主要營運決策者報告以便分配資源及評估業績的計量。

分部間銷售以現行市價扣除。

分部資產及分部負債

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

地區資料

截至二零一四年十二月三十一日止年度，本集團約92% (二零一三年：90%) 的外界收入來自在中國(本集團主要經營實體的註冊地)成立的客戶。餘下影響甚微的收益按本集團地區資料作另行披露。本集團大部分非流動資產位於中國。

主要客戶的資料

於截至二零一四年十二月三十一日止年度，並無單一客戶貢獻本集團收益10%或以上。於截至二零一三年十二月三十一日止年度，源自金屬再生業務的收益5,314,209,000港元乃包括來自對本集團最大客戶的銷售收益818,333,000港元及並無其他單一客戶貢獻本集團收益10%或以上。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

8. COST OF SALES

Included in cost of sales is the following reversal of allowance for inventories:

Allowance of inventories to net realisable value recognised	按可變現淨值確認的存貨撥備
Reversal of prior year's inventories allowance	撥回過往年度存貨撥備
Reversal of allowance for inventories	撥回存貨撥備

Management assesses whether the carrying value of inventories exceed their net realisable value at the end of the reporting period. Management estimates the net realisable value for inventories with reference to the ask price of metal scrap in the relevant markets and the quoted prices of metal on applicable commodity exchanges at the end of the reporting period.

8. 銷售成本

銷售成本包括以下撥回存貨撥備：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
23,887	35,793
(35,793)	(42,036)
(11,906)	(6,243)

管理層於各報告期末評估存貨賬面值是否超過存貨可變現淨值。管理層參考於各報告期末相關市場的廢金屬賣價及相關商品交易所的金屬報價估計存貨可變現淨值。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

9. OTHER INCOME

9. 其他收入

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Interest income	利息收入	7,671	6,207
Gross rental income from investment properties	投資物業租金收入總額	1,530	2,115
Less: direct operating expenses	減：直接經營開支	(11)	(5)
Net rental income from investment properties	投資物業租金收入淨額	1,519	2,110
Government grants (note)	政府補助(附註)	15,181	33,910
Transportation and scale income	運輸及磅秤收入	2,116	83
Dividend income from listed AFS investment	上市可供出售投資股息收入	301	428
Others	其他	1,189	927
		27,977	43,665

note: The Group received unconditional government grants from a local municipal government as an encouragement for the development and advancement of business. No other contingencies attach to the government grants that have been recognised.

附註：地方市政府為鼓勵本集團業務發展與進步而給予本集團的無條件政府補助。已確認政府補助沒有附加其他或然事件。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

10. OTHER GAINS AND LOSSES

10. 其他收益及虧損

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Gain (loss) on fair value changes of:	公平值變動收益(虧損)：		
– derivative financial instruments (note)	– 衍生金融工具(附註)		
– realised	– 已變現	(762,372)	(315,311)
– unrealised	– 未變現	(11,456)	99,385
		(773,828)	(215,926)
– derivative components of convertible bonds (Note 31)	– 可換股債券衍生工具部分(附註31)	13,353	71,937
– warrants (Note 32)	– 認股權證(附註32)	1,331	6,715
Net foreign exchange (losses) gains	匯兌(虧損)收益淨額	(34,005)	99,881
Impairment loss on trade and other receivables	貿易及其他應收款項減值虧損	(1,807)	(2,911)
Recovery of doubtful debts	收回壞賬	–	12
Gain on fair value change of investment at FVTPL	按公平值計入損益之投資之公平值變動收益	–	34
Gain on disposal of an investment property (Note 19 (iii))	出售投資物業收益(附註19 (iii))	29,216	–
Gain (loss) on disposal of property, plant and equipment	出售物業、廠房及設備收益(虧損)	335	(90)
Reclassified to profit or loss on disposal of AFS investment	就出售可供出售投資重新分類至損益	(499)	–
Handling charges on disposal of AFS investment	出售可供出售投資之處理費	(54)	–
Net compensation paid	支付補償淨額	(4,965)	(1,224)
Others	其他	–	(18,986)
		(770,923)	(60,558)

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

附註：該等金額乃產生自鋁、銅、鉛、鋅、鋼筋及鎳期貨合約、銷售合約附帶的臨時定價安排及外幣遠期合約。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

11. FINANCE COSTS

11. 財務成本

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Interest on:	以下各項的利息：		
– bank borrowings wholly repayable within five years	– 於五年內可悉數償還之銀行借貸	63,680	88,847
– bank overdrafts	– 銀行透支	–	4
Effective interest expense on convertible bonds (Note 31)	可換股債券之實際利息開支(附註31)	89,647	83,491
		153,327	172,342

12. LOSS FOR THE YEAR

12. 年內虧損

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Loss for the year has been arrived at after charging:	年內虧損，已扣除：		
Directors' emoluments	董事酬金	3,913	4,579
Other staff costs	其他員工成本	179,213	209,560
Retirement benefit scheme contributions, excluding those of directors	退休福利計劃供款，不包括董事之退休福利計劃供款	3,158	3,952
Share-based payments, excluding those of directors	以股份為基礎的付款，不包括董事之以股份為基礎的付款	3,390	9,900
Total staff costs	員工成本總額	189,674	227,991
Cost of inventories recognised as an expense	確認為開支的存貨成本	5,895,336	7,245,813
Depreciation of investment properties	投資物業折舊	1,631	1,866
Depreciation of property, plant and equipment	物業、廠房及設備折舊	36,122	34,308
Amortisation of prepaid lease payments	預付租金攤銷	10,593	8,829
Total depreciation and amortisation	折舊及攤銷總額	48,346	45,003
Auditor's remuneration	核數師酬金	2,430	2,310

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Directors

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

13. 董事、主要行政人員及僱員酬金

董事

本集團於年內支付本公司董事的酬金詳情如下：

		Salaries and allowances	Retirement benefit scheme contributions	Share-based payments	Total	
	Fees	薪金及津貼	退休福利計劃供款	以股份為基礎的付款	合計	
	袍金	薪金及津貼	退休福利計劃供款	以股份為基礎的付款	合計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	
Year ended 31 December 2014:	截至二零一四年十二月三十一日止年度：					
Executive directors:	執行董事：					
Mr. Fang Ankong ("Mr. Fang")	方安空先生(「方先生」)	-	1,200	11	-	1,211
Mr. Stephanus Maria van Ooijen (note ii)	Stephanus Maria van Ooijen 先生(附註ii)	-	1,080	-	-	1,080
Mr. Gu Liyong	顧李勇先生	-	947	48	82	1,077
Non-Executive directors:	非執行董事：					
Mr. Li Xikui (note i)	李錫奎先生(附註i)	144	-	-	31	175
Dr. Loke Yu	陸海林博士	150	-	-	32	182
Ms. Zhang Jingdong	章敬東女士	150	-	-	32	182
Mr. Michael Charles Lion (note ii)	Michael Charles Lion 先生(附註ii)	-	-	-	-	-
Mr. Zhu Dajian (note i)	諸大建先生(附註i)	6	-	-	-	6
		450	3,227	59	177	3,913



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued) Directors (continued)

13. 董事、主要行政人員及僱員 酬金(續) 董事(續)

		Fees	Salaries and allowances	Retirement benefit scheme contributions	Share-based payments	Total
		袍金	薪金及津貼	退休福利計劃供款	以股份為基礎的付款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Year ended 31 December 2013:	截至二零一三年十二月三十一日止年度:					
Executive directors:	執行董事:					
Mr. Fang Ankong ("Mr. Fang")	方安空先生(「方先生」)	24	1,195	8	190	1,417
Mr. Stephanus Maria van Ooijen	Stephanus Maria van Ooijen 先生	24	1,056	–	54	1,134
Mr. Gu Liyong	顧李勇先生	24	927	9	351	1,311
Non-Executive directors:	非執行董事:					
Mr. Li Xikui	李錫奎先生	150	–	–	89	239
Dr. Loke Yu	陸海林博士	150	–	–	89	239
Ms. Zhang Jingdong	章敬東女士	150	–	–	89	239
Mr. Michael Charles Lion	Michael Charles Lion 先生	–	–	–	–	–
		522	3,178	17	862	4,579

Mr. Fang is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

方先生亦為本公司之主要行政人員及其上述薪酬包括其作為主要行政人員提供服務之薪酬。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued) Employees

Of the five highest paid individuals of the Group, three (2013: three) were directors, whose emoluments are included in the disclosures above. The emoluments of the remaining two (2013: two) individuals were as follows:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Salaries and other allowances	薪金及其他津貼	2,170	2,170
Share-based payments	以股份為基礎之付款	366	971
Retirement benefit scheme contributions	退休福利計劃供款	28	23
		2,564	3,164

Analysed into the following bands:

		Number of individual 人士人數	Number of individual 人士人數
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	2	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	-	1

notes:

- (i) Mr. Li Xikui resigned and Mr. Zhu Dajian was appointed as non-executive director on 17 December 2014.
- (ii) Mr. Michael Charles Lion and Mr. Stephanus Maria van Ooijen resigned on 16 February 2015 and 12 March 2015 respectively.
- (iii) During both years, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments during both years.

13. 董事、主要行政人員及僱員 酬金(續) 僱員

於本集團五名最高薪酬人士當中，三名(二零一三年：三名)為董事，其酬金已載於上文的披露。餘下兩名(二零一三年：兩名)人士的酬金如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Salaries and other allowances	薪金及其他津貼	2,170	2,170
Share-based payments	以股份為基礎之付款	366	971
Retirement benefit scheme contributions	退休福利計劃供款	28	23
		2,564	3,164

酬金範圍分析如下：

		Number of individual 人士人數	Number of individual 人士人數
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	2	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	-	1

附註：

- (i) 於二零一四年十二月十七日，李錫奎先生已退任及諸大建先生獲委任為非執行董事。
- (ii) Michael Charles Lion 先生及 Stephanus Maria van Ooijen 先生分別於二零一五年二月十六日及二零一五年三月十二日辭任。
- (iii) 於兩個年度內，本集團並無向任何董事或五名最高薪人士支付酬金，作為吸引加入本集團或於加入本集團時的獎勵或離職補償。於兩個年度內，亦無董事放棄任何酬金。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

14. INCOME TAX EXPENSE

14. 所得稅開支

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Current tax:	即期稅項：		
PRC Enterprises Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)	2,435	7,354
Hong Kong	香港	471	6,697
Other jurisdictions	其他司法權區	138	(24)
		3,044	14,027
Under(over)provision in prior years:	於過往年度撥備不足(超出)：		
PRC EIT	中國企業所得稅	11	2,073
Hong Kong	香港	507	(11)
		518	2,062
Deferred tax (Note 33)	遞延稅項(附註33)	67	9,653
		3,629	25,742

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

14. INCOME TAX EXPENSE (continued)

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

14. 所得稅開支(續)

年內稅項開支可與綜合損益及全面收益表內除稅前虧損對賬如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Loss before tax	除稅前虧損	(1,067,611)	(381,776)
Tax at applicable tax rates (note iv)	按適用稅率計算之稅項(附註iv)	(244,864)	(81,219)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	41,312	33,326
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(10,121)	(14,052)
Tax effect of deductible temporary differences not recognised	未確認的可扣減暫時差額的稅務影響	1,362	537
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	215,332	86,289
Tax effect of utilisation of tax losses previously not recognised	使用之前未確認稅項虧損的稅務影響	-	(1,481)
Deferred tax provided on dividends withholding tax on PRC subsidiaries	中國附屬公司股息預扣稅之遞延稅項	90	280
Underprovision in prior years	過往年度撥備不足	518	2,062
Tax charge for the year	年內所得稅開支	3,629	25,742

notes:

- (i) The Group's PRC subsidiaries are subject to PRC EIT at the rate of 25%.
- (ii) All Hong Kong subsidiaries are subject to Hong Kong Profits Tax at the rate of 16.5%.
- (iii) Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdiction.
- (iv) As the Group operates in different tax jurisdictions, separate reconciliations using the domestic tax rate in each individual tax jurisdiction have been aggregated and presented.

附註：

- (i) 本集團的中國附屬公司須按25%的稅率繳納中國企業所得稅。
- (ii) 所有香港附屬公司均須按16.5%的稅率繳納香港利得稅。
- (iii) 於其他司法權區產生的稅項乃按相關司法權區的現行稅率計算。
- (iv) 由於本集團於不同稅務司法權區經營，按各稅務司法權區地方稅率計算的獨立對賬已合併呈列。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

15. DIVIDENDS

15. 股息

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Dividend recognised as distribution during the year:	已確認年內分派股息：		
nil (2013: 2012 final dividend paid – HK2.12 cents per share)	無(二零一三年：已派付二零一二年末期股息 – 每股2.12港仙)	-	22,143

No dividend was paid or proposed during 2014, nor has any dividend been proposed by the Company since the end of the reporting period in respect of the year ended 31 December 2014 (2013: no final dividend was proposed).

於二零一四年並無派發或建議任何股息，自報告期末本公司亦未建議就截至二零一四年十二月三十一日止年度派付任何股息(二零一三年：並無建議末期股息)。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

16. LOSS PER SHARE

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

Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	用於計算每股基本及攤薄虧損的本公司擁有人應佔年內虧損
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	用於計算每股基本及攤薄虧損的普通股加權平均數目

In current and prior years, the potential ordinary shares attributable to the Company's outstanding convertible bonds, warrants and certain share options have anti-dilutive effect as the assumed conversion and exercise would result in a decrease in loss per share.

16. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃按以下數據計算：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
(1,057,980)	(382,920)
1,047,387,288	1,044,166,684

於本年度及過往年度，本公司尚未行使可換股債券、認股權證及若干購股權應佔潛在普通股具有反攤薄影響，因假設兌換及行使可能導致每股虧損減少。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Buildings 樓宇 HK\$'000 千港元	Plant and machinery 廠房及 機器 HK\$'000 千港元	Office furniture and equipment 辦公傢俱 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本							
At 1 January 2013	於二零一三年一月一日	101,090	192,044	19,325	9,026	56,246	57,256	434,987
Exchange realignment	匯兌調整	3,164	4,963	541	212	1,474	2,560	12,914
Additions	添置	-	6,642	2,619	187	353	50,068	59,869
Transfers	轉讓	-	(132)	408	-	219	(495)	-
Disposal	出售	-	(2,809)	(62)	(303)	-	-	(3,174)
At 31 December 2013	於二零一三年十二月三十一日	104,254	200,708	22,831	9,122	58,292	109,389	504,596
Exchange realignment	匯兌調整	(352)	(569)	(93)	(88)	(165)	459	(808)
Additions	添置	-	9,644	1,041	3,012	1,919	198,527	214,143
Transfers	轉讓	-	677	123	-	-	(800)	-
Disposal	出售	-	(2,057)	(41)	(768)	-	-	(2,866)
At 31 December 2014	於二零一四年十二月三十一日	103,902	208,403	23,861	11,278	60,046	307,575	715,065
DEPRECIATION	折舊							
At 1 January 2013	於二零一三年一月一日	32,858	49,396	9,453	2,928	41,889	-	136,524
Exchange realignment	匯兌調整	1,101	1,511	321	92	1,285	-	4,310
Charge for the year	年內支出	4,700	21,589	3,140	1,345	3,534	-	34,308
Transfer	轉讓	-	(106)	106	-	-	-	-
Disposal	出售	-	(1,908)	(54)	(114)	-	-	(2,076)
At 31 December 2013	於二零一三年十二月三十一日	38,659	70,482	12,966	4,251	46,708	-	173,066
Exchange realignment	匯兌調整	(111)	(156)	(46)	(16)	(139)	-	(468)
Charge for the year	年內支出	4,688	22,849	3,169	1,650	3,766	-	36,122
Disposal	出售	-	(1,503)	(30)	(387)	-	-	(1,920)
At 31 December 2014	於二零一四年十二月三十一日	43,236	91,672	16,059	5,498	50,335	-	206,800
CARRYING VALUES	賬面值							
At 31 December 2014	於二零一四年十二月三十一日	60,666	116,731	7,802	5,780	9,711	307,575	508,265
At 31 December 2013	於二零一三年十二月三十一日	65,595	130,226	9,865	4,871	11,584	109,389	331,530



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

17. PROPERTY, PLANT AND EQUIPMENT (continued)

notes:

- (i) As at 31 December 2014, certain plant and buildings with an aggregate carrying amount of HK\$68,258,000 (2013: HK\$43,056,000) were pledged as security for bank borrowings granted to the Group.
- (ii) As at 31 December 2014 and 2013, all buildings were situated in the PRC under medium-term leases.
- (iii) The property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives, after taking into account their residual value, as follows:

Buildings	20 years or the relevant lease term, whichever is shorter
Plant and machinery	9%-20%
Office furniture and equipment	18%-30%
Motor vehicles	18%-30%
Leasehold improvements	30%-50%, the relevant lease term or the estimated useful lives, whichever is shorter

17. 物業、廠房及設備(續)

附註：

- (i) 於二零一四年十二月三十一日，賬面值總額為68,258,000港元(二零一三年：43,056,000港元)的若干廠房及樓宇抵押作為授予本集團銀行借貸的擔保。
- (ii) 於二零一四年及二零一三年十二月三十一日，所有樓宇均位於中國，以中期租約持有。
- (iii) 物業、廠房及設備(在建工程除外)經計算其剩餘價值後，按估計可用年期折舊如下：

樓宇	20年或有關租期 (以較短者為準)
廠房及機器	9%至20%
辦公傢俱及設備	18%至30%
汽車	18%至30%
租賃物業裝修	30%至50%或有關 租期或估計可用年期 (以較短者為準)



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

18. PREPAID LEASE PAYMENTS

18. 預付租金

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
The prepaid lease payments	預付租金		
comprise leasehold land	包括租賃土地		
– in Hong Kong held under	– 位於香港以		
medium-term leases	中期租約持有	140,425	144,746
– in the PRC held under	– 位於中國以		
medium-term leases	中期租約持有	291,656	298,965
		432,081	443,711
Analysed for reporting purposes as:	以呈報為目的的分析：		
Current asset	流動資產	10,620	10,642
Non-current asset	非流動資產	421,461	433,069
		432,081	443,711

notes:

- (i) The leasehold land in Hong Kong is under a medium-term lease and for specific usage.
- (ii) As at 31 December 2014, prepaid lease payments with carrying amount of HK\$304,746,000 (2013: HK\$238,967,000) were pledged as security for bank borrowings granted to the Group.
- (iii) During the year ended 31 December 2014, the Group did not acquire any leasehold land. During the year ended 31 December 2013, the Group acquired certain leasehold land in the PRC held under medium term lease amounting to HK\$89,537,000.

附註：

- (i) 位於香港的租賃土地按中期租約持有作特定用途。
- (ii) 於二零一四年十二月三十一日，賬面值為304,746,000港元(二零一三年：238,967,000港元)的預付租金抵押作為授予本集團銀行借貸的擔保。
- (iii) 於截至二零一四年十二月三十一日止年度，本集團並無購買任何租賃土地。截至二零一三年十二月三十一日止年度，本集團根據中期租約於中國購買若干租賃土地，金額為89,537,000港元。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

19. INVESTMENT PROPERTIES

19. 投資物業

		HK\$'000 千港元
COST	成本	
At 1 January 2013 and 31 December 2013	於二零一三年一月一日及 二零一三年十二月三十一日	32,052
Disposal	出售	(5,975)
At 31 December 2014	於二零一四年十二月三十一日	26,077
DEPRECIATION	折舊	
At 1 January 2013	於二零一三年一月一日	1,244
Provided for the year	年內撥備	1,866
At 31 December 2013	於二零一三年十二月三十一日	3,110
Provided for the year	年內撥備	1,631
Disposal	出售	(1,015)
At 31 December 2014	於二零一四年十二月三十一日	3,726
CARRYING VALUE	賬面值	
At 31 December 2014	於二零一四年十二月三十一日	22,351
At 31 December 2013	於二零一三年十二月三十一日	28,942

notes:

- (i) The above investment properties, which are situated in Hong Kong and held under medium-term leases, are depreciated on a straight-line basis over the remaining useful lives.
- (ii) As at 31 December 2014, investment properties with carrying amount of HK\$22,351,000 (2013: HK\$23,748,000) were pledged as security for bank borrowings granted to the Group.
- (iii) On 19 June 2014, the Group entered into a sale and purchase agreement with an independent third party for the disposal of an investment property at a consideration of HK\$34,560,000 with a gain on disposal of HK\$29,216,000 after deducting the transaction cost of HK\$384,000. The disposal was completed during the year and the consideration was settled in full upon completion.
- (iv) The fair value of the Group's investment properties at 31 December 2014 was HK\$40,300,000 (2013: HK\$71,600,000). The fair value has been arrived at based on a valuation carried out by Roma Appraisals Limited, independent qualified professional valuers not connected with the Group.

As at 31 December 2013 and 2014, the fair value was determined based on direct comparison approach which is by reference to recent market prices for similar properties in similar locations and conditions.

附註：

- (i) 上述位於香港及以中期租約持有的物業按餘下使用年期以直線基準折舊。
- (ii) 於二零一四年十二月三十一日，賬面值為22,351,000港元(二零一三年：23,748,000港元)的投資物業抵押作為授予本集團銀行借貸的擔保。
- (iii) 於二零一四年六月十九日，本集團與獨立第三方訂立買賣協議，以代價34,560,000港元出售投資物業，扣除384,000港元交易成本後，出售收益為29,216,000港元。該出售已於年內完成，有關代價已於完成後悉數結清。
- (iv) 本集團投資物業於二零一四年十二月三十一日的公平值為40,300,000港元(二零一三年：71,600,000港元)。該公平值乃根據羅馬國際評估有限公司(與本集團無關連之獨立合資格專業估值師)所作估值而達致。

於二零一三年及二零一四年十二月三十一日，公平值乃經參考類似位置及條件的類似物業的近期市價，採用直接比較法釐定。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

19. INVESTMENT PROPERTIES (continued)

notes: (continued)

(iv) (continued)

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The key input used in the valuation of the investment properties is transaction prices for similar properties after accounting for floor areas and floor level.

Description	Fair value at	Fair value at	Valuation techniques	Unobservable input
	31 December 2014	31 December 2013		
描述	於二零一四年十二月三十一日之公平值	於二零一三年十二月三十一日之公平值	估值方法	不可觀察輸入數據
	HK\$'000	HK\$'000		
	千港元	千港元		

Investment properties	40,300	71,600	Direct comparison approach	Transaction prices for similar properties after adjusting for floor areas and floor level.
Commercial – Hong Kong			直接比較法	就樓面面積及樓層作調整後類似物業的交易價
商業投資物業－香港				

(v) Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2013 and 2014 are as follows:

Commercial property units located in Hong Kong	位於香港的商業物業單位
--	-------------

There were no transfers into or out of Level 3 during both years.

19. 投資物業(續)

附註：(續)

(iv) (續)

估計物業公平值時，物業的最高及最佳用途為其當前用途。

投資物業估值的主要輸入數據為計及樓面面積及樓層後類似物業的交易價。

(v) 本集團於二零一三年及二零一四年十二月三十一日的投資物業詳情及公平值等級資料如下：

2014	2013
Level 3	Level 3
二零一四年	二零一三年
第三級	第三級
HK\$'000	HK\$'000
千港元	千港元
40,300	71,600

兩個年度年內並無轉入或轉出第三級。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

20. AVAILABLE-FOR-SALE INVESTMENT

At 31 December 2013, the available-for-sale investment represented an investment of equity securities listed in Hong Kong and was stated at fair value which was determined based on the bid price quoted in an active market. During the year ended 31 December 2014, the Company disposed of all of its available-for-sale investment.

20. 可供出售投資

於二零一三年十二月三十一日，可供出售投資指投資於香港上市的股本證券，並參考活躍市場所報買入價釐定按公平值列賬。於截至二零一四年十二月三十一日止年度，本公司出售其所有可供出售投資。

21. INVENTORIES

21. 存貨

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Raw materials	原料	574,724	1,032,564
Finished goods	製成品	533,065	1,537,709
		1,107,789	2,570,273



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES

22. 貿易及其他應收款項

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Trade receivables:	貿易應收款項：		
0-30 days	0至30日	62,366	129,659
31-60 days	31至60日	-	11,486
61-90 days	61至90日	5,572	24,300
91-180 days	91至180日	17,413	58,580
Over 180 days	超過180日	56,546	57,702
		141,897	281,727
Other receivables:	其他應收款項：		
Deposits and prepayments	按金及預付款項	29,140	37,300
Deposits paid for purchase of raw materials (note iii)	購買原料之已付按金 (附註iii)	221,534	214,734
VAT recoverable	可退回增值稅	28,485	206,762
Others	其他	10,260	3,954
		289,419	462,750
		431,316	744,477

notes:

- (i) Before accepting any new customer, the Group assesses the potential customer's credit quality and defines its credit limit. Credit limits to customers are reviewed regularly.

The Group generally allows its trade customers a credit period of 30 to 90 days. A longer credit period may be granted to trade customers with good credit quality upon the approval of management.

- (ii) The aged analysis of the Group's trade receivables at the end of the reporting period, net of allowance for doubtful debts, was prepared based on the invoice date which approximate to the date of revenue recognition.

- (iii) Included an amount of HK\$4,294,000 (2013: HK\$36,442,000) paid to Sims Metal Management Dragon Holdings Limited ("Sims"), a shareholder with significant influence over the Company.

附註：

- (i) 於接納新客戶前，本集團將評估潛在客戶的信貨質素及界定客戶的信貨限額，並對給予客戶的限額定期進行檢討。

本集團一般給予貿易客戶30至90日的信貸期。在獲得管理層批准後，本集團可向信貸紀錄良好的貿易客戶授出更長的信貸期。

- (ii) 於報告期末，本集團貿易應收款項扣除呆賬撥備後的賬齡分析按發票日期(與收益確認日期相若)呈列。

- (iii) 包括支付對本公司有重大影響之股東Sims Metal Management Dragon Holdings Limited (「Sims」)的4,294,000港元(二零一三年：36,442,000港元)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES (continued)

notes: (continued)

- (iv) Included in the trade receivable balance are debtors with an aggregate carrying amount of HK\$73,959,000 (2013: HK\$116,282,000) which were past due at the end of the reporting period but for which the Group has not provided impairment loss.

The Group does not hold any collateral against the above amounts. However, management believes that the carrying amounts are recoverable given that adequate impairment allowance has been recognised as follows:

Movement in the allowance for doubtful debts

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	7,817	7,332
Recognition of impairment loss on trade and other receivables	貿易及其他應收款項減值虧損 確認	1,807	2,911
Recovery of bad debts	收回壞賬	-	(12)
Amounts written off as uncollectible	撇銷為不可收回的款項	(113)	(2,414)
Balance at end of the year	年終結餘	9,511	7,817

- (v) Trade receivables that were denominated in currencies other than the functional currency of the relevant group entities are as follows:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
USD	美元	6,187	1,305
HK\$	港元	-	12,219
EUR	歐元	28	17

22. 貿易及其他應收款項(續)

附註：(續)

- (iv) 貿易應收款項結餘包括賬面總值 73,959,000 港元(二零一三年：116,282,000 港元)的應收賬款，於報告期末已逾期，惟本集團並未就此作出減值虧損撥備。

本集團並無持有上述款項之任何抵押。然而，管理層認為，鑒於足夠的減值撥備已確認如下，故該等款項仍可收回：

呆賬撥備的變動

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	7,817	7,332
Recognition of impairment loss on trade and other receivables	貿易及其他應收款項減值虧損 確認	1,807	2,911
Recovery of bad debts	收回壞賬	-	(12)
Amounts written off as uncollectible	撇銷為不可收回的款項	(113)	(2,414)
Balance at end of the year	年終結餘	9,511	7,817

- (v) 以有關集團實體功能貨幣以外的貨幣計值的貿易及其他應收款項如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
USD	美元	6,187	1,305
HK\$	港元	-	12,219
EUR	歐元	28	17



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

23. BILLS RECEIVABLES

An analysis of the Group's bills receivables by age at the end of the reporting period, based on their invoice dates which approximate to the date of revenue recognition, is as follows:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
0-30 days	0至30日	127	6,614

23. 應收票據

於報告期末，本集團的應收票據賬齡分析按發票日期(與收益確認日期相若)呈報如下：

24. INTEREST IN AN ASSOCIATE

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Cost of investment in an associate: Unlisted (Note)	於聯營公司的投資成本： 非上市(附註)	2,325	-
Share of post-acquisition profits and other comprehensive income	應佔收購後溢利及其他全面收入	284	-
		2,609	-

24. 於聯營公司權益

Note: Included in cost of investment is goodwill of HK\$1,548,000.

附註：投資成本中包括商譽1,548,000港元。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

24. INTEREST IN AN ASSOCIATE (continued)

Details of the Group's associate at the end of the reporting period are as follows:

Name of entity 實體名稱	Form of entity 實體形式	Place of incorporation 註冊成立地點	Principal place of operation 主要經營地點	Class of shares held 所持股份類別	Proportion of ownership interest held by the Group 本集團所持權益比例		Proportion of voting rights held by the Group 本集團所持投票權比例		Principal activities 主要業務
					2014 二零一四年	2013 二零一三年	2014 二零一四年	2013 二零一三年	
Poly Metals Company Limited ("Poly Metals") 寶勵金屬有限公司(「寶勵」)	Incorporated 註冊成立	Hong Kong 香港	Hong Kong 香港	Ordinary 普通股	20%	-	20%	-	Trading of metal scrap 廢金屬交易

Summarised financial information in respect of Poly Metals is set out below. The summarised financial information below represents amounts shown in Poly Metals' financial statements prepared in accordance with HKFRSs.

Poly Metals is accounted for using the equity method in these consolidated financial statements.

24. 於聯營公司權益(續)

本集團於報告期末的聯營公司詳情如下：

有關寶勵之財務資料概要載列如下。下文所概述的財務資料指寶勵根據香港財務報告準則所編製的財務報表所示金額。

於該等綜合財務報表中使用權益法將寶勵入賬。

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Current assets 流動資產	10,690	-
Non-current assets 非流動資產	270	-
Current liabilities 流動負債	(5,656)	-
Non-current liabilities 非流動負債	-	-



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

24. INTEREST IN AN ASSOCIATE (continued)

24. 於聯營公司權益(續)

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Revenue	收益	129,901	-
Profit for the year	年內溢利	1,419	-
Other comprehensive income for the year	年內其他全面收入	-	-
Total comprehensive income for the year	年內全面收入總額	1,419	-
Dividends received from Poly Metals during the year	年內收取自寶勵的股息	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in Poly Metals recognised in the consolidated financial statements:

上述概述財務資料與綜合財務報表所確認於寶勵權益的賬面值之對賬如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Net assets of Poly Metals	寶勵之資產淨值	5,304	-
Proportion of the Group's ownership interest in Poly Metals	本集團於寶勵之所持權益比例	20%	-
Share of net assets of Poly Metals	應佔寶勵資產淨值	1,061	-
Goodwill	商譽	1,548	-
Carrying amount of the Group's interest in Poly Metals	本集團於寶勵之權益之賬面值	2,609	-

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS

25. 衍生金融工具

		notes	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
		附註		
Derivative financial assets	衍生金融資產			
Metal commodities future contracts	金屬商品期貨合約	(i)	390,786	130,272
Provisional pricing arrangements	臨時定價安排	(ii)	–	2,149
Foreign currency forward contracts	外幣遠期合約	(iii)	690	267
			391,476	132,688
Derivative financial liabilities	衍生金融負債			
Metal commodities future contracts	金屬商品期貨合約	(i)	402,917	32,683
Provisional pricing arrangements	臨時定價安排	(ii)	–	181
Foreign currency forward contracts	外幣遠期合約	(iii)	15	439
			402,932	33,303

notes:

- (i) Metal commodities future contracts (net settlement)

The Group enters into aluminium, copper, lead, zinc, steel rebar and nickel future contracts in order to manage its exposure to the price risk of aluminium, copper and other metal inventories. These contracts are actively traded in an active market and are measured at fair values based on unadjusted quoted price at the end of the reporting period, with gain or loss recognised directly in profit or loss.

附註：

- (i) 金屬商品期貨合約(淨額結算)

本集團已訂立鋁、銅、鉛、鋅、鋼筋及鎳期貨合約，以管理鋁銅及其他金屬存貨的價格風險。於報告期末，該等合約於活躍市場上成交活躍且基於未經調整報價以公平值計量，相關損益直接於損益賬中確認。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

- (i) Metal commodities future contracts (net settlement) (continued)

Major terms of the metal commodities future contracts outstanding at the end of the reporting period are set out below:

31 December 2014

Contract price 合約價格	Standard trading unit 標準買賣單位	Total unit 總單位	Maturity date 到期日
<i>Aluminium future contracts:</i> 鋁期貨合約：			
Buy at prices ranging from RMB13,000 to RMB13,525 per tonne 按介乎每噸人民幣13,000元 至人民幣13,525元的價格購買	5 tonnes 5噸	420	From 15 January 2015 to 13 March 2015 自二零一五年一月十五日 至二零一五年三月三十一日
Buy at prices ranging from USD1,854 to USD2,075 per tonne 按介乎每噸1,854美元至2,075美元 的價格購買	25 tonnes 25噸	2,982	From 2 January 2015 to 31 March 2015 自二零一五年一月二日至 二零一五年三月三十一日
Sell at prices ranging from USD1,870 to USD2,075 per tonne 按介乎每噸1,870美元至2,075美元 的價格銷售	25 tonnes 25噸	2,602	From 2 January 2015 to 30 March 2015 自二零一五年一月二日至 二零一五年三月三十日
<i>Copper future contracts:</i> 銅期貨合約：			
Buy at prices ranging from RMB44,760 to RMB47,770 per tonne 按介乎每噸人民幣44,760元至人民幣47,770元 的價格購買	5 tonnes 5噸	3,595	From 15 January 2015 to 15 April 2015 自二零一五年一月十五日至 二零一五年四月十五日
Buy at prices ranging from USD6,235 to USD6,843 per tonne 按介乎每噸6,235美元至6,843美元 的價格購買	25 tonnes 25噸	3,966	From 2 January 2015 to 31 March 2015 自二零一五年一月二日至 二零一五年三月三十一日
Sell at prices ranging from USD6,276 to USD6,843 per tonne 按介乎每噸6,276美元至6,843美元 的價格銷售	25 tonnes 25噸	3,366	From 2 January 2015 to 30 March 2015 自二零一五年一月二日至 二零一五年三月三十日

25. 衍生金融工具(續)

附註：(續)

- (i) 金屬商品期貨合約(淨額結算)(續)

於報告期末未平倉金屬期貨合約的主要條款如下：

二零一四年十二月三十一日

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

(i) Metal commodities future contracts (net settlement) (continued)

31 December 2014 (continued)

Contract price 合約價格	Standard trading unit 標準買賣單位	Total unit 總單位	Maturity date 到期日
<i>Zinc future contracts:</i> 鋅期貨合約：			
Buy at prices ranging from USD2,203 to USD2,220 per tonne 按介乎每噸2,203美元至2,220美元 的價格購買	25 tonnes 25噸	80	21 January 2015 二零一五年一月二十一日
Sell at prices ranging from USD2,203 to USD2,220 per tonne 按介乎每噸2,203美元至2,220美元 的價格銷售	25 tonnes 25噸	80	21 January 2015 二零一五年一月二十一日
<i>Steel rebar future contracts:</i> 鋼筋期貨合約：			
Buy at prices ranging from RMB2,480 to RMB2,641 per tonne 按介乎每噸人民幣2,480元至人民幣2,641元 的價格購買	10 tonnes 10噸	69,267	15 May 2015 二零一五年五月十五日
<i>Nickel future contracts:</i> 鎳期貨合約：			
Buy at prices ranging from USD15,195 to USD16,398 per tonne 按介乎每噸15,195美元至16,398美元 的價格購買	6 tonnes 6噸	487	From 14 January 2015 to 18 March 2015 自二零一五年一月十四日至 二零一五年三月十八日
Sell at prices ranging from USD15,195 to USD16,398 per tonne 按介乎每噸15,195美元至16,398美元 的價格銷售	6 tonnes 6噸	487	From 14 January 2015 to 18 March 2015 自二零一五年一月十四日至 二零一五年三月十八日
<i>Lead future contracts:</i> 鉛期貨合約：			
Buy at prices ranging from USD1,838 to USD2,056 per tonne 按介乎每噸1,838美元至2,056美元 的價格購買	25 tonnes 25噸	1,553	From 14 January 2015 to 31 March 2015 自二零一五年一月十四日至 二零一五年三月三十一日
Sell at prices ranging from USD1,864 to USD2,070 per tonne 按介乎每噸1,864美元至2,070美元 的價格銷售	25 tonnes 25噸	1,410	From 14 January 2015 to 24 March 2015 自二零一五年一月十四日至 二零一五年三月二十四日

25. 衍生金融工具(續)

附註：(續)

(i) 金屬商品期貨合約(淨額結算)(續)

二零一四年十二月三十一日(續)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

(i) Metal commodities future contracts (net settlement) (continued)

31 December 2013

Contract price 合約價格	Standard trading unit 標準買賣單位	Total unit 總單位	Maturity date 到期日
<i>Aluminium future contracts:</i> 鋁期貨合約：			
Buy at prices ranging from RMB13,945 per tonne 按介乎每噸人民幣13,945元 的價格購買	5 tonnes 5噸	40	15 May 2014 二零一四年五月十五日
Buy at prices ranging from USD1,762 to USD1,895 per tonne 按介乎每噸1,762美元至1,895美元 的價格購買	25 tonnes 25噸	1,242	From 2 January 2014 to 31 March 2014 自二零一四年一月二日至 二零一四年三月三十一日
Sell at prices ranging from USD1,778 to USD1,895 per tonne 按介乎每噸1,778美元至1,895美元 的價格銷售	25 tonnes 25噸	700	From 2 January 2014 to 31 March 2014 自二零一四年一月二日至 二零一四年三月三十一日
<i>Copper future contracts:</i> 銅期貨合約：			
Buy at prices ranging from RMB50,000 to RMB52,600 per tonne 按介乎每噸人民幣50,000元至人民幣52,600元 的價格購買	5 tonnes 5噸	6,589	From 15 January 2014 to 15 April 2014 自二零一四年一月十五日至 二零一四年四月十五日
Buy at prices ranging from USD6,921 to USD7,389 per tonne 按介乎每噸6,921美元至7,389美元 的價格購買	25 tonnes 25噸	2,142	From 2 January 2014 to 27 March 2014 自二零一四年一月二日至 二零一四年三月二十七日
Sell at prices ranging from USD6,921 to USD7,415 per tonne 按介乎每噸6,921美元至7,415美元 的價格銷售	25 tonnes 25噸	1,128	From 2 January 2014 to 27 March 2014 自二零一四年一月二日至 二零一四年三月二十七日

25. 衍生金融工具(續)

附註：(續)

(i) 金屬商品期貨合約(淨額結算)(續)

二零一三年十二月三十一日

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

(i) Metal commodities future contracts (net settlement) (continued)

31 December 2013 (continued)

Contract price 合約價格	Standard trading unit 標準買賣單位	Total unit 總單位	Maturity date 到期日
<i>Zinc future contracts:</i> 鋅期貨合約：			
Buy at prices ranging from USD1,867 to USD2,096 per tonne 按介乎每噸1,867美元至2,096美元 的價格購買	25 tonnes 25噸	1,120	From 2 January 2014 to 31 March 2014 自二零一四年一月二日至 二零一四年三月三十一日
Sell at prices ranging from USD1,867 to USD2,105 per tonne 按介乎每噸1,867美元至2,105美元 的價格銷售	25 tonnes 25噸	1,128	From 2 January 2014 to 31 March 2014 自二零一四年一月二日至 二零一四年三月三十一日
<i>Steel rebar future contracts:</i> 鋼筋期貨合約：			
Buy at prices ranging from RMB3,570 to RMB3,700 per tonne 按介乎每噸人民幣3,570元至人民幣3,700元 的價格購買	10 tonnes 10噸	1,700	15 May 2014 二零一四年五月十五日
<i>Nickel future contracts:</i> 鎳期貨合約：			
Buy at prices ranging from USD13,425 to USD14,705 per tonne 按介乎每噸13,425美元至14,705美元 的價格購買	6 tonnes 6噸	190	From 2 January 2014 to 27 March 2014 自二零一四年一月二日至 二零一四年三月二十七日
Sell at prices ranging from USD13,518 to USD14,850 per tonne 按介乎每噸13,518美元至14,850美元的 價格銷售	6 tonnes 6噸	112	From 2 January 2014 to 20 March 2014 自二零一四年一月二日至 二零一四年三月二十日

25. 衍生金融工具(續)

附註：(續)

(i) 金屬商品期貨合約(淨額結算)(續)

二零一三年十二月三十一日(續)



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

(ii) Provisional pricing arrangements (net settlement)

During the year ended 31 December 2013, the Group entered into copper scrap sales contracts that contain provisional pricing arrangements with certain customers. The Group recognised sales revenue, upon delivery of goods once the significant risks and rewards of ownership had been transferred to the customers, based on the quoted copper prices on the Shanghai Futures Exchange or the London Metal Exchange as at date of delivery with a fixed discount on the purity of copper scrap ("Provisional Selling Price"). The Group would receive the payments from the customers ranging from 70% to 90% of the Provisional Selling Price in accordance with its normal trade terms ("Provisional Payments"). All outstanding provisional pricing arrangements contracts as at 31 December 2013 were settled during the year ended 31 December 2014.

In general, the provisional pricing arrangements allow the Group to choose a date ("Price-fixing Date") within a period of two to twelve months after delivery to, or upon receipt of sales invoice by, the customers, whichever is applicable, ("Pricing-fixing Period") to fix the final selling price of the copper scrap sold with reference to the copper future prices as quoted on the London Metal Exchange and the Shanghai Futures Exchange with similar terms as the provisional pricing arrangement on the Pricing-fixing Date, as adjusted for the agreed purity of the copper scrap sold ("Final Selling Price"). If the Group does not choose the Price-fixing Date within the Price-fixing Period, then the last date in the Pricing-fixing Period is deemed to be the Price-fixing Date for the purpose of determining the Final Selling Price. The difference between the Final Selling Price and the Provisional Payments, once determined, will be settled within a specified period.

For accounting purposes, the provisional price arrangements are separated from the host contract for sales of copper scrap and are accounted for as derivative instruments, the fair value change of which is recognised in profit or loss.

At 31 December 2014, the Group did not have any copper scrap sales contracts that contain provisional pricing arrangements.

Major terms of the provisional pricing arrangements contracts outstanding at 31 December 2013 were as follows:

25. 衍生金融工具(續)

附註：(續)

(ii) 臨時定價安排(淨額結算)

截至二零一三年十二月三十一日止年度，本集團與若干客戶訂立包括臨時定價安排的廢銅銷售合約，本集團將擁有權的重大風險及回報轉移至客戶並交付貨物後，並按當時上海期貨交易所或倫敦金屬交易所於交貨日所報的銅價(「臨時售價」)根據廢銅純度予以固定折讓為基準確認銷售收入。根據正常貿易條款，本集團將向客戶收取的款項介乎臨時售價的70%至90%(「臨時付款」)。截至二零一三年十二月三十一日止年度所有未平倉臨時定價安排合約均已於截至二零一四年十二月三十一日止年度內結算。

一般而言，臨時定價安排讓本集團可選取於向客戶交付貨品或收到銷售發票後兩至十二個月(視適用情況而定)(「定價期間」)內的一個日期(「定價日期」)經參考於定價日期按與臨時定價安排類似條款之倫敦金屬交易所及上海期貨交易所所報銅期貨價後釐定所售廢銅的最終售價(「最終售價」)，並按所售廢銅的協定純度進行調整。倘本集團並無選取於定價期間內的定價日期，則定價期間之最後日期被視為釐定最終售價的定價日期。最終售價與臨時付款的差額一經釐定，將於某個特定期間內結算。

就會計目的而言，臨時定價安排須脫離廢銅銷售的主合約並計入為衍生工具，其公平值變動於損益內確認。

於二零一四年十二月三十一日，本集團並無任何包括臨時定價安排的廢銅銷售合約。

於二零一三年十二月三十一日未平倉臨時定價安排合約的主要條款如下：

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

(ii) Provisional pricing arrangements (net settlement) (continued)

31 December 2013

Notional amount 名義金額	Provisional Selling Prices 臨時售價	Last date in the Price-fixing Periods 定價期間最後一日
2 contracts to sell 1,144 tonnes of copper scrap in total 有關銷售總計1,144噸廢銅的2份合約	Sell at prices ranging from RMB49,882 to RMB50,885 per tonne 按介乎每噸人民幣49,882元至人民幣50,885元的價格銷售	30 September 2014 二零一四年九月三十日
1 contract to sell 766 tonnes of copper scrap in total 有關銷售總計766噸廢銅的1份合約	Sell at prices ranging from USD6,367 to USD6,752 per tonne 按介乎每噸6,367美元至6,752美元的價格銷售	From 2 February 2014 to 22 February 2014 自二零一四年二月二日至二零一四年二月二十二日

(iii) Foreign currency forward contracts (gross settlement)

The Group entered into foreign currency forward contracts in order to minimise its exposure to the foreign currency risk. These contracts were measured at fair value using quoted forward exchange rates at the end of the reporting period, with gain or loss recognised directly in profit or loss.

Major terms of the foreign currency forward contracts outstanding at the end of the reporting period are as follows:

31 December 2014

Notional amount 名義金額	Forward contract rates 遠期合約成交率	Maturity date 到期日
2 contracts to buy USD2,091,848 in total 按合共2,091,848美元購買的2份合約	USD1: RMB6.3064 to RMB6.3194 1美元兌人民幣6.3064元至人民幣6.3194元	From 29 May 2015 to 3 September 2015 自二零一五年五月二十九日至二零一五年九月三日
2 contracts to sell USD6,888,000 in total 按合共6,888,000美元銷售的2份合約	USD1: RMB6.2969 to RMB6.3315 1美元兌人民幣6.2969元至人民幣6.3315元	From 30 April 2015 to 11 May 2015 自二零一五年四月三十日至二零一五年五月十一日

25. 衍生金融工具(續)

附註:(續)

(ii) 臨時定價安排(淨額結算)(續)

二零一三年十二月三十一日

(iii) 遠期外匯合約(總額結算)

本集團訂立遠期外匯合約以減低外匯風險。該等合約於報告期末遠期報價匯率按公平值計量，相關損益直接於損益賬中確認。

於報告期末未平倉遠期外匯合約主要條款如下：

二零一四年十二月三十一日

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

notes: (continued)

(iii) Foreign currency forward contracts (gross settlement) (continued)

31 December 2013

Notional amount 名義金額	Forward contract rates 遠期合約成交率	Maturity date 到期日
2 contracts to buy USD2,091,848 in total 按合共2,091,848美元購買的2份合約	USD1: RMB6.3064 to RMB6.3194 1美元兌人民幣6.3064元 至人民幣6.3194元	From 29 May 2015 to 3 September 2015 自二零一五年五月二十九日至 二零一五年九月三日
3 contracts to sell USD6,207,000 in total 按合共6,207,000美元銷售的3份合約	USD1: RMB6.2376 to RMB6.2549 1美元兌人民幣6.2376元 至人民幣6.2549元	From 30 July 2014 to 13 August 2014 自二零一四年七月三十日 至二零一四年八月十三日

26. PLEDGED BANK DEPOSITS/MARGIN DEPOSITS/BANK BALANCES AND CASH Pledged bank deposits

These represent deposits pledged to banks to secure banking facilities granted to the Group. Bank deposits of HK\$182,559,000 (2013: HK\$141,841,000) were pledged to secure short-term bank borrowings, of which HK\$92,556,000 (2013: HK\$102,170,000) were used as collaterals for foreign currency forward contracts, and are therefore classified as current assets.

At the end of the reporting period, the pledged bank deposits carried fixed interest rates as follows:

	2014 二零一四年	2013 二零一三年
Interest rate per annum 年利率	2.80% to 3.75% 2.80% 至 3.75%	2.17% to 3.75% 2.17% 至 3.75%

25. 衍生金融工具(續)

附註：(續)

(iii) 遠期外匯合約(總額結算)(續)

二零一三年十二月三十一日

26. 已抵押銀行存款／保證金／銀行結餘及現金 已抵押銀行存款

該等存款指向銀行抵押以為向本集團授出的銀行信貸作出擔保的存款。182,559,000 港元(二零一三年：141,841,000 港元)的銀行存款已抵押作短期銀行借貸的擔保，其中92,556,000 港元(二零一三年：102,170,000 港元)已用作外幣遠期合約的抵押，因此被分類為流動資產。

於報告期末，已抵押銀行存款按以下固定利率計算：

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

26. PLEDGED BANK DEPOSITS/MARGIN DEPOSITS/BANK BALANCES AND CASH (continued)

Margin deposits

The balance represents deposits placed with financial institutions to secure the Group's margin accounts with these financial institutions for trading metal commodities future contracts. The margin deposits are non-interest bearing.

Bank balances and cash

These represent cash and short-term bank deposits with an original maturity of three months or less. At the end of the reporting period, the bank balances carried interest rates as follows:

		2014 二零一四年	2013 二零一三年
Interest rate per annum	年利率	0.01% to 1.15% 0.01% 至 1.15%	0.01% to 1.15% 0.01% 至 1.15%

Pledged bank deposits, margin deposits and bank balances and cash held in the PRC with an aggregate amount of HK\$447,057,000 (2013: HK\$425,132,000) were denominated in RMB and were subject to foreign exchange control.

Pledged bank deposits, margin deposits and bank balances and cash that are denominated in currencies other than the functional currency of the relevant group entities are as follows:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
RMB	人民幣	244	300
HK\$	港元	631	1,276
USD	美元	108,067	124,810
EUR	歐元	24,462	7,558

26. 已抵押銀行存款／保證金／銀行結餘及現金(續)

保證金

結餘指存放於金融機構的存款，以擔保本集團就金屬商品期貨買賣於該等金融機構設立之保證金賬戶。該等保證金不計息。

銀行結餘及現金

該等款項包括現金及原到期日為三個月或以下的短期銀行存款。於報告期末，銀行結餘利率如下：

在中國持有的已抵押銀行存款、保證金與銀行結餘及現金總額為447,057,000港元(二零一三年：425,132,000港元)，全部以人民幣計值並受外匯管制。

以有關集團實體功能貨幣以外貨幣計值的已抵押銀行存款、保證金與銀行結餘及現金如下：



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

27. TRADE AND OTHER PAYABLES

27. 貿易及其他應付款項

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Trade payables:	貿易應付款項：		
Sims	Sims	71,077	78,721
Third parties	第三方	106,924	130,820
		178,001	209,541
Other payables:	其他應付款項：		
Other payables and accruals (note ii)	其他應付款項及應計費用(附註ii)	160,839	112,068
Provision for pending legal litigation (Note 40)	待決法律訴訟撥備(附註40)	51,464	51,638
Interest payable	應付利息	6,253	5,409
Receipts in advance from customers	預收客戶款項	15,652	28,349
		234,208	197,464
		412,209	407,005

notes:

- (i) Trade payables that are denominated in currencies other than the functional currency of the relevant group entities are as follows:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
EUR	歐元	3,050	28,705
USD	美元	-	209

- (ii) Included in other payables and accruals are import declaration, freight charges, accrued salaries and audit fee.

附註：

- (i) 以有關集團實體功能貨幣以外貨幣計值的貿易應付款項如下：

- (ii) 其他應付款項及應計費用包括進口報關、運費、應計薪金及審計費用。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

27. TRADE AND OTHER PAYABLES (continued)

An analysis of trade payables by age at the end of the reporting period, presented based on the invoice date, is as follows:

Trade payables:	貿易應付款項：
0-30 days	0至30日
31-60 days	31至60日
61-90 days	61至90日
91-180 days	91至180日
Over 180 days	超過180日

27. 貿易及其他應付款項(續)

本集團於報告期末貿易應付款項按發票日期呈列的賬齡分析如下：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
113,241	177,776
56,525	26,376
253	-
92	4,391
7,890	998
178,001	209,541

28. BANK BORROWINGS AND OVERDRAFTS

28. 銀行借貸及透支

Fixed-rate borrowings:	定息借貸：
Secured bank loans	有抵押銀行貸款
Unsecured bank loans	無抵押銀行貸款
Unsecured bank overdrafts	無抵押銀行透支
Variable-rate borrowings:	浮息借貸：
Secured bank loans	有抵押銀行貸款
Unsecured bank loans	無抵押銀行貸款

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
797,526	706,562
234,801	164,889
721	316
264,146	234,703
27,637	852,210
1,324,831	1,958,680

Carrying amount repayable (note (i)):	應付賬面值(附註(i))：
Within one year	一年內
More than one year, but not more than two years	超過一年，但不多於二年

1,324,831	1,943,089
-	15,591
1,324,831	1,958,680

Less:	減：
Amounts due within one year shown under current liabilities without repayment on demand clause	於流動負債下呈列的不需要根據按要 求還款條款一年內到期的金額
Amounts due within one year shown under current liabilities with repayment on demand clause	於流動負債下呈列的需要根據按要 求還款條款一年內到期的金額
Amounts due over one year shown under current liabilities with repayment on demand clause	於流動負債下呈列的需要根據按要 求還款條款逾期一年以上的金額
Amounts shown under non-current liabilities	非流動負債下呈列的金額

(137,936)	(683,522)
(1,186,895)	(1,259,567)
-	(15,591)
-	-



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

28. BANK BORROWINGS AND OVERDRAFTS (continued)

notes:

- (i) The amounts due are based on scheduled repayment dates set out in the loan agreements.
- (ii) At the end of the reporting period, the effective interest rates of the borrowings are as follows:

		2014 二零一四年	2013 二零一三年
Effective interest rate per annum:	實際年利率：		
Fixed-rate borrowings	定息借貸	1.50% to 6.44% 1.50%至6.44%	1.50% to 6.16% 1.50%至6.16%
Variable-rate borrowings	浮息借貸	2.02% to 3.66% 2.02%至3.66%	3.14% to 5.20% 3.14%至5.20%

- (iii) The Group's borrowings that are denominated in currencies other than the functional currency of the relevant group entities are as follows:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
HK\$	港元	830	830
USD	美元	1,062,259	1,813,979

- (iv) For the year ended 31 December 2013, a subsidiary exceeded the loan-to-equity ratio specified in a bank loan agreement in relation to certain bank loans with a repayment on demand clause. The relevant subsidiary had obtained a waiver from the relevant bank that it would not demand immediate repayment of the bank loan as a result of the breach of the financial covenant.

28. 銀行借貸及透支(續)

附註：

- (i) 到期金額乃按貸款協議所載的預定還款日期計算。
- (ii) 於報告期末，借貸的實際利率如下：

		2014 二零一四年	2013 二零一三年
Effective interest rate per annum:	實際年利率：		
Fixed-rate borrowings	定息借貸	1.50% to 6.44% 1.50%至6.44%	1.50% to 6.16% 1.50%至6.16%
Variable-rate borrowings	浮息借貸	2.02% to 3.66% 2.02%至3.66%	3.14% to 5.20% 3.14%至5.20%

- (iii) 以有關集團實體功能貨幣以外貨幣計值的本集團借貸如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
HK\$	港元	830	830
USD	美元	1,062,259	1,813,979

- (iv) 截至二零一三年十二月三十一日止年度，一間附屬公司的貸款股本比率超過銀行貸款協議內就應要求償還條款的若干銀行貸款所訂明的比率。該有關附屬公司已取得有關銀行的豁免將不會因財務指標違約而要求即時償還銀行貸款。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

29. SHARE CAPITAL

29. 股本

	notes 附註	Number of shares 股份數目	Amount 金額 HK\$ 港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 at 1 January 2013, 31 December 2013 and 2014	於二零一三年一月一日、 二零一三年及二零一四年 十二月三十一日 每股面值0.01港元的普通股	5,000,000,000	50,000,000
Issued and fully paid:	已發行並繳足：		
Ordinary shares of HK\$0.01 each at 1 January 2013	於二零一三年一月一日 每股面值0.01港元的普通股	1,043,506,206	10,435,062
Exercise of share options	行使購股權 (i)	1,512,500	15,125
Shares repurchased and cancelled	股份購回及註銷 (ii)	(406,000)	(4,060)
At 31 December 2013	於二零一三年十二月三十一日	1,044,612,706	10,446,127
Exercise of share options	行使購股權 (i)	4,830,000	48,300
At 31 December 2014	於二零一四年十二月三十一日	1,049,442,706	10,494,427

notes:

- (i) During the year ended 31 December 2014, 3,978,000 and 852,000 (2013: 1,448,000 and 64,500) share options under the Pre-IPO Scheme and the Scheme (as defined in Note 37) were exercised at a subscription price of HK\$2.43 and HK\$3.38 (2013: HK\$2.43 and HK\$3.38) per share respectively, resulting in the issue of 3,978,000 and 852,000 (2013: 1,448,000 and 64,500) ordinary shares of HK\$0.01 each in the Company.

附註：

- (i) 於截至二零一四年十二月三十一日止年度，首次公開發售前計劃及計劃(定義見附註37)項下的3,978,000份及852,000份(二零一三年：1,448,000份及64,500份)購股權分別按每股2.43港元及3.38港元(二零一三年：2.43港元及3.38港元)的認購價獲行使，導致本公司發行每股面值0.01港元的3,978,000股及852,000股(二零一三年：1,448,000股及64,500股)普通股。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

29. SHARE CAPITAL (continued)

notes: (continued)

- (ii) During the year ended 31 December 2013, the Company repurchased 406,000 of its own shares on the Stock Exchange at an aggregate consideration of HK\$1,324,000 pursuant to the general mandate granted to the directors at its annual general meeting. The highest and lowest prices paid for the repurchased shares were HK\$3.28 and HK\$3.20, respectively.

Details of the repurchases are as follows:

Month of the repurchases	Total number of ordinary shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate consideration
購回月份	購回普通股總數	已付每股最高價	已付每股最低價	總代價
		HK\$	HK\$	HK\$'000
		港元	港元	千港元
Year ended 31 December 2013:	截至二零一三年十二月三十一日止年度:			
June 2013	二零一三年六月	3.28	3.20	1,324

All of the above shares were cancelled upon repurchase. The nominal value of the cancelled shares was credited to the capital redemption reserve and the aggregate consideration was paid out of the reserves of the Company.

None of the Company's subsidiaries purchased, sold and redeemed any of the Company's listed securities during both years.

- (iii) All the above-mentioned new shares issued ranked pari passu in all respects with other shares in issue.
- (iv) On 21 March 2015, the Company entered into the first subscription agreement with an independent third party (the "Subscriber") to allot and issue 203,900,000 ordinary shares, rank pari passu, at the first subscription price of HK\$9.01 per first subscription share. Upon the completion, the net proceeds from the first subscription of new shares are estimated to be approximately HK\$1,835,640,000. Details of this are set out in the Company's announcement dated 27 March 2015.
- (v) On 21 March 2015, the Company also entered into the second subscription agreement (as amended and restated by a supplemental agreement dated 27 March 2015) with the Subscriber conditionally allot and issue additional 253,000,000 ordinary shares for an aggregate amount of HK\$2,279,530,000 at the initial second subscription price of HK\$9.01 per second subscription share. Details are set out in the Company's announcement dated 27 March 2015.

29. 股本(續)

附註:(續)

- (ii) 於截至二零一三年十二月三十一日止年度，本公司根據於其股東週年大會上向董事授出的一般授權於聯交所購回其本身股份406,000股，合共代價1,324,000港元。購回股份的最高及最低價格分別為3.28港元及3.20港元。

購回詳情如下：

上述所有股份均於購回後註銷。註銷股份的名義金額計入資本贖回儲備，及總代價自本公司儲備中撥付。

於兩個年度內，概無本公司的附屬公司購買、出售及贖回本公司任何上市證券。

- (iii) 所有上述已發行新股份與已發行的其他股份在所有方面均享有同等權益。
- (iv) 於二零一五年三月二十一日，本公司與一名獨立第三方(「認購方」)訂立第一份認購協議，以按第一批認購價每股第一批認購股份9.01港元配發及發行203,900,000股普通股(具有同等地位)。於完成後，第一批認購新股份所得款項淨額估計將為約1,835,640,000港元。詳情載於本公司日期為二零一五年三月二十七日的公告。
- (v) 於二零一五年三月二十一日，本公司亦與認購方訂立第二份認購協議(經日期為二零一五年三月二十七日的補充協議所修訂及重列)，以按初始第二批認購價每股第二批認購股份9.01港元有條件配發及發行額外253,000,000股普通股，總金額為2,279,530,000港元。詳情載於本公司日期為二零一五年三月二十七日的公告。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

30. NON-CONTROLLING INTERESTS

30. 非控股權益

		Share of net liabilities of subsidiaries 所佔附屬公司 淨資產(負債)	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
At 1 January	於一月一日	(67,671)	(41,463)
Share of loss for the year	年內所佔虧損	(13,260)	(24,598)
Share of foreign currency translation reserve	所佔外幣匯兌儲備	237	(1,610)
At 31 December	於十二月三十一日	(80,694)	(67,671)

31. CONVERTIBLE BONDS

31. 可換股債券

		Debt component 債務部分 HK\$'000 千港元	Derivative component 衍生部分 HK\$'000 千港元
At 1 January 2013	於二零一三年一月一日	708,547	85,290
Interest charge	利息費用	83,491	–
Interest paid	已付利息	(32,632)	–
Changes in fair value	公平值變動	–	(71,937)
Carrying amount at 31 December 2013	於二零一三年十二月三十一日 之賬面值	759,406	13,353
Interest charge	利息費用	89,647	–
Interest paid	已付利息	(32,632)	–
Changes in fair value	公平值變動	–	(13,353)
Carrying amount at 31 December 2014	於二零一四年十二月三十一日 之賬面值	816,421	–



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

31. CONVERTIBLE BONDS (continued)

notes:

- (i) On 1 March 2012 (the "Issue Date"), the Company issued convertible bonds to HWH Holding Limited ("HWH"), Delco Participation B.V. ("Delco") and Sims Metal Management Dragon Holdings Limited ("Sims") (collectively the "Subscribers") with an aggregate principal sum of HK\$815,800,000 (the "Convertible Bonds") with detachable three-year warrants (the "Warrants") at total consideration of HK\$815,800,000 (the "Subscription"). Details of the Warrants are set out in Note 32.
- (ii) The major terms of the Convertible Bonds are as below:
- (a) The Convertible Bonds carry 4% coupon interest per annum payable in arrears semi-annually. Unless previously converted, the Convertible Bonds will be fully redeemed by the Company at its principal amount upon maturity on 1 March 2015 (the "Maturity Date"). No early redemption of the Convertible Bonds is allowed unless the Company commits an event of default under the terms and conditions of the Convertible Bonds.
- (b) The Maturity Date shall be extended to the fifth anniversary of the Issue Date, if any of the Subscribers is not able to exercise any conversion rights on or before the Maturity Date solely because of the minimum public float restriction under the Listing Rules.
- (c) The holders of the Convertible Bonds have the right to convert the principal amount of the Convertible Bonds into shares of HK\$0.01 each of the Company at an initial conversion price of HK\$6 per share (subject to anti-dilutive adjustments) at any time during the period from the second anniversary of Issue Date up to 10 business days prior to Maturity Date, subject to the minimum public float requirement.
- (iii) The Convertible Bonds comprise debt component and derivative component (including conversion, extension and early redemption options), which are measured at fair value of HK\$659,611,000 and HK\$142,771,000, respectively, on initial recognition. In the opinion of the directors of the Company, the Company will be able to maintain the minimum public float of Company's shares required under the Listing Rules and will not trigger the condition of the extension of the Convertible Bonds. Also, the event of default is unlikely to occur and will not trigger the early redemption of Convertible Bonds, therefore the fair values of the extension and early redemption options were considered insignificant on initial recognition and as at 31 December 2014.
- (iv) The fair value of the debt component on initial recognition was calculated using the present value of contractually determined stream of future cash flows discounted at the effective interest rate of 11.756%.

In subsequent periods, the debt component of the Convertible Bonds is carried at amortised cost using the effective interest method.

31. 可換股債券(續)

附註:

- (i) 於二零一二年三月一日(「發行日期」),本公司向HWH Holdings Limited(「HWH」)、Delco Participation B.V.(「Delco」)及Sims Metal Management Dragon Holdings Limited(「Sims」)(統稱「認購方」)發行三年期可拆認股權證(「認股權證」)且本金總額為815,800,000港元之可換股債券(「可換股債券」),總代價為815,800,000港元(「認購事項」)。認股權證的詳情載於附註32。
- (ii) 可換股債券的主要條款載列如下:
- (a) 可換股債券附有4%的年票息,每半年支付一次。除非先前兌換,否則本公司將於二零一五年三月一日到期時(「到期日」)以本金額贖回全部可換股債券。除非本公司違反可換股債券的條款及條件,否則不允許提早贖回可換股債券。
- (b) 倘若任何認購方僅因上市規則的最低公眾持股量限制而不能於到期日或之前行使任何兌換權,則到期日延長至發行日期的第五週年。
- (c) 可換股債券持有人有權於發行日期第二週年至到期日前10個營業日之間任何時間以初步兌換價每股6港元(可予反攤薄調整)將可換股債券的本金額轉換成本公司每股面值0.01港元的股份,惟須遵守最低公眾持股量的規定。
- (iii) 可換股債券包括債務部分及衍生部分, (包括兌換、延期及提早贖回權)乃按公平值分別為659,611,000港元及142,771,000港元於初步確認時計量。本公司董事認為,本公司將能維持上市規則規定本公司股份的最低公眾持股量以及不會觸發可換股債券延期的情況。此外,違約事件不大可能會發生以及不會觸發提早贖回可換股債券,因此,延期及提早贖回權的公平值在初步確認時及於二零一四年十二月三十一日被視為較小。
- (iv) 初始確認時債務部分的公平值乃使用按實際利率11.756%貼現的合約釐定未來現金流的現值計算。

於其後期間,可換股債券之債務部分乃按攤銷成本採用實際利率法列賬。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

31. CONVERTIBLE BONDS (continued)

notes: (continued)

- (v) The fair value of the derivative component was determined using the Binomial Option Pricing Model and the major inputs into the model are as follows:

		At Issue Date	At 31 December 2013 於二零一三年 十二月三十一日	At 31 December 2014 於二零一四年 十二月三十一日
Stock price	股價	HK\$4.33 4.33港元	HK\$2.87 2.87港元	HK\$2.80 2.80港元
Exercise price	行使價	HK\$6.00 6.00港元	HK\$6.00 6.00港元	HK\$6.00 6.00港元
Expected volatility (note a)	預計波幅(附註a)	53.189%	53.189%	53.189%
Dividend yield	股息收益率	0.855%	0.739%	0.000%
Option life	期權年期	35.5 months 35.5個月	13.5 months 13.5個月	1.5 months 1.5個月
Risk free rate (note b)	無風險利率(附註b)	0.277%	0.201%	0.028%

notes:

- (a) The expected volatility was determined with reference to the implied volatility of the Company's shares as at the date of valuation.
- (b) The risk free rate was determined with reference to the Hong Kong Government Bond's and treasury bill's yield.
- (c) In subsequent periods, the derivative component is measured at fair value with changes in fair value recognised in profit or loss.

- (vi) No conversion of the Convertible Bonds took place since the Issue Date.

- (vii) On 3 and 4 March 2015, the existing holders of the Convertible Bonds agreed to extend the maturity date, subject to the certain undertakings given by the Company, for a further two years to 1 March 2017. Convertible Bonds held by HWH with principal amount of HK\$67,600,000 were extended to 1 March 2017, subject to the approval from the independent shareholders of Company before 31 July 2015. Convertible Bonds of HK\$312,600,000 held by Delco would be repaid in seven quarterly instalments commencing on 1 September 2015 subject to the approval from the independent shareholders of the Company before 31 July 2015. The Company will repurchase the Convertible Bonds held by Sims with principal amount of HK\$315,600,000 (the "Sims Convertible Bonds") on or before 30 June 2015 if the Company unable to procure independent third parties to purchase the Sims Convertible Bonds. The remaining Convertible Bonds of HK\$120,000,000 held by Greenwoods China Alpha Master Fund ("Greenwood") which Greenwoods shall have the right to demand for full repayment on any of these dates: 1 September 2015, 1 March 2016 or 1 September 2016. Details of these are set out in the Company's announcements dated 5 March 2015, 10 March 2015 and 18 March 2015.

31. 可換股債券(續)

附註:(續)

- (v) 衍生工具部分的公平值乃按二項期權定價模式釐定及該模式所輸入之主要數據如下:

附註:

- (a) 預計波幅乃經參照本公司股份於估值日期之引伸波幅而釐定。
- (b) 無風險利率乃參考香港政府債券及國庫券孳息率而釐定。
- (c) 於其後期間，衍生工具部分按公平值計量，公平值之變動於損益內確認。

- (vi) 自發行日期概無兌換可換股債券。

- (vii) 於二零一五年三月三日及四日，可換股債券現有持有人協定將可換股債券的到期日再延期兩年至二零一七年三月一日，惟須遵守本公司作出的若干承諾。HWH所持有本金額為67,600,000港元的可換股債券獲延期至二零一七年三月一日，惟須於二零一五年七月三十一日前獲得本公司獨立股東批准。Delco所持有的可換股債券312,600,000港元將自二零一五年九月一日起按季度分七期償還(須於二零一五年七月三十一日前獲得本公司獨立股東批准)。倘本公司未能促使獨立第三方購買Sims可換股債券，則本公司將於二零一五年六月三十日或之前贖回Sims所持有本金額為315,600,000港元的可換股債券(「Sims可換股債券」)。餘下可換股債券120,000,000港元由Greenwoods China Alpha Master Fund(「Greenwoods」)持有，而Greenwoods有權於下述任何該等日期要求悉數償還：二零一五年九月一日、二零一六年三月一日或二零一六年九月一日。該等詳情載於本公司日期為二零一五年三月五日、二零一五年三月十日及二零一五年三月十八日的公告。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

32. WARRANTS

The Warrants are exercisable to subscribe for an aggregate amount of HK\$75,830,646 for fully paid shares of HK\$0.01 each in the Company at an initial subscription price of HK\$6 per share (subject to anti-dilutive adjustments) on and after the first business day immediately following the second anniversary of the Issue Date up to the Maturity Date. HWH and Delco also agreed to assign the Warrants to Sims that they were entitled as a result of the Subscription.

The Maturity Date shall be extended to the fifth anniversary of the Issue Date of the Warrants if any of the Warrant holders is not able to exercise any subscription rights on or before the Maturity Date solely because of the minimum public float restriction under the Listing Rules (the "Extension").

The Warrants are classified as a derivative and recognised at fair value on initial recognition and subsequent measurement dates. Changes in the fair value of the Warrants are recognised in profit and loss. The fair value of Warrants as at 31 December 2013 and 2014 were HK\$1,331,000 and nil, respectively.

During the year ended 31 December 2014, the gain from change in fair value of HK\$1,331,000 (2013: HK\$6,715,000) was recognised in profit or loss. In the opinion of the directors of the Company, the Company will be able to maintain the minimum public float of the Company's shares under the Listing Rules and will not trigger the condition of the extension of the Warrants, therefore, the fair value of the Warrants did not take into account the Extension.

32. 認股權證

認股權證可予行使，於緊隨發行日期第二週年的第一個營業日及之後直至到期日按初始認購價每股6港元(可予反攤薄調整)認購總額75,830,646港元本公司每股面值0.01港元的繳足股份。HWH及Delco同意向Sims轉讓因認購事項而有權享有的認股權證。

倘若任何認股權證持有人僅因上市規則的最低公眾持股量限制而未能於到期日或之前行使任何認購權，則到期日將延長至認股權證發行日期的第五週年(「延期」)。

認股權證被分類為一項衍生工具且於初始確認及隨後計量日按公平值確認。認股權證公平值之變動於損益內確認。認股權證於二零一三年及二零一四年十二月三十一日的公平值分別為1,331,000港元及零。

截至二零一四年十二月三十一日止年度，公平值變動收益1,331,000港元(二零一三年：6,715,000港元)於損益內確認。本公司董事認為，本公司將能夠維持上市規則所規定本公司股份的最低公眾持股量，並不會觸發認股權證延期的情況，因此，認股權證的公平值並未計及延期。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

32. WARRANTS (continued)

The fair value of the Warrants was determined using the Binomial Option Pricing Model and the major inputs into the model are as follows:

32. 認股權證(續)

認股權證之公平值乃使用二項式期權定價模式釐定及該模式所輸入之主要數據如下：

		At Issue Date 於發行日期	At 31 December 2013 於二零一三年 十二月三十一日	At 31 December 2014 於二零一四年 十二月三十一日
Stock price	股價	HK\$4.33 4.33 港元	HK\$2.87 2.87 港元	HK\$2.80 2.80 港元
Exercise price	行使價	HK\$6.00 6.00 港元	HK\$6.00 6.00 港元	HK\$6.00 6.00 港元
Expected volatility (note a)	預計波幅(附註 a)	53.189%	53.189%	53.189%
Dividend yield	股息收益率	0.855%	0.739%	0.000%
Warrant life	認股權證年期	36.0 months 36.0 個月	14.0 months 14.0 個月	2 months 2 個月
Risk free rate (note b)	無風險利率(附註 b)	0.281%	0.208%	0.032%

notes:

- (a) The expected volatility was determined with reference to the implied volatility of the Company's shares as at the date of valuation.
- (b) The risk free rate was determined with reference to the Hong Kong Government Bond's and treasury bill's yield.

附註：

- (a) 預計波幅乃經參照本公司股份於發行日期之引伸波幅而釐定。
- (b) 無風險利率乃經參照香港政府債券及國庫券孳息率而釐定。

No exercise of the Warrants took place since the Issue Date. On 1 March 2015, the Warrants are expired.

自發行日期起並無行使任何認股權證。於二零一五年三月一日，認股權證屆滿。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

33. DEFERRED TAX

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is an analysis of the deferred tax balances for financial reporting purposes:

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	37,505	35,257
Deferred tax assets	遞延稅項資產	(8,189)	(5,997)
		29,316	29,260

33. 遞延稅項

為於綜合財務狀況表內呈列，若干遞延稅項資產及負債已被抵銷。以下為就財務呈報目的的遞延稅項結餘分析：

The deferred tax (assets) liabilities recognised by the Group and movements thereon during the current and prior years are as follows:

本集團確認的遞延稅項(資產)負債及其於本年度及以往年度的變動如下：

		Accelerated tax depreciation 加速 稅項折舊 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Inventories provision 存貨撥備 HK\$'000 千港元	Allowance for doubtful debts 呆賬撥備 HK\$'000 千港元	Unrealised profit on inventories 未變現 存貨溢利 HK\$'000 千港元	Change in fair value of derivative financial instruments 衍生金融工具 公平值變動 HK\$'000 千港元	Distributable profits of subsidiaries 附屬公司的 可分配溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2013	於二零一三年一月一日	3,034	(2,323)	(10,190)	(1,029)	(1,402)	2,248	29,406	19,744
(Credit) charge to profit or loss for the year	年內(計入)扣除損益	6,985	(7,576)	7,227	(335)	965	2,107	280	9,653
Exchange realignment	匯兌調整	4	-	(207)	(37)	-	103	-	(137)
At 31 December 2013	於二零一三年十二月三十一日	10,023	(9,899)	(3,170)	(1,401)	(437)	4,458	29,686	29,260
(Credit) charge to profit or loss for the year	年內(計入)扣除損益	794	(812)	715	(428)	(64)	(228)	90	67
Exchange realignment	匯兌調整	(12)	-	14	3	-	(16)	-	(11)
At 31 December 2014	於二零一四年十二月三十一日	10,805	(10,711)	(2,441)	(1,826)	(501)	4,214	29,776	29,316

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

33. DEFERRED TAX (continued)

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of the temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$513,510,000 (2013: HK\$508,096,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At 31 December 2014, the Group had unrecognised deferred tax asset on inventories provision of HK\$3,531,000 (2013: HK\$5,690,000) due to the unpredictability of future profit streams. All the unrecognised deferred tax assets may be carried forward indefinitely.

At 31 December 2014, the Group had unused tax losses of HK\$1,552,691,000 (2013: HK\$659,638,000) available to offset against future profits. A deferred tax asset has been recognised in respect of such losses to the extent of HK\$64,912,000 (2013: HK\$59,992,000). No deferred tax asset has been recognised in respect of the remaining unused tax losses of HK\$1,487,779,000 (2013: HK\$599,646,000) due to the unpredictability of future profit streams. All the tax losses may be carried forward indefinitely except for those amounting to HK\$1,300,285,000 (2013: HK\$490,986,000) arising from the PRC which may be carried forward for five years.

34. PLEDGE OF ASSETS

At the end of the reporting period, the Group had pledged the following assets to banks to secure general banking facilities granted to the Group:

Property, plant and equipment (Note 17)	物業、廠房及設備(附註17)
Prepaid lease payments (Note 18)	預付租金(附註18)
Investment properties (Note 19)	投資物業(附註19)
Bank deposits (Note 26)	銀行存款(附註26)

33. 遞延稅項(續)

根據中國企業所得稅法，自二零零八年一月一日起中國附屬公司就所賺溢利而宣派之股息須繳預扣稅。綜合財務報表內並未就中國附屬公司累積溢利應佔之暫時差額513,510,000港元(二零一三年：508,096,000港元)而作出遞延稅項撥備，因為本集團足以掌控暫時差額撥回之時間，而暫時差額很可能不會於可見將來撥回。

於二零一四年十二月三十一日，由於未來溢利流的不可預測性，本集團並無就存貨撥備3,531,000港元(二零一三年：5,690,000港元)確認遞延稅項資產。所有稅項虧損將無限承前結轉。

於二零一四年十二月三十一日，本集團擁有未動用稅項虧損1,552,691,000港元(二零一三年：659,638,000港元)以抵銷未來溢利。就相關虧損確認的遞延稅項資產達64,912,000港元(二零一三年：59,992,000港元)。由於未來溢利流的不可預測性，有關餘下未動用的稅項虧損1,487,779,000港元(二零一三年：599,646,000港元)並未確認為遞延稅項資產。所有稅項虧損將無限承前結轉，除在中國產生的可於五年內承前結轉稅項虧損1,300,285,000港元(二零一三年：490,986,000港元)外。

34. 資產抵押

於報告期末，本集團已向銀行抵押以下資產，以擔保授予本集團之一般銀行信貸：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
68,258	43,056
304,746	238,967
22,351	23,748
182,559	141,841
577,914	447,612



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

35. CAPITAL COMMITMENTS

35. 資本承擔

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of property, plant and equipment, and prepaid lease payments	就收購物業、廠房及設備及預付租賃付款已訂約但未於綜合財務報表中撥備的資本開支	257,155	82,211
Capital expenditure authorised but not contracted for in respect of acquisition of a subsidiary	就收購一間附屬公司已授權但未訂約的資本開支	81,126	—

36. RETIREMENT BENEFIT PLANS

The Group operates a MPF Scheme for all its qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect of the MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in future years.

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of their basic payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

36. 退休福利計劃

本集團根據強制性公積金計劃條例為香港所有合資格僱員設立強積金計劃。強積金計劃之資產透過一名獨立受託人控制之基金與本集團所持資產分開持有。根據強積金計劃的規例，僱主及其僱員分別須按規定訂明的比率向計劃供款。本集團對強積金計劃之唯一責任為根據該計劃作出所需供款。並無已沒收供款可用作扣減日後應付供款。

於中國受僱之僱員可參與中國政府所運作之國家管理退休福利計劃。中國附屬公司須按僱員基本薪酬的若干百分比向該退休福利計劃供款，為該等福利提供資金。本集團對退休福利計劃之唯一責任為根據計劃作出所需供款。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS

(i) Pre-IPO Share Option Scheme

Pursuant to a written resolution of all shareholders of the Company on 23 June 2010, a pre-IPO share option scheme (the "Pre-IPO Scheme") was adopted by the Company. Pursuant to the Pre-IPO Scheme, the Company could grant options to directors (including executive directors, non-executive directors and independent non-executive directors) and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters or service providers of any member of the Group ("Participants") to subscribe for shares in the Company. The purpose of the Pre-IPO Scheme was to recognise the contribution that Participants made or might have made to the growth of the Group. It aimed to give Participants an opportunity to acquire a personal stake in the Company and helped motivate Participants to optimise their performance and efficiency, and also to help attract or retain Participants whose contributions are important to the long-term growth and profitability of the Group.

37. 以股份為基礎付款之交易

(i) 首次公開發售前購股權計劃

根據本公司全體股東於二零一零年六月二十三日通過的書面決議案，本公司採納首次公開發售前購股權計劃(「首次公開發售前計劃」)。根據首次公開發售前計劃，本公司可向本集團董事(包括執行董事、非執行董事及獨立非執行董事)及僱員、本集團任何成員公司的任何諮詢人、顧問、分銷商、承包商、供應商、代理、客戶、業務夥伴、合營業務夥伴、發起人或服務供應商(「參與者」)授出購股權，以認購本公司股份。首次公開發售前計劃旨在嘉許參與者對本集團發展作出或可能已作出的貢獻，向參與者提供機會購買本公司私人股票，激勵彼等提升業績表現及效率，並吸納或留任對本集團長遠發展及盈利至關重要的參與者。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

The maximum number of shares in respect of which options could be granted is 12,140,000 shares, representing 1.214% of shares of the issued share capital of the Company immediately upon the listing of the Company's shares on the Stock Exchange (the "Listing"), but excluding any shares which could fall to be issued upon the exercise of the options granted or to be granted under the Pre-IPO Scheme, the other schemes and shares that could fall to be issued upon the exercise of the over-allotment option in connection with the Listing.

Share options granted under the Pre-IPO Scheme are exercisable at the initial offer price to the public (i.e. HK\$2.43 per share). Each of the holders of the share options under the Pre-IPO Scheme shall be entitled to exercise his/her options in the following manner:

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

於上市日期後可歸屬購股權的服務期間

Attaining 1 year
持有一年
Attaining 2 years
持有兩年
Attaining 3 years
持有三年

37. 以股份為基礎付款之交易(續)

(i) 首次公開發售前購股權計劃(續)

可授出的購股權所涉最高股份數目為12,140,000股股份，相當於緊隨本公司股份於聯交所上市(「上市」)後本公司已發行股本中股份的1.214%，惟不包括因行使根據首次公開發售前計劃及其他計劃授出或將予授出的購股權而可能將予發行的任何股份，以及因行使與上市有關的超額配股權而可能將予發行的股份。

根據首次公開發售前計劃授出的購股權按給予公眾人士的初步發售價(即每股股份2.43港元)行使。首次公開發售前計劃下各購股權持有人均有權以下列方式行使其購股權：

Maximum percentage of share options exercisable

可行使購股權的百分比上限

30% of the total number of options granted
授出購股權總數的30%
30% of the total number of options granted
授出購股權總數的30%
40% of the total number of options granted
授出購股權總數的40%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

The following table discloses details of the Company's options granted in 2010 under the Pre-IPO Share Option Scheme held by the directors of the Company and employees and the movements during both years:

Category of Eligible Participants	Date of grant	Exercise price per share	Exercisable period	Vesting date	Number of options		Number of options		Number of options	
					outstanding as at 1.1.2013	Exercised during the year	Lapsed/ forfeited during the year	outstanding as at 31.12.2013	Exercised during the year	Lapsed/ forfeited during the year
合資格參與者類別	授出日期 (note a) (附註a)	每股行使價	行使期	歸屬日期	於二零一三年一月一日尚未行使的購股權數目	年內行使 (note b) (附註b)	於二零一三年年內十二月三十一日失效/ 沒收	於二零一三年年內十二月三十一日尚未行使的購股權數目	年內行使 (note b) (附註b)	於二零一四年年內十二月三十一日失效/ 尚未行使的購股權數目 (note c) (附註c)
Directors	12.7.2010	HK\$2.43	13.7.2012-12.7.2013	13.7.2012	1,477,500	(127,500)	(1,350,000)	-	-	-
董事	二零一零年七月十二日	2.43港元	二零一二年七月十三日至二零一三年七月十二日	二零一二年七月十三日	1,970,000	-	-	1,970,000	(1,970,000)	-
			13.7.2013-12.7.2014	13.7.2013						
			二零一三年七月十三日至二零一四年七月十二日	二零一三年七月十三日						
					3,447,500	(127,500)	(1,350,000)	1,970,000	(1,970,000)	-
Employees and other participants	12.7.2010	HK\$2.43	13.7.2012-12.7.2013	13.7.2012	1,560,500	(1,138,500)	(422,000)	-	-	-
僱員及其他參與者	二零一零年七月十二日	2.43港元	二零一二年七月十三日至二零一三年七月十二日	二零一二年七月十三日	2,790,000	(182,000)	-	2,608,000	(2,008,000)	(600,000)
			13.7.2013-12.7.2014	13.7.2013						
			二零一三年七月十三日至二零一四年七月十二日	二零一三年七月十三日						
					4,350,500	(1,320,500)	(422,000)	2,608,000	(2,008,000)	(600,000)
					7,798,000	(1,448,000)	(1,772,000)	4,578,000	(3,978,000)	(600,000)
Number of options exercisable at the end of the year 年終可行使的購股權數目					3,038,000			4,578,000		-
Weighted average exercise price 加權平均行使價		HK\$2.43 2.43港元			HK\$2.43 2.43港元	HK\$2.43 2.43港元	HK\$2.43 2.43港元	HK\$2.43 2.43港元	HK\$2.43 2.43港元	HK\$2.43 2.43港元

37. 以股份為基礎付款之交易(續)

(i) 首次公開發售前購股權計劃(續)

下表披露兩個年度年內本公司董事及僱員持有的根據首次公開發售前購股權計劃於二零一零年授出的本公司購股權及變動詳情：

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

notes:

- (a) The date of grant was the date when Participants accepted the offer of options under the Pre-IPO Scheme.
- (b) In respect of the share options exercised during the year, the share prices at the dates of exercise ranged from HK\$2.84 to HK\$4.47 (2013: HK\$2.86 to HK\$3.68).
- (c) 600,000 share options granted to employees, lapsed due to maturity of unexercised options in 2014.
- (d) The fair value of the options was calculated using the Binomial model. The inputs into the model were as follows:

		Lot 1 第一批	Lot 2 第二批	Lot 3 第三批
Grant date share price	授出日期股價	HK\$2.39 2.39港元	HK\$2.39 2.39港元	HK\$2.39 2.39港元
Exercise price	行使價	HK\$2.43 2.43港元	HK\$2.43 2.43港元	HK\$2.43 2.43港元
Expected volatility	預計波幅	49.798%	54.803%	51.954%
Expected option period	預期購股權期限	1.492 years 1.492年	2.495 years 2.495年	3.495 years 3.495年
Risk-free rate	無風險利率	0.514%	0.776%	1.109%
Expected dividend yield	預期股息收益率	3.557%	3.557%	3.557%

Expected volatility was determined with reference to the historical volatility of certain comparable listed companies.

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

- (e) All of these options were fully vested in 2013, no share-based payment expense is recognised for the year ended 31 December 2014 in relation to share options granted by the Company under the Pre-IPO Scheme. For the year ended 31 December 2013, share-based payment expense amounting to HK\$646,000 was recognised in relation to share options granted by the Company under the Pre-IPO Scheme.

37. 以股份為基礎付款之交易(續)

(i) 首次公開發售前購股權計劃(續)

附註:

- (a) 授出日期為參與者接納根據首次公開發售前計劃授出之購股權的日期。
- (b) 年內就獲行使購股權而言，於行使日期之股價介乎2.84港元至4.47港元(二零一三年：2.86港元至3.68港元)。
- (c) 由於二零一四年尚未行使的購股權到期，授予僱員的600,000份購股權已失效。
- (d) 購股權公平值乃按二項式模式計算，該模式所輸入數據如下：

預計波幅乃經參考若干可比較上市公司的過往波幅釐定。

計算購股權公平值所用變量及假設乃按董事的最佳估計而定。購股權價值因若干主觀假設的不同變量而有所不同。

- (e) 所有該等購股權已於二零一三年全數歸屬，截至二零一四年十二月三十一日止年度，本公司並無就根據首次公開發售前計劃授出的股權確認以股份為基礎之付款開支。截至二零一三年十二月三十一日止年度，本公司就根據首次公開發售前計劃授出的購股權確認以股份為基礎之付款開支646,000港元。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(ii) Post-IPO Share Option Scheme

In addition, pursuant to a written resolution of all shareholders of the Company on 23 June 2010, a post-IPO share option scheme (the "Scheme") was adopted.

Pursuant to the Scheme, the Company may grant options to directors (including executive directors, non-executive directors and independent non-executive directors) and employees of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters or service providers of any member of the Group who the board considers, in its sole discretion, have contributed or will contribute to the Group ("Eligible Scheme Participants"). The Scheme is a share incentive scheme and is established to reward Eligible Scheme Participants who have contributed to the Group and to encourage Eligible Scheme Participants to work towards enhancing the value of the Company and the shares for the benefit of the Company and the shareholders as a whole. The Scheme is valid and effective for a period of ten years from 23 June 2010.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Scheme shall not in aggregate exceed 10% of shares of the Company as of the date of the approval by the shareholders in general meeting, without approval from the Company's shareholders. The shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the shares in issue from time to time. The maximum number of shares issued and which may fall to be issued upon exercise of the options granted under the Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Scheme Participant in any twelve-month period up to the date of grant shall not exceed 1% of the shares in issue as of the date of grant.

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃

此外，根據本公司全體股東於二零一零年六月二十三日通過的書面決議案，本公司採納首次公開發售後購股權計劃(「該計劃」)。

根據該計劃，本公司可向董事會全權酌情認為已為或將為本集團作出貢獻的本集團董事(包括執行董事、非執行董事及獨立非執行董事)及僱員、本集團任何成員公司的任何諮詢人、顧問、分銷商、承包商、供應商、代理、客戶、業務夥伴、合營業務夥伴、發起人或服務供應商(「合資格計劃參與者」)授出購股權。該計劃是一項股份獎勵計劃，為獎勵合資格計劃參與者對本集團作出的貢獻以及鼓勵合資格計劃參與者為本公司及股東的整體利益而提升本公司及股份的價值而設立。該計劃自二零一零年六月二十三日起計十年內有效。

因行使根據該計劃將予授出的所有購股權而可能發行的最高股份數目合共不得超過股東於股東大會批准日期的本公司股份的10%(無須本公司股東批准)。因行使根據該計劃及本公司任何其他購股權計劃所授出但尚未行使的所有購股權而可能發行的股份於任何時候不得超過不時已發行股份的30%。於任何十二個月期間直至授出日期，因行使根據該計劃及本公司任何其他購股權計劃向每名合資格計劃參與者授出的購股權(包括已行使及尚未行使的購股權)而發行及將予發行的最高股份數目不得超過於授出日期已發行股份的1%。



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates is required to be approved by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). Where granting of options to a substantial shareholder or any independent non-executive director or their respective associates which will result in the number of shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the twelve-month period up to and including the date of such grant exceed of 0.1% of the total number of shares in issue and have an aggregate value in excess of HK\$5 million, based on the official closing price of the shares at the date of each grant, such proposed grant of options will be subject to the issue of a circular by the Company and the approval of the shareholders in general meeting.

Options granted have to be taken up within a period of 28 days from the date of offer upon payment of HK\$1.

The exercise price is determined by the board of directors and but in any event shall not be less than the highest of:

- (a) the official closing price of the shares on the Stock Exchange as stated in the daily quotation sheets of the Stock Exchange on the offer date, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (b) the average of the official closing price of the shares on the Stock Exchange as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the offer date; and
- (c) the nominal value of the shares.

Options granted are exercisable for a period to be notified by the board of directors to each grantee and such period shall expire not later than 4 years from the date of grant of options.

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃(續)

向本公司董事、主要行政人員或主要股東(定義見上市規則)或彼等各自的任何聯繫人授出任何購股權，須經獨立非執行董事(不包括任何身為購股權承授人的獨立非執行董事)批准。當向主要股東或任何獨立非執行董事或彼等各自的任何聯繫人授出購股權，將導致於十二個月期間直至授出日期(包括該日)因行使向該等人士授出及將予授出的購股權(包括已行使、已註銷及尚未行使的購股權)而發行及將予發行的股份數目超過已發行股份總數的0.1%，且根據各授出日期股份的官方收市價計算，總值超過5,000,000港元，則須待本公司發出通函並經股東於股東大會上批准後，方可建議授出上述購股權。

所授購股權須於提呈日期起計28日內接納，接納時須支付1港元。

行使價由董事會釐定，惟無論如何不會低於下列各項之最高者：

- (a) 於提呈日期(該日須為聯交所辦理證券交易業務的日子)聯交所的每日報表所列股份在聯交所的官方收市價；
- (b) 緊接提呈日期前五個營業日聯交所的每日報表所列股份在聯交所的平均官方收市價；及
- (c) 股份的面值。

所授購股權可於董事會知會各承授人的期間行使，而該期間不得於授出購股權日期起計四年後屆滿。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

Details of the share options granted under the Scheme and their subsequent movements are as follows:

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃(續)

根據該計劃授出的購股權及其後變動詳情如下：

Category of Eligible Scheme Participants	Date of grant	Exercise price per share	Exercisable period	Vesting date	Number of options outstanding as at 1.1.2013 於二零一三年一月一日 尚未行使的 購股權數目	Granted during the year	Exercised during the year	Lapsed/ forfeited during the year	Number of options outstanding as at 31.12.2013 於二零一三年十二月三十一日 尚未行使的 購股權數目	Reclassified during the year	Exercised during the year	Lapsed/ forfeited during the year	Number of options outstanding as at 31.12.2014 於二零一四年十二月三十一日 尚未行使的 購股權數目
合資格計劃參與者類別	授出日期	每股行使價	行使期	歸屬日期	年內授出	年內行使	失效/沒收 (note a) (附註a)	年內 失效/沒收 (note a) (附註a)	年內重新分類 (note b) (附註b)	年內行使	年內 失效/沒收 (note c) (附註c)	年內 失效/沒收 (note c) (附註c)	年內 尚未行使的 購股權數目
Directors 董事	3.5.2011 二零一一年 五月三日	HK\$6.388 6.388港元	3.5.2012-3.5.2013 二零一二年五月三日至 二零一三年五月三日	3.5.2012 二零一二年 五月三日	397,500	-	-	(397,500)	-	-	-	-	-
			4.5.2013-3.5.2014 二零一三年五月四日至 二零一四年五月三日	4.5.2013 二零一三年 五月四日	397,500	-	-	-	397,500	-	-	(397,500)	-
			4.5.2014-3.5.2015 二零一四年五月四日至 二零一五年五月三日	4.5.2014 二零一四年 五月四日	530,000	-	-	-	530,000	(60,000)	-	-	470,000
Directors 董事	28.3.2012 二零一二年 三月二十八日	HK\$4.186 4.186港元	28.3.2013-27.3.2016 二零一三年三月二十八日至 二零一六年三月二十七日	28.3.2013 二零一三年 三月二十八日	262,500	-	-	(195,000)	67,500	(22,500)	-	-	45,000
			28.3.2014-27.3.2016 二零一四年三月二十八日至 二零一六年三月二十七日	28.3.2014 二零一四年 三月二十八日	262,500	-	-	(195,000)	67,500	(22,500)	-	-	45,000
			28.3.2015-27.3.2016 二零一五年三月二十八日至 二零一六年三月二十七日	28.3.2015 二零一五年 三月二十八日	350,000	-	-	(260,000)	90,000	(30,000)	-	-	60,000
Directors 董事	24.5.2012 二零一二年 五月二十四日 (note d) (附註d)	HK\$4.186 4.186港元	28.3.2013-27.3.2016 二零一三年三月二十八日至 二零一六年三月二十七日	28.3.2013 二零一三年 三月二十八日	5,550,000	-	-	(5,550,000)	-	-	-	-	-
			28.3.2014-27.3.2016 二零一四年三月二十八日至 二零一六年三月二十七日	28.3.2014 二零一四年 三月二十八日	5,550,000	-	-	(5,550,000)	-	-	-	-	-
			28.3.2015-27.3.2016 二零一五年三月二十八日至 二零一六年三月二十七日	28.3.2015 二零一五年 三月二十八日	7,400,000	-	-	(7,400,000)	-	-	-	-	-



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃(續)

Category of Eligible Scheme Participants	Date of grant	Exercise price per share	Exercisable period	Vesting date	Number of options outstanding as at 1.1.2013 於二零一三年一月一日 尚未行使的購股權數目	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed/forfeited during the year 年內失效/沒收 (note a) (附註a)	Number of options outstanding as at 31.12.2013 於二零一三年十二月三十一日 尚未行使的購股權數目	Reclassified during the year 年內重新分類 (note b) (附註b)	Exercised during the year 年內行使	Lapsed/forfeited during the year 年內失效/沒收 (note c) (附註c)	Number of options outstanding as at 31.12.2014 於二零一四年十二月三十一日 尚未行使的購股權數目
Directors 董事	22.3.2013 二零一三年三月二十二日	HK\$3.75 3.75港元	22.3.2014-21.3.2017 二零一四年三月二十二日至二零一七年三月三十一日	22.3.2014 二零一四年三月二十二日	-	195,000	-	-	195,000	-	-	(195,000)	-
			22.3.2015-21.3.2017 二零一五年三月二十二日至二零一七年三月三十一日	22.3.2015 二零一五年三月二十二日	-	195,000	-	-	195,000	-	-	(195,000)	-
			22.3.2016-21.3.2017 二零一六年三月二十二日至二零一七年三月三十一日	22.3.2016 二零一六年三月二十二日	-	260,000	-	-	260,000	-	-	(260,000)	-
Directors 董事	23.5.2013 二零一三年五月二十三日 (note e) (附註e)	HK\$3.75 3.75港元	22.3.2014-21.3.2017 二零一四年三月二十二日至二零一七年三月三十一日	22.3.2014 二零一四年三月二十二日	-	5,550,000	-	-	5,550,000	-	-	(5,550,000)	-
			22.3.2015-21.3.2017 二零一五年三月二十二日至二零一七年三月三十一日	22.3.2015 二零一五年三月二十二日	-	5,550,000	-	-	5,550,000	-	-	(5,550,000)	-
			22.3.2016-21.3.2017 二零一六年三月二十二日至二零一七年三月三十一日	22.3.2016 二零一六年三月二十二日	-	7,400,000	-	-	7,400,000	-	-	(7,400,000)	-
					20,700,000	19,150,000	-	(19,547,500)	20,302,500	(135,000)	-	(19,547,500)	620,000

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃(續)

Category of Eligible Scheme Participants	Date of grant	Exercise price per share	Exercisable period	Vesting date	Number of options outstanding as at 1.1.2013 於二零一三年一月一日 尚未行使的購股權數目	Granted during the year	Exercised during the year	Lapsed/ forfeited during the year	Number of options outstanding as at 31.12.2013 於二零一三年十二月三十一日 尚未行使的購股權數目	Reclassified during the year	Exercised during the year	Lapsed/ forfeited during the year	Number of options outstanding as at 31.12.2014 於二零一四年十二月三十一日 尚未行使的購股權數目
合資格計劃參與者類別	授出日期	每股行使價	行使期	歸屬日期		年內授出	年內行使	失效/沒收 (note a) (附註a)		年內重新分類 (note b) (附註b)	年內行使	失效/沒收 (note c) (附註c)	
Employees and other participants 僱員及其他參與者	22.9.2010 二零一零年九月二十二日	HK\$3.38 3.38港元	23.9.2012-22.9.2013 二零一二年九月二十三日至二零一三年九月二十二日	23.9.2012 二零一二年九月二十三日	1,086,000	-	(64,500)	(1,021,500)	-	-	-	-	-
			23.9.2013-22.9.2014 二零一三年九月二十三日至二零一四年九月二十二日	23.9.2013 二零一三年九月二十三日	1,448,000	-	-	(20,000)	1,428,000	-	(852,000)	(576,000)	-
Employees and other participants 僱員及其他參與者	3.5.2011 二零一一年五月三日	HK\$6.388 6.388港元	3.5.2012-3.5.2013 二零一二年五月三日至二零一三年五月三日	3.5.2012 二零一二年五月三日	3,477,000	-	-	(3,477,000)	-	-	-	-	-
			4.5.2013-3.5.2014 二零一三年五月四日至二零一四年五月三日	4.5.2013 二零一三年五月四日	3,477,000	-	-	(96,000)	3,381,000	-	-	(3,381,000)	-
			4.5.2014-3.5.2015 二零一四年五月四日至二零一五年五月三日	4.5.2014 二零一四年五月四日	4,636,000	-	-	(128,000)	4,508,000	60,000	-	(388,000)	4,180,000
Employees and other participants 僱員及其他參與者	28.3.2012 二零一二年三月二十八日	HK\$4.186 4.186港元	28.3.2013-27.3.2016 二零一三年三月二十八日至二零一六年三月二十七日	28.3.2013 二零一三年三月二十八日	3,343,500	-	-	(180,000)	3,163,500	22,500	-	(381,000)	2,805,000
			28.3.2014-27.3.2016 二零一四年三月二十八日至二零一六年三月二十七日	28.3.2014 二零一四年三月二十八日	3,343,500	-	-	(180,000)	3,163,500	22,500	-	(381,000)	2,805,000
			28.3.2015-27.3.2016 二零一五年三月二十八日至二零一六年三月二十七日	28.3.2015 二零一五年三月二十八日	4,458,000	-	-	(240,000)	4,218,000	30,000	-	(508,000)	3,740,000
					25,269,000	-	(64,500)	(5,342,500)	19,862,000	135,000	(852,000)	(5,615,000)	13,530,000
					45,969,000	19,150,000	(64,500)	(24,890,000)	40,164,500	-	(852,000)	(25,162,500)	14,150,000
Number of options exercisable at the end of the year 於年底行使的購股權數目					4,960,500				8,437,500				10,350,000
Weighted average exercise price 加權平均行使價					HK\$4.76 4.76港元	HK\$3.75 3.75港元	HK\$3.38 3.38港元	HK\$4.51 4.51港元	HK\$4.43 4.43港元	-	HK\$3.38 3.38港元	HK\$4.20 4.20港元	HK\$4.91 4.91港元



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

notes:

- (a) 19,150,000 share options granted to directors were cancelled by forfeiture in 2013 as the Profit Target 2012 (explained and defined below) was not met. In addition, 397,500 and 5,342,500 share options granted to directors and employees, respectively, were forfeited due to resignation of certain employees and maturity of unexercised options in 2013.
- (b) In 2014, an independent non-executive director resigned from the Company but was retained as a consultant to the Group to provide consultancy services similar to those rendered by employees.
- (c) 19,150,000 share options granted to directors were cancelled by forfeiture in 2014 as the Profit Target 2013 (explained and defined below) was not met. In addition, 397,500 and 5,615,000 share options granted to directors and employees, respectively, were forfeited due to resignation of certain employees and maturity of unexercised options in 2014.
- (d) This represents the date when the grant of share options under the Scheme to the relevant directors of the Company (namely Mr. Fang and Mr. Stephanus Maria van Ooijen) was approved by the independent shareholders of the Company. Under the Scheme, however, the date of grant is taken to be the date when the board of directors of the Company resolved to make the offer of grant of share options to the relevant directors of the Company, which was 28 March 2012.
- (e) This represents the date when the grant of share options under the Scheme to the relevant directors of the Company (namely Mr. Fang and Mr. Stephanus Maria van Ooijen) was approved by the independent shareholders of the Company. Under the Scheme, however, the date of grant is taken to be the date when the board of directors of the Company resolved to make the offer of grant of share options to the relevant directors of the Company, which was 22 March 2013.

Service period that share options can be vested after date of grant 於授出日期後可歸屬購股權的服務期間

- Attaining 1 year
持有一年
- Attaining 2 years
持有兩年
- Attaining 3 years
持有三年

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃(續)

附註：

- (a) 授予董事的19,150,000份購股權於二零一三年註銷及沒收，原因是二零一二年溢利目標(下文解釋及界定)未達成。此外，分別授予董事及僱員的397,500份及5,342,500份購股權因於二零一三年部分僱員辭職及尚未行使的購股權到期而沒收。
- (b) 於二零一四年，一名獨立非執行董事從本公司辭任但留任為本集團顧問，提供與其他僱員所提供的服務相類似的諮詢服務。
- (c) 授予董事的19,150,000份購股權於二零一四年註銷及沒收，原因是二零一三年溢利目標(下文解釋及界定)未達成。此外，分別授予董事及僱員的397,500份及5,615,000份購股權因於二零一四年部分僱員辭職及尚未行使的購股權到期而沒收。
- (d) 此代表根據該計劃向有關董事(即方先生及Stephanus Maria van Ooijen先生)授出購股權獲本公司獨立股東批准之日。然而，根據該計劃，授出日期被認為乃董事會決定作出建議向本公司有關董事授出購股權的日期，即二零一二年三月二十八日。
- (e) 此代表根據該計劃向有關董事(即方先生及Stephanus Maria van Ooijen先生)授出購股權獲本公司獨立股東批准之日。然而，根據該計劃，授出日期被認為乃董事會決定作出建議向本公司有關董事授出購股權的日期，即二零一三年三月二十二日。

Maximum percentage of share options exercisable 可行使購股權的百分比上限

- 30% of the total number of options granted
授出購股權總數的30%
- 30% of the total number of options granted
授出購股權總數的30%
- 40% of the total number of options granted
授出購股權總數的40%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

In addition to satisfying the above service period requirement, 650,000 and 18,500,000 share options granted to the executive directors on 22 March 2013 and 23 May 2013 respectively would only be vested if the Group's profit for the year ended 31 December 2013 was equal to or exceed 130% of the Group's profit for the financial year ended 31 December 2010 ("Profit Target 2013"). 650,000 and 18,500,000 share options granted to executive directors on 28 March 2012 and 24 May 2012, respectively, would only be vested if the Group's profit for the year ended 31 December 2012 was equal to or exceed 130% of the Group's profit for the year ended 31 December 2010 ("Profit Target 2012").

The fair value of the options was calculated using the Binomial model. The inputs into the model were as follows:

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃(續)

除滿足上述服務期間要求之外，倘本集團截至二零一三年十二月三十一日止年度之溢利等於或超過本集團截至二零一零年十二月三十一日止財政年度溢利的130%（「二零一三年溢利目標」），則於二零一三年三月二十二日及二零一三年五月二十三日分別授予董事之650,000份及18,500,000份購股權方會歸屬。倘本集團截至二零一二年十二月三十一日止年度之溢利等於或超過本集團截至二零一零年十二月三十一日止年度溢利的130%（「二零一二年溢利目標」），則於二零一二年三月二十八日及二零一二年五月二十四日分別授予若干執行董事的650,000份及18,500,000份購股權方會歸屬。

購股權公平值按二項式模式計算，該模式所輸入數據如下：

		Share options granted on 22.9.2010 於二零一零年九月二十二日授出的購股權		
		Lot 1 第1批	Lot 2 第2批	Lot 3 第3批
Grant date share price	授出日期股價	HK\$3.38 3.38 港元	HK\$3.38 3.38 港元	HK\$3.38 3.38 港元
Exercise price	行使價	HK\$3.38 3.38 港元	HK\$3.38 3.38 港元	HK\$3.38 3.38 港元
Expected volatility	預計波幅	47.816%	55.886%	53.523%
Expected option period	預期購股權期間	1.503 years 1.503 年	2.503 years 2.503 年	3.503 years 3.503 年
Risk-free rate	無風險利率	0.430%	0.625%	0.847%
Expected dividend yield	預期股息收益率	2.515%	2.515%	2.515%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃(續)

Share options granted on 3.5.2011

於二零一一年五月三日授出的購股權

		Lot 1 第1批	Lot 2 第2批	Lot 3 第3批
Grant date share price	授出日期股價	HK\$6.20 6.20 港元	HK\$6.20 6.20 港元	HK\$6.20 6.20 港元
Exercise price	行使價	HK\$6.388 6.388 港元	HK\$6.388 6.388 港元	HK\$6.388 6.388 港元
Expected volatility	預計波幅	42.747%	53.510%	51.323%
Expected option period	預期購股權期間	1.503 years 1.503 年	2.503 years 2.503 年	3.503 years 3.503 年
Risk-free rate	無風險利率	0.406%	0.778%	1.195%
Expected dividend yield	預期股息收益率	1.448%	1.448%	1.448%

Share options granted on 28.3.2012

於二零一二年三月二十八日授出的購股權

		Lot 1 第1批	Lot 2 第2批	Lot 3 第3批
Grant date share price	授出日期股價	HK\$4.10 4.10 港元	HK\$4.10 4.10 港元	HK\$4.10 4.10 港元
Exercise price	行使價	HK\$4.186 4.186 港元	HK\$4.186 4.186 港元	HK\$4.186 4.186 港元
Expected volatility	預計波幅	44.334%	46.651%	51.539%
Expected option period	預期購股權期間	2.500 years 2.500 年	3.000 years 3.000 年	3.500 years 3.500 年
Risk-free rate	無風險利率	0.276%	0.338%	0.373%
Expected dividend yield	預期股息收益率	0.902%	0.902%	0.902%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃(續)

		Share options granted on 24.5.2012		
		於二零一二年五月二十四日授出的購股權		
		Lot 1	Lot 2	Lot 3
		第 1 批	第 2 批	第 3 批
Grant date share price	授出日期股價	HK\$4.06	HK\$4.06	HK\$4.06
		4.06 港元	4.06 港元	4.06 港元
Exercise price	行使價	HK\$4.186	HK\$4.186	HK\$4.186
		4.186 港元	4.186 港元	4.186 港元
Expected volatility	預計波幅	40.696%	44.958%	47.450%
Expected option period	預期購股權期間	2.344 years	2.844 years	3.344 years
		2.344 年	2.844 年	3.344 年
Risk-free rate	無風險利率	0.263%	0.279%	0.307%
Expected dividend yield	預期股息收益率	0.911%	0.911%	0.911%

		Share options granted on 22.3.2013		
		於二零一三年三月二十二日授出的購股權		
		Lot 1	Lot 2	Lot 3
		第 1 批	第 2 批	第 3 批
Grant date share price	授出日期股價	HK\$3.728	HK\$3.728	HK\$3.728
		3.728 港元	3.728 港元	3.728 港元
Exercise price	行使價	HK\$3.75	HK\$3.75	HK\$3.75
		3.75 港元	3.75 港元	3.75 港元
Expected volatility	預計波幅	38.439%	43.385%	45.104%
Expected option period	預期購股權期間	2.500 years	3.000 years	3.501 years
		2.500 年	3.000 年	3.501 年
Risk-free rate	無風險利率	0.194%	0.213%	0.300%
Expected dividend yield	預期股息收益率	0.569%	0.569%	0.569%

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

37. SHARE-BASED PAYMENT TRANSACTIONS (continued)

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

37. 以股份為基礎付款之交易(續)

(ii) 首次公開發售後購股權計劃(續)

		Share options granted on 23.5.2013 於二零一三年五月二十三日授出的購股權		
		Lot 1 第1批	Lot 2 第2批	Lot 3 第3批
Grant date share price	授出日期股價	HK\$3.529 3.529 港元	HK\$3.529 3.529 港元	HK\$3.529 3.529 港元
Exercise price	行使價	HK\$3.75 3.75 港元	HK\$3.75 3.75 港元	HK\$3.75 3.75 港元
Expected volatility	預計波幅	38.370%	38.431%	43.517%
Expected option period	預期購股權期間	2.330 years 2.330 年	2.830 years 2.830 年	3.332 years 3.332 年
Risk-free rate	無風險利率	0.212%	0.250%	0.300%
Expected dividend yield	預期股息收益率	0.601%	0.601%	0.601%

Expected volatility was determined with reference to the historical volatility of certain comparable listed companies.

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The aggregate fair value of the share options granted on 22 March 2013 and 23 May 2013 is HK\$16,293,000 which is related to the share options granted to directors with a performance condition in terms of Profit Target 2013. The Group did not recognise share-based payment expenses during the year ended 31 December 2013 as none of the options was ultimately vested.

In respect of the share options granted without a performance condition, taking into account of (i) the applicable vesting period and (ii) the number of options expected to ultimately vest, the Group recognised share-based payment expense of HK\$3,567,000 for the year (2013: HK\$10,116,000).

預計波幅參照若干可資比較上市公司的歷史波幅釐定。

計算購股權公平值所用變量及假設按董事的最佳估計而定。購股權價值因若干主觀假設的不同變數而有所不同。

於二零一三年三月二十二日及於二零一三年五月二十三日授出的購股權的公平值總額為16,293,000港元，與授予董事且以二零一三年溢利目標形式附加表現條件的購股權有關。於截至二零一三年十二月三十一日止年度，本集團並無確認以股份為基礎的付款開支，因為概無購股權預期將最終歸屬。

因所授出之購股權並無表現條件，鑒於(i)適用歸屬期及(ii)預期最終歸屬的購股權數目，年內本集團確認以股份為基礎的付款開支3,567,000港元(二零一三年：10,116,000港元)。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

38. CONNECTED TRANSACTIONS AND RELATED PARTY DISCLOSURES

(i) Transactions

During the year, the Group had the following transactions with related parties, certain of which are also deemed to be connected persons pursuant to Chapter 14A of the Listing Rules:

Name of party 關連方名稱	notes 附註	Nature of transaction 交易性質	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
<i>Connected transactions and related party transactions</i> 關連交易及關連方交易				
Sims	(a) & (b)	Purchase of scrap metals 購買廢金屬	524,714	853,148
		Interest expense on convertible bonds 可換股債券利息開支	34,681	32,300
		Compensation received 已收補償	451	474
		Compensation paid 已付補償	3	315
De Leeuw Metalen B.V.	(b)	Purchase of scrap metals 購買廢金屬	–	8,950
Delco	(c)	Interest expense on convertible bonds 可換股債券利息開支	34,351	31,992
HWH	(c)	Interest expense on convertible bonds 可換股債券利息開支	7,428	7,423
<i>Related party transaction</i> 關連方交易				
Poly Metals	(d)	Purchase of scrap metals 購買廢金屬	25,222	–

38. 關連交易及關連方披露

(i) 交易

於年內，本集團與關連方有以下交易，其中若干關連方根據上市規則第14A章亦被視為關連人士：

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

38. CONNECTED TRANSACTIONS AND RELATED PARTY DISCLOSURES (continued)

(i) Transactions (continued)

notes:

- (a) These represent transactions between the Group and a substantial shareholder with significant influence over the Company.
- (b) De Leeuw Metalen B.V. is controlled by a close family member of Mr. Herman Maurits de Leeuw, a shareholder with significant influence over the Company.
- (c) As set out in Notes 31 and 32, in March 2012, the Company issued the Convertible Bonds and the Warrants to Sims, Delco and HWH, all of which are shareholders with significant influences over the Company.
- (d) In April 2014, the Group invested in an associate with significant influence over Poly Metals. This represents transactions between the Group and Poly Metals since April 2014.

(ii) Balances

The Group had the following balances with connected persons and related parties at the end of the reporting period:

38. 關連交易及關連方披露(續)

(i) 交易(續)

附註：

- (a) 指本集團與對本公司有重大影響之主要股東之間的交易。
- (b) De Leeuw Metalen B.V. 由對本公司具有重大影響力之股東 Herman Maurits de Leeuw 先生之一名近親家族成員控制。
- (c) 如附註 31 及 32 所載，於二零一二年三月，本公司一向對本公司具有重大影響力之所有股東 Sims、Delco 及 HWH 發行可換股債券及認股權證。
- (d) 於二零一四年四月，本集團投資於對寶勵有重大影響之聯營公司。該交易指自二零一四年四月起本集團與寶勵之間的交易。

(ii) 結餘

本集團於報告期末與關連人士及關連方有以下結餘：

Name of parties 關連方名稱	Nature of balance 結餘性質	At 31 December 2014 於二零一四年 十二月三十一日 HK\$'000 千港元	At 31 December 2013 於二零一三年 十二月三十一日 HK\$'000 千港元
		<i>Balances with connected and related parties</i> 與關連人士及關連方結餘	
Sims	Deposit paid for purchase of raw materials 購置原材料的已付按金	4,294	36,442
	Trade payables 貿易應付款項	71,077	78,721
	Warrants 認股權證	75,831	75,831
	Convertible Bonds 可換股債券	315,600	315,600
Delco	Convertible Bonds 可換股債券	312,600	312,600
HWH	Convertible Bonds 可換股債券	67,600	67,600

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

38. CONNECTED TRANSACTIONS AND RELATED PARTY DISCLOSURES (continued)

(ii) Balances (continued)

All the above amounts are unsecured and interest-free. The average credit period for the trade purchases is 60 days and the amounts were aged less than 60 days.

(iii) Compensation of key management personnel

The directors of the Company and the five highest paid employees are identified as key management members of the Group, details of their compensation during the year are set out in Note 13.

39. OPERATING LEASES The Group as lessee

Minimum lease payments paid under operating leases during the year:

Premises 物業

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

Within one year 第一年內
In the second to fifth years inclusive 第二至第五年(包括首尾兩年)

Operating lease payments represent rentals payable by the Group for certain of its offices and production premises. Leases are negotiated for terms ranging from one to five years with fixed rentals.

38. 關連交易及關連方披露(續)

(ii) 結餘(續)

上述所有款項均為無抵押及免息。貿易採購的平均信貸期為60日，而該款項的賬齡少於60日。

(iii) 主要管理人員薪酬

本公司董事及五名最高薪酬僱員確認為本集團主要管理人員，彼等於年內的薪酬詳情載於附註13。

39. 經營租賃

本集團作為承租人

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Minimum lease payments paid under operating leases during the year:		
Premises 物業	16,328	16,106

於報告期末，本集團根據不可撤銷經營租賃將於下列時間到期的未來最低租金承擔如下：

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Within one year 第一年內	12,649	12,201
In the second to fifth years inclusive 第二至第五年(包括首尾兩年)	6,147	3,068
	18,796	15,269

經營租金指本集團就若干辦公室及生產廠房應付租金。租約經協商定為年期介乎一至五年及租金固定。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

39. OPERATING LEASES (continued)

The Group as lessor

Rental income of leasing investment properties during the year ended 31 December 2014 was HK\$1,530,000 (2013: HK\$2,115,000).

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

Within one year

一年內

39. 經營租賃(續)

本集團作為出租人

截至二零一四年十二月三十一日止年度，投資物業租賃的租金收入為1,530,000港元(二零一三年：2,115,000港元)。

於報告期末，本集團與租戶約定以下未來最低租金如下：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
403	725

40. PENDING LEGAL LITIGATION

The Group is a defendant in legal claims filed by the lessor of certain properties in Shanghai, the PRC for unpaid rent, management fees, early termination fee and reinstatement costs totalling approximately RMB40.6 million (equivalent to approximately HK\$51.5 million). The Group filed a counterclaim against the lessor of overall expected direct economic loss of approximately RMB108 million (equivalent to approximately HK\$136.9 million) as a result of alleged misrepresentation by the lessor.

The People's Court in Baoshan District, Shanghai, the PRC ("Baoshan District Court") delivered an initial judgment in December 2013 but both the Group and the lessor had applied for an appeal against this judgment. On 12 January 2015, the Baoshan District Court delivered the revised judgment in relation to these legal claims. The Group has applied for an appeal against the judgment given on 12 January 2015.

The court case is still in progress, the directors of the Company, after obtaining legal advice and considering the provision already made by the Group, are of the opinion that the eventual resolution of the above litigations will not have any material adverse impact to the Group's future results and financial position.

40. 待決訴訟

本集團因中國上海若干物業的出租人就未付租金、管理費、提早終止費及重置成本總計約人民幣40,600,000元(約等於51,500,000港元)提出法律訴訟而成為被告。本集團就因出租人之指稱失實陳述而導致的整體預期直接經濟損失約人民幣108,000,000元(約等於136,900,000港元)對出租人提出反申索。

於二零一三年十二月，中國上海寶山區人民法院(「寶山區法院」)作出初步判決，但本集團與出租人均對此判決提出上訴。於二零一五年一月十二日，寶山區法院就該等法律訴訟作出修訂判決。本集團已對二零一五年一月十二日作出的判決提出上訴。

該訴訟案件仍在進行中，本公司董事經獲得法律意見及考慮本集團所作撥備後，認為上述起訴的最終解決將不會對本集團的未來業績及財務狀況造成任何重大不利影響。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

41. DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

As at 31 December 2014, the balance mainly represents the deposits paid by the Group in connection with the acquisition of plant and machinery for new production site in Taizhou, the PRC.

41. 就收購物業、廠房及設備已付按金

於二零一四年十二月三十一日，結餘主要指本集團就收購廠房及設備用於中國台州新生產場地而已支付的按金。

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

The summarised financial position of the Company at the end of the reporting period is as follows:

42. 本公司財務狀況表

於報告期末本公司財務狀況概述如下：

		note 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Investment in a subsidiary, unlisted	於附屬公司之投資，非上市		-	-
Available-for-sale investment	可供出售投資		-	14,053
Amounts due from subsidiaries	應收附屬公司款項		1,652,441	2,012,782
Other receivables	其他應收款項		487	563
Bank balance	銀行結餘		133	450
Total assets	資產總值		1,653,061	2,027,848
Other current liabilities	其他流動負債		6,106	11,131
Convertible bonds	可換股債券		816,421	759,406
Embedded derivative components of convertible bonds	可換股債券嵌入式衍生工具部分		-	13,353
Warrants	認股權證		-	1,331
Total liabilities	負債總額		822,527	785,221
Net assets	資產淨值		830,534	1,242,627
Share capital (Note 29)	股本(附註29)		10,494	10,446
Reserves	儲備	(i)	820,040	1,232,181
Total equity	權益總額		830,534	1,242,627

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

42. 本公司財務狀況表(續)

(i) Movement in reserves

(i) 儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元 (note a) (附註a)	Investment revaluation reserve 投資重估儲備 HK\$'000 千港元	Accumulated profits 累計溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2013	於二零一三年一月一日	888,986	220	29,987	216,208	-	62,994	1,198,395
Profit for the year	年內溢利	-	-	-	-	-	44,182	44,182
Fair value loss on available-for-sale investment	可供出售投資公平值虧損	-	-	-	-	(1,417)	-	(1,417)
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	(1,417)	44,182	42,765
Cash dividend paid (Note 15)	已派現金股息(附註15)	-	-	-	-	-	(22,143)	(22,143)
Share options exercised (Note 29 (note ii))	獲行使購股權(附註29(附註ii))	4,827	-	(1,105)	-	-	-	3,722
Lapse of share options	購股權失效	-	-	(7,809)	-	-	7,809	-
Recognition of equity-settled share-based payments (Note 37)	確認以股權結算及股份為基礎之付款(附註37)	-	-	10,762	-	-	-	10,762
Shares repurchased and cancelled (Note 29 (note iii))	股份購回及註銷(附註29(附註iii))	(1,320)	4	-	-	-	(4)	(1,320)
At 31 December 2013	於二零一三年十二月三十一日	892,493	224	31,835	216,208	(1,417)	92,838	1,232,181

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

(i) Movement in reserves (continued)

		Share premium	Capital redemption reserve	Share option reserve	Capital reserve	Investment revaluation reserve	Accumulated profits	Total
		股份溢價	資本贖回儲備	購股權儲備	資本儲備	投資重估儲備	累計溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Loss for the year	年內虧損	-	-	-	-	-	(429,623)	(429,623)
Fair value gain on available-for-sale investment	可供出售投資公平值收益	-	-	-	-	918	-	918
Reclassified to profit or loss on disposal of available-for-sale investment	出售可供出售投資時重新分類至損益	-	-	-	-	499	-	499
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	1,417	(429,623)	(428,206)
Share options exercised (Note 29 (note i))	獲行使購股權 (附註29(附註i))	16,568	-	(4,070)	-	-	-	12,498
Lapse of share options	購股權失效	-	-	(10,949)	-	-	10,949	-
Recognition of equity-settled share-based payments (Note 37)	確認以股權結算及股份為基礎之付款 (附註37)	-	-	3,567	-	-	-	3,567
At 31 December 2014	於二零一四年十二月三十一日	909,061	224	20,383	216,208	-	(325,836)	820,040

note:

- (a) Capital reserve of the Company represents the net effect of (i) the capitalisation of shareholders' loans of HK\$223,708,000 and (ii) the Company issued and allotted an aggregate of 749,999,900 shares of HK\$0.01 each in the Company out of the capital reserve to its shareholders, credited as fully paid at par, in 2010.

(i) 儲備變動(續)

附註:

- (a) 本公司資本儲備指於二零一零年(i)資本化股東貸款223,708,000港元及(ii)本公司以資本儲備向其股東發行及配發總計749,999,900股入賬列為繳足的每股面值0.01港元的股份之淨影響。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

43. 本公司附屬公司詳情

43a. General information of subsidiaries

43a. 附屬公司的一般資料

Name of subsidiary 附屬公司名稱	notes 附註	Place/ country of operation 經營地點/國家	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest and voting power held by the Group 本集團所持應佔股本權益及投票權		Principal activities 主要業務
					2014 二零一四年	2013 二零一三年	
Chiho-Tiande International Limited ("CT International") 齊合天地國際有限公司 (「齊合國際」)	(i)	Hong Kong 香港	British Virgin Islands 英屬處女群島	US\$2 2美元	100%	100%	Investment holding 投資控股
Chiho-Tiande Investments Limited 齊合天地投資有限公司		Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
Delco Europe B.V.		The Netherlands 荷蘭	The Netherlands 荷蘭	EUR18,151 18,151歐元	100%	100%	Purchasing agent of the Group 本集團的採購代理
Chiho-Tiande (HK) Limited 齊合天地(香港)有限公司		Hong Kong 香港	Hong Kong 香港	HK\$100,000 100,000港元	100%	100%	Purchasing agent of the Group and wholesales of metal scrap without processing 本集團的採購代理及 未加工廢金屬批發
Hefast Holding Corporation Limited		Hong Kong 香港	Hong Kong 香港	HK\$100,000 100,000港元	100%	100%	Investment holding 投資控股
Chiho-Tiande (Hong Kong) Copper Industry Company Limited 齊合天地(香港)銅業有限公司		Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

43. 本公司附屬公司詳情(續)

43a. General information of subsidiaries (continued)

43a. 附屬公司的一般資料(續)

Name of subsidiary 附屬公司名稱	notes 附註	Place/ country of operation 經營地點/國家	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest and voting power held by the Group 本集團所持應佔股本權益及投票權		Principal activities 主要業務
					2014	2013	
					二零一四年	二零一三年	
Chiho-Tiande (HK) Metals Recycling Co., Limited ("CTHK Metals") 齊合天地(香港)再生金屬 有限公司(「齊合香港金屬」)		Hong Kong 香港	Hong Kong 香港	HK\$35,000,000 35,000,000港元	70%	70%	Trading of metal scrap 買賣廢金屬
Chiho-Tiande (HK) Logistics Co. Limited ("CTHK Logistics") 齊合天地(香港)物流有限公司 (「齊合香港物流」)	(ii)	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	36.4%	36.4%	Provide logistics services 提供物流服務
Chiho-Tiande Investments (BVI) Limited		Hong Kong 香港	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 投資控股
Chiho-Tiande Metals Investment Limited 齊合天地金屬投資有限公司		Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Inactive 無業務
Chiho-Tiande Resources Limited		Hong Kong 香港	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Inactive 無業務
Chiho-Tiande (Ningbo) Metals Recycling Co., Limited 齊合天地(寧波)再生 金屬有限公司	(iii)	The PRC 中國	The PRC 中國	US\$20,000,000 (2013: US\$12,000,000) 20,000,000美元 (二零一三年: 12,000,000美元)	100%	100%	Processing and sales of metal scrap 加工及銷售廢金屬



Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

43. 本公司附屬公司詳情(續)

43a. General information of subsidiaries (continued)

43a. 附屬公司的一般資料(續)

Name of subsidiary 附屬公司名稱	notes 附註	Place/ country of operation 經營地點/國家	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest and voting power held by the Group 本集團所持應佔股本權益及投票權		Principal activities 主要業務
					2014	2013	
					二零一四年	二零一三年	
Taizhou Chiho-Tiande Foundry Company Limited 台州齊合天地鑄造有限公司	(iii)	The PRC 中國	The PRC 中國	US\$7,500,000 7,500,000美元	100%	100%	Processing and sales of metal scrap, production and sales of metal products 加工及銷售廢金屬、 生產及銷售金屬產品
Taizhou Chiho-Tiande Metals Company Limited 台州齊合天地金屬有限公司	(iii)	The PRC 中國	The PRC 中國	US\$52,682,000 52,682,000美元	100%	100%	Processing and sales of metal scrap, production and sales of metal products 加工及銷售廢金屬、 生產及銷售金屬產品
Shanghai Chiho-Tiande Resource Recycling Co., Limited ("CT Shanghai") 上海齊合天地再生資源 有限公司(「齊合天地上海」)		The PRC 中國	The PRC 中國	RMB52,000,000 人民幣52,000,000元	51%	51%	Processing and sales of metal scrap 加工及銷售廢金屬
Chiho-Tiande (YanTai) Resources Recycling Co. Limited 齊合天地(煙台)再生資源 有限公司	(iii)	The PRC 中國	The PRC 中國	US\$40,000,000 40,000,000美元	100%	100%	Processing and sales of metal scrap 加工及銷售廢金屬

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

43a. General information of subsidiaries (continued)

43. 本公司附屬公司詳情(續)

43a. 附屬公司的一般資料(續)

Name of subsidiary 附屬公司名稱	notes 附註	Place/ country of operation 經營地點/國家	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Attributable equity interest and voting power held by the Group 本集團所持應佔股本權益及投票權		Principal activities 主要業務
					2014 二零一四年	2013 二零一三年	
Chiho-Tiande (Yantai) Environmental Technology Co., Limited 齊合天地(煙台)環保科技 有限公司	(iii)	The PRC 中國	The PRC 中國	US\$7,000,000 7,000,000美元	100%	-	Processing and sales of metal scrap 加工及銷售廢金屬

None of the subsidiaries had issued any debt securities at 31 December 2014 and 2013.

notes:

- (i) The Company holds CT International directly and all other subsidiaries indirectly.
- (ii) Although the Group has 36.4% attributable interest in CTHK Logistics, the Group held 52% equity interest in CTHK Logistics through a 70% owned subsidiary, CTHK Metals. The directors concluded that the Group has the power to direct the relevant activities of CTHK Logistics.
- (iii) These entities are wholly-foreign owned enterprises established in the PRC.

於二零一四年及二零一三年十二月三十一日概無附屬公司發行任何債務權證。

附註：

- (i) 本公司直接持有齊合國際及間接持有所有其他附屬公司。
- (ii) 儘管本集團於齊合香港物流擁有36.4%應佔權益，本集團透過擁有70%股權的附屬公司齊合香港金屬而持有齊合香港物流52%股權。董事得出結論，本集團有權力管理齊合香港物流相關業務。
- (iii) 該等實體為在中國成立的外商獨資企業。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

43b. Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點 主要營業地點	Proportion of ownership interests and voting right held by non-controlling interests 非控股權益所持有的所有權權益及投票權比例		(Loss) profit allocated to non-controlling interests 分配至非控股權益的(虧損)溢利		Accumulated non-controlling interests 累計非控股權益	
		2014 二零一四年	2013 二零一三年	2014 二零一四年	2013 二零一三年	2014 二零一四年	2013 二零一三年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
CTHK Metals 齊合香港金屬	Hong Kong 香港	30%	30%	(4,634)	560	5,752	10,386
Individually immaterial subsidiaries with non-controlling interests (note) 擁有非控股權益的個別非重大附屬公司(附註)						(86,446)	(78,057)
						(80,694)	(67,671)

note: Since these subsidiaries did not have significant assets and liabilities, the major balance of accumulated non-controlling interests arose from the share of losses in CT Shanghai.

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests as set out below. The summarised financial information below represents amounts before intragroup eliminations.

43. 本公司附屬公司詳情(續)

43b. 擁有重大非控股權益的非全資附屬公司詳情

下表列示擁有重大非控股權益的本集團非全資附屬公司詳情：

附註：由於該等附屬公司並無重大資產及負債，累計非控股權益的重大結餘產生自齊合天地上海應佔虧損。

下文載列有關擁有重大非控股權益的本集團各附屬公司的財務資料概要。下文的財務資料概要指集團內對銷前金額。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

43b. Details of non-wholly owned subsidiaries that have material non-controlling interests (continued)

CTHK Metals

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Current assets	流動資產	180,198	278,285
Non-current assets	非流動資產	7,170	6,029
Current liabilities	流動負債	(168,196)	(249,695)
Equity attributable to owners of the Company	本公司擁有人應佔權益	13,420	24,233
Non-controlling interests	非控股權益	5,752	10,386
Revenue	收益	557,047	981,799
Expenses	開支	(572,494)	(979,932)
(Loss) profit for the year	年內(虧損)溢利	(15,447)	1,867
(Loss) profit attributable to owners of the Company	本公司擁有人應佔(虧損)溢利	(10,813)	1,307
(Loss) profit attributable to non-controlling interests	非控股權益應佔(虧損)溢利	(4,634)	560
Total comprehensive (expense) income attributable to owners of the Company	本公司擁有人應佔全面(開支)收益總額	(10,813)	1,307
Total comprehensive (expense) income attributable to non-controlling interests	非控股權益應佔全面(開支)收益總額	(4,634)	560
Total comprehensive (expense) income for the year	年內全面(開支)收益總額	(15,447)	1,867
Net cash inflow (outflow) from operating activities	經營活動現金流入(流出)淨額	85,977	(134,312)
Net cash outflow from investing activities	投資活動現金流出淨額	(3,069)	(2,249)
Net cash (outflow) inflow from financing activities	融資活動現金(流出)流入淨額	(91,713)	145,454
Net cash (outflow) inflow	現金(流出)流入淨額	(8,805)	8,893

43. 本公司附屬公司詳情(續)

43b. 擁有重大非控股權益的非全資附屬公司詳情(續)

齊合香港金屬

	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Current assets	180,198	278,285
Non-current assets	7,170	6,029
Current liabilities	(168,196)	(249,695)
Equity attributable to owners of the Company	13,420	24,233
Non-controlling interests	5,752	10,386
Revenue	557,047	981,799
Expenses	(572,494)	(979,932)
(Loss) profit for the year	(15,447)	1,867
(Loss) profit attributable to owners of the Company	(10,813)	1,307
(Loss) profit attributable to non-controlling interests	(4,634)	560
Total comprehensive (expense) income attributable to owners of the Company	(10,813)	1,307
Total comprehensive (expense) income attributable to non-controlling interests	(4,634)	560
Total comprehensive (expense) income for the year	(15,447)	1,867
Net cash inflow (outflow) from operating activities	85,977	(134,312)
Net cash outflow from investing activities	(3,069)	(2,249)
Net cash (outflow) inflow from financing activities	(91,713)	145,454
Net cash (outflow) inflow	(8,805)	8,893

5-Year Financial Summary

五年財務摘要

		Year ended 31 December 截至十二月三十一日止年度				
		2010	2011	2012	2013	2014
		二零一零年	二零一一年	二零一二年	二零一三年	二零一四年
		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
RESULTS	業績					
Revenue	收益	5,931,589	9,815,522	8,202,702	7,222,003	5,877,970
Profit (loss) before tax	除稅前溢利(虧損)	482,034	204,459	72,034	(381,776)	(1,067,611)
Income tax expense	所得稅開支	(129,478)	(88,208)	(32,683)	(25,742)	(3,629)
Profit (loss) for the year attributable to:	應佔年內溢利(虧損):					
Owners of the Company	本公司擁有人	352,798	152,087	88,591	(382,920)	(1,057,980)
Non-controlling interest	非控股權益	(242)	(35,836)	(49,240)	(24,598)	(13,260)
		352,556	116,251	39,351	(407,518)	(1,071,240)

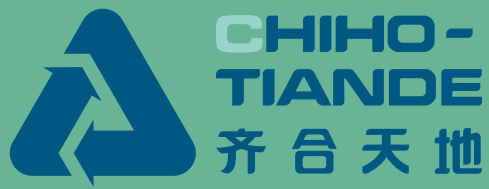
		At 31 December 於十二月三十一日				
		2010	2011	2012	2013	2014
		二零一零年	二零一一年	二零一二年	二零一三年	二零一四年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	3,581,367	5,314,522	5,201,979	4,917,292	3,641,025
Total liabilities	負債總值	(1,934,686)	(3,250,502)	(3,128,437)	(3,210,603)	(2,997,669)
Net assets	淨資產	1,646,681	2,064,020	2,073,542	1,706,689	643,356

In this report, amounts denominated in US\$ for 2014 have been converted into HK\$ at the rate of approximately US\$1 = HK\$7.75 (2013: US\$1 = HK\$7.8) for illustration purpose only.

於本報告內，二零一四年之美元金額已按約1美元兌7.75港元(二零一三年：1美元兌7.8港元)之匯率換算為港元，僅作說明之用。

This report is published in both English and Chinese languages. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.

本報告以中英文兩種語言印製，在兩種文體的說明上存在歧義時，以英文為準。



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